

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO ~~INC~~LTD., 1496765 ONTARIO ~~INC~~LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3,
s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and

MOTION RECORD

Returnable: July 29, 2019

July 23, 2019

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TO: THE SERVICE LIST

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
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BETWEEN:

BANK OF MONTREAL

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2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
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s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and Rules 14.05(2), (3) (d), (g) and (h)
of the *Rules of Civil Procedure*

NOTICE OF MOTION

THE RECEIVER AND MANAGER, RSM Canada Limited (the “Receiver”), will make a motion before a Judge of the Ontario Superior Court of Justice on July 29, 2019 at 10:00 a.m., or as soon after that time as the motion can be heard at 330 University Ave., Toronto, Ontario.

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

THE MOTION IS FOR:

1. An Order:
 - (a) approving the Supplemental Report to the First Report;
 - (b) approving the Third Report and the Receiver's conduct and activities to July 23, 2019;
 - (c) approving the fees and disbursements of the Receiver incurred to May 31, 2019;
 - (d) approving the fees and disbursements of Torkin Manes LLP incurred in respect of the closings of the sales of the Etobicoke Property, the Burlington Property, the Port Colborne Property and the Port Elgin Property;
 - (e) approving the fees and disbursements of Paliare Roland Rosenberg Rothstein LLP incurred to April 30, 2019; and
 - (f) authorizing the Receiver to release the funds held back from the proceeds of sale of the Burlington Property in the amount of \$254,948.40 (the "**Funds Held Back**") and to distribute the Funds Held Back to Bank of Montreal ("**BMO**"); and
2. Such further relief as this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE:

A. Background

3. On August 29, 2018, the Receiver was appointed receiver and manager of all of the assets, undertakings and properties of each of the Respondent companies (the “**Companies**”);

4. BMO is the primary secured creditor of each of the Companies. As of July 27, 2018, the Debtors were indebted to BMO in the amount of \$9,992,297.94. The security held by BMO consists of mortgages over the Companies’ real property, as well as security agreements over the other assets of the Companies;

5. Each of the Debtor companies, with the exception of Sunshine Propane Inc., owns or owned a piece of real estate which is or was its primary realizable asset. Specifically, 1651033 Ontario Ltd. (“**1651033**”) held legal and beneficial title to a 1.2 acre real property municipally known as 5223 Dundas Street, Burlington, Ontario (the “**Burlington Property**”);

B. Sale of Burlington Property

6. On March 4, 2019, Justice Chiappetta granted an Approval and Vesting Order in respect of the Burlington Property, among other Properties. On the same day, Justice Chiappetta granted a Distribution Order (the “**March 4 Distribution Order**”) authorizing the Receiver, among other things, to make an interim distribution to BMO on account of its outstanding indebtedness and authorizing various ancillary relief;

C. *SDM Construction Inc.'s Lien Claim and Holdback*

7. Shortly after the Receiver's appointment, on August 31, 2019, SDM Construction Inc. ("**SDM**") registered a lien on title to the Burlington Property in the amount of \$2,549,484 (the "**Lien**") in connection with construction work allegedly performed by SDM prior to the appointment of the Receiver;

8. SDM did not oppose the approval of the Burlington sale or the issuance of the Approval and Vesting Order relating to the Burlington Property, but requested that proceeds of sale be held back from distribution to BMO, 1651033's senior secured creditor, pending the determination of SDM's claim of priority over BMO;

9. As a result of the position taken by SDM, the March 4 Distribution Order provided that the Receiver hold back from distribution an amount "equal to the maximum amount of a potential construction lien claim on the Burlington Property by SDM Construction Inc.";

10. At a subsequent attendance before the Court on April 12, 2019, the Receiver sought, and was granted, an amendment to the March 4 Distribution Order to specify \$254,948.40 as the exact amount of funds to be held back;

D. *BMO's Claim to Priority*

11. BMO provided the Receiver information with respect to the indebtedness of 1651033 (Burlington) to BMO and particulars as to the timing of advance(s) made, including that:

- (a) 1651033 (Burlington) executed a Fixed Rate Term Loan Agreement (the "**Loan**") dated March 24, 2014 for a loan in the principal amount of \$3,180,000;
- (b) all funds advanced to 1651033 (Burlington) pursuant to the Loan, being the total amount of \$3,180,000 (the "**Advance**"), were advanced by BMO to 1651033 (Burlington) on April 3, 2014;
- (c) no subsequent advances were made to 1651033 (Burlington) by BMO at any time after the initial Advance;
- (d) in addition to other security held by BMO, the Loan is secured by a first-ranking demand mortgage in favour of BMO in the amount of \$3,180,000 (the "**Mortgage**");
- (e) a second mortgage was registered on title to the Burlington Property in favour of BMO on July 15, 2014 as instrument number HR1196588 (the "**Second Mortgage**"). No funds were advanced by BMO to 1651033 (Burlington) in relation to the Second Mortgage, which was granted to BMO as security for 1651033 Burlington's guarantee of the corporate indebtedness of 1496765 (Etobicoke);
- (f) as of July 2, 2018, coinciding with the approximate date of demand for repayment issued by BMO, 1651033 (Burlington) was indebted to BMO in the total amount of \$2,524,405.73, plus interest accruing thereon. Apart from the proceeds realized from the sale of the Burlington Property, there

have been no realizations from assets of 1651033 (Burlington) which would decrease the level of indebtedness to BMO and, accordingly, proceeds realized from the sale of the Burlington Property are insufficient to repay in full the amount owing by 1651033 (Burlington) to BMO and secured by the Mortgage;

12. BMO has informed the Receiver:

- (a) of BMO's position that BMO's Loan to 1651033 (Burlington) was fully advanced and secured by the Mortgage more than three years prior to the commencement of work on the Burlington Property by SDM;
- (b) that BMO's position with respect to the relative priorities as between BMO's Mortgage and the Lien was set out by BMO's counsel in correspondence delivered to SDM by BMO on June 20, 2019. Therein, BMO identified a number of other issues of concern with respect to the validity and enforceability of the Lien Claim and sought guidance from SDM as to whether SDM did in fact intend to assert a priority over BMO's Mortgage;

13. On July 22, 2019, counsel to SDM advised counsel to the Receiver that SDM does not oppose BMO's priority to the Funds Held Back or the distribution of the Funds Held Back to BMO;

E. Statutory and other grounds

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

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

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

- (a) the Third Report of the Receiver dated July 23, 2019 and the appendices attached thereto; and
- (b) such further and other evidence as the lawyers may advise and this Honourable Court may permit.

July 23, 2019

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TO: THE SERVICE LIST

BANK OF MONTREAL

-and-

Court File No. CV-18-00602537-00CL
2495087 ONTARIO INC. et al.

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

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Lawyers for the Receiver

TAB A

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)
JUSTICE) MONDAY, THE 29TH DAY OF
) JULY, 2019
)

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO ~~INC~~LTD., 1496765 ONTARIO ~~INC~~LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-
B-3, s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

ORDER

THIS MOTION, made by **RSM Canada Limited** in its capacity as the Court-
appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and
properties of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc.,
1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. (the "**Debtors**")
for, among other things, an order approving the Receiver's fees and those of its counsel
and authorizing the Receiver to, among other things, release the holdback of
\$254,948.40 held from the proceeds of sale of the real property municipally known as

5223 Dundas Street, Burlington, Ontario (the "**Burlington Property**"), and to distribute these holdback funds to the Bank of Montreal ("**BMO**"), as described further in the Third Report of the Receiver dated July 23, 2019 (the "**Third Report**"), was heard this day at Toronto, Ontario.

ON READING the Third Report and the Appendices attached thereto, and on hearing the submissions of respective counsel for the Receiver and the Applicant, and no one else appearing, although properly served as appears from the affidavit of Sarita Sanasie, sworn July 23, 2019, filed:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Third Report and the conduct and activities of the Receiver to July 23, 2019 set out therein be and are hereby approved.
3. **THIS COURT ORDERS AND DECLARES** that the Supplemental Report to the First Report dated April 24, 2019 and the conduct and activities of the Receiver set out therein be and are hereby approved.
4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver for the period ended May 31, 2019 as set out in the Third Report be and are hereby approved.
5. **THIS COURT ORDERS** that the Receiver's statement of receipts and disbursements as of July 12, 2019 as set out in the Third Report, be and are hereby approved.
6. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's counsel, Paliare Roland Rosenberg Rothstein LLP, for the period ended April 30, 2019, as set out in the Third Report, be and are hereby approved.
7. **THIS COURT ORDERS** that the fees and disbursements of Torkin Manes LLP incurred in respect of the closings of the sales of the Etobicoke Property, the Burlington

Property, the Port Colborne Property and the Port Elgin Property, as set out in the Third Report, be and are hereby approved.

8. **THIS COURT ORDERS** that the Receiver is authorized to release the holdback of \$254,948.40 held from the proceeds of sale of the Burlington Property and to distribute these funds to BMO.

BANK OF MONTREAL

Applicant

-and-

Court File No. CV-18-00602537-00CL
2495087 ONTARIO INC. et al.

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
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PROCEEDING COMMENCED AT
TORONTO

ORDER

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TAB 2

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SUNSHINE PROPANE INC.**

Respondents

THIRD REPORT OF THE RECEIVER

July 23, 2019

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I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated August 29, 2018 (the "**Appointment Order**"), RSM Canada Limited was appointed receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 1496765 Ontario Ltd. ("**1496765 (Etobicoke)**"), 1651033 Ontario Ltd. ("**1651033 (Burlington)**"), 1527020 Ontario Inc. ("**1527020 (Port Colborne)**"), 2495087 Ontario Inc. ("**2495087 (Port Elgin)**"), 2496800 Ontario Inc. ("**2496800 (Goderich)**"), and Sunshine Propane Inc. ("**Sunshine**") (collectively the "**Debtors**" or the "**Companies**") acquired for, or used in relation to the businesses carried on by the Debtors, including all proceeds thereof (the "**Property**"). A copy of the Appointment Order is attached to this report as Appendix "**A**".
2. On February 13, 2019, the Receiver brought a motion, returnable on February 21, 2019, for the purpose of, *inter alia*:
 - (a) seeking approval of the sale of the Etobicoke Property (defined below), the Burlington Property (defined below) and the Port Colborne Property (defined below); and
 - (b) seeking the Court's authorization of certain payments including an interim distribution.

A copy of the Receiver's first report to the Court dated February 13, 2019 (the "**First Report**") in support of the Receiver's motion is attached hereto, without appendices, as Appendix "**B**".

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3. On February 21, 2019, the Debtors attended at the motion hearing to oppose the Receiver's sale of the Etobicoke Property, the Burlington Property and the Port Colborne Property and to seek an adjournment of the motion in order to allow them to prepare a response. A copy of the Endorsement of Justice McEwen adjourning the motion to March 4, 2019 (the "**February 21 Endorsement**") is attached hereto as Appendix "C".
 4. On March 4, 2019, the Receiver's motion was heard and Justice Chiappetta:
 - (a) granted Approval and Vesting Orders in respect of each of the Etobicoke Property, the Burlington Property and the Port Colborne Property; and
 - (b) granted a Distribution Order (the "**March 4 Distribution Order**") authorizing the Receiver to make certain payments as contemplated in the First Report, to make an interim distribution to Bank of Montreal ("**BMO**") on account of its outstanding indebtedness and authorizing various ancillary relief. A copy of the March 4 Distribution Order is attached hereto as Appendix "D".
 5. A copy of Justice Chiappetta's Endorsement made on March 4, 2019 (the "**March 4 Endorsement**") is attached to this report as Appendix "E".
 6. On March 21, 2019, Justice Hainey issued an order amending the Approval and Vesting Order of March 4, 2019 in respect of the Burlington Property (the "**March 21 Order**") to add Instrument No. HR1589610 to Schedule C listing the claims to be deleted and expunged from title to that property. A copy of the March 21 Order is attached hereto as Appendix "F".
 7. On April 1, 2019, the Receiver brought a motion, returnable on April 12, 2019, for the purpose of, *inter alia*, seeking:

-
- (a) approval of the sale of the Port Elgin Property (defined below), including the approval to terminate a lease in respect of the Port Elgin Property between 2495087 Ontario Inc. and Naveed Amin, operating as "Shawarma King", dated July 27, 2018 (the "**Shawarma King Lease**");
 - (b) the Court's authorization to destroy certain documents; and
 - (c) the Court's authorization of certain payments including an interim distribution.

A copy of the Receiver's second report to the Court dated March 29, 2019 (the "**Second Report**") in support of the Receiver's motion is attached hereto, without appendices, as Appendix "G".

8. On April 12, 2019, the Receiver's motion was heard and Justice Chiappetta:
 - (a) granted an Approval and Vesting Order ("**Port Elgin Approval and Vesting Order**") in respect of the Port Elgin Property, a copy of which is attached hereto as Appendix "H"; and
 - (b) granted an Order (the "**Second Report Order**") authorizing (i) the Receiver to make certain payments as contemplated in the Second Report, (ii) the Receiver to destroy certain records, (iii) the Receiver to terminate the Shawarma King Lease; (iv) the Receiver to make an interim distribution to BMO on account of its outstanding indebtedness and (v) various ancillary relief. A copy of the Second Report Order is attached hereto as Appendix "I".
9. On April 12, 2019, Justice Chiappetta issued an Amended Distribution Order ("the "**Amended March 4 Distribution Order**") to clarify in Paragraph 8 of the

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- March 4 Distribution Order the amount the Receiver was authorized to pay to BMO from the sale of the Burlington Property. A copy of the Amended March 4 Distribution Order is attached hereto as Appendix "J".
10. On April 24, 2019, the Receiver brought a motion, returnable on April 25, 2019, for the purpose of, seeking certain amendments to the March 4, 2019 Order in order to accommodate the Port Colborne Purchaser's request that, for the purpose of completing the sale of the Port Colborne Property, title to the Port Colborne Property be conveyed to 2684697 Ontario Inc. (the "**Substituted Port Colborne Purchaser**"), and not the Port Colborne Purchaser, on closing. A copy of the Receiver's Supplemental Report to the First Report of the Receiver to the Court dated April 24, 2019 (the "**Supplemental Report to the First Report**") in support of the Receiver's motion is attached hereto, without appendices, as Appendix "K".
 11. On April 25, 2019, Justice Hainey issued an Order amending the Approval and Vesting Order dated March 4, 2019 in respect of the sale of the Port Colborne Property (the "**Port Colborne Amended Approval and Vesting Order**") to provide for the conveyance of the Port Colborne Property to the Substituted Port Colborne Purchaser. A copy of the Port Colborne Amended Approval and Vesting Order and the Endorsement of Justice Hainey made April 25, 2019, are attached hereto as Appendix "L".
 12. The Orders made by the Court and the reports of the Receiver referred to in this report, together with related Court documents, have been posted on the

Receiver's website which can be found at rsmcanada.com/2495087-ontario-et-al.

Purpose of Third Report

13. The purpose of this third report of the Receiver (the "**Third Report**") is to:
- (i) report to the Court on the activities of the Receiver since the date of the Second Report to July 23, 2019;
 - (ii) report to the Court on the closing of the sale of the Port Colborne Property;
 - (iii) report to the Court on closing of the sale of the Port Elgin Property;
 - (iv) report to the Court on the status of the marketing of the Goderich Property;
 - (v) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period August 29, 2018 to July 12, 2019; and
 - (vi) seek Orders:
 - a. authorizing the Receiver to release the holdback of \$254,948.40 from the proceeds of sale of the Burlington Property and to distribute these funds to BMO;
 - b. approving the Supplemental Report to the First Report;
 - c. approving the Third Report and the Receiver's conduct and activities to July 23, 2019;
 - d. approving the fees and disbursements of the Receiver incurred to May 31, 2019;
 - e. approving the fees and disbursements of Torkin Manes LLP incurred in respect of the closings of the sales of the Etobicoke Property, the

Burlington Property, the Port Colborne Property and the Port Elgin Property; and

- f. approving the fees and disbursements of Paliare Roland LLP incurred to April 30, 2019.

Terms of Reference

14. In preparing the Third Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the “**Information**”). Certain of the information contained in the Third Report may refer to, or is based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.
15. Defined terms in the Third Report have, unless indicated otherwise herein, the same meanings as set out in the First Report, the Supplemental Report to the First Report and the Second Report.
16. Unless otherwise stated, all dollar amounts contained in the Third Report are expressed in Canadian dollars.
17. As set out in the First Report, the Receiver is not in possession of any recent financial information of the Debtors. Accordingly, the Receiver is administering

the receiverships of the Debtors on the assumption that the only assets of the Debtors are the Etobicoke Property, the Burlington Property, the Port Colborne Property, the Port Elgin Property and the Goderich Property (collectively, the "Properties"), cash on hand and miscellaneous chattels.

II. BACKGROUND

The Parties

Bank of Montreal

18. This section provides a condensed summary of the parties primarily involved in this proceeding. Additional information in respect of the parties, as well as to the background information relating to the Receiver's appointment, can be found in Paragraphs 9 to 32 of the First Report.
19. BMO is the Applicant in these proceedings and is the primary secured creditor of each of the Companies. As of July 27, 2018, the Debtors were indebted to BMO in the aggregate amount of \$9,992,297.94.
20. The security held by BMO consists of mortgages over the Properties, as well as security agreements over the other assets of the Companies. Certain Debtors have guaranteed certain other Debtors' indebtedness to BMO.

1496765 (Etobicoke)

21. 1496765 (Etobicoke) is an Ontario Corporation that as of the date of the Receiver's appointment, held legal and beneficial title to a 0.4 acre real property municipally known as 5462 Dundas Street West, Etobicoke, Ontario (the "Etobicoke Property"). As at the date of the Appointment Order, 1496765

(Etobicoke) operated an automatic car wash and auto detailing business at the Etobicoke Property.

22. In addition to the car wash, located at the Etobicoke Property was a propane refill centre.
23. The Etobicoke Property, with the exception of the propane refill centre, has been sold by the Receiver.

1651033 (Burlington)

24. 1651033 (Burlington) is an Ontario Corporation that as of the date of the Receiver's appointment, held legal and beneficial title to a 1.2 acre real property municipally known as 5223 Dundas Street, Burlington, Ontario (the "**Burlington Property**"), on which is located a car wash. As at the date of the Appointment Order, the renovations to the Burlington Property had not been completed and the car wash was not in operation.
25. The Burlington Property has been sold by the Receiver.

1527020 (Port Colborne)

26. 1527020 (Port Colborne) is an Ontario Corporation that as of the date of the Receiver's appointment, held legal and beneficial title to a 1.9 acre real property municipally known as 633 Main Street West, Port Colborne, Ontario (the "**Port Colborne Property**") from which, as at the date of the Appointment Order, 1527020 (Port Colborne) operated a self-service and automatic car wash.
27. The Port Colborne Property has been sold by the Receiver.

2495087 (Port Elgin)

28. 2495087 (Port Elgin) is an Ontario Corporation that as of the date of the Receiver's appointment, held title to the real property municipally known as 591 and 595 Goderich Street, Port Elgin, Ontario (the "**Port Elgin Property**"). The Port Elgin Property is situated on approximately 0.6 acres of land. As at the date of the Appointment Order, located on the Port Elgin Property were:
- (a) a self-serve gas bar operating under the Ultramar brand;
 - (b) a two-storey commercial building (approximately 4,000 sq. ft.) consisting of
 - (i) an ExpressMart convenience store, (ii) a retail store on the ground floor and (iii) a residential apartment on the second floor; and
 - (c) a separate one-storey building (approximately 3,000 sq. ft.) occupied by a Tim Horton's restaurant.
29. 2495087 (Port Elgin) operated the gas station and convenience store and leased the other premises to tenants.
30. The Port Elgin Property has been sold by the Receiver.

2496800 (Goderich)

31. 2496800 (Goderich) is an Ontario Corporation that holds legal and beneficial title to a 0.5 acre real property municipally known as 274 Bayfield Road, Goderich, Ontario (the "**Goderich Property**"). As at the date of the Appointment Order, located on the Goderich Property were:
- (a) a self-serve gas bar operating under the Ultramar brand;
 - (b) a one-storey commercial building containing an ExpressMart convenience store (approximately 860 sq. ft.); and
 - (c) an automatic car wash (approximately 1,200 sq. ft.).

-
32. 2496800 (Goderich) operated the gas station, the convenience store and the car wash.
 33. The Goderich Property has not been sold and the Receiver continues to market the Goderich Property.

Sunshine

34. Sunshine is an Ontario Corporation incorporated on January 28, 2010.
35. The head office and mailing address for Sunshine is registered as 5462 Dundas St. West, which is the same address as that of 1496765 (Etobicoke), being the Etobicoke Property. Upon its appointment, the Receiver thought that Sunshine's operations consisted of the propane refill business. However, based on the Receiver's enquiry, the Ontario Fuels Safety License for the propane business is issued to Sam Propane Inc., and not to Sunshine.
36. The Respondents are independent from each other, but appear connected or otherwise related and/or owned by members of the same extended family.

III. COMPLETION OF THE SALE OF THE PORT COLBORNE PROPERTY

37. In the First Report, the Receiver provided the Court with details of the proposed sale transaction with 2573702 Ontario Inc. for the Port Colborne Property.
38. In the Supplemental Report to the First Report, the Receiver set out for the Court the Port Colborne's Purchaser's request that the conveyance of the Port Colborne Property be made to the Substituted Port Colborne Purchaser.
39. Following the issuance of the Port Colborne Amended Approval and Vesting Order, the Receiver proceeded to close the sale transaction.

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40. A copy of the Receiver's Certificate filed with the Court on May 2, 2019 is attached to this report as Appendix "M".

IV. COMPLETION OF THE SALE OF THE PORT ELGIN PROPERTY

41. In the Second Report, the Receiver provided the Court with details of the proposed sale transaction with Amaethan Xavier in trust for a company to be incorporated and subsequently assigned to 2678361 Ontario Inc. ("**2678361**") for the Port Elgin Property. Following the issuance of the Port Elgin Approval and Vesting Order, the Receiver proceeded to close the sale transaction.
42. A copy of the Receiver's Certificate filed with the Court on April 30, 2019 is attached to this report as Appendix "N".
43. Following the closing of the transaction, 2678361 informed the Receiver that certain overflow valves for the gas station had been removed between the time that the Port Elgin Purchaser viewed the Port Elgin Property and the closing date of the sale. The Receiver contacted Parkland Fuel Corporation ("**Parkland**") which attended at the site to return the overflow valves. When Parkland arrived at the Port Elgin Property, which was two days after 2678361 informed the Receiver of the issue, Parkland saw that the overflow valves were being replaced by a firm hired by 2678361. 2678361 subsequently submitted a request that the Receiver reimburse 2678361 the amount of \$4,628.48 representing 2678361's cost to replace the overflow valves. The Receiver has advised 2678361 that since Parkland attended to return the overflow valves at the same time as the purchaser's service provider, the Receiver did not see why a reimbursement to

the purchaser was required. No further communication has been received by the Receiver in respect of this matter.

V. STATUS OF THE SALE OF THE GODERICH PROPERTY

44. The Goderich Property was listed for sale at a listing price of \$2.9 million. As set out in the First Report, as part of the Receiver's marketing process, interested parties were advised that offers for the Properties would be reviewed on or after January 18, 2019. At that time Avison recommended to the Receiver that Avison continue its marketing activities for the Goderich Property.
45. The Receiver has engaged in ongoing discussions with Avison with respect to the marketing of the Goderich Property. Based on those discussions, the listing price of the Goderich Property was reduced to \$2.4 million and \$1.9 million on or about April 25, 2019 and June 19, 2019, respectively.
46. The Receiver will provide the Court with details of offers received for the Goderich Property when the Receiver seeks the Court's approval to complete a sale of the Goderich Property.

VI. BOOKS AND RECORDS AND COMPUTERS

47. In the Second Report, the Receiver set out that no parties contacted the Receiver to make arrangements to remove any remaining items or personal property at the Properties. As a result, prior to the sale of the Etobicoke Property, the Receiver attended at the Etobicoke Property and removed books and records found at the Etobicoke Property including books and records pertaining to the

Debtors, records pertaining to individuals (the "**Personal Documents**") or books and records pertaining to other entities (the "**Non-debtor Documents**").

48. A summary of the documents was attached at Appendix "M" to the Second Report. The Receiver set out its intention to provide a copy of that list to Canada Revenue Agency ("**CRA**") and to inquire of CRA whether it wished to review any of the records, as certain of the records may assist CRA to assess the liabilities, if any, that the individual Debtor companies may have to CRA.
49. By letter dated April 15, 2019 (the "**April 15 Letter**"), the Receiver provided CRA with the list of documents and indicated that if CRA wished to review any of the documents, CRA should contact the Receiver by April 30, 2019. A copy of the April 15 Letter is attached to this report as Appendix "**O**". The Receiver did not receive from CRA a response to its letter.
50. The Second Report Order authorized the Receiver to destroy any Non-debtor Documents and Personal Documents as the Receiver may consider appropriate. The Personal Documents and the Non-debtor Documents have now been destroyed by the Receiver.
51. As discussed in the Second Report, the Receiver removed from the Etobicoke Property and the Port Colborne Property any computers that did not appear to be integrated with the car wash operations. As authorized in the Second Report Order, the Receiver has arranged for the hard drives to be destroyed.

VII. CONSTRUCTION LIEN CLAIM OF SDM CONSTRUCTION INC.

52. Shortly after the Receiver's appointment, SDM Construction Inc. ("**SDM**") registered a lien on title to the Burlington Property in the amount of \$2,549,484 (the "**Lien**") in connection with construction work allegedly performed by SDM prior to the appointment of the Receiver. The Receiver understands that SDM was engaged by 1651033 (Burlington) to demolish the existing car wash facilities located on the Burlington Property and construct a new fully-automated car wash facility in its place.
53. SDM appears to have subsequently issued a Statement of Claim in connection with the Lien (the "**Lien Action**") and, on November 30, 2018, SDM registered on title to the Burlington Property a corresponding Certificate of Action. It does not appear that leave of the Court was sought prior to the issuance of the Lien Action and the Receiver has not been provided with a copy of the pleading.
54. The construction work to be performed by SDM was not finished prior to the Receiver's appointment and the Receiver did not engage SDM (or any other party) to complete the work that had been started. The Burlington Property remained, substantially, in the same unfinished state from the date of the Receiver's appointment to the time of sale.
55. At the return of the Receiver's motion for approval of the sale of the Burlington Property, counsel for SDM was in attendance. SDM did not oppose the approval of the Burlington APS or the issuance of the Approval and Vesting Order relating the Burlington Property, but requested that certain revisions be made to the terms

of a proposed distribution order being sought by the Receiver together with approval of the sale.

56. In particular, SDM requested that proceeds of sale be held back from distribution to BMO, 1651033 (Burlington)'s senior secured creditor, pending the determination of SDM's claim of priority over BMO's interest in the Burlington Property. As a result of the position taken by SDM, the March 4 Distribution Order included the requirement that the Receiver hold back from distribution "a hold back equal to the maximum amount of a potential construction lien claim on the Burlington Property by SDM Construction Inc."
57. At a subsequent attendance before the Court on April 12, 2019, the Receiver sought, and was granted, an amendment to the March 4 Distribution Order to specify the exact amount of the holdback. Specifically, the above holdback reference was replaced with "the Receiver shall hold back from distribution, the amount of \$254,948.40 pending the determination of SDM Construction Inc.'s claim for priority". The Receiver notes that the \$254,948.40 (the "**Funds Held Back**") represents 10% of the value of the Lien claim.

1651033 (Burlington's) Indebtedness and Mortgage in favour of BMO

58. The Receiver has received from BMO information with respect to the indebtedness of 1651033 (Burlington) to BMO and particulars as to the timing of advance(s) made, including that:
- (a) 1651033 (Burlington) executed a Fixed Rate Term Loan Agreement (the "**Loan**") dated March 24, 2014 for a loan in the principal amount of

\$3,180,000. Attached as Appendix "P" is a copy of the Loan agreement. 1651033 (Burlington) did not have any other loan facilities with BMO;

- (b) consistent with the below copied screenshot of BMO's electronic transaction history, all funds advanced to 1651033 (Burlington) pursuant to the Loan, being the total amount of \$3,180,000 (the "**Advance**"), were advanced by BMO to 1651033 (Burlington) on April 3, 2014:

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TRANSIT 3858 RPT.125    DETAIL TRANSACTION REPORT    PAGE 5,965 15/APR/2014

6997-541    START *NAME:FRILB16510    -000 TSA    B/FWD:    0.00
            IN CAD* LFA: 3APR2014 OPENED: 3APR2014    C/FWD: 3,180,000.00-
* 3,180,000.00- TF 3858 OP 869 00004 3APR14 ET15:08
-3858-1044-784

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- (c) no subsequent advances were made to 1651033 (Burlington) by BMO at any time after the initial Advance;
- (d) in addition to other security held by BMO, the Loan is secured by a first-ranking demand mortgage in favour of BMO in the amount of \$3,180,000 (the "**Mortgage**"). The Mortgage was registered on title to the Burlington Property on April 2, 2014, the day prior to the Advance, as instrument no. HR1172775. Attached as Appendix "Q" is a copy of the Mortgage;
- (e) a second mortgage was registered on title to the Burlington Property in favour of BMO on July 15, 2014 as instrument number HR1196588 (the "**Second Mortgage**"). No funds were advanced by BMO to 1651033 (Burlington) in relation to the Second Mortgage, which was granted to BMO as security for 1651033 (Burlington)'s guarantee of the corporate indebtedness of 1496765 (Etobicoke);

(f) as of July 2, 2018, coinciding with the approximate date of demand for repayment issued by BMO, 1651033 (Burlington) was indebted to BMO in the total amount of \$2,524,405.73, plus interest accruing thereon. Apart from the proceeds realized from the sale of the Burlington Property, there have been no realizations from assets of 1651033 (Burlington) which would decrease the level of indebtedness to BMO and, accordingly, proceeds realized from the sale of the Burlington Property are insufficient to repay in full the amount owing by 1651033 (Burlington) to BMO and secured by the Mortgage.

The SDM Lien

59. The SDM lien was registered on title to the Burlington Property on August 31, 2018 as Instrument HR1568135. Attached as Appendix "R" collectively are copies of Instrument HR1568135 (Lien) and HR1589610 (Certificate of Action, together with copy of Certificate).
60. Instrument HR1568135 indicates as follows:

Name and Address of Owner Sanjay Dubey: 111 Regina Road, Unit 2, Woodbridge, Ontario L4L 8N5 Name and address of person to whom lien claimant supplied services or materials Carwash Company 1651033 Ontario Inc. Time within which services or materials were supplied from 2017/08/01 to 2018/08/29 Short description of services or materials that have been supplied Contract to build Carwash and Oil change facility including Site service, site grading, Property Maintenance new build addition, roofing, masonry, asphalt, curbs, new door, garage doors, construction fencing and other services related to contract. Contract price or subcontract price 2,549,484.00 Amount claimed as owing in respect of services or materials that have been supplied 2,549,484.00

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien.

61. BMO has informed the Receiver:

(a) of BMO's position that BMO's Loan to 1651033 (Burlington) was fully advanced and secured by the Mortgage more than three years prior to the commencement of work on the Burlington Property by SDM;

(b) that BMO's position with respect to the relative priorities as between BMO's Mortgage and the SDM Lien was set out by BMO's counsel in correspondence delivered to SDM by BMO on June 20, 2019. Therein, BMO identified a number of other issues of concern with respect to the validity and enforceability of the Lien Claim and sought guidance from SDM as to whether SDM did in fact intend to assert a priority over BMO's Mortgage. Attached as Appendix "S" is a copy of BMO's June 20, 2019 correspondence to SDM.

62. On July 22, 2019, counsel to SDM advised counsel to the Receiver that SDM does not oppose BMO's priority to the Funds Held Back or the distribution of the Funds Held Back to BMO. Attached as Appendix "T" is a copy of SDM's counsel's July 22, 2019 correspondence to the Receiver and its counsel.

VIII. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

63. Attached to this report as Appendix "U" is the Receiver's Interim Statement of Receipts and Disbursements for the period August 29, 2018 to July 12, 2019 (the "R&D"). The R&D sets out the Receiver's receipts and disbursements for each of the Debtors, as well as on a combined basis.

64. On a summary combined basis, total receipts were \$10,304,245 and total disbursements were \$2,249,593, resulting in a net cash balance of \$8,054,652 prior to distributions to BMO, as follows:

Company Name	Cash Receipts	Cash Disbursements	Excess of Receipts over Disbursements	Payments to Secured Creditor	Net Funds on Hand
1496765 (Etobicoke)	\$ 3,804,830	\$ 698,207	\$ 3,106,623	\$ (2,202,185)	\$ 904,438
1651033 (Burlington)	\$ 2,589,712	\$ 471,422	\$ 2,118,290	\$ (1,800,000)	\$ 318,290
1527020 (Port Colborne)	\$ 979,959	\$ 364,891	\$ 615,068	\$ (540,000)	\$ 75,068
2495087 (Port Elgin)	\$ 2,625,067	\$ 513,264	\$ 2,111,803	\$ (2,050,000)	\$ 61,803
2496800 (Goderich)	\$ 298,383	\$ 195,674	\$ 102,709	\$ -	\$ 102,709
Sunshine	\$ 6,293	\$ 6,135	\$ 158	\$ -	\$ 158
Total	\$ 10,304,245	\$ 2,249,593	\$ 8,054,652	\$ (6,592,185)	\$ 1,462,467

IX. INTERIM DISTRIBUTIONS

65. In accordance with the March 4 Distribution Order and the Second Report Order, since the date of the Second Report, the Receiver has made the following payments:
- i) to BMO, from the proceeds from the sale of the Etobicoke Property, \$2,202,184.89 representing repayment of 1496765 (Etobicoke)'s indebtedness to BMO;
 - ii) to BMO, from the proceeds from the sale of the Burlington Property, \$1,800,000 representing partial repayment of 1651033 (Burlington)'s indebtedness to BMO;
 - iii) to BMO, from the proceeds from the sale Port Elgin Property, the advances totaling \$99,000 under Receiver Certificates # 4 and 12 plus accrued interest;

-
- iv) to BMO, from the proceeds from the sale of the Port Elgin Property, \$2,050,000 representing partial repayment of 2495087 (Port Elgin)'s indebtedness to BMO;
 - v) to BMO, from the proceeds from the sale of the Port Colborne Property, the advances totaling \$99,000 under Receiver Certificates # 3, 7 and 10 plus accrued interest; and
 - vi) to BMO, from the proceeds from the sale of the Port Colborne Property, \$540,000 representing partial repayment of 1527020 (Port Colborne)'s indebtedness to BMO.
66. The Receiver requested from CRA a formal request for payment of its deemed trust claims prior to making any payments to CRA.
67. In response to its request, the Receiver received letters claiming the following amounts as being outstanding:
- i) source deductions of \$2,691.46 for 1496765 (Etobicoke)– no deemed trust
 - ii) HST for 1496765 (Etobicoke) of \$45,583.08 – no deemed trust
 - iii) HST for 2496800 (Goderich) of \$26,588.17 – no deemed trust
 - iv) HST for Sunshine of \$3,390.99 – deemed trust of \$1,428.25
 - v) Sunshine unsecured claim for corporate taxes of \$150,190.51.
68. With reference to the amounts for which deemed trust claims were not made by CRA, CRA verbally advised the Receiver that CRA could not claim a deemed trust in respect of the source deductions relating to 1496765 (Etobicoke) since CRA had not prepared a proper breakdown of the amounts owing for source deductions, and could not claim a deemed trust for the HST

relating to 1496765 (Etobicoke) and 2496800 (Goderich) since the amounts claimed are based on CRA's notional assessments and not actual returns filed by the Companies.

X. PROFESSIONAL FEES

69. The Receiver's accounts total \$76,653.00 in fees plus HST of \$9,964.93 for a total amount of \$86,617.93 for the period March 1, 2019 (including one entry for February 28, 2019) to May 31, 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 the accounts, and the average hourly rate charged per the accounts, is set out in the Affidavit of Daniel Weisz sworn July 23, 2019 attached to this report as Appendix "**V**".
70. The Receiver engaged Torkin Manes LLP ("**Torkin**"), counsel to the Applicants, to provide the legal services required to effect the closings of the sales of the Etobicoke Property, the Burlington Property, the Port Colborne Property and the Port Elgin Property. Torkin's accounts total \$55,158.69 in fees and disbursements and \$7,024.10 in HST for a total of \$62,182.79 (the "**Torkin Accounts**") for the period February 11, 2019 to June 12, 2019. A copy of the Torkin Accounts, together with a summary of the personnel, hours and hourly rates described in the Torkin Accounts, is set out in the Affidavit of Stephanie Eiley sworn July 19, 2019 attached to this report as Appendix "**W**".
71. The accounts of the Receiver's counsel, Paliare Roland total \$24,279.45 in fees and disbursements and \$3,109.93 in HST for a total of \$27,389.38 (the "**Paliare Roland Accounts**") for the period March 1, 2019 to April 30, 2019. A copy of the

Paliare Roland Accounts, together with a summary of the personnel, hours and hourly rates described in the Paliare Roland Accounts, is set out in the Affidavit of Sarita Sanasie sworn July 23, 2019 attached to this report as Appendix "X".

72. The Receiver is seeking approval of the Receiver's Accounts, the Torkin Accounts and the Paliare Roland Accounts.

XI. CONCLUSION AND REQUEST OF THE COURT

73. The Receiver respectfully requests that the Court grant Orders which provide for the following:

- a. authorizing the Receiver to release the Funds Held Back of \$254,948.40 and to distribute those funds to BMO;
- b. approving the Supplemental Report to the First Report;
- c. approving the Third Report and the Receiver's conduct and activities to July 23, 2019; and
- d. approving the Receiver's Accounts, the Torkin Accounts and the Paliare Roland Accounts.

All of which is respectfully submitted to this Court as of this 23rd day of July, 2019.

RSM CANADA LIMITED

In its capacity as Court Appointed Receiver and Manager of
1496765 Ontario Ltd., 1651033 Ontario Ltd., 1527020 Ontario Inc.,
2495087 Ontario Inc., 2496800 Ontario Inc., and Sunshine Propane Inc.
and not in its personal capacity



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

TAB A

Court File No. CV-18-00602537-00CL

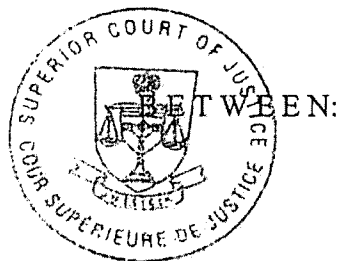
**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)

WEDNESDAY, THE 29TH

JUSTICE HAINEY)

DAY OF AUGUST, 2018



BETWEEN:

BANK OF MONTREAL

Applicant

-and-

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO ~~INC~~LTD., 1496765 ONTARIO ~~INC~~LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3,
s.101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

**ORDER
(appointing Receiver)**

THIS MOTION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing RSM Canada Limited as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. (collectively, the "Debtors") acquired for, or used in relation to businesses carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Jason Locke sworn July 30, 2018 and the Exhibits thereto, on reading the consent of RSM Canada Limited to act as the Receiver and on hearing the submissions of counsel for the Applicant *and counsel for the Respondents,*



SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

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

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
 - (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$300,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;
- and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
 - (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
 - (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
 - (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and

on behalf of and, if thought desirable by the Receiver, in the name of any or all of the Debtors;

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in

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

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

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

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

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

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

consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further

orders that a Case Website shall be established in accordance with the Protocol with the following URL '<rsmcanada.com/2495087-ontario-et-al>'

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

GENERAL

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

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

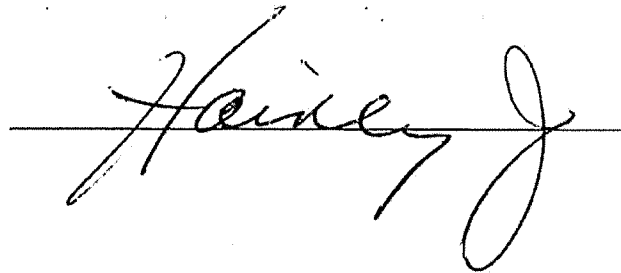
29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals,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

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

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

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

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on no 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.

A handwritten signature in cursive script, appearing to read "Hainey J.", is written over a horizontal line.

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

AUG 29 2018

PER / PAR:

Handwritten initials, possibly "ML", written in cursive.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that RSM Canada Limited the receiver and manager (the "Receiver") of the assets, undertakings and properties 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. (collectively, the "Debtors") 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 29th day of August, 2018 (the "Order") made in an action having Court file number Court File No. CV-18-00602537-00CL, 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 _____, 20__.

RSM CANADA LIMITED, solely in its capacity as Receiver of the Debtors, and not in its personal or corporate capacity

Per: _____

Name:

Title:

BANK OF MONTREAL
Applicant

-and- 2495087 ONTARIO INC. et al.
Respondents

Court File No. CV-18-00602537-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

ORDER

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Lawyers for the Applicant, Bank of Montreal

RCP-E 4C (May 1, 2016)

TAB B

Court File No. CV-18-00602537-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO LTD., 1496765 ONTARIO LTD. and
SUNSHINE PROPANE INC.**

Respondents

FIRST REPORT OF THE RECEIVER

February 13, 2019

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I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated August 29, 2018 (the "**Appointment Order**"), RSM Canada Limited was appointed receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 1496765 Ontario Ltd. ("**1496765 (Etobicoke)**"), 1651033 Ontario Ltd. ("**1651033 (Burlington)**"), 1527020 Ontario Inc. ("**1527020 (Port Colborne)**"), 2495087 Ontario Inc. ("**2495087 (Port Elgin)**"), 2496800 Ontario Inc. ("**2496800 (Goderich)**"), and Sunshine Propane Inc. ("**Sunshine**") (collectively the "**Debtors**" or the "**Companies**") acquired for, or used in relation to the businesses carried on by the Debtors, including all proceeds thereof (the "**Property**"). 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:
 - (a) 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) manage, operate, and carry on the business of any or all of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
 - (c) 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; and

(d) sell, convey, lease or assign the Property or any part or parts thereof out of the ordinary course of business;

a) without the approval of the Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$300,000; and

b) with the approval of the 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.

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 \$500,000 (or such greater amount as the Court may by further order authorize). The Receiver's borrowings are secured by way of a fixed and specific charge over the Property 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/2495087-ontario-et-al.

Purpose of First Report

5. The purpose of this first report of the Receiver (the "**First Report**") is to:
- (i) report to the Court on the activities of the Receiver since the date of the Appointment Order to February 11, 2019;
 - (ii) report to the Court on the condition of, and status of the Receiver's activities in connection with, the real property owned by the Debtors;
 - (iii) report to the Court on the results of the sales process and activities leading to receipt of offers for properties owned by the Debtors;
 - (iv) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period August 29, 2018 to January 31, 2019;
 - (v) provide the Court with information on the fees incurred to January 31, 2019 by the Receiver and the Receiver's independent legal counsel, Paliare Roland Rosenberg Rothstein LLP ("**Paliare Roland**"); and
 - (vi) seek Orders:
 - a. authorizing and directing the Receiver to enter into and carry out the terms of the Etobicoke APS (as defined below), together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Etobicoke Property in the Etobicoke Purchaser (each 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 Etobicoke APS and the delivery of a Receiver's certificate to the Etobicoke Purchaser;

- b. authorizing and directing the Receiver to enter into and carry out the terms of the Burlington APS (defined below), together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Burlington Property in the Burlington Purchaser (each 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 Burlington APS and the delivery of a Receiver's certificate to the Burlington Purchaser;
- c. authorizing and directing the Receiver to enter into and carry out the terms of the Port Colborne APS (defined below), together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Port Colborne Property in the Port Colborne Purchaser (each 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 Port Colborne APS and the delivery of a Receiver's certificate to the Port Colborne Purchaser;
- d. sealing the following Confidential Appendices:
 - i) Confidential Appendix "HH" to the First Report until the closing of the sale of the Etobicoke Property;
 - ii) Confidential Appendix "II" to the First Report until the closing of the sale of the Burlington Property; and
 - iii) Confidential Appendix "JJ" to the First Report until the closing of the sale of the Port Colborne Property;

-
- e. authorizing and directing the Receiver to deposit the Cash (defined below) into the receivership trust account for the benefit of 1496765 (Etobicoke)'s creditors;
 - f. authorizing and directing the Receiver to attempt to access any data saved on the hard drives of the computers found at the Etobicoke Property, the Port Colborne Property and the Goderich Property or if that cannot be done, to destroy the hard drives;
 - g. authorizing the Receiver to sell or otherwise dispose of any remaining items at the Properties, including personal property that may belong to individuals related to the Debtors, that are not removed from those Properties, under the Receiver's supervision, within three business days of the date of the Approval and Vesting Order issued in respect of that Property;
 - h. authorizing the Receiver to make the Interim Distribution (defined below);
 - i. approving the First Report and the Receiver's conduct and activities to February 11, 2019;
 - j. approving the fees and disbursements of the Receiver incurred to January 31, 2019; and
 - k. approving the fees and disbursements of Paliare Roland incurred to January 31, 2019.

Terms of Reference

6. In preparing the 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 the 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.
8. As set out below, the Receiver is not in possession of any recent financial information of the Debtors. Accordingly, the Receiver is administering the receiverships of the Debtors on the assumption that the only assets of the Debtors are the Properties, cash on hand and miscellaneous chattels.

II. BACKGROUND

The Parties

Bank of Montreal

9. Bank of Montreal ("**BMO**") is the Applicant in these proceedings and is the primary secured creditor of each of the Companies. As of July 27, 2018, the Debtors were indebted to BMO in the aggregate amount of \$9,992,297.94, as set out below:

Company	Indebtedness at July 27 , 2018
1496765 (Etobicoke)	\$2,083,285.97
1651033 (Burlington)	\$2,531,062.35
1527020 (Port Colborne)	\$1,411,643.42
2495087 (Port Elgin)	\$2,291,385.27
2496800 (Goderich)	\$1,674,920.93
Total	\$9,992,297.94

10. Sunshine has guaranteed the obligations of 1496765 (Etobicoke) and 1651033 (Burlington).
11. 1496765 (Etobicoke) and 1651033 (Burlington) have guaranteed the indebtedness of the other Debtors (excluding Sunshine).
12. 1527020 (Port Colborne) has guaranteed the indebtedness of 2495087 (Port Elgin).
13. As described later herein, the security held by BMO consists of mortgages over the Properties, as well as security agreements over the other assets of the Companies.

1496765 (Etobicoke)

14. 1496765 (Etobicoke) is an Ontario Corporation incorporated on October 16, 2001. According to a corporate search dated July 25, 2018, Aisha Ashad is 1496765 (Etobicoke)'s President, Secretary, Treasurer and sole Director. A copy of the Corporation Profile report for 1496765 (Etobicoke) is attached to this report as Appendix "B".
15. 1496765 (Etobicoke) holds legal and beneficial title to a 0.4 acre real property municipally known as 5462 Dundas Street West, Etobicoke, Ontario (the "**Etobicoke Property**"). As at the date of the Appointment Order, 1496765 (Etobicoke) operated an automatic car wash and auto detailing business at the Etobicoke Property.
16. In addition to the car wash, located at the Etobicoke Property is a propane refill centre.

1651033 (Burlington)

17. 1651033 (Burlington) is an Ontario Corporation incorporated on February 23, 2005. According to a corporate search dated July 25, 2018, Aisha Ashad is 1651033 (Burlington)'s President and sole Director. A copy of the Corporation Profile report for 1651033 (Burlington) is attached to this report as Appendix "C".
18. 1651033 (Burlington) holds legal and beneficial title to a 1.2 acre real property municipally known as 5223 Dundas Street, Burlington, Ontario (the "**Burlington Property**"), on which is located a car wash. The car wash had operated as a nine bay self-serve coin wash, plus one automatic wash, until 2017 when renovations began on the car wash. As at the date of the Appointment Order, the renovations had not been completed and the car wash was not in operation.

1527020 (Port Colborne)

19. 1527020 (Port Colborne) is an Ontario Corporation incorporated on August 1, 2002 as Young Bros. Garage Limited (from the amalgamation of Young Bros. Garage Limited and 1515477 Ontario Inc.) that subsequently changed its name to 1527020 Ontario Inc. on May 8, 2008. According to a corporate search dated July 25, 2018, Rauf Khan is 1527020 (Port Colborne)'s President and sole Director, while Aisha Ashad is Secretary. A copy of the Corporation Profile report for 1527020 (Port Colborne) is attached to this report as Appendix "D".
20. 1527020 (Port Colborne) holds legal and beneficial title to a 1.9 acre real property municipally known as 633 Main Street West, Port Colborne, Ontario (the "**Port Colborne Property**") from which, as at the date of the Appointment Order, 1527020 (Port Colborne) operated a self-service and automatic car wash.

2495087 (Port Elgin)

21. 2495087 (Port Elgin) is an Ontario Corporation incorporated on December 8, 2015. According to a corporate search dated July 25, 2018, the corporation had, as of the date of the commencement of this proceeding, four directors, but no officers. An updated corporate profile search for 2495087 (Port Elgin) dated February 11, 2019 indicates that Rauf Khan is now the sole Director of 2495087 (Port Elgin), and that the address of the Port Colborne Property is recorded as the mailing address of 2495087 (Port Elgin) and Mr. Khan. A copy of the February 11, 2019 Corporation Profile report for 2495087 (Port Elgin) is attached to this report as Appendix "E".
22. 2495087 (Port Elgin) holds legal and beneficial title to the real property municipally known as 591 and 595 Goderich Street, Port Elgin, Ontario (the "**Port**

Elgin Property”). The Port Elgin Property is situated on approximately 0.6 acres of land. As at the date of the Appointment Order, located on the Port Elgin Property were:

- (a) a self-serve gas bar operating under the Ultramar brand;
- (b) a two-storey commercial building (approximately 4,000 sq. ft.) consisting of
 - (i) an ExpressMart convenience store, (ii) a retail store on the ground floor and (iii) a residential apartment on the second floor; and
- (c) a separate one-storey building (approximately 3,000 sq. ft.) occupied by a Tim Horton’s restaurant.

23. 2495087 (Port Elgin) operated the gas station and convenience store and leased the other premises to tenants.

2496800 (Goderich)

24. 2496800 (Goderich) is an Ontario Corporation incorporated on December 17, 2015. According to a corporate search dated July 25, 2018, Mian Abdul Wadood is the corporation’s President, Secretary and Treasurer. Mr. Wadood and Aisha Ashhad are listed as the two Directors. A copy of the Corporation Profile report for 2496800 (Goderich) is attached to this report as Appendix “F”.

25. 2496800 (Goderich) holds legal and beneficial title to a 0.5 acre real property municipally known as 274 Bayfield Road, Goderich, Ontario (the “**Goderich Property**”). As at the date of the Appointment Order, located on the Goderich Property were:

- (a) a self-serve gas bar operating under the Ultramar brand;
- (b) a one-storey commercial building containing an ExpressMart convenience store (approximately 860 sq. ft.); and

(c) an automatic car wash (approximately 1,200 sq. ft.).

26. 2496800 (Goderich) operated the gas station, the convenience store and the car wash.

Sunshine

27. Sunshine is an Ontario Corporation incorporated on January 28, 2010. According to a corporate search dated July 25, 2018, Hashmi Begum is the corporation's President, Secretary and sole Director. A copy of the Corporation Profile report for Sunshine is attached to this report as Appendix "G".
28. The head office and mailing address for Sunshine is registered as 5462 Dundas St. West, which is the same address as that of 1496765 (Etobicoke), being the Etobicoke Property. As noted above, there is located on the Etobicoke Property a propane refill centre for cylinders and vehicles. Upon its appointment, the Receiver thought that Sunshine's operations consisted of the propane refill business. However, based on the Receiver's enquiry, the Ontario Fuels Safety License for the propane business is issued to Sam Propane Inc. ("**Sam Propane**"), and not to Sunshine.
29. The Etobicoke Property, the Burlington Property, the Port Colborne Property, the Port Elgin Property and the Goderich Property are collectively referred to in the First Report as the "**Properties**".
30. The Respondents are independent from each other, but appear connected or otherwise related and/or owned by members of the same extended family.

Appointment of the Receiver

31. For the reasons set out in the Applicant's Notice of Application dated July 31, 2018, the Applicant sought the appointment of the Receiver. The Application was

initially returnable on August 24, 2018 before Justice Hainey but was adjourned until August 29, 2018. A copy of Justice Hainey's Endorsement made on August 24, 2018 is attached to this report as Appendix "H".

32. On August 29, 2018, at the reconvened Application, Justice Hainey issued the Appointment Order appointing the Receiver. A copy of Justice Hainey's Endorsement made on August 29, 2018 is attached to this report as Appendix "I".

III. RECEIVER'S ACTIVITIES TO DATE

Possession and Control

33. Following the issuance of the Appointment Order, the Receiver attended on August 29, 2018 at each of the Properties. The locks and padlocks at the buildings at each of the Properties were changed and additional locks and padlocks were installed as required.
34. The Receiver met at the Etobicoke Property with Azeem (Sam) Mohammed and Aisha Ashad who the Receiver understands are the primary principals of the Debtors, and discussed with them the Receiver's appointment and the Receiver's duties and responsibilities. The Receiver has not met with nor corresponded with any other parties identifying themselves as principals of the Debtors.
35. Pending its determination as to whether the Receiver would operate the gas stations in Port Elgin and Goderich, the Receiver arranged for a representative of Parkland Corporation/Ultramar ("**Parkland**") to accompany the Receiver to the gas stations in Port Elgin and Goderich in order to turn off the gas pumps at those

locations. The Point of Sale systems at those locations, which were controlled by Parkland from its offices in Montreal, were turned off remotely.

36. During the Receiver's attendance at the Port Colborne Property, an individual informed the Receiver that he lived at the Port Colborne Property. The individual did not produce a lease supporting his tenancy claim when requested to do so by the Receiver. After negotiations, the Receiver made a small monetary payment to the individual and he agreed to leave the premises and the Receiver arranged for a security guard to supervise his removal/retrieval of his property by September 1, 2018.
37. The Receiver requested keys for the coin machines and the combinations for the safes at the Port Colborne Property. The Debtors advised they did not have combinations for the safes as they had never used them and numerous keys for the Port Colborne Property were provided, but only one of the keys unlocked a coin box.
38. When the Receiver attended at the Port Elgin Property, it determined that three tenants occupied the upstairs apartment. As of one month following the Receiver's appointment, the three tenants had vacated the premises, as they claimed the apartment was not being properly maintained including that there was no hot water in the premises. The tenants informed the Receiver that they had not been paying rent since they moved in other than first and last months' rent. The Receiver has not pursued the three tenants for any rent that may be owing.

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39. In order to meet the Receiver's insurance requirements, mobile security patrols were set up at each of the Properties commencing the evening of August 29 to check on the respective properties. The mobile patrols will remain in place until the Properties are sold.

Cash on Hand

40. The Receiver took possession of all cash that it was able to access at the individual Properties. Small amounts of cash were found at the gas stations while only coins were found in the till at the Etobicoke Property car wash.
41. The Receiver was unable to open the car wash coin machines at the Port Colborne Property without a key. When the Debtors subsequently provided the Receiver with keys for the Port Colborne Property on or around October 9, 2018, the Receiver was able to unlock the main coin box, which contained less than \$6. The other coin boxes could not be opened with the keys provided but appeared to be substantially empty. Given that the main coin box contained less than \$6 and that Mr. Mohammed advised the Receiver on September 3, 2018 that the principals had recently emptied the coin boxes, it is unlikely that the other coin boxes contain significant sums of cash. The locksmith who attended to change the locks was unable to open the coin boxes. As of the date of the First Report, no further attempts to open the coin boxes have been made by the Receiver.

Banking

42. The Receiver opened trust accounts for each of the Companies at Bank of Montreal and deposited to those accounts the cash it retrieved from each of the Companies' premises.
43. The Debtors' accounts at Bank of Montreal were frozen.
44. Based on documents found at the Etobicoke Property, it appeared that the Debtors may have had bank accounts at financial institutions other than BMO. Accordingly, on or around August 29, 2018, the Receiver sent letters to TD Canada Trust ("TD"), Royal Bank of Canada ("RBC") and CIBC, requesting that those banks freeze any accounts of the Debtors that may be at their banks. The Receiver was advised by TD and RBC that there were no active accounts in the names of the Debtors at those banks.
45. CIBC advised of the existence of two accounts in the names of 1496765 (Etobicoke) and Sunshine that Ms. Ashad and Mr. Mohammed did not disclose to the Receiver. The initial information provided by CIBC was that:
 - (a) an account for 1496765 (Etobicoke) was opened on June 14, 2018. As of August 29, 2018 (the date of the Receiver's appointment), the balance in the account was \$2,061.24. As of November 30, 2018, the account balance was \$310.67; and
 - (b) an account for 2496800 (Goderich) was opened on March 6, 2018. As of August 29, 2018, the balance in the account was \$2,796.65. As of November 30, 2018, the account balance was overdrawn.

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46. The Receiver has, to date, not pursued CIBC for payment of the funds that were in the 1496765 (Etobicoke) and 2496800 (Goderich) accounts as of the date of the letters sent to CIBC.
 47. Further information with respect to the accounts at CIBC is set out later in this report.

IV. LEASE – BURLINGTON

48. On September 13, 2018, the Receiver was contacted by Pro Oil Tanks on behalf of its franchisee, 2614898 Ontario Inc. / Steven Aiken (the “Franchisee”). The Franchisee had signed a lease with 1651033 (Burlington) for the operation of an oil change facility to be constructed at the Burlington Property. A copy of the lease dated January 22, 2018 was provided to the Receiver by Pro Oil Tanks.
49. After a review of the lease, the Receiver determined that the lease was not enforceable as the work on the Burlington Property had not reached substantial completion and the lease had not commenced as of the date of receivership. The Receiver set out its position in a letter to the Franchisee dated November 21, 2018. The Receiver also advised the Franchisee that the Receiver would shortly be listing the Burlington Property for sale and that if the Franchisee wished the Receiver to notify prospective purchasers of its interest in leasing the Burlington Property, it should advise the Receiver in writing. However, the Receiver made no representation as to whether a purchaser of the Burlington Property would want to enter into a lease with the Franchisee.

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50. On November 21, 2018, the Franchisee responded in writing that it was interested in becoming a tenant to the prospective new owner of the Burlington Property.
51. On November 21, 2018, counsel for Pro Oil Tanks advised the Receiver that it was taking the position that the lease is a binding obligation, irrespective of whether the term has commenced. Paliare Roland spoke with counsel for Pro Oil Tanks on December 5, 2018 at which time Pro Oil Tanks acknowledged that it did not have any direct interest in the lease and it was aware that the Franchisee's claim in the receivership may be simply an unsecured claim.

V. INSURANCE

52. The Receiver contacted McDougall Insurance Brokers Ltd. ("**McDougall**"), the insurance broker for 1496765 (Etobicoke), 1651033 (Burlington), 1527020 (Port Colborne) and 2496800 (Goderich) to notify it of the receivership. McDougall confirmed that the insurance policies were in effect and advised the Receiver that the insurer's coverage did not include pollution coverage.
53. The Receiver contacted Federated Insurance ("**Federated**"), the broker for 2495087 (Port Elgin) to notify it of the receivership. The broker confirmed that the policy was in effect until March 17, 2019. Insurance documents provided to the Receiver indicate that 2495087 (Port Elgin) does not have pollution insurance. As the Port Elgin Property was partially vacant, Federated advised that the policy would be adjusted to only cover the building and that coverage for business operations and in respect of any contents or stock would be deleted from the policy.

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54. The Receiver arranged for its own liability insurance through HUB International Insurance Brokers (“HUB”). The Receiver also arranged for property insurance coverage through HUB as it considered necessary.
 55. On October 16, 2018, McDougall notified the Receiver that the insurer requested that the policies be re-marketed as soon as possible and that the insurer would provide only limited coverage with vacancy permission for up to 60 days. After reviewing its options, the Receiver renewed its liability and property insurance with HUB and cancelled coverage provided through McDougall.
 56. Based on the Port Colborne Property’s condition including a leaking roof and the presence of mould in the building, HUB has reduced the amount of its property insurance coverage for that property.

VI. BOOKS AND RECORDS AND FINANCIAL STATEMENTS

57. Upon taking possession of the Properties on August 29, 2018, the Receiver located books and records only at the Etobicoke Property and those records were limited in scope. The Receiver did not find financial records relating to the Companies’ sales, payroll records, statutory filings, nor any recent financial statements, accounting ledgers, income tax returns, or tenant leases.
58. On September 4, 5, 6, and 13 and November 13, 2018, and again on January 30, 2019, the Receiver requested of the Debtors, or their counsel, that the Debtors provide to the Receiver financial records of the Debtors. To date, the Debtors have not provided any records to the Receiver.
59. As a result, the Receiver does not have the records it requires to: (i) assess whether the Company’s filings are current and the quantum of any liabilities,

including to Canada Revenue Agency (“CRA”), or (ii) enable CRA to conduct an audit of each of the Companies’ source deductions or HST.

60. The Receiver obtained from BMO copies of 2016 or 2017 unaudited financial statements for 1496765 (Etobicoke), 1651033 (Burlington) and 1527020 (Port Colborne) to which Review Engagement reports from Hotay Professional Corporation (“Hotay”) were appended.
61. On September 25, 2018, the Receiver contacted Hotay to request copies of accounting/financial records for the Debtors in Hotay’s possession.
62. On November 12, 2018, Hotay forwarded to the Receiver copies of 2012 or 2013 financial statements for 1496765 (Etobicoke), 1651033 (Burlington), 1527020 (Port Colborne) and Sunshine. As the statements received from Hotay were older than the 2016 or 2017 statements that BMO had provided to the Receiver, on November 12, 2018, the Receiver inquired of Hotay whether Hotay had prepared the 2016 and 2017 statements. Hotay advised that it did not prepare any statements for the Debtors for the years 2014 to 2017. In addition, Hotay stated that it did not prepare any statements for 2495087 (Port Elgin) and 2496800 (Goderich), perform any bookkeeping for any of the Debtors or have any other financial information for the Debtors in its possession.

VII. RECEIVER’S DECISION TO NOT RE-COMMENCE OPERATIONS

63. Upon the Receiver taking possession of the Properties, the Receiver discontinued the operations at the car washes and gas stations pending the Receiver’s assessment of the potential costs/risks/benefits of resuming operations during the receivership.

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64. The Receiver was of the view that the operations should be continued only if the operations would be profitable taking into account (i) the additional supervisory costs inherent in a receivership, (ii) the Receiver being able to mitigate the risks of the Receiver assuming operations and (iii) that continuing operations would enhance the value of the respective Properties.
 65. As set out above, the Receiver did not have any records of the Companies with which to assess the profitability of any of the Company's operations.
 66. The Etobicoke Property consisted of a car detailing business as well as a propane refill centre. The car detailing business is an employee intensive business which, if resumed, would require on site supervision by the Receiver. Additionally, the Receiver was uncertain whether the operations of the car wash would have been profitable without the propane refill centre being in operation. The Receiver's insurer has advised the Receiver that it will not provide insurance coverage if the propane operations are continued.
 67. The Port Colborne Property car wash is a self-service car wash, largely coin-operated. The Receiver was not able to determine the profitability of that car wash since, as noted above, the Receiver was not in possession of any records with which to assess financial results. In addition, a representative of the neighbouring property informed the Receiver, when the Receiver initially attended at the Port Colborne Property, that the neighbouring business was often called over to rescue cars that had become stuck on the metal grates while attempting to use the car wash located on the premises.

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68. With reference to the gas stations at the Port Elgin Property and the Goderich Property, the Receiver obtained from Parkland information relating to the number of litres sold at each gas station. Based on its assessment of the number of litres sold, it did not appear to the Receiver that the operations of the gas stations would be profitable, particularly after taking into account the Receiver's costs of supervising the operations of the gas stations.
69. The Receiver understands that the fuel operations of a gas station can be a "loss leader" to draw customers to the convenience store that typically sells product at a high gross margin. However, without any financial records, the Receiver was not able to assess the operations of the convenience store at the two gas station locations.
70. Lastly, prior to being in a position to recommence operations, the Receiver would need to determine whether the requisite insurance coverage and safety certificates/licenses were, or could be, put in place and would need to arrange for an inspection of the gas tanks in order to confirm there were no pollution or other issues.
71. The Receiver also consulted with Avison Young which expressed its belief that a decision by the Receiver not to recommence operations would not negatively impact on the selling values of the Properties.
72. After considering the above matters, the Receiver decided not to recommence operations at any of the Properties.
73. As a result of the Receiver's decision not to recommence operations, and with the approach of winter, the Receiver arranged for the car washes at the the

Etobicoke Property, the Burlington Property, the Port Colborne Property and the Goderich Property to be winterized in November 2018. The winterization process included draining of the lines/pipes and the removal or disposal of chemicals (car wash fluids) on the premises.

74. In order to monitor the condition of the Properties on an ongoing basis, on October 22, 2018, the Receiver entered into an agreement with Moreau On Site Property Services ("**Moreau**") for Moreau to provide certain property management services including:

- i) weekly site inspections of the Properties;
- ii) obtaining quotes for repairs and maintenance; and
- iii) granting access to the premises and overseeing work to be done, as required.

75. The Receiver has engaged in regular communication with Moreau to address various issues that arise with respect to each of the Properties.

VIII. COMPUTERS AND PERSONAL PROPERTY CLAIMED

76. When the Receiver attended at the Etobicoke Property to take possession and control of that property, Ms. Ashad and Mr. Mohammed advised the Receiver that they had personal belongings at the Etobicoke Property including books and records pertaining to other businesses.

77. In particular, Ms. Ashad stated that there was a safe in the office and that there was cash inside the safe. Ms. Ashad explained that the cash in the safe represented funds that she collected from donors for a charity and that the funds did not represent assets of the Debtors. Ms. Ashad informed the Receiver that

she did not know how much cash was in the safe. Ms. Ashad provided the Receiver with the key to the safe and, upon opening the safe, the Receiver determined that it contained cash of \$2,560 (the "Cash"). The Receiver requested that Ms. Ashad provide documentation to support that the Cash was her personal property and on August 31, 2018 sent Ms. Ashad documentation to complete in order to assert her claim.

78. As of the date of this Report, Ms. Ashad has not provided any documentation in respect of the Cash. Based on Ms. Ashad's assertion that the Cash was not funds of the Debtors, the Receiver has not to date deposited the Cash into the Receiver's 1496765 (Etobicoke) bank account.
79. On September 5, 2018, Olubunmi Ogunniyi, legal counsel for the Debtors, wrote to the Receiver to ask when his clients might attend at the Etobicoke Property to retrieve their personal property. The Receiver requested that the Debtors provide a list of their personal belongings in order for the Receiver to determine if the Receiver would require the Debtors to provide proof of ownership for some or all of the items claimed.
80. On September 5, September 13 and October 11, 2018, the Receiver wrote to Ms. Ashad to ask for a list of personal items.
81. Notwithstanding that no list was provided to the Receiver and Mr. Ogunniyi did not respond to the Receiver's emails, the Receiver agreed to meet at the Etobicoke Property with Ms. Ashad and Mr. Mohammed in order for them to remove personal items claimed by them. At the time the meeting was being arranged, the Receiver informed Ms. Ashad and Mr. Mohammed that, should

they wish to claim any equipment or other items considered by the Receiver to be of high value, the Receiver would require them to provide documentation to prove their ownership of those items. On October 18, 2018, Ms. Ashad and Mr. Mohammed attended at the Etobicoke Property and removed most of their personal documents but did not remove, nor request the removal of, any other items.

82. The Receiver wrote to Ms. Ashad and Mr. Mohammed on October 24, 2018 to ask for a list of personal items and schedule a time for them to attend to remove the rest of any remaining personal property. As of the date of this report, Ms. Ashad and Mr. Mohammed have not responded.
83. On August 31, 2018, the Receiver requested from Ms. Ashad passwords to access the computers that were at the Etobicoke Property. On October 18, 2018, Mr. Mohammed advised the Receiver that they did not have a password for the computer at that time and the only person with the password was out of the country. No passwords have been provided to date.
84. In addition to the computers at the Etobicoke location, three computers were also located on the premises of the Port Colborne location and a computer was found at the Goderich Property. The Receiver has not been able to access the data, if any, on the hard drives of the computers.
85. As the Debtors have not claimed the return of the computers at the Properties, it appears to the Receiver that those computers are the property of the Companies. Accordingly, the Receiver intends to attempt to access any data saved on the hard drives of the computers in order to determine if there is any financial

information relating to the Debtors. As noted above, the Debtors have not provided the Receiver with any financial information nor any passwords to access the information on the computers.

86. Based on the above and taking into account that the Debtors have not responded to the Receiver's requests for a list of personal items, passwords for the computers or documents to support ownership of the Cash, the Receiver respectfully seeks an Order authorizing and directing the Receiver to:

- i) deposit the Cash into the Receiver's 1496765 (Etobicoke) trust account for the benefit of 1496765 (Etobicoke)'s creditors;
- ii) attempt to access any data saved on the hard drives of the computers found at the Etobicoke Property the Port Colborne Property and the Goderich Property or if that cannot be done, destroy the hard drives; and
- iii) sell or otherwise dispose of any personal items, including any remaining personal documents, at the Properties that are not removed under the Receiver's supervision from those properties within three business days of the date of the Approval and Vesting Order in respect of that Property.

IX. SUNSHINE AND SAM PROPANE

87. As noted earlier in the First Report, the Ontario Fuels Safety License for the propane refill centre located at the Etobicoke Property is issued to Sam Propane, not to Sunshine. Sam Propane is an Ontario Corporation incorporated on October 26, 2015. According to a corporate search dated September 4, 2018, the corporation's Treasurer is Azeem Mohammed and its directors are Mr. Mohammed and Abdul Quddus. A copy of the Corporation Profile report is

attached to this report as Appendix "J". The registered addresses of Sam Propane and its officer and directors are 5462 Dundas Street West, which is the address of the Etobicoke Property.

88. The Debtors advised the Receiver that Sam Propane has been operating the propane refill centre since mid-2016 and owns the propane tank, and that Sam Propane is owned by Azeem Mohammed and Abdul Quddus. The Receiver has requested from the Debtors, but has not received, documentation to support the claim that Sam Propane owns the propane tank.
89. On September 17, 2018, the Receiver contacted Primemax Energy ("Primemax"), the supplier of the propane gas, who subsequently confirmed to the Receiver that Primemax does not own the propane tank and that the propane for the tank was sold to Sam Propane. Primemax advised it was owed in excess of \$38,000 for propane fuel supplied to Sam Propane.
90. As the car wash operations were not recommenced and the Etobicoke Property was vacant, the Receiver was concerned that fuel remaining in the propane tank might present a safety concern. Accordingly, the Receiver arranged for Primemax to attend at the Etobicoke Property to determine how much fuel was in the tank and to drain the tank.
91. Prior to the tank being drained, on September 27, 2018, the Receiver sent a letter to Sam Propane c/o Mr. Mohammed advising that the Receiver would be arranging to have the propane tank drained. The Receiver requested that Sam Propane contact the Receiver by 5:00 p.m. October 2, 2018 if it was not in agreement with the Receiver's intended course of action. No response was

received from Sam Propane. On October 23, 2018, Primemax attended at the Etobicoke Property and drained the remaining propane in the tank.

92. As Mr. Mohammed advised the Receiver that the propane tank is owned by Sam Propane, and since the Receiver does not have any documentation to support that the propane tank is owned by any of the Debtors, the Receiver is excluding the propane tank from the sale of the Etobicoke Property.

X. PARKLAND/ULTRAMAR LEASES

93. Parkland Fuel Corporation ("**Parkland**"), which operates as, among other names, "Ultramar", provided the Receiver with copies of the lease and sublease agreements for the two gas stations (the "**Leases**"). The Receiver became concerned that certain terms of the Leases would have a negative impact on the sales process to be conducted by the Receiver. In particular, the Receiver was concerned that the Leases contained (i) a right of first refusal ("**ROFR**") to Parkland upon a sale of the Port Elgin Property and the Goderich Property and (ii) restrictions related to the purchase of fuel and other products.
94. Avison Young confirmed to the Receiver that the above terms contained in the Leases would likely have a detrimental effect on the sales processes for the Port Elgin Property and the Goderich Property.
95. Accordingly, on November 21, 2018, the Receiver issued an Early Termination Notice of Sublease in respect of each of the Port Elgin Property and the Goderich Property (the "**Sublease Terminations**"), notifying Parkland that the Receiver was terminating the subleases effective December 1, 2018 as the subleases

were in default. Copies of the Sublease Terminations (without Schedule C) are attached to this report as Appendix "K".

96. In addition, on November 21, 2018, the Receiver issued an Early Termination Notice of Lease in respect of each of the Port Elgin Property and the Goderich Property (the "**Lease Terminations**"), notifying Parkland that the Receiver was terminating the leases effective December 21, 2018 as the leases were in default. Copies of the Lease Terminations (without Schedule C) are attached to this report as Appendix "L".
97. Parkland did not respond to the Sublease Terminations or the Lease Terminations issued by the Receiver.

XI. TIM HORTONS AND TDL RIGHT OF FIRST REFUSAL

98. As noted earlier in this report, the Port Elgin Property includes a separate one-storey building occupied by a Tim Horton's restaurant. The TDL Group Ltd. ("**TDL**") is the lessee for the Tim Horton's restaurant.
99. The lease provides TDL with a right of first refusal (the "**Tim Hortons ROFR**") with respect to a bona fide offer to purchase all or part of the Port Elgin Property received by the landlord during the tenancy period. Before accepting any such offer, the landlord is required to give TDL the sole and exclusive right for a period of ten (10) banking days after the receipt of such notice, to elect to purchase the property upon the same terms and conditions as are contained in the offer.
100. As the Receiver was of the view that the Tim Horton's restaurant enhances the value of the Port Elgin Property, the Receiver did not take any steps towards the termination of the TDL lease.

101. The agreement of purchase and sale for the Port Elgin Property includes provisions to address the Receiver's obligations in respect of the Tim Hortons ROFR. The Receiver is not presently seeking approval for the sale of the Port Elgin Property.

XII. PROPERTY TAXES

102. As per tax notices received in January or February 2019, the outstanding 2018 property taxes (including interest and penalty) for each of the Properties is set out below:

Property	Arrears
Etobicoke	\$ 5,213.80
Burlington	\$ 77,573.82
Port Colborne	\$ 15,098.81
Port Elgin	\$ 25,131.19
Goderich	\$ 2,081.95
Total	\$125,099.57

103. The Receiver has not paid any property taxes since its appointment. The property taxes will be paid from the closing proceeds from the sales of the individual properties.

XIII. APPRAISALS

104. The Receiver commissioned appraisals for the Properties. The results of the appraisals for the Etobicoke Property, the Burlington Property and the Port Colborne Property, as well copies thereof, are attached to this report in Confidential Appendices HH, II and JJ, respectively.

XIV. ENVIRONMENTAL SITE ASSESSMENTS

105. The Receiver contacted the consultants that had previously prepared environmental site assessments for the Properties to request that they prepare updates to their reports that could be included in the data room being made available to parties expressing interest in purchasing the Properties.
106. Supplemental updates were obtained from Trafalgar Environmental Consultants for the Etobicoke Property, the Burlington Property and the Port Colborne Property and from Rubicon Environmental (2008) Inc. for the Port Elgin Property and the Goderich Property. Based on the updates, it appears that no further environmental investigation by the Receiver is required at this time.

XV. MARKETING AND SALES ACTIVITIES

107. On August 30, 2018, the Receiver invited three realtors, Avison Young (“**Avison**”), CBRE Limited (“**CBRE**”), and Colliers International (“**Colliers**”) to each submit listing proposals for the marketing and sale of the Properties. Listing proposals were received from Avison and Colliers; CBRE informed the Receiver that it would not be submitting a listing proposal. After considering the Avison and Colliers listing proposals, including the commission rates proposed by each realtor, on October 2, 2018, the Receiver, with BMO’s concurrence, executed a listing agreement with Avison to market the Properties for sale.
108. Avison launched its marketing campaign on December 3, 2018. The process ran from December 3, 2018 to January 18, 2019 and interested parties were informed that the Receiver would consider offers for the Properties on or after

January 18, 2019. The Receiver provided Avison with forms of agreement of purchase and sale for each of the Properties on which offers for the Properties were to be submitted.

109. A summary of the marketing activities undertaken by Avison is set out below:

- (a) on December 3, 2018 and on January 10, 2019, an email communication ("**E-mail Blast**") was sent to over 1,200 contacts on Avison's mailing list;
- (b) marketing brochures ("**Brochures**") for each of the Properties, and on a combined basis, were prepared and distributed to parties that contacted Avison for more information;
- (c) on or about December 17, 2018, the properties were listed on the TREB MLS, and on the local MLS of the real estate boards for Port Colborne, Port Elgin and Goderich (the "**MLS Listings**");
- (d) the Properties were listed on Avison's website and on Loopnet; and
- (e) an electronic data room was set up to provide access to confidential information on the Properties to parties who signed a confidentiality agreement.

Copies of the E-mail Blast, the Brochures and the MLS Listings are attached collectively to this report as Appendix "**M**".

XVI. OFFERS RECEIVED

110. As set out above, interested parties were advised that offers for the Properties would be reviewed on or after January 18, 2019. As at that date, Confidentiality

Agreements were signed by 46 prospective purchasers or brokers, all of whom were given access to the electronic data room.

111. As of January 22, 2019, twenty offers had been submitted to Avison for the various Properties, substantially 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 Etobicoke Property, the Burlington Property and the Port Colborne Property are attached at Tab 1 to Confidential Appendices "HH", "II" and "JJ", respectively.
112. The Receiver reviewed with Avison and BMO the offers received, after which time Avison went back to certain offerors to give them an opportunity to improve or amend their offers. Those parties were requested to submit their revised offers by January 24, 2019, or in the case of the Port Colborne Property, by close of business on January 28, 2019.
113. A copy of the summary of offers received at the conclusion of the second round of offers for the Etobicoke Property, the Burlington Property and the Port Colborne Property are attached at Tab 2 to Confidential Appendices "HH", "II" and "JJ", respectively. The Receiver reviewed the offers received, including any amended offers, and worked through Avison to have the terms of the offers that the Receiver proposed to accept finalized in order that the Receiver would be in a position to accept those offers.
114. As of February 4, 2019, the Receiver had entered into the following agreements of purchase and sale, which are subject to approval of the Court:

-
- i) with 2677323 Ontario Inc. (the "**Etobicoke Purchaser**") for the Etobicoke Property (the "**Etobicoke APS**");
 - ii) with Harsha Nimrani in trust corporation to be incorporated (the "**Burlington Purchaser**") for the Burlington Property (the "**Burlington APS**"); and
 - iii) with 2573702 Ontario Inc. (the "**Port Colborne Purchaser**") for the Port Colborne Property (the "**Port Colborne APS**").

115. The Receiver has entered into an agreement of purchase and sale for the Port Elgin Property (the "**Port Elgin APS**") that is subject to a 30-day conditional period for the condition referenced in that agreement. The Receiver will at a later date bring an application for Court approval of the Port Elgin APS after the purchaser waives its condition and the Receiver addresses the Tim Hortons ROFR.

116. With reference to the Goderich Property, Avison has recommended to the Receiver that Avison continue its marketing activities for that property.

XVII. THE ETOBOCOKE APS, THE BURLINGTON APS AND THE PORT COLBORNE APS

117. Salient terms of the Etobicoke APS, the Burlington APS and the Port Colborne APS (collectively, the "**Three APS**") and matters relating thereto include (all capitalized terms in this section not defined in the Three APS are as otherwise defined in the First Report):

- i) the purchased assets include the Etobicoke Property, the Burlington Property and Port Colborne Property, as applicable. In the Etobicoke APS,

the definition of Property excludes the propane tank located on the Etobicoke Property;

- ii) a deposit of 10% of the Purchase Price has been received from each of the purchasers;
- iii) the offers are firm as the Purchasers have waived conditions;
- iv) the Etobicoke APS, the Burlington APS and the Port Colborne APS are each conditional on court approval and the issuance of an order vesting title to the purchased assets in the respective purchasers free and clear of claims and encumbrances, other than those specifically itemized in the Agreement;
- v) the respective purchasers are buying the Property on an "as is, where is" basis; and
- vi) closing of the sales provided for in the Etobicoke APS and the Port Colborne APS are scheduled to occur on the tenth Business Day following the date on which the Vesting Order is granted, or such other date as agreed between the respective purchasers and the Receiver. Closing of the sale provided for in the Burlington APS is scheduled to occur on the twentieth Business Day following the date on which the Vesting Order is granted, or such other date as agreed between the Burlington Purchaser and the Receiver.

118. Copies of the Etobicoke APS, the Burlington APS and the Port Colborne APS are attached to this report at Tab 3 to Confidential Appendices "HH", "II" and "JJ", respectively.

XVIII. APPROVAL OF SALES

119. 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 Etobicoke Property, the Burlington Property and the Port Colborne Property, for the following reasons:

- (i) notice of the sale of the Properties was sent to more than 1,200 parties;
- (ii) the Etobicoke Property, the Burlington Property and the Port Colborne Property were each listed for sale on MLS;
- (iii) the Etobicoke Property, the Burlington Property and the Port Colborne Property were listed on Avison's website and Loopnet; and
- (iv) the Etobicoke Property, the Burlington Property and the Port Colborne Property were exposed to the market for a period of approximately six weeks.

120. The Receiver therefore recommends the approval of the Etobicoke APS, the Burlington APS and the Port Colborne APS by this Honourable Court.

121. The Receiver believes that details of the listing proposals and the offers submitted for the Properties including matters relating thereto should be kept confidential until the closing of the transactions of each of the Etobicoke Property, the Burlington Property and the Port Colborne Property. The Receiver is of the view that public disclosure thereof would have a negative impact on the future marketing of the Etobicoke Property, the Burlington Property and the Port Colborne Property should the respective transactions with the purchasers of each not be approved or completed.

122. The Receiver therefore respectfully requests that:

- i) Confidential Appendix "HH" be sealed until after the closing of the sale of the Etobicoke Property;
- ii) Confidential Appendix "II" be sealed until after the closing of the sale of the Burlington Property; and
- iii) Confidential Appendix "JJ" be sealed until after the closing of the sale of the Port Colborne Property.

XIX. CIBC ACCOUNTS

123. CIBC provided to the Receiver copies of bank statements for three bank accounts; one for 1496765 (Etobicoke), one for 2496800 (Goderich) and one for Sunshine. The Receiver reviewed the bank statements and noted that there were certain transactions for which additional information was required in order for the Receiver to determine (i) if the transactions were of a nature that the Receiver should pursue; and/or (ii) if there were other bank accounts at CIBC for which the Receiver did not receive the information requested.

124. Below are descriptions of the transactions of note for which CIBC has provided additional detail:

(a) 1496765 (Etobicoke)

- on June 14, 2018, a cheque for \$529,726.81 from SK Lawyers Professional Corporation, made payable to 1496765 Ontario Ltd., was deposited to the CIBC bank account. On the same day, \$529,000 was paid out by way of three bank drafts for \$250,000 to Sunil Bhardwaj,

\$199,000 to Mian Afzalaqif, and \$50,000 to Rozina Jessani, and via a transfer for \$30,000 to Auto Car Wash or Auto-Car Wash Co.;

- five cheques for \$6,673.00 each cleared every month from July to November 2018. The cheques were payable to 10831824 Canada Inc.; and
- personal cheques for \$7,500 and \$7,800 from Mian Afzalaqif were deposited on September 6, 2018 and October 9, 2018, respectively;

(b) 2496800 (Goderich)

- on March 6, 2018, there was a deposit of a \$350,000 bank draft from Mian Adnan Aqif payable to 2496800 (Goderich) and a same day transfer out of that account to a bank account held by Sunil Bhardwaj and Saneh Lata Bhardwaj;
- on March 21, 2018, a bank draft for \$500,000 from SMV Financial Service was deposited. On the same day, a bank draft for that amount was issued to Sunil Bhardwaj; and
- on September 4, 2018, there was a withdrawal of \$2,700 from the account. The name of the individual signing the withdrawal slip is not legible.

125. The Receiver has not yet determined whether it will proceed further with inquiries into any of the above transactions. 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.

XX. OTHER ENTITIES

126. During the course of the receivership administration, the Receiver has come across the names of other entities that appear to be related to one or more of the Debtors, including the following:

1401151 Ontario Ltd.
1944563 Ontario Inc.
Auto Car Wash / Auto-Car Wash Co.
Clean In Comfort
Dundas & Kipling Car Wash
Dundas Propane and Car Wash
Kipling and Dundas Propane
Kipling-Dundas Propane Co.
North Queen Propane
Shark Car Wash
Shark Car Wash Burlington
Sparkle Kleen Car Wash
Sparkle-Kleen-Carwash & Propane Ltd.

127. The Receiver has observed that many of the above entities share the same mailing or business address as 1496765 (Etobicoke), that some of the names are referenced on correspondence to the Debtors or appear to be used as operating names for the car washes operated by the Debtors. In addition, the Receiver found two credit card terminals at the Etobicoke Property for which two Moneris accounts were set up in the name of 1944563 Ontario Inc. ("**1944563**") operating as Dundas & Kipling Car Wash and as Dundas Propane & Car Wash. The Receiver has no information to determine whether revenues from the

operations conducted at the Etobicoke Property were deposited to the account of 1944563, to the account of 1496765 (Etobicoke) or elsewhere.

128. On January 30, 2019, the Receiver corresponded with the Debtors' legal counsel to obtain information regarding the relationship between the above entities and the Debtors and has not yet received a response to its correspondence.

XXI. SECURED OR PRIORITY CLAIMS

129. Attached to this report as **Appendices "N" to "R"** are copies of searches of the Parcel Register for Property Identifier reports from the Ontario Land Registry Office dated June 20, 2018 for the Etobicoke Property, the Burlington Property, the Port Colborne Property, the Port Elgin Property and the Goderich Property, respectively (the "**Title Searches**").
130. Attached to this report as **Appendices "S" to "X"** are copies of searches conducted against the Respondents under the Personal Property Security Registration System dated September 6, 2018 for 1496765 (Etobicoke), 1651033 (Burlington), 1527020 (Port Colborne), 2495087 (Port Elgin), 2496800 (Goderich) and Sunshine, respectively (the "**PPSA Searches**").
131. The claims registered against the Debtors, based on the information set out in the Title Searches and the PPSA Searches and which have not been audited or verified by the Receiver, are as follows:

Name of Registrant	Amount*	PPSA	PIN
1496765 (Etobicoke)			
Bank of Montreal	\$3,450,000	Y	Y
10831824 Canada Inc.	\$ 572,000		Y
1651033 (Burlington)			
Bank of Montreal	\$4,180,000	Y	Y
SDM Construction Inc.	\$2,549,484		Y
1527020 (Port Colborne)			
Bank of Montreal	\$1,550,000	Y	Y
2495087 (Port Elgin)			
Bank of Montreal	\$2,360,000	Y	Y
2496800 (Goderich)			
Bank of Montreal	\$1,825,000	Y	Y
Sunshine Propane Inc.			
Bank of Montreal		Y	
Her Majesty in right of Ontario, represented by the Minister of Finance	\$ 136,562	Y	
Merchant Advance Capital		Y	
Roynat Inc.		Y	
Thinking Capital		Y	

* Amounts as registered.

132. The Receiver has received legal opinions from Paliare Roland that, subject to the assumptions and qualifications contained in Paliare Roland's opinion letters, the mortgages granted in favour of BMO on each of the Etobicoke Property, the Burlington Property and the Port Colborne Property create valid first-ranking charges against the respective Property (the "**Security Opinions**"). Copies of the Security Opinions are attached to this report at Appendix "Y".
133. As set out on statements provided by BMO to the Receiver ("the "**BMO Statements**"), as of February 4, 2019, the amount owed by each of the Debtors to BMO is set out below:

1496765 (Etobicoke)	\$ 2,227,185
1651033 (Burlington)	2,628,839
1527020 (Port Colborne)	1,544,162
2495087 (Port Elgin)	2,478,332
2496800 (Goderich)	1,805,822
Total	\$ 10,684,340

The above amounts include advances made by BMO for which Receiver Certificates were issued. Copies of the BMO Statements are attached to this report at Appendix "Z".

Deemed Trust Claims of Canada Revenue Agency

134. In September 2018, CRA advised the Receiver that, with the exception of 1527020 (Port Colborne), the Debtors were not up-to-date in the filing of their respective returns.
135. CRA also informed the Receiver that certain of the Debtors did not have accounts registered at CRA. CRA has provided the amounts owing by the Debtors on account of source deductions and HST for those Debtors that did have accounts at CRA. A summary of the information provided by CRA is as follows:

Name	Source Deductions Liability	HST Liability
1496765 (Etobicoke)	\$2,601.00	\$44,050.97 (estimated)
1651033 (Burlington)	No account	Account closed Dec. 31, 2012
1527020 (Port Colborne)	Nil	(\$7,917.74) credit
2495087 (Port Elgin)	No account	Nil
2496800 (Goderich)	No account	Nil
Sunshine	\$966.22	\$2,194.69

Copies of correspondence from CRA dated September 14 and 19, 2018 summarizing the above are attached to this report as Appendix "AA".

136. With respect to 1527020 (Port Colborne), CRA has indicated that, according to its records, 1527020 (Port Colborne) ceased operating on January 31, 2010, has no overdue HST returns and has a credit of \$7,917.74 on its HST account that has been withheld and not refunded to 1527020 (Port Colborne) due to the non-filing of corporate tax returns for the years 2010 to 2018.
137. Subsequent to CRA's aforementioned correspondence, on January 10, 2019, CRA issued a Notice of Assessment for 2496800 (Goderich) assessing its estimated HST liability for the period November 1, 2016 to August 29, 2018 to be \$26,197.73. A copy of the Notice of Assessment is also attached to this report at Appendix "AA".
138. Based on the above, it appears to the Receiver that substantially all (if not all) of the Companies have not filed returns to CRA on account of source deductions and HST. For example, the Receiver is not aware of the basis upon which 2495087 (Port Elgin) and 2496800 (Goderich) paid employees who, the Receiver would expect, would be employed to conduct the operations of the respective gas stations and convenience stores in Port Elgin and Goderich since no payroll accounts appear to have been set up for 2495087 (Port Elgin) and 2496800 (Goderich).
139. The Receiver does not have possession and or access to accounting and financial records of the Debtors and thus is unable to attempt to calculate the potential source deductions and HST liabilities of the Companies.

-
140. As a result, the quantum of the Companies' liabilities for source deductions and HST are, for the most part, unknown.
141. On September 10, 2018, the Receiver wrote to CRA to request that CRA contact the Receiver to schedule a trust exam of the Companies' HST and payroll accounts. On September 14, 2018, in response to CRA's inquiry as to the location of the Companies' books and records, the Receiver provided CRA with the contact information that it had for representatives of the Debtors and for the Debtors' legal counsel, Mr. Ogunniyi. As the Receiver had not received any update from CRA, the Receiver wrote to CRA on February 1, 2019 to inquire as to the status of the trust exams.
142. The Receiver has submitted Form RC342 to CRA on account of all the Debtors' accounts to request that CRA waive the requirement for corporate tax returns to be filed by the Receiver in order that the Receiver may recover HST Input Tax Credits to which it may be entitled as a result of the receivership proceedings.

Deemed Trust Claim of Minister of Finance ("MOF")

143. The Receiver has received from MOF notice of MOF's Deemed Trust Claim against Sunshine for \$118,810.38 in respect of estimated liabilities under the Gasoline Tax Act. As noted above, MOF has a PPSA registration against Sunshine. A copy of correspondence from MOF setting out its claim is attached to this report as Appendix "BB".
144. The Receiver's only receipt to date in respect of Sunshine's assets is a refund of \$3,292.96 from Toronto Hydro representing a refund of a security deposit. The

Receiver will review with Paliare Roland the Receiver's position in respect of MOF's deemed trust claim.

Wage Earner Protection Program Act ("WEPPA")

145. As set out earlier in the First Report, the Receiver is not in possession of any financial information relating to the operations of the Companies, including any payroll or other information which would provide any details regarding employees, if any, who were employed by the Companies.
146. As a result, the Receiver has not been able to carry out its obligations pursuant to the provisions of WEPPA in respect of each of the Companies.

XXII. STATUTORY NOTICES AND REPORTS

147. Attached to this report as **Appendix "CC"** is the Notice and Statement of Receiver prepared pursuant to Sections 245(1) and 246(1) of the Bankruptcy and Insolvency Act in respect of each of the Debtors.

XXIII. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

148. Attached to this report as **Appendix "DD"** is the Receiver's Interim Statement of Receipts and Disbursements for the period August 29, 2018 to January 31, 2019 (the "**R&D**"). The R&D sets out the Receiver's receipts and disbursements for each of the Debtors, as well as on a combined basis.
149. On a summary combined basis; total receipts were \$506,719 and total disbursements were \$337,828, resulting in a net cash surplus of \$168,891, as follows:

Company Name	Cash Receipts	Cash Disbursements	Excess of Receipts over Disbursements
1496765 (Etobicoke)	\$ 99,036	\$ 74,471	\$ 24,565
1651033 (Burlington)	\$ 87,000	\$ 51,279	\$ 35,721
1527020 (Port Colborne)	\$ 99,000	\$ 63,691	\$ 35,309
2495087 (Port Elgin)	\$ 115,462	\$ 74,107	\$ 41,355
2496800 (Goderich)	\$ 102,928	\$ 72,421	\$ 30,507
Sunshine	\$ 3,293	\$ 1,858	\$ 1,435
Total	\$ 506,719	\$ 337,828	\$ 168,891

150. On or about September 6, October 30 and December 7, 2018, the aggregate amounts of \$105,000, \$35,000 and \$343,000, respectively, for a total amount of \$483,000, were advanced to the Receiver by BMO. A summary of the Receiver Certificates issued by the Receiver to BMO is attached as Appendix "EE" to this report.

XXIV. PROPOSED INTERIM DISTRIBUTION

151. Upon the closing of the sale of each of the Etobicoke Property, the Burlington Property and the Port Colborne Property and receipt by the Receiver of the net sales proceeds therefrom, funds will be available for the Receiver to make an interim distribution.
152. As set out above, the Receiver has received Security Opinions indicating that the mortgages granted by the Debtors to BMO in respect of the Etobicoke Property, the Burlington Property and the Port Colborne Property are validly registered and that those mortgages rank first in priority to the security interests of other parties in respect of those Properties.

153. On the closing of the sales of the Etobicoke Property, the Burlington Property and/or the Port Colborne Property, the Receiver proposes to make the following payments from the net proceeds, after payments of the property taxes and commissions payable to Avison in respect of any Property sold, (the “**Interim Distribution**”):

- (a) to the Receiver an amount equal to the unpaid accounts of the Receiver on account of operating expenses and the Receiver’s professional fees and disbursements;
- (b) to Paliare Roland an amount equal to the unpaid accounts of Paliare Roland;
- (c) to BMO, following the sale of the Etobicoke Property, the advances totaling \$99,000 under Receiver Certificates # 2, 6 and 9 plus accrued interest;
- (d) to CRA, \$2,601.00 owed on account of 1496765 (Etobicoke)’s source deductions deemed trust liability;
- (e) to BMO, following the sale of the Etobicoke Property, an amount not exceeding the outstanding indebtedness of 1496765 (Etobicoke) to BMO secured by BMO’s first mortgage over the Etobicoke Property;
- (f) to BMO, following the sale of the Burlington Property, the advances totaling \$87,000 under Receiver Certificates # 1, 8 and 11 plus accrued interest;
- (g) to BMO, following the sale of the Burlington Property, an amount not exceeding the outstanding indebtedness of 1651033 (Burlington) to BMO secured by BMO’s first mortgage over the Burlington Property;

-
- (h) to BMO, following the sale of the Port Colborne Property, the advances totaling \$99,000 under Receiver Certificates # 3, 7 and 10 plus accrued interest; and
- (i) to BMO, following the sale of the Port Colborne Property, an amount not exceeding the outstanding indebtedness of 1527020 (Port Colborne) to BMO secured by BMO's first mortgage over the Port Colborne Property.
154. The Receiver proposes to hold back, in respect of each of the Companies, amounts to cover unpaid operating expenses, potential deemed trust claims and future professional fees.

XXV. PROFESSIONAL FEES

155. The Receiver's accounts total \$233,515.50 in fees plus HST of \$30,357.02 for a total amount of \$263,872.52 for the period ending January 31, 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 February 11, 2019 attached to this report as Appendix "**FF**".
156. The accounts of the Receiver's counsel, Paliare Roland total \$34,092.15 in fees and disbursements and \$4,431.98 in HST for a total of \$38,524.13 (the "**Paliare Roland Accounts**") for the period ending January 31, 2019. A copy of the Paliare Roland Accounts, together with a summary of the personnel, hours and hourly rates described in the Paliare Roland Accounts, is set out in the Affidavit of Michelle Jackson sworn February 12, 2019 attached to this report as Appendix "**GG**".

157. The Receiver is seeking approval of the Receiver's Accounts and the Paliare Roland Accounts.

XXVI. CONCLUSION AND REQUEST OF THE COURT

158. The Receiver respectfully requests that the Court grant Orders which provide for the following:

- (a) authorizing and directing the Receiver to enter into and carry out the terms of the Etobicoke APS together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Etobicoke Property in the Etobicoke Purchaser, or as it may further direct in writing, free and clear of claims and encumbrances, upon closing of the transaction under the Etobicoke APS and the delivery of a Receiver's certificate to the Etobicoke Purchaser;
- (b) authorizing and directing the Receiver to enter into and carry out the terms of the Burlington APS together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Burlington Property in the Burlington Purchaser, or as it may further direct in writing, free and clear of claims and encumbrances, upon closing of the transaction under the Burlington APS and the delivery of a Receiver's certificate to the Burlington Purchaser;
- (c) authorizing and directing the Receiver to enter into and carry out the terms of the Port Colborne APS together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Port Colborne Property in the Port Colborne Purchaser, or as it may

further direct in writing, free and clear of claims and encumbrances, upon closing of the transaction under the Port Colborne APS and the delivery of a Receiver's certificate to the Port Colborne Purchaser;

(d) sealing the following Confidential Appendices:

- (i) Confidential Appendix "HH" to the First Report until the closing of the sale of the Etobicoke Property;
- (ii) Confidential Appendix "II" to the First Report until the closing of the sale of the Burlington Property; and
- (iii) Confidential Appendix "JJ" to the First Report until the closing of the sale of the Port Colborne Property;

(e) authorizing and directing the Receiver to deposit the Cash into the receivership trust account for the benefit of 1496765 (Etobicoke)'s creditors;

(f) authorizing and directing the Receiver to attempt to access any data saved on the hard drives of the computers found at the Etobicoke Property, the Port Colborne Property and the Goderich Property or if that cannot be done, to destroy the hard drives;

(g) authorizing the Receiver to sell or otherwise dispose of any remaining items at the Properties, including personal property and documents that may belong to individuals related to the Debtors, that are not removed under the Receiver's supervision from those Properties within three business days of the date of the Approval and Vesting Order issued in respect of that Property;

(h) authorizing the Receiver to make the Interim Distribution;

-
- (i) approving the First Report and the Receiver's conduct and activities to February 11, 2019;
 - (j) approving the R&D;
 - (k) approving the fees and disbursements of the Receiver incurred to January 31, 2019; and
 - (l) approving the fees and disbursements of Paliare Roland incurred to January 31, 2019.

All of which is respectfully submitted to this Court as of this 13th day of February, 2019.

RSM CANADA LIMITED

In its capacity as Court Appointed Receiver and Manager of
1496765 Ontario Ltd., 1651033 Ontario Ltd., 1527020 Ontario Inc.,
2495087 Ontario Inc., 2496800 Ontario Inc., and Sunshine Propane Inc.
and not in its personal capacity



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

TAB C

COUNSEL SLIP

Court File No. CV-18-00602537-00CL

Date: FEB 21, 2019

No. On List 4

Title of Proceeding BANK OF MONTREAL-v-2495087 ONTARIO INC. et al

Counsel for: Jeffrey Lavery & Elizabeth Rathbone Phone No. 416 646 4330
 Plaintiff(s) for Receiver
 Applicant(s)
 Petitioner(s) Fax No. 416 646 4301

Counsel for: OLUBUNMI OGUNNIRI Phone No. 416-997-3010
 Defendant(s)
 Respondent(s)
Stewart D Thom T 416-777-5197 Fax No. 1-877-201-3476
F 416 883-0305
sthom@stokinmanes.com

Bank of Montreal

SDM CONSTRUCTION INC.

~~416 8~~
905 857 2626

21 Feb 19

Debtor companies opposing the sales. Will be heard March 4/19 90 mins - any judge. Confirmed. Debtor companies to serve material on sep. Lien claimant issue also needs to be resolved

McEnt

Addendum in
Confidential docs to remain sealed.

McEnt

TAB D

Court File No: CV-18-00602537-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)
JUSTICE *Cniappeta*)
)
)
)

MONDAY, THE 4TH DAY OF
MARCH, 2019

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO ~~INC~~LTD., 1496765 ONTARIO ~~INC~~ LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-
B-3,
s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

DISTRIBUTION ORDER

THIS MOTION, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. (the "**Debtors**"), for an order authorizing the Receiver to, among other things, sell the real properties municipally known as 5462 Dundas Street West, Etobicoke, Ontario (the

"Etobicoke Property"), 5223 Dundas Street, Burlington, Ontario (the "Burlington Property"), and 633 Main Street West, Port Colborne, Ontario (the "Port Colborne Property") (each a "Property" and collectively, the "Properties") and to distribute certain of the proceeds therefrom, as described further in the First Report of the Receiver dated February 13, 2019 (the "First Report"), was heard this day at Toronto, Ontario.

ON READING the First Report and the Confidential Appendices attached thereto, and on hearing the submissions of respective counsel for the Receiver, the Applicants, the Purchaser, and such other counsel as were present, and no one else appearing, although properly served as appears from the affidavit of Michelle Jackson sworn February 13, 2019, filed:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the First Report and the conduct and activities of the Receiver to February 11, 2019 set out therein be and are hereby approved.
3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel for the period ended January 31, 2019 as set out in the First Report be and are hereby approved.
4. **THIS COURT ORDERS** that the Receiver's statement of receipts and disbursements as of January 31, 2019 as set out in the First Report, be and are hereby approved.
5. **THIS COURT ORDERS** that the following Confidential Appendices be sealed as follows:
 - (a) Confidential Appendix "HH" to the First Report until the closing of the sale of the Etobicoke Property;

- (b) Confidential Appendix "II" to the First Report until the closing of the sale of the Burlington Property; and
- (c) Confidential Appendix "JJ" to the First Report until the closing of the sale of the Port Colborne Property;

6. **THIS COURT ORDERS** that the Receiver is authorized and directed to pay from the proceeds of sale of the Properties or any of them, the following:

- (a) unpaid accounts relating to operating expenses;
- (b) to the Receiver, an amount equal to the unpaid accounts of the Receiver relating to the Receiver's fees; and
- (c) to Paliare Roland Rosenberg Rothstein LLP ("**Paliare Roland**"), an amount equal to the unpaid accounts of Paliare Roland.

vs (d) a hold back equal to the maximum amount of a potential construction lien claim on the Burlington Property by some construction l.c.

7. **THIS COURT ORDERS** that following the payments contemplated in paragraph 6, the Receiver is authorized and directed to pay from the proceeds of sale of the Etobicoke Property the following:

- (a) to CRA, \$2,601.00 owed on account of 1496765 Ontario Ltd.'s source deductions deemed trust liability;
- (b) to BMO:
 - (i) the advances totaling \$99,000 under Receiver Certificates # 2, 6 and 9 plus accrued interest; and
 - (ii) an amount not exceeding the outstanding indebtedness of 1496765 Ontario Ltd. to BMO;

8. **THIS COURT ORDERS** that following the payments contemplated in paragraph 6, the Receiver is authorized and directed to pay from the proceeds of sale of the Burlington Property the following:

(a) to BMO:

- (i) the advances totaling \$87,000 under Receiver Certificates # 1, 8 and 11 plus accrued interest; and
- (ii) an amount not exceeding the outstanding indebtedness of 1651033 Ontario Ltd. to BMO.

9. **THIS COURT ORDERS** that following the payments contemplated in paragraph 6, the Receiver is authorized and directed to pay from the proceeds of sale of the Port Colborne Property the following:

(a) to BMO:

- (i) the advances totaling \$99,000 under Receiver Certificates # 3, 7 and 10 plus accrued interest; and
- (ii) an amount not exceeding the outstanding indebtedness of 1527020 Ontario Inc. to BMO.

10. **THIS COURT ORDERS** that the Receiver may hold back, in respect of each of the Debtors, amounts to cover unpaid operating expenses, potential deemed trust claims and future professional fees.

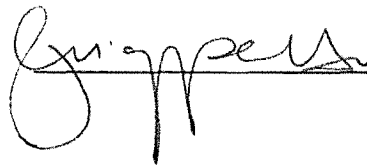
11. **THIS COURT ORDERS** the Receiver may attempt to access any data saved on the hard drives of the computers found at the Etobicoke Property, the Port Colborne Property, and the real property known municipally as 274 Bayfield Road, Goderich,

Ontario (the "**Goderich Property**") or if that cannot be done, to destroy the hard drives of such computers.

12. **THIS COURT ORDERS** the Receiver may deposit the Cash (as such term is defined in the First Report) into the receivership trust account for the benefit of 1496765 Ontario Ltd.'s creditors.

13. **THIS COURT ORDERS** the Receiver may sell or otherwise dispose of any remaining items at any of the Properties, the Goderich Property or the real property known municipally as 591 and 595 Goderich Street, Port Elgin, Ontario (the "**Port Elgin Property**") and with the Properties and the Goderich Property, the "**Real Properties**") including personal property that may belong to individuals related to the Debtors, that are not removed from those Real Properties, under the Receiver's supervision, within three business days of the date of the Approval and Vesting Order issued in respect of that Property.

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



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

MAR 05 2019

PER / PAR: *RW*

BANK OF MONTREAL

Applicant

-and-

Court File No. CV-18-00602537-00CL
2495087 ONTARIO INC. et al.

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

DISTRIBUTION ORDER

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

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

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

Elizabeth Rathbone (LSO# 70331U)
Tel: 416.646.7488
elizabeth.rathbone@paliareroland.com

Lawyers for the Receiver

TAB E

Court File Number: CN-18-60602534-00CL

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Bank of Montreal
Plaintiff(s)

AND

2495087 Ontario Inc. et al
Defendant(s)

Case Management Yes No by Judge: Chiappetta

Counsel	Telephone No:	Facsimile No:
<u>see attached</u>		

- Order Direction for Registrar (No formal order need be taken out)
- Above action transferred to the Commercial List at Toronto (No formal order need be taken out)
- Adjourned to: _____
- Time Table approved (as follows):

This is a motion brought by RSM Canada Limited (RSM) in its capacity as court-appointed receiver and manager (the Receiver) of 1496765 Ontario Ltd (1496765), 1651033 Ontario Ltd (1651033), 1527020 Ontario ~~Inc~~ Inc. (152702), 2495087 Ontario Inc (2495087), 249688 Ontario Inc (2496800) and Sunshine Propane Inc. (Sunshine) (collectively the Debtors). The motion is for orders authorizing and directing the

March 4, 2019
Date

Chiappetta
Judge's Signature

Additional Pages 11

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

Receiver to enter into and carry out the terms of agreements of purchase and sale to sell the Etobicoke Property (149 675 holds legal and beneficial title to a 0.4 acre real property known as 5462 Dundas Street, Etobicoke Ontario), the Burlington Property (1651033 holds legal and beneficial title to a 1.2 acre real property municipally known as 5223 Dundas Street, Burlington Ontario), and the Port Colborne Property (1527020 holds legal and beneficial title to a 1.9 acre real property municipally known as 633 Main Street West, Port Colborne, Ontario). The motion seeks further ancillary orders

The Debtors seek to adjourn this motion for two reasons. First they wish to cross-examine the listing agent and second they wish to unseal the Confidential Appendices related to each of

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

the three properties. This matter was originally before the court on Feb 21, 2019. Justice McEwen granted an adjournment, upon what I have been advised by counsel, to be serious allegations of impropriety in the sales process. He ordered the Debtors to serve its responding materials asap and he ordered the Confidential Appendices to remain sealed. The Debtors filed their responding materials. There is no evidence of impropriety, either actual or perceived, in terms of the sales process. At best the evidence demonstrates the agent did not return a couple of calls from a prospective purchaser of the Burlington and Etobicoke properties, Mr. Bhardwaj of SMV Financial Services and that SMV Financial Service's substantive efforts were made only after the property was sold, pending Court approval and normal closing procedures.

Page 3 of 12Judges Initials j

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

This is to be contrasted with the significant and detailed evidence of the marketing efforts by an experienced commercial real estate agency. I see no reason therefore why further costs should be incurred and further delay should be endured by an adjournment to cross-examine the listing agent. There is simply no evidence of impropriety.

The Receiver has filed under seal certain confidential appendices to the First Report which contain among other things, the appraisals on the Etobicoke, Burlington and Port Carbine Properties, summaries of the offers received for each property and the agreements of purchase and sale between the Receiver and the purchaser for each of the three properties. The Debtors want an adjournment to review the

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

Confidential Appendices. I do not agree that this is a reason to adjourn a hearing on the merits. Nor do I agree that the Confidential Appendices should be unsealed pending the closing of the sale of the respective properties. I am satisfied that the test in *Sierra Club of Canada v Canada (Minister of Finance)* 2002 CarswellNat 822 (S.C.C.) at para 45 has been met. The Court requires the information and documentation to fulfill its supervising role. If the details of the transactions are made to the general public, however, the Receiver's ability to maximize returns in the event the contemplated transactions do not close may be prejudiced (*Wells Fargo Financial Corporation of Canada v. Algonquin Group Inc*; Court File No. 09-8289-00CL, December 11, 2009). The same is true should the details be made

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

available to the Debtors. Counsel for the Debtors, in his submissions to the Court and put forward in affidavit evidence, advances the interests of Mr. Bhardwaj as a prospective purchase. Mr. Bhardwaj was in court today. In my view, should the Debtors be privy to the information of the Confidential Appendices there is a real risk that a potential purchaser may be privy as well. To this extent, the prejudice to the Receiver in maximizing returns in the event that the contemplated transaction does not close can not practically be extinguished, should the Debtors be granted ~~the~~ disclosure of the Confidential Appendices. The adjournment is therefore not granted.

In considering the merits of the motion, I find the evidence establishes the following:

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

1. Each of the Properties was publicly listed for sale.
2. Each of the Properties was exposed to the market for a sufficient period of time in the sales process conducted by the Receiver and an experienced commercial real estate agency.
3. Each of the Properties ~~was~~ was heavily marketed.
4. The sale process led to multiple offers for each of the Properties and culminated with three agreements of purchase and sale with third party arm's length purchasers.
5. The selling price for each of the Properties is reasonable given the values set out in the applicable appraisals.
6. All of the agreements of purchase and sale have the support of Bank of Montreal which holds ^{the} primary or only, as the

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

Case may be, registered interest on title to the applicable property.

7. The offers for the Properties are all firm, as the Purchasers have waived conditions.

8. The Receiver has received a deposit of 10% ^{of} ~~the~~ the respective purchase prices from each of the purchasers.

9. The Properties are being sold on a "as is, where is" basis.

10. The terms of the agreements of purchase and sale are reasonable in light of the value set out in the appraisals for the respective Property and/or other information received by the Receiver.

11. The marketing process was reasonable and appropriate for the type of property in question and provided sufficient market exposure to the Properties.

12. In accordance with legal opinion, the mortgages over the three properties

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

granted in favour of BMO are each valid and enforceable first ranking security interests against title to those Properties.

13. As of July 27, 2018, the Debtors were indebted to BMO in the amount of \$ 9,992,297.84.

14. The Distribution proposed, with a hold back on the Burlington Property more particularly described below, is reasonable.

The Debtors take no issue and are unopposed to the sale of the Part Coburne Property.

The Debtors oppose the sale of the Etobicoke property arguing that there is a second mortgage on it. The second mortgagee was served with this motion and has neither responded nor attended. I see no reason, considering my reasons above, not to approve

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

the sale of the Etobicoke Property.

Ms. Ibe attends today on behalf of her client SDM Construction Inc to oppose the sale of the Burlington Property. She advises, without evidence before the court from her client or Mr. Bhardwaj, that her client has a construction lien on the Burlington Property of over 2M and Mr. Bhardwaj is willing to purchase the Burlington property for 2.7 M plus assume the 2M construction lien. As a result, it is submitted, Mr. Bhardwaj's offer is superior and the court should not approve the sale of the Burlington Property in accordance with the Agreement before the court. I disagree. As noted above, the properties were heavily marketed. There is no evidence as to why Mr. Bhardwaj did not put this offer forward during the bidding process or prior to the bid deadline but puts it forward today

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

in open court, without evidence or a properly formatted offer, 2.5 weeks after the bid deadline. Second, the offer, even accepted as valid and true, is entirely impractical. The evidence demonstrates the value of the Burlington Property in the range of 2.7 M, as offered by Mr. Bhardwaj recently. Counsel asks the court to accept that Mr. Bhardwaj is willing today to personally assume the entire value of the construction lien, effectively doubling the value of his offer to purchase. The offer is without detail, without clarity and most importantly without practicality as it falls millions of dollars outside the appraiser's information received by the Receiver and other offers on the Property.

BMO's mortgage was placed on the property in April 2014. The construction lien was registered on the property

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

years later in August 2018, for WMC
 that commenced a couple of years later.
 It would appear that SDM Construction Inc
 does not have a priority claim. Nevertheless
 BMO and the Receiver have agreed to a hold
 back equal to the maximum amount of
 the construction lien claim on the Burlington
 Property ^{if accepted} and an Order shall go in accordance
 with that agreement. I see no other
 reason not to approve the sale of the
 Burlington Property as requested.

Orders to go therefore in
 accordance with the 4 draft orders
 signed by me today

TAB F

Court File No: CV-18-00602537-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) THURSDAY, THE 21ST DAY OF
JUSTICE HAINEY) MARCH, 2019

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INCLTD., 1496765 ONTARIO ING LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-
B-3,
s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

ORDER

THIS MOTION, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. (the "**Debtors**"), seeking to amend an Order of Chiappetta J. issued on March 4, 2019 authorizing the Receiver to, among other things, sell the real property municipally

known as 5223 Dundas Street, Burlington, Ontario as described further in the First Report of the Receiver dated February 13, 2019 (the "First Report"), was heard this day at Toronto, Ontario.

ON READING the First Report and on hearing the submissions of counsel appearing on behalf of the Receiver:

1. **THIS COURT ORDERS** that the Approval and Vesting Order of Chiappetta J. dated March 4, 2019, attached hereto as Schedule "A", is hereby amended in accordance with the Amended Approval and Vesting Order, attached hereto as Schedule "B".

A handwritten signature in cursive script, appearing to read "Hainey J.", is written over a horizontal line.

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

MAR 21 2019

PER / PAR: RW

Schedule "A"

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE)
JUSTICE *Chiappetta*)

MONDAY, THE 4TH DAY
OF MARCH, 2019

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO ~~INC~~LTD., 1496765 ONTARIO ~~INC~~LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3,
s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

APPROVAL AND VESTING ORDER
(Re 5223 Dundas Street, Burlington, Ontario)

THIS MOTION, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 1651033 Ontario Ltd. ("**1651033**"), including all proceeds thereof (collectively, the "**Property**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Harsha Nimrani in trust for a corporation to be incorporated, which corporation was subsequently incorporated as 2680944 Ontario Inc. (the "**Purchaser**") dated January 25, 2019 and accepted on January 30, 2019 and appended to the Report of the Receiver dated February 13, 2019 (the "**Report**"), and vesting in the Purchaser 1651033's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of respective counsel for the Receiver, the Applicants, the Purchaser, and such other counsel as were present, and no one else appearing, although properly served as appears from the affidavit of Michelle Jackson sworn February 13, 2019, filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and that the Sale Agreement is commercially reasonable and in the best interests of 1651033 and its stakeholders. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Receiver's and all of 1651033's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated August 29, 2018; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Halton (#20) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby

directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

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

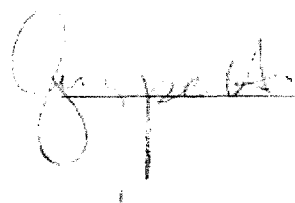
5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of 1651033 and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of 1651033;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of 1651033 and shall not be void or voidable by creditors of 1651033, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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



ENREGISTRÉ À L'ÉCRITURE À TORONTO
ON / BOOK NO:
LE / DANS LE REG. STRE NO

MAR 05 2019

PER / PAR: RW

Schedule A – Form of Receiver’s Certificate

Court File No. CV-18-00602537-00CL

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INCLTD., 1496765 ONTARIO INC LTD. and
SUNSHINE PROPANE INC.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the “**Court**”) dated August 29, 2018, RSM Canada Limited was appointed as the receiver and manager (the “**Receiver**”) of all of the assets, undertakings and properties of 1651033 Ontario Ltd. (“**1651033**”), including all proceeds thereof (collectively, the “**Property**”).

B. Pursuant to an Order of the Court dated February 21, 2019 (the “**Vesting Order**”), the Court approved the agreement of purchase and sale made as of January 25, 2019 (the “**Sale Agreement**”) between the Receiver and Harsha Nimrani in trust for a corporation to be incorporated, which corporation was subsequently incorporated as 2680944 Ontario Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Receiver’s and 1651033’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

- 1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Date of Closing pursuant to the Sale Agreement;
- 2. The conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
- 3. The Transaction has been completed to the satisfaction of the Receiver; and
- 4. This Certificate was delivered by the Receiver at [TIME] on ► [DATE].

RSM Canada Limited, solely in its capacity as Court-appointed Receiver and Manager of 1651033 Ontario Ltd. and not in its personal or corporate capacity and without personal or corporate liability

Per: _____
Name: ►
Title: ►

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Schedule B – Purchased Assets

All of the Receiver's (if any) and 1651033's right, title and interest in and to the Property and the Building (as defined in the Sale Agreement) including, without limitation, the following real property:

MUNICIPAL ADDRESS: 5223 Dundas Street, Burlington, ON

LEGAL DESCRIPTION: PT LT 3, CON 1 NEL NDS, PTS 1 & 2, 20R18227 SAVE &
EXCEPT PT 1 20R19559; SUBJECT TO AN EASEMENT IN
GROSS OVER PART 1 PLAN 20R18227 AS IN HR756568;
CITY OF BURLINGTON

PIN: 07201-0178 (LT)

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

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

1. Instrument No. HR1172775 registered on April 2, 2014, being a Charge in favour of Bank of Montreal in the principal amount of \$3,180,000.00.
2. Instrument No. HR1172775 registered on April 2, 2014, being a Notice of Assignment of Rents (General) in favour of Bank of Montreal.
3. Instrument No. HR1196588 registered on July 15, 2014, being a Charge in favour of Bank of Montreal in the principal amount of \$1,000,000.00.
4. Instrument No. HR1568135 registered on August 31, 2018 is a Construction Lien in favour of SDM Construction Inc.

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

(unaffected by the Vesting Order)

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

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

10. The following instruments registered on title to the Property:
- i. Instrument No. HR746940 registered 2009/04/24 is a NOTICE with THE CORPORATION OF THE CITY OF BURLINGTON.
 - ii. Instrument No. HR756566 registered 2009/06/03 is a NOTICE with THE REGIONAL MUNICIPALITY OF HALTON.
 - iii. Instrument No. HR756568 registered 2009/06/03 is a TRANSFER EASEMENT in favour of THE REGIONAL MUNICIPALITY OF HALTON.

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Schedule "B"

Court File No. CV-18-00602537-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) THURSDAY, THE 21ST DAY
JUSTICE HAINEY) OF MARCH, 2019

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INC. ~~LTD.~~, 1496765 ONTARIO INC. ~~LTD.~~ and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3,
s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

AMENDED APPROVAL AND VESTING ORDER
(Re 5223 Dundas Street, Burlington, Ontario)

THIS MOTION, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 1651033 Ontario Ltd. ("**1651033**"), including all proceeds thereof (collectively, the "**Property**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Harsha Nimrani in trust for a corporation to be incorporated, which corporation was subsequently incorporated as 2680944 Ontario Inc. (the "**Purchaser**") dated January 25, 2019 and accepted on January 30, 2019 and appended to the Report of the Receiver dated February 13, 2019 (the "**Report**"), and vesting in the Purchaser 1651033's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of respective counsel for the Receiver, the Applicants, the Purchaser, and such other counsel as were present, and no one else appearing, although properly served as appears from the affidavit of Michelle Jackson sworn February 13, 2019, filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and that the Sale Agreement is commercially reasonable and in the best interests of 1651033 and its stakeholders. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Receiver's and all of 1651033's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated August 29, 2018; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Halton (#20) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby

directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "**Real Property**") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

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

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

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of 1651033 and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of 1651033;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of 1651033 and shall not be void or voidable by creditors of 1651033, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

Schedule A – Form of Receiver’s Certificate

Court File No. CV-18-00602537-00CL

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INC LTD., 1496765 ONTARIO INC LTD. and
SUNSHINE PROPANE INC.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Hailey of the Ontario Superior Court of Justice (the "**Court**") dated August 29, 2018, RSM Canada Limited was appointed as the receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 1651033 Ontario Ltd. ("**1651033**"), including all proceeds thereof (collectively, the "**Property**").

B. Pursuant to an Order of the Court dated March 21, 2019 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale made as of January 25, 2019 (the "**Sale Agreement**") between the Receiver and Harsha Nimrani in trust for a corporation to be incorporated, which corporation was subsequently incorporated as 2680944 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Receiver’s and 1651033’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Date of Closing pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at [TIME] on ► [DATE].

RSM Canada Limited, solely in its capacity as Court-appointed Receiver and Manager of 1651033 Ontario Ltd. and not in its personal or corporate capacity and without personal or corporate liability

Per: _____
Name: ►
Title: ►

Schedule B – Purchased Assets

All of the Receiver's (if any) and 1651033's right, title and interest in and to the Property and the Building (as defined in the Sale Agreement) including, without limitation, the following real property:

MUNICIPAL ADDRESS: 5223 Dundas Street, Burlington, ON
LEGAL DESCRIPTION: PT LT 3, CON 1 NEL NDS, PTS 1 & 2, 20R18227 SAVE &
EXCEPT PT 1 20R19559; SUBJECT TO AN EASEMENT IN
GROSS OVER PART 1 PLAN 20R18227 AS IN HR756568;
CITY OF BURLINGTON
PIN: 07201-0178 (LT)

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

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

1. Instrument No. HR1172775 registered on April 2, 2014, being a Charge in favour of Bank of Montreal in the principal amount of \$3,180,000.00.
2. Instrument No. HR1172776 registered on April 2, 2014, being a Notice of Assignment of Rents (General) in favour of Bank of Montreal.
3. Instrument No. HR1196588 registered on July 15, 2014, being a Charge in favour of Bank of Montreal in the principal amount of \$1,000,000.00.
4. Instrument No. HR1568135 registered on August 31, 2018 is a Construction Lien in favour of SDM Construction Inc.
5. Instrument No. HR1589610 registered on November 30, 2018 is a Certificate by SDM Construction Inc. against 1651033 Ontario Ltd.

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

(unaffected by the Vesting Order)

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

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

10. The following instruments registered on title to the Property:
- i. Instrument No. HR746940 registered 2009/04/24 is a NOTICE with THE CORPORATION OF THE CITY OF BURLINGTON.
 - ii. Instrument No. HR756566 registered 2009/06/03 is a NOTICE with THE REGIONAL MUNICIPALITY OF HALTON.
 - iii. Instrument No. HR756568 registered 2009/06/03 is a TRANSFER EASEMENT in favour of THE REGIONAL MUNICIPALITY OF HALTON.
 - iv. Instrument No. HR117413 registered 2014/04/28 is a NOTICE with the CORPORATION OF THE CITY OF BURLINGTON.

BANK OF MONTREAL

-and-

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

ORDER

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Lawyers for the Receiver

TAB G

Court File No. CV-18-00602537-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO LTD., 1496765 ONTARIO LTD. and
SUNSHINE PROPANE INC.

Respondents

SECOND REPORT OF THE RECEIVER

March 29, 2019

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I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated August 29, 2018 (the “**Appointment Order**”), RSM Canada Limited was appointed receiver and manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of 1496765 Ontario Ltd. (“**1496765 (Etobicoke)**”), 1651033 Ontario Ltd. (“**1651033 (Burlington)**”), 1527020 Ontario Inc. (“**1527020 (Port Colborne)**”), 2495087 Ontario Inc. (“**2495087 (Port Elgin)**”), 2496800 Ontario Inc. (“**2496800 (Goderich)**”), and Sunshine Propane Inc. (“**Sunshine**”) (collectively the “**Debtors**” or the “**Companies**”) acquired for, or used in relation to the businesses carried on by the Debtors, including all proceeds thereof (the “**Property**”). A copy of the Appointment Order is attached to this report as Appendix “**A**”.
2. On February 13, 2019, the Receiver brought a motion, returnable on February 21, 2019, for the purpose of, *inter alia*:
 - (a) seeking approval of the sale of the Etobicoke Property (defined below), the Burlington Property (defined below) and the Port Colborne Property (defined below); and
 - (b) seeking the Court's authorization of certain payments including an interim distribution.

A copy of the Receiver's first report to the Court dated February 13, 2019 (the “**First Report**”) in support of the Receiver's motion is attached hereto, without appendices, as Appendix “**B**”.

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3. On February 21, 2019, the Debtors attended at the motion hearing to oppose the Receiver's sale of the Etobicoke Property, the Burlington Property and the Port Colborne Property and to seek an adjournment of the motion in order to allow them to prepare a response. A copy of the Endorsement of Justice McEwen adjourning the motion to March 4, 2019 (the "**February 21 Endorsement**") is attached hereto as Appendix "**C**".
 4. On March 4, 2019, the Receiver's motion was heard and Justice Chiappetta:
 - (a) granted Approval and Vesting Orders in respect of each of the Etobicoke Property, the Burlington Property and the Port Colborne Property, copies of which are attached hereto as Appendices "**D**", "**E**" and "**F**", respectively; and
 - (b) granted a Distribution Order authorizing the Receiver to make certain payments as contemplated in the First Report, to make an interim distribution to Bank of Montreal on account of its outstanding indebtedness and authorizing various ancillary relief. A copy of the Distribution Order is attached hereto as Appendix "**G**".
 5. A copy of Justice Chiappetta's Endorsement made on March 4, 2019 (the "**March 4 Endorsement**") is attached to this report as Appendix "**H**".
 6. On March 21, 2019, Justice Hainey issued an order amending the Approval and Vesting Order of March 4, 2019 in respect of the Burlington Property (the "**March 21 Order**") to add Instrument No. HR1589610 to Schedule C listing the claims to be deleted and expunged from title to that property. A copy of the March 21 Order is attached hereto as Appendix "**I**".

-
7. The Appointment Order, the First Report, the Approval and Vesting Orders and the Distribution 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/2495087-ontario-et-al.

Purpose of Second Report

8. The purpose of this second report of the Receiver (the "**Second Report**") is to:
- (i) report to the Court on the activities of the Receiver since the date of the First Report to March 28, 2019;
 - (ii) report to the Court on the closing of the sale of the Etobicoke Property;
 - (iii) report to the Court on the closing of the sale of the Burlington Property;
 - (iv) report to the Court on the status of the closing of the sale of the Port Colborne Property;
 - (v) report to the Court on the status of the marketing of the Goderich Property;
 - (vi) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period August 29, 2018 to March 25, 2019; and
 - (vii) seek Orders:
 - a. authorizing and directing the Receiver to enter into and carry out the terms of the Port Elgin APS (defined below) together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Port Elgin Property in the Port Elgin Purchaser (each 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 Port Elgin APS and the delivery of a Receiver's certificate to the Port Elgin Purchaser;
- b. sealing Confidential Appendix "L" to the Second Report until the closing of the sale of the Port Elgin Property;
 - c. sealing Confidential Appendix "N" to the Second Report until the closing of the sale of the Port Elgin Property;
 - d. authorizing the Receiver to destroy the Non-debtor Documents and Personal Documents (each as defined below);
 - e. authorizing the Receiver to make the 2495087 Interim Distribution (defined below);
 - f. approving the Second Report and the Receiver's conduct and activities to March 28, 2019;
 - g. approving the fees and disbursements of the Receiver incurred to February 28, 2019; and
 - h. approving the fees and disbursements of Paliare Roland incurred to February 28, 2019.

Terms of Reference

9. In preparing the 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 the 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.

10. Defined terms in the Second Report have, unless indicated otherwise herein, the same meanings as set out in the First Report.
11. Unless otherwise stated, all dollar amounts contained in the Second Report are expressed in Canadian dollars.
12. As set out below, the Receiver is not in possession of any recent financial information of the Debtors. Accordingly, the Receiver is administering the receiverships of the Debtors on the assumption that the only assets of the Debtors are the real properties (the "**Properties**"), cash on hand and miscellaneous chattels.

II. BACKGROUND

The Parties

Bank of Montreal

13. This section provides a condensed summary of the parties primarily involved in this proceeding. Additional information in respect of the parties, as well as to the background information relating to the Receiver's appointment, can be found in Paragraphs 9 to 32 of the First Report.

-
14. Bank of Montreal ("**BMO**") is the Applicant in these proceedings and is the primary secured creditor of each of the Companies. As of July 27, 2018, the Debtors were indebted to BMO in the aggregate amount of \$9,992,297.94.
15. The security held by BMO consists of mortgages over the Properties, as well as security agreements over the other assets of the Companies. Certain Debtors have guaranteed certain other Debtors' indebtedness to BMO.

1496765 (Etobicoke)

16. 1496765 (Etobicoke) is an Ontario Corporation that as of the date of the Receiver's appointment, held legal and beneficial title to a 0.4 acre real property municipally known as 5462 Dundas Street West, Etobicoke, Ontario (the "**Etobicoke Property**"). As at the date of the Appointment Order, 1496765 (Etobicoke) operated an automatic car wash and auto detailing business at the Etobicoke Property.
17. In addition to the car wash, located at the Etobicoke Property was a propane refill centre.

1651033 (Burlington)

18. 1651033 (Burlington) is an Ontario Corporation that as of the date of the Receiver's appointment, held legal and beneficial title to a 1.2 acre real property municipally known as 5223 Dundas Street, Burlington, Ontario (the "**Burlington Property**"), on which is located a car wash. As at the date of the Appointment Order, the renovations to the Burlington Property had not been completed and the car wash was not in operation.

1527020 (Port Colborne)

19. 1527020 (Port Colborne) is an Ontario Corporation that holds legal and beneficial title to a 1.9 acre real property municipally known as 633 Main Street West, Port Colborne, Ontario (the "**Port Colborne Property**") from which, as at the date of the Appointment Order, 1527020 (Port Colborne) operated a self-service and automatic car wash.

2495087 (Port Elgin)

20. 2495087 (Port Elgin) is an Ontario Corporation that holds legal and beneficial title to the real property municipally known as 591 and 595 Goderich Street, Port Elgin, Ontario (the "**Port Elgin Property**"). The Port Elgin Property is situated on approximately 0.6 acres of land. As at the date of the Appointment Order, located on the Port Elgin Property were:

- (a) a self-serve gas bar operating under the Ultramar brand;
- (b) a two-storey commercial building (approximately 4,000 sq. ft.) consisting of
 - (i) an ExpressMart convenience store, (ii) a retail store on the ground floor and (iii) a residential apartment on the second floor; and
- (c) a separate one-storey building (approximately 3,000 sq. ft.) occupied by a Tim Horton's restaurant.

21. 2495087 (Port Elgin) operated the gas station and convenience store and leased the other premises to tenants.

2496800 (Goderich)

22. 2496800 (Goderich) is an Ontario Corporation that holds legal and beneficial title to a 0.5 acre real property municipally known as 274 Bayfield Road, Goderich,

Ontario (the "Goderich Property"). As at the date of the Appointment Order, located on the Goderich Property were:

- (a) a self-serve gas bar operating under the Ultramar brand;
- (b) a one-storey commercial building containing an ExpressMart convenience store (approximately 860 sq. ft.); and
- (c) an automatic car wash (approximately 1,200 sq. ft.).

23. 2496800 (Goderich) operated the gas station, the convenience store and the car wash.

Sunshine

24. Sunshine is an Ontario Corporation incorporated on January 28, 2010.

25. The head office and mailing address for Sunshine is registered as 5462 Dundas St. West, which is the same address as that of 1496765 (Etobicoke), being the Etobicoke Property. Upon its appointment, the Receiver thought that Sunshine's operations consisted of the propane refill business. However, based on the Receiver's enquiry, the Ontario Fuels Safety License for the propane business is issued to Sam Propane Inc., and not to Sunshine.

26. The Respondents are independent from each other, but appear connected or otherwise related and/or owned by members of the same extended family.

III. COMPLETION OF THE SALE OF THE ETOBICOKE PROPERTY

27. In the First Report, the Receiver provided the Court with details of the proposed sale transaction with 2677323 Ontario Inc. for the Etobicoke Property. Following the issuance of the Approval and Vesting Order, the Receiver proceeded to close the sale transaction.

-
28. A copy of the Receiver's Certificate filed with the Court on March 18, 2019 is attached to this report as Appendix "J".

IV. COMPLETION OF THE SALE OF THE BURLINGTON PROPERTY

29. In the First Report, the Receiver provided the Court with details of the proposed sale transaction with Harsha Nimrani in trust corporation to be incorporated and subsequently assigned to 2680944 Ontario Inc. for the Burlington Property. Following the issuance of the Approval and Vesting Order, the Receiver proceeded to close the sale transaction.
30. A copy of the Receiver's Certificate filed with the Court on March 22, 2019 is attached to this report as Appendix "K".

V. STATUS OF THE SALE OF THE PORT COLBORNE PROPERTY

31. In the First Report, the Receiver provided the Court with details of the proposed sale transaction with 2573702 Ontario Inc. (the "Port Colborne Purchaser") for the Port Colborne Property (the "Port Colborne APS"). Following the issuance of the Approval and Vesting Order, the closing date was scheduled for March 18, 2019.
32. On March 11, 2019, the Port Colborne Purchaser requested an extension until April 15, 2019. The Receiver advised that it would be agreeable to an extension of the closing date to April 15, 2019 on certain terms and conditions. In response, the Port Colborne Purchaser requested the closing date be extended to May 1, 2019. After negotiation between the parties, the closing date was extended to May 1, 2019 and the Port Colborne Purchaser paid a second deposit to the

Receiver. A copy of the Amendment of Agreement of Purchase and Sale dated March 19, 2019 amending the terms of the Port Colborne APS is attached to this report as Confidential Appendix "L".

VI. PORT COLBORNE SAFES

33. The Receiver arranged for a safecracker to attend at the Port Colborne Property to open the safes. The safes were found to contain keys and documents including corporate documents pertaining to the predecessor companies to 1527020 (Port Colborne), but no cash or other valuables. The Receiver will provide the keys from the safes to the purchaser of the Port Colborne Property upon the closing of the sale of that property.

VII. BOOKS AND RECORDS AND COMPUTERS

34. Paragraph 13 of the Distribution Order provides the Receiver with the authority to sell or otherwise dispose of any remaining items at any of the Properties, including personal property that may belong to individuals related to the Debtors, that are not removed from those Properties, under the Receiver's supervision, within three business days of the date of the Approval and Vesting Order issued in respect of that Property.
35. No parties contacted the Receiver to make arrangements to remove any remaining items or personal property at the Properties.
36. Prior to the sale of the Etobicoke Property, the Receiver attended at the Etobicoke Property and removed books and records found at the Etobicoke Property. The Receiver did not remove any other items from the Etobicoke

Property and the Burlington Property, other than computers, prior to the closing of the respective sale transactions.

37. The documents and books and records the Receiver removed from the Etobicoke Property include books and records pertaining to the Debtors, records pertaining to individuals (the "**Personal Documents**") or books and records pertaining to other entities (the "**Non-debtor Documents**"). The books and records include cash register receipts and vendor invoices, bank statements, and other accounting and financial records of the Debtors. The Receiver did not find any accounting ledgers that would allow it to prepare the Debtors' outstanding corporate tax, HST or payroll returns.
38. The Personal Documents include personal information relating to individuals including the principals of the Debtors.
39. The Non-debtor Documents include accounting and financial information pertaining to other entities who appear to share a mailing or business address with one of the Debtors. At this time, the Receiver does not have knowledge about whether or how these companies are related to one or more of the Debtors.
40. On January 30, 2019, Paliare Roland wrote to counsel for the Debtors to request that the Debtors identify for the Receiver, the relationship, if any, of thirteen specified entities. No response was received.
41. A summary of the documents is attached at Appendix "**M**". The Receiver intends to provide a copy of this list to Canada Revenue Agency ("**CRA**") and to inquire of CRA whether it wishes to review any of the records, as certain of the records may assist CRA to assess the liabilities, if any, that the individual Debtor

companies have to CRA. The Receiver will provide access to and copies of any of the records that may be requested by CRA that are in the Receiver's possession as at the date of the request.

42. As certain of the documentation in the possession of the Receiver are not records of the Debtor companies, the Receiver seeks an Order authorizing and directing the Receiver to destroy any Non-debtor Documents and Personal Documents as the Receiver may consider appropriate.
43. The Receiver removed from the Etobicoke Property and the Port Colborne Property any computers that did not appear to be integrated with the car wash operations. The Receiver is obtaining quotes for the cost to access any data saved on the hard drives of the computers and for destruction of the hard drives and disposal of the computers. If the data is not accessible, and as authorized in the Distribution Order, the Receiver will arrange for the hard drives to be destroyed.

VIII. MARKETING AND SALES ACTIVITIES

44. The Receiver and Avison Young have executed an amendment to the Listing Agreement which was due to expire on March 18, 2019. The Listing Agreement is extended to September 18, 2019 in respect of the Port Elgin and Goderich properties.
45. Avison Young is continuing its marketing of the Goderich Property.
46. Details of the Receiver's marketing process that resulted in the receipt of offers for the Properties, including the Port Elgin Property, are set out in Paragraphs

107 to 112 of the First Report. A summary of the offers received for the Port Elgin Property are set out in Tabs 1 and 2 of Confidential Appendix "N" of this report.

IX. SALE OF THE PORT ELGIN PROPERTY

47. On January 30, 2019, the Receiver entered into an agreement of purchase and sale with Amalethan Xavier, in trust for a company to be incorporated (the "**Port Elgin Purchaser**") for the Port Elgin Property (the "**Port Elgin APS**").
48. As reported in the First Report, the Port Elgin APS was subject to a 30-day conditional period, which was due to expire on March 2, 2019.
49. On February 26, 2019, the Port Elgin Purchaser requested a two week extension of the conditional period. The Receiver agreed to extend the conditional period to March 15, 2019. On March 15, 2019, the Port Elgin Purchaser waived its condition and provided the portion of the deposit due upon the waiver of the condition.
50. As noted in the First Report, TDL Group Ltd. ("**TDL**") is the lessee for the Tim Horton's restaurant located on the Port Elgin Property. The lease for the tenancy provides TDL with a right of first refusal (the "**Tim Horton's ROFR**") with respect to a bona fide offer to purchase all or part of the Port Elgin Property received by the landlord during the tenancy period. Before accepting any such offer, the landlord is required to give TDL the sole and exclusive right for a period of ten (10) banking days after the receipt of such notice, to elect to purchase the property upon the same terms and conditions as are contained in the offer.
51. On March 19, 2019, the Receiver gave notice to TDL of the Port Elgin offer. The deadline for TDL to exercise the Tim Horton's ROFR was April 2, 2019.

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52. On March 25, 2019, TDL advised the Receiver that it would not be exercising the Tim Horton's ROFR.
53. As the Port Elgin Purchaser has advised the Receiver that it will not be operating a gas station under the Ultramar brand, if the Approval and Vesting Order is issued by the Court, the Receiver will contact Parkland to make arrangements for Parkland to remove its property from the Port Elgin Property.

X. THE PORT ELGIN APS

54. Salient terms of the Port Elgin APS and matters relating thereto include (all capitalized terms in this section not defined in the Port Elgin APS are as otherwise defined in the Second Report):
- i) the purchased assets include the Port Elgin Property;
 - ii) a deposit of 10% of the Purchase Price has been received from the purchaser;
 - iii) the offer is firm as the Purchaser waived conditions;
 - iv) the Port Elgin 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 Agreement;
 - v) the Purchaser is buying the Port Elgin Property on an "as is, where is" basis; and
 - vi) closing of the sale provided for in the Port Elgin APS is scheduled to occur on the tenth Business Day following the date on which the Approval and

Vesting Order is granted, or such other date as agreed between the Purchaser and the Receiver.

55. A copy of the Port Elgin APS is attached to this report at Tab 3 to Confidential Appendix "N".

XI. APPROVAL OF SALE

56. 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 Port Elgin Property for the following reasons:

- (i) notice of the sale of the Port Elgin Property was sent to more than 1,200 parties;
- (ii) the Port Elgin Property was listed for sale on MLS;
- (iii) the Port Elgin Property was listed on Avison Young's website and Loopnet; and
- (iv) the Port Elgin Property was exposed to the market for a period of approximately six weeks.

57. The Receiver therefore recommends the approval of the Port Elgin APS by this Honourable Court.

58. The Receiver believes that details of the offers submitted for the Port Elgin Property including matters relating thereto should be kept confidential until the closing of the transaction. The Receiver is of the view that public disclosure thereof would have a negative impact on the future marketing of the Port Elgin Property should the transaction with the purchaser not be approved or completed.

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59. The Receiver therefore respectfully requests that Confidential Appendix "N" be sealed until after the closing of the sale of the Port Elgin Property.

XII. POSSIBLE LEASE RE PORT ELGIN PROPERTY

60. Included in the documents the Receiver came upon at the Etobicoke Property was a premises lease dated July 27, 2018 between 2495087 (Port Elgin) and Naveed Amin, operating as "Shawarma King" (the "**Amin Lease**"). A copy of the Amin Lease is attached to this report as Appendix "O".
61. According to the Amin Lease, the term of the lease is for five years commencing on August 1, 2018, with a five year renewal option.
62. At the time the Receiver took possession of the Port Elgin Property, the Receiver did not see any evidence of operations being conducted that would be consistent with the Amin Lease and, until the Receiver located the lease when it removed documents from the Etobicoke Property, the Receiver had no knowledge that the Amin Lease existed.
63. The Receiver has not received any of the rent payments due to be paid pursuant to paragraph 3 of the Amin Lease nor has it had any communications from Naveed Amin. It is the Receiver's position that since no rent has been paid to the Receiver, the Amin Lease is in default.
64. While the Amin Lease does not appear to contain a termination or default provision, the Receiver is not able to serve any default notice, or notice of termination, upon Naveed Amin since the only address for Naveed Amin contained in the Amin Lease is the address of the Port Elgin Property.

65. Paliare Roland has advised the Receiver that the Amin Lease is not registered on title to the Port Elgin Property.

XIII. SECURED OR PRIORITY CLAIMS

66. The First Report included:
- i) a copy of the search of the Parcel Register for Property Identifier reports from the Ontario Land Registry Office dated June 20, 2018 for the Port Elgin Property; and
 - ii) a copy of the search conducted under the Personal Property Security Registration System dated September 6, 2018 for 2495087 (Port Elgin).
67. Based on the above searches, and as set out in the First Report, the only claim registered against 2495087 (Port Elgin) is a registration in the amount of \$2,360,000 in favour of BMO, which claim has not been audited or verified by the Receiver.
68. The Receiver has received a legal opinion from Paliare Roland that, subject to the assumptions and qualifications contained in Paliare Roland's opinion letter, the mortgage granted in favour of BMO on the Port Elgin Property is a valid first charge on the Port Elgin Property (the "**Port Elgin Security Opinion**"). A copy of the Port Elgin Security Opinion is attached to this report at Appendix "**P**".
69. As set out on a statement provided by BMO to the Receiver (the "**2495087 BMO Statement**"), as of March 28, 2019, the amount owed by 2495087 (Port Elgin) to BMO is \$2,385,866, before consideration of the advances made by BMO for which Receiver Certificates were issued. A copy of the 2495087 BMO Statement is attached to this report at Appendix "**Q**".

XIV. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

70. Attached to this report as Appendix "R" is the Receiver's Interim Statement of Receipts and Disbursements for the period August 29, 2018 to March 25, 2019 (the "R&D"). The R&D sets out the Receiver's receipts and disbursements for each of the Debtors, as well as on a combined basis.
71. On a summary combined basis, total receipts were \$7,268,435 and total disbursements were \$1,476,719, resulting in a net cash balance of \$5,791,716, as follows:

Company Name	Cash Receipts	Cash Disbursements	Excess of Receipts over Disbursements
1496765 (Etobicoke)	\$ 3,801,596	\$ 797,784	\$ 3,003,812
1651033 (Burlington)	\$ 2,587,000	\$ 280,279	\$ 2,306,722
1527020 (Port Colborne)	\$ 263,714	\$ 124,469	\$ 139,244
2495087 (Port Elgin)	\$ 311,905	\$ 140,662	\$ 171,243
2496800 (Goderich)	\$ 297,928	\$ 130,752	\$ 167,176
Sunshine	\$ 6,293	\$ 2,773	\$ 3,520
Total	\$ 7,268,435	\$ 1,476,719	\$ 5,791,716

XV. INTERIM DISTRIBUTIONS

72. In accordance with the Distribution Order, the Receiver has made the following payments as of the date of the Second Report:
- (a) to the Receiver, an amount equal to the unpaid accounts of the Receiver on account of operating expenses and the Receiver's professional fees and disbursements;

(b) to Paliare Roland, an amount equal to the unpaid accounts of Paliare Roland;

(c) to BMO, following the sale of the Etobicoke Property, the advances totaling \$99,000 under Receiver Certificates # 2, 6 and 9 plus accrued interest; and

(d) to BMO, following the sale of the Burlington Property, the advances totaling \$87,000 under Receiver Certificates # 1, 8 and 11 plus accrued interest.

73. The Receiver is in the process of finalizing certain matters with BMO prior to making any distributions to BMO in respect of BMO's loans to 1496765 (Etobicoke) and 1651033 (Burlington).
74. The Receiver has requested from CRA a formal request for payment of its deemed trust claims prior to making any payments to CRA.
75. Upon the closing of the sale of the Port Elgin 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 BMO's loans to 2495087 (Port Elgin).
76. As set out above, the Receiver has received the Port Elgin Security Opinion indicating that the mortgage granted by 2495087 (Port Elgin) to BMO in respect of the Port Elgin Property is a valid first charge on the Port Elgin Property.
77. On the closing of the sale of the Port Elgin 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 Avison Young in respect of the Port Elgin Property (the "**2495087 Interim Distribution**"):

-
- (a) to BMO, the advances totaling \$99,000 under Receiver Certificates # 4 and 12 plus accrued interest; and
- (b) to BMO, an amount not exceeding the outstanding indebtedness of 2495087 (Port Elgin) to BMO secured by BMO's first mortgage over the Port Elgin Property.

XVI. PROFESSIONAL FEES

78. The Receiver's accounts total \$49,051.50 in fees plus HST of \$6,376.72 for a total amount of \$55,428.22 for the period February 1, 2019 to February 28, 2019 (the "**Receiver's Account**"). A copy of the Receiver's Account, together with a summary of the account, the total billable hours charged per the account, and the average hourly rate charged per the account, is set out in the Affidavit of Daniel Weisz sworn March 29, 2019 attached to this report as Appendix "**S**".
79. The account of the Receiver's counsel, Paliare Roland totals \$35,885.15 in fees and disbursements and \$4,641.80 in HST for a total of \$40,526.95 (the "**Paliare Roland Account**") for the period February 1, 2019 to February 28, 2019. A copy of the Paliare Roland Account, together with a summary of the personnel, hours and hourly rates described in the Paliare Roland Account, is set out in the Affidavit of Michelle Jackson sworn March 29, 2019 attached to this report as Appendix "**T**".
80. The Receiver is seeking approval of the Receiver's Account and the Paliare Roland Account.

XVII. CONCLUSION AND REQUEST OF THE COURT

81. The Receiver respectfully requests that the Court grant Orders which provide for the following:

- (a) authorizing and directing the Receiver to enter into and carry out the terms of the Port Elgin APS together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Port Elgin Property in the Port Elgin Purchaser, or as it may further direct in writing, free and clear of claims and encumbrances, upon closing of the transaction under the Port Elgin APS and the delivery of a Receiver's certificate to the Port Elgin Purchaser;
- (b) sealing Confidential Appendix "L" to the Second Report until the closing of the sale of the Port Colborne Property;
- (c) sealing Confidential Appendix "N" to the Second Report until the closing of the sale of the Port Elgin Property;
- (d) authorizing the Receiver to destroy the Non-debtor Documents and the Personal Documents;
- (e) authorizing the Receiver to make the 2495087 Interim Distribution;
- (f) approving the Second Report and the Receiver's conduct and activities to March 28, 2019;
- (g) approving the R&D;
- (h) approving the fees and disbursements of the Receiver incurred to February 28, 2019; and

-
- (i) approving the fees and disbursements of Paliare Roland incurred to
February 28, 2019.

All of which is respectfully submitted to this Court as of this 29th day of March, 2019.

RSM CANADA LIMITED

In its capacity as Court Appointed Receiver and Manager of
1496765 Ontario Ltd., 1651033 Ontario Ltd., 1527020 Ontario Inc.,
2495087 Ontario Inc., 2496800 Ontario Inc., and Sunshine Propane Inc.
and not in its personal capacity



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

TAB H

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

THE HONOURABLE)
JUSTICE *Chiappetta*) FRIDAY THE 12TH DAY
) OF APRIL, 2019

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

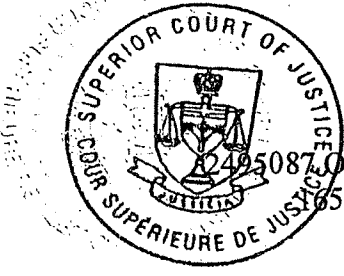
2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
2651033 ONTARIO INC. LTD., 1496765 ONTARIO INC. LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3,
s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

APPROVAL AND VESTING ORDER

THIS MOTION, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver and manager (the "Receiver") of all of the assets, undertakings and properties of 2495087 Ontario Inc. ("**2495087**"), including all proceeds thereof (collectively, the "**Property**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale dated the 30th day of January 2019, as amended on March 1, 2019 (the "**Sale Agreement**") between the Receiver and Amaethan Xavier, in trust for a corporation to be incorporated, which corporation was subsequently incorporated as 2678361 Ontario Inc. (the "**Purchaser**") and appended to the Report of the Receiver dated April 1, 2019 (the "**Report**"), and vesting in the Purchaser 2495087's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.



ON READING the Report and on hearing the submissions of counsel for the Receiver, the Applicants, the Purchaser, and such other counsel as were present,

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and that the Sale Agreement is commercially reasonable and in the best interests of 2495087 and its stakeholders. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Receiver's and all of 2495087's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated August 29, 2018; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Bruce (#3) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B

hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

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

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

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of 2495087 and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of 2495087;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of 2495087 and shall not be void or voidable by creditors of 2495087, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give

effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

J. G. Peltz



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

APR 15 2019

PER / PAR: *AK*

Schedule A – Form of Receiver’s Certificate

Court File No. CV-18-00602537-00CL

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INC LTD., 1496765 ONTARIO INC LTD. and
SUNSHINE PROPANE INC.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the "**Court**") dated August 29, 2018, RSM Canada Limited was appointed as the receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 2495087 Ontario Inc. ("**2495087**"), including all proceeds thereof (collectively, the "**Property**").
- B. Pursuant to an Order of the Court dated April 12, 2019 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale made as of January 30, 2019, as Amended March 1, 2019 (the "**Sale Agreement**") between the Receiver and Amalethan Xavier, in trust for a corporation to be incorporated, which corporation was subsequently incorporated as 2678361 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Receiver's and 2495087's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied

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

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

THE RECEIVER CERTIFIES the following:

- 1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Date of Closing pursuant to the Sale Agreement;
- 2. The conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
- 3. The Transaction has been completed to the satisfaction of the Receiver; and
- 4. This Certificate was delivered by the Receiver at [TIME] on ► [DATE].

RSM Canada Limited, solely in its capacity as Court-appointed Receiver and Manager of 2495087 Ontario Inc. and not in its personal or corporate capacity and without personal or corporate liability

Per: _____
 Name: ►
 Title: ►

Schedule B – Purchased Assets

All of the Receiver's (if any) and 2495087's right, title and interest in and to the Property and the Building (as defined in the Sale Agreement) including, without limitation, the following real property:

MUNICIPAL ADDRESS: 591-595 Goderich Street, Port Elgin, ON

LEGAL DESCRIPTION: LT 3, 1 BLK 9 PL 11; PT LT 2 BLK 9 PL 11 PT 1 & 3, 3R5963; PORT ELGIN

and

PT LT 2 BLK 9 PL 11 PT 2, 3R5963; PORT ELGIN

PINs: 33246-0421 (LT) and 33246-0422 (LT)

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

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

1. Instrument No. BR117857 registered on April 13, 2017, being a Charge in favour of Bank of Montreal in the principal amount of \$2,360,000.00.
2. Instrument No. BR117858 registered on April 13, 2017, being a Notice of Assignment of Rents (General) in favour of Bank of Montreal.
3. Instrument No. BR103386 registered on December 21, 2015, being a Notice of Lease in favour of CST Canada Co.
4. Instrument No. BR125522, registered on November 2, 2017, being an Application for Name Change Instrument re Instrument No. BR103386 from CST Canada Co. to Couche-Tard Inc.
5. Instrument No. BR125712 registered on November 8, 2017 being a Notice of Assignment of Lessee's Interest re Instrument No. BR103386 from Couche-Tard Inc. to Parkland Fuel Corporation.

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

(unaffected by the Vesting Order)

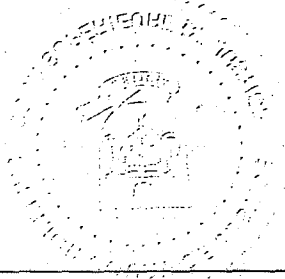
Permitted Encumbrances with respect to the Property (as defined in the Sales Agreement) means:

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

10. The following instruments registered on title to the Property:

- i. Instrument No. R297853 registered on September 10, 1993, being an Agreement with the Town of Port Elgin.
- ii. Instrument No. R299540 registered on November 22, 1993, being a Notice of Lease in favour of The TDL Group Ltd.
- iii. Instrument No. R303986 registered on June 2, 1994, being a Notice.
- iv. Instrument No. BR89646 registered on September 18, 2014, being an Application (General) with The TDL Group Co., The TDL Group Corp. and The TDL Group, being a Lease Extension & Amending Agreement relating to instrument No. R299540
- v. Instrument No. BR98005 registered on July 14, 2015 being a Notice with the Corporation of the Town of Saugeen Shores.
- vi. Instrument No. R75489 registered on March 19, 1970 being a bylaw.

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BANK OF MONTREAL

-and-

Court File No. CV-18-00602537-00CL

2495087 ONTARIO INC. et al.

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

APPROVAL AND VESTING ORDER

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West

35th Floor

Toronto, ON M5V 3H1

Tel: 416.646.4300

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Jeffrey Larry (LSO# 44608D)

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Elizabeth Rathbone (LSO# 70331U)

Tel: 416.646.7488

elizabeth.rathbone@paliareroland.com

Lawyers for the Receiver

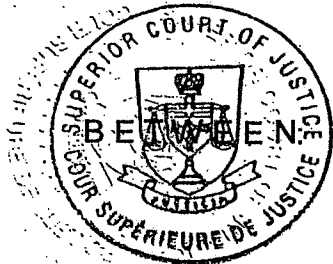
TAB I

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE
JUSTICE CHIAPPETTA

)
)
)

FRIDAY, THE 12TH DAY OF
APRIL, 2019



BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INC LTD., 1496765 ONTARIO INC LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-
B-3,

s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

ORDER

THIS MOTION, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. (the "**Debtors**"), for an order authorizing the Receiver to, among other things, sell the real property municipally known 591 and 595 Goderich Street, Port Elgin, Ontario (the "**Port Elgin Property**") and

to distribute certain of the proceeds therefrom, as described further in the Second Report of the Receiver dated March 29, 2019 (the "**Second Report**"), was heard this day at Toronto, Ontario.

ON READING the Second Report and the Confidential Appendices attached thereto, and on hearing the submissions of counsel for the Receiver and the Applicants, and no one else appearing, although properly served as appears from the affidavit of Michelle Jackson sworn March 29, 2019, filed:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Second Report and the conduct and activities of the Receiver to March 28, 2019 set out therein be and are hereby approved.
3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel for the period ended February 28, 2019 as set out in the Second Report be and are hereby approved.
4. **THIS COURT ORDERS** that the Receiver's statement of receipts and disbursements as of March 25, 2019 as set out in the Second Report, be and is hereby approved.
5. **THIS COURT ORDERS** that the following Confidential Appendices be sealed as follows:
 - (a) Confidential Appendix "L" to the Second Report until the closing of the sale of the Port Colborne Property (as defined in the Second Report); and,
 - (b) Confidential Appendix "N" to the Second Report until the closing of the sale of the Port Elgin Property;

6. **THIS COURT ORDERS** that the Receiver is authorized to pay from the proceeds of sale of the Port Elgin Property the following (subject to such hold backs as the Receiver determines, in its sole discretion, are appropriate):

(c) to BMO, the advances totaling \$99,000 under Receiver Certificates nos. 4 and 12 plus accrued interest; and

(d) to BMO, an amount not exceeding the outstanding indebtedness of 2495087 Ontario Inc. to BMO secured by BMO's first mortgage over the Port Elgin Property.

7. **THIS COURT ORDERS** that the Receiver may hold back, in respect of each of the Debtors, amounts to cover unpaid operating expenses, potential deemed trust claims and future professional fees.

8. **THIS COURT ORDERS** that the Receiver is authorized to terminate the lease in respect of the Port Elgin Property between 2495087 Ontario Inc. and Naveed Amin, operating as "Shawarma King", dated July 27, 2018.

9. **THIS COURT ORDERS** that the Receiver is authorized to destroy the books and records pertaining to entities which are not debtors in these proceedings found at the real property municipally known as 5462 Dundas Street West, Etobicoke, Ontario (the "**Etobicoke Property**") and to destroy records pertaining to individuals, including personal information relating to individuals who are principals of the Debtors, found at the Etobicoke Property.

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

Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

J. Appella _____



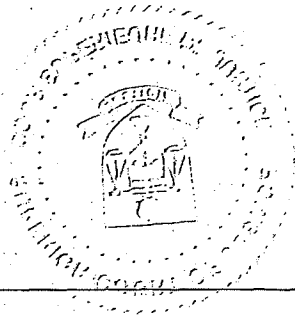
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APR 15 2019

PER / PAR: *[Signature]*

BANK OF MONTREAL

Applicant



-and-

Court File No. CV-18-00602537-00CL
2495087 ONTARIO INC. et al.

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

DISTRIBUTION ORDER

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

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

Elizabeth Rathbone (LSO# 70331U)
Tel: 416.646.7488
elizabeth.rathbone@paliareroland.com

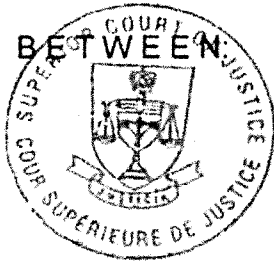
Lawyers for the Receiver

TAB J

Court File No: CV-18-00602537-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)
JUSTICE CHIAPPETTA) MONDAY, THE 4TH DAY OF
MARCH, 2019



BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INCLTD., 1496765 ONTARIO INC LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-
B-3,
s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

AMENDED DISTRIBUTION ORDER

THIS MOTION, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. (the "**Debtors**"), for an order authorizing the Receiver to, among other things, sell the real properties municipally known as 5462 Dundas Street West, Etobicoke, Ontario (the

"Etobicoke Property"), 5223 Dundas Street, Burlington, Ontario (the "Burlington Property"), and 633 Main Street West, Port Colborne, Ontario (the "Port Colborne Property") (each a "Property" and collectively, the "Properties") and to distribute certain of the proceeds therefrom, as described further in the First Report of the Receiver dated February 13, 2019 (the "First Report"), was heard this day at Toronto, Ontario.

ON READING the First Report and the Confidential Appendices attached thereto, and on hearing the submissions of respective counsel for the Receiver, the Applicants, the Purchaser, and such other counsel as were present, and no one else appearing, although properly served as appears from the affidavit of Michelle Jackson sworn February 13, 2019, filed:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the First Report and the conduct and activities of the Receiver to February 11, 2019 set out therein be and are hereby approved.
3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel for the period ended January 31, 2019 as set out in the First Report be and are hereby approved.
4. **THIS COURT ORDERS** that the Receiver's statement of receipts and disbursements as of January 31, 2019 as set out in the First Report, be and are hereby approved.
5. **THIS COURT ORDERS** that the following Confidential Appendices be sealed as follows:
 - (a) Confidential Appendix "HH" to the First Report until the closing of the sale of the Etobicoke Property;

- (b) Confidential Appendix "II" to the First Report until the closing of the sale of the Burlington Property; and
 - (c) Confidential Appendix "JJ" to the First Report until the closing of the sale of the Port Colborne Property;
6. **THIS COURT ORDERS** that the Receiver is authorized and directed to pay from the proceeds of sale of the Properties or any of them, the following:
- (a) unpaid accounts relating to operating expenses;
 - (b) to the Receiver, an amount equal to the unpaid accounts of the Receiver relating to the Receiver's fees; and
 - (c) to Paliare Roland Rosenberg Rothstein LLP ("**Paliare Roland**"), an amount equal to the unpaid accounts of Paliare Roland.
7. **THIS COURT ORDERS** that following the payments contemplated in paragraph 6, the Receiver is authorized and directed to pay from the proceeds of sale of the Etobicoke Property the following:
- (a) to CRA, \$2,601.00 owed on account of 1496765 Ontario Ltd.'s source deductions deemed trust liability;
 - (b) to BMO:
 - (i) the advances totaling \$99,000 under Receiver Certificates # 2, 6 and 9 plus accrued interest; and
 - (ii) an amount not exceeding the outstanding indebtedness of 1496765 Ontario Ltd. to BMO;

8. **THIS COURT ORDERS** that following the payments contemplated in paragraph 6, the Receiver is authorized and directed to pay from the proceeds of sale of the Burlington Property the following:

(a) to BMO:

- (i) the advances totaling \$87,000 under Receiver Certificates # 1, 8 and 11 plus accrued interest; and
- (ii) an amount not exceeding the outstanding indebtedness of 1651033 Ontario Ltd. to BMO, provided that the Receiver shall hold back from this distribution the amount of \$254,948.40 pending the determination of SDM Construction Inc.'s claim for priority.

9. **THIS COURT ORDERS** that following the payments contemplated in paragraph 6, the Receiver is authorized and directed to pay from the proceeds of sale of the Port Colborne Property the following:

(a) to BMO:

- (i) the advances totaling \$99,000 under Receiver Certificates # 3, 7 and 10 plus accrued interest; and
- (ii) an amount not exceeding the outstanding indebtedness of 1527020 Ontario Inc. to BMO.

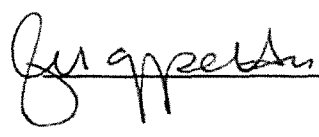
10. **THIS COURT ORDERS** that the Receiver may hold back, in respect of each of the Debtors, amounts to cover unpaid operating expenses, potential deemed trust claims and future professional fees.

11. **THIS COURT ORDERS** the Receiver may attempt to access any data saved on the hard drives of the computers found at the Etobicoke Property, the Port Colborne Property, and the real property known municipally as 274 Bayfield Road, Goderich, Ontario (the "**Goderich Property**") or if that cannot be done, to destroy the hard drives of such computers.

12. **THIS COURT ORDERS** the Receiver may deposit the Cash (as such term is defined in the First Report) into the receivership trust account for the benefit of 1496765 Ontario Ltd.'s creditors.


13. **THIS COURT ORDERS** the Receiver may sell or otherwise dispose of any remaining items at any of the Properties, the Goderich Property or the real property known municipally as 591 and 595 Goderich Street, Port Elgin, Ontario (the "**Port Elgin Property**") and with the Properties and the Goderich Property, the "**Real Properties**") including personal property that may belong to individuals related to the Debtors, that are not removed from those Real Properties, under the Receiver's supervision, within three business days of the date of the Approval and Vesting Order issued in respect of that Property.

14. **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.

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 LE / DANS LE REGISTRE NO:

APR 15 2019

PER / PAR: 

BANK OF MONTREAL

-and-

Court File No. CV-18-00602537-00CL
2495087 ONTARIO INC. et al.

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

DISTRIBUTION ORDER

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

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

Elizabeth Rathbone (LSO# 70331U)
Tel: 416.646.7488
elizabeth.rathbone@paliareroland.com

Lawyers for the Receiver

TAB K

Court File No. CV-18-00602537-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO LTD., 1496765 ONTARIO LTD. and
SUNSHINE PROPANE INC.

Respondents

SUPPLEMENTAL REPORT TO THE FIRST REPORT OF THE RECEIVER

APRIL 24, 2019

I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated August 29, 2018 (the "**Appointment Order**"), RSM Canada Limited was appointed receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 1496765 Ontario Ltd., 1651033 Ontario Ltd., 1527020 Ontario Inc. ("**1527020**"), 2495087 Ontario Inc., 2496800 Ontario Inc., and Sunshine Propane Inc. (collectively the "**Debtors**") acquired for, or used in relation to the businesses carried on by the Debtors, including all proceeds thereof (the "**Property**"). A copy of the **Appointment Order is attached to this report as Appendix "A"**.
2. The First Report of the Receiver dated February 13, 2019 ("**First Report**") was filed in connection with a motion by the Receiver seeking approval of the sale of certain Property of the Debtors, including property located at 633 Main Street West, Port Colborne, Ontario (the "**Port Colborne Property**"), owned by 1527020. The purpose of the First Report was to, *inter alia*,:
 - (a) report to the Court on the results of the marketing and sales process and the activities of the Receiver leading to receipt of offers for Property owned by the Debtors including, *inter alia*, the Port Colborne Property; and
 - (b) seek an Order authorizing and directing the Receiver to enter into and carry out the terms of the Agreement of Purchase and Sale (the "**Port Colborne APS**") dated as of January 19, 2019 between the Receiver and 2573702 Ontario Inc. (the "**Port Colborne Purchaser**"), together with any further amendments thereto deemed necessary by the Receiver in its sole

opinion, and vesting title to the Port Colborne Property in the Port Colborne Purchaser, or as the Port Colborne Purchaser may further direct in writing, free and clear of claims and encumbrances, upon closing of the transaction under the Port Colborne APS and the delivery of a Receiver's certificate to the Port Colborne Purchaser.

3. On March 4, 2019, the Honourable Justice Chiappetta J. granted an Order (the "**Order**") approving the Port Colborne APS, authorizing the Receiver to complete the transaction therein detailed and vesting title to the Port Colborne Property in the Port Colborne Purchaser upon closing and delivery of a Receiver's Certificate. **Attached as Appendix "B" to this Supplemental Report to the First Report of the Receiver ("First Supplemental Report") is a copy of the Order.**
4. The purpose of this First Supplemental Report is to:
 - (a) inform the Court that the Port Colborne Purchaser has requested that, for the purpose of the transaction, title to the Port Colborne Property be conveyed to 2684697 Ontario Inc. (the "**Substituted Port Colborne Purchaser**"), and not the Port Colborne Purchaser, on closing;
 - (b) seek certain amendments to the March 4, 2019 Order which are necessary in order to give effect to this intention; and
 - (c) provide the Court with the Receiver's recommendation that the amendments sought to the Order be approved.

-
5. This First Supplemental Report should be read in conjunction with the First Report. Attached to this First Supplemental Report as **Appendix "C"** is a copy of the **First Report, without Exhibits.**

II. REQUESTED AMENDMENTS AND RECOMMENDATIONS

6. Counsel for the Port Colborne Purchaser and Substituted Port Colborne Purchaser, the Law Offices of Jack Frymer Professional Corporation, has advised the Receiver, in support of the requested amendments, that:
- the Port Colborne Purchaser and Substituted Port Colborne Purchaser have the same beneficial ownership;
 - no consideration has been, or will be, paid or transferred as between the Port Colborne Purchaser and the Substituted Port Colborne Purchaser in relation to the transaction contemplated by the Port Colborne APS;
 - the Port Colborne Purchaser always intended that title to the Port Colborne Property would be taken in the name of a single purpose entity incorporated for the purposes of the transaction and did not appreciate that such designation would, if not made prior to the issuance of the Order, require an amendment to the Order. Had the Port Colborne Purchaser realized that it was necessary that the Order approving the transaction reflect such intention, this circumstance would have been addressed prior to the Order being issued; and
 - it has no knowledge of any party who would be adversely affected by the amendments sought to the Order.

-
7. The Receiver is not aware of any reason to doubt the correctness of any of the statements conveyed by counsel to the Port Colborne Purchaser/Substituted Port Colborne Purchaser.
 8. The transaction with the Substituted Port Colborne Purchaser will, in all other respects but for the identity of the party taking title, be completed on the same terms as those previously approved by this Honorable Court pursuant to the Order.
 9. The Receiver knows of no reason why the amendments to the Order should not be granted and recommends that the Court grant the amendments sought and issue **the draft Amended Approval and Vesting Order attached to this First Supplemental Report as Appendix "D"**.

All of which is respectfully submitted to this Court as of this 24th day of April, 2019.

RSM CANADA LIMITED

In its capacity as Court Appointed Receiver and Manager of
1496765 Ontario Ltd., 1651033 Ontario Ltd., 1527020 Ontario Inc.,
2495087 Ontario Inc., 2496800 Ontario Inc., and Sunshine Propane Inc.
and not in its personal capacity



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President
41362.0004/12534490_1

TAB L

Court File No. CV-18-00602537-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) THURSDAY, THE 25TH DAY
JUSTICE HAINEY) OF APRIL, 2019

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INC. LTD., 1496765 ONTARIO INC. LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3,
s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

AMENDED APPROVAL AND VESTING ORDER
(Re 633 Main Street West, Port Colborne, Ontario)

THIS MOTION, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 1527020 Ontario Inc. ("**1527020**"), including all proceeds thereof (collectively, the "**Property**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 2573702 Ontario Inc. dated January 19, 2019 and accepted on February 1, 2019 and appended to the Report of the Receiver dated February 13, 2019 (the "**Report**"), and vesting in 2684697 Ontario Inc. (the "**Purchaser**") 1527020's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of respective counsel for the Receiver, the Applicants, the Purchaser, and such other counsel as were present, and no one else appearing, although properly served as appears from the affidavit of Michelle Jackson sworn February 13, 2019, filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and that the Sale Agreement is commercially reasonable and in the best interests of 1527020 and its stakeholders. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Receiver's and all of 1527020's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated August 29, 2018; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Niagara South Welland (#59) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land

Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the “**Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

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

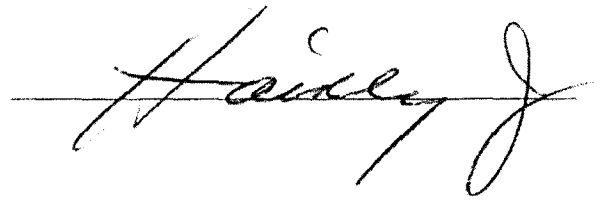
5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of 1527020 and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of 1527020;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of 1527020 and shall not be void or voidable by creditors of 1527020, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

A handwritten signature in cursive script, appearing to read "Hainley J.", written over a horizontal line.

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ON / BOOK NO:
LE / DANS LE REGISTRE NO:

APR 25 2019

PER / PAR: *RW*

Schedule A – Form of Receiver’s Certificate

Court File No. CV-18-00602537-00CL

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INC. LTD., 1496765 ONTARIO INC. LTD. and
SUNSHINE PROPANE INC.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Hailey of the Ontario Superior Court of Justice (the "**Court**") dated August 29, 2018, RSM Canada Limited was appointed as the receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 1527020 Ontario Inc. ("**1527020**"), including all proceeds thereof (collectively, the "**Property**").

B. Pursuant to an Order of the Court dated March 4, 2019, as amended by an Order of the Court dated April 25, 2019 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale dated as of January 19, 2019 (the "**Sale Agreement**") between the Receiver and 2573702 Ontario Inc. and provided for the vesting in 2684697 Ontario Inc. (the "**Purchaser**") of the Receiver’s and 1527020’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Date of Closing pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at [TIME] on ► [DATE].

RSM Canada Limited, solely in its capacity as Court-appointed Receiver and Manager of 1527020 Ontario Inc. and not in its personal or corporate capacity and without personal or corporate liability

Per: _____
 Name: ►
 Title: ►

Schedule B – Purchased Assets

All of the Receiver's (if any) and 1527020's right, title and interest in and to the Property and the Building (as defined in the Sale Agreement) including, without limitation, the following real property:

MUNICIPAL ADDRESS: 633 Main Street West, Port Colborne, ON
LEGAL DESCRIPTION: PT LT 32 CON 2 HUMBERSTONE AS IN RO555223; PORT COLBORNE
PIN: 64139 - 0013 (LT)

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

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

1. Instrument No. SN486746 registered on October 18, 2016, being a Charge in favour of Bank of Montreal in the principal amount of \$1,550,000.00.
2. Instrument No. SN486747 registered on October 18, 2016, being a Notice of Assignment of Rents (General) in favour of Bank of Montreal.

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

(unaffected by the Vesting Order)

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

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

10. The following instruments registered on title to the Property:
 - i. Instrument No. AA73912 registered on June 11, 1962 being a Bylaw
 - ii. Instrument No. SN32426 registered on May 6, 2004 is a Notice of Site Plan Agreement between Young Bros. Garage Limited and The Corporation of The City of Port Colborne

BANK OF MONTREAL
Applicant

-and-

Court File No. CV-18-00602537-00CL
2495087 ONTARIO INC. et al.
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

**AMENDED APPROVAL AND VESTING ORDER
(Re 633 Main Street West, Port Colborne, Ontario)**

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

Jeffrey Larry (LSUC# 44608D)
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Tel: 416.646.7488
elizabeth.rathbone@paliareroland.com

Lawyers for the Receiver

a130
COUNSEL SLIP

COURT FILE NO CV-18-00602537-00CL

DATE APR 25 2019

NO ON LIST 1

BANK OF MONTREAL

2495087 ONTARIO INC.

v. et al.

TITLE OF
PROCEEDING

COUNSEL FOR:
PLAINTIFF(S)
DEFENDANT(S)
RESPONDENT(S)

S. Thom
for Receiver, RSM Canada Limited

PHONE & FAX NOS

416-777-5197
416-867-0305
sthom@forkinmex.com

COUNSEL FOR:
PLAINTIFF(S)
DEFENDANT(S)
RESPONDENT(S)

PHONE & FAX NOS

April 25, 2019

I am satisfied that this motion should be granted on the terms of the attached amended approval and vesting order.

Hainey J.

TAB M

Court File No. CV-18-00602537-00CL

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INC. LTD., 1496765 ONTARIO INC. LTD. and
SUNSHINE PROPANE INC.

Respondents

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the "**Court**") dated August 29, 2018, RSM Canada Limited was appointed as the receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 1527020 Ontario Inc. ("**1527020**"), including all proceeds thereof (collectively, the "**Property**").

B. Pursuant to an Order of the Court dated March 4, 2019, as amended by an Order of the Court dated April 25, 2019 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale dated as of January 19, 2019 (the "**Sale Agreement**") between the Receiver and 2573702 Ontario Inc. and provided for the vesting in 2684697 Ontario Inc. (the "**Purchaser**") of the Receiver's and 1527020's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:



1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Date of Closing pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at 1:00 pm [TIME] on May 2, 2019, 2019 [DATE].

**RSM Canada Limited, solely in its capacity as
Court-appointed Receiver and Manager of
1527020 Ontario Inc. and not in its personal
or corporate capacity and without personal or
corporate liability**

Per: _____

Name: Daniel Weisz

Title: Senior Vice President

I have the authority to bind the corporation

BANK OF MONTREAL
Applicant

-and- 1527020 ONTARIO INC., et al.
Respondents

Court File No. CV-18-00602537-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

RECEIVER'S CERTIFICATE

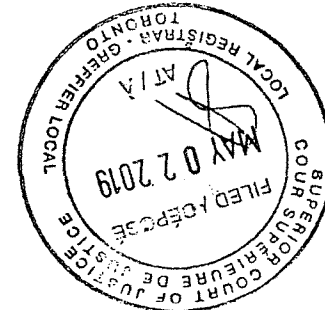
TORKIN MANES LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto ON M5C 2W7

Stewart Thom (55695C)
sthom@torkinmanes.com
Tel: 416-777-5197
Fax: 1-877-689-3872

Lawyers for the Applicant, Bank of Montreal

RCP-E 4C (May 1, 2016)

41362.0001/12513900_1



TAB N

Court File No. CV-18-00602537-00CL

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

B E T W E E N:

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INC LTD., 1496765 ONTARIO INC LTD. and
SUNSHINE PROPANE INC.

Respondents

RECEIVER'S CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the "**Court**") dated August 29, 2018, RSM Canada Limited was appointed as the receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of 2495087 Ontario Inc. ("**2495087**"), including all proceeds thereof (collectively, the "**Property**").
- B. Pursuant to an Order of the Court dated April 12, 2019 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale made as of January 30, 2019, as Amended March 1, 2019 (the "**Sale Agreement**") between the Receiver and **Amalethan Xavier, in trust for a corporation to be incorporated**, which corporation was subsequently incorporated as 2678361 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Receiver's and 2495087's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Date of Closing pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at 4:45 pm [TIME] on Apr. 30th, 2019 [DATE].

**RSM Canada Limited, solely in its capacity as
Court-appointed Receiver and Manager of 2495087
Ontario Inc. and not in its personal or corporate
capacity and without personal or corporate liability**

Per: 

Name: Daniel Weisz

Title: Senior Vice President

I have the authority to bind the corporation

BANK OF MONTREAL
Applicant

-and- 2495087 ONTARIO INC., et al.
Respondents

Court File No. CV-18-00602537-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

RECEIVER'S CERTIFICATE

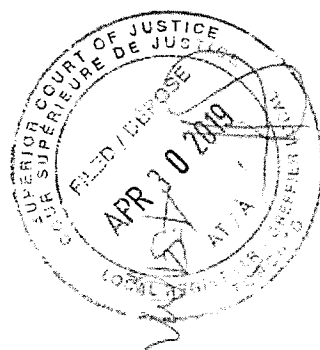
TORKIN MANES LLP
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Stewart Thom (55695C)
sthom@torkinmanes.com
Tel: 416-777-5197
Fax: 1-877-689-3872

Lawyers for the Applicant, Bank of Montreal

RCP-E 4C (May 1, 2016)

41362.0001/12513900_1



TAB O



April 15, 2019

Via fax 416-954-6411

Insolvency Collections
Toronto Centre Tax Services Office
1 Front St. W., 2nd Floor
Toronto, ON M5J 2X6

Attention: Daniela Pesikan

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:

2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. (collectively, the "Companies")

Further to the Receiver's request for Canada Revenue Agency to schedule a HST and payroll exam for the Companies, please find attached a summary of the books and records (the "List") that were found at the Etobicoke office of 1496765 Ontario Ltd.

The List was attached to the Receiver's Second Report to the Court dated March 29, 2019, and includes information pertaining to the debtors and to other non-debtor entities and individuals. The records do not include any accounting ledgers or sufficient information for the Receiver to prepare the Companies' outstanding pre-receivership corporate tax, HST or payroll returns. The Receiver makes no representation as to the accuracy, completeness or authenticity of the records found. On April 12, 2019, the Receiver sought and received the Court's authorization to destroy any records pertaining to any non-debtor entities and individuals.

Should Canada Revenue Agency wish to review any of the documents on the List, would you please contact the undersigned by April 30, 2019?

If you have any questions, please contact me directly at 647-727-3621 or brenda.wong@rsmcanada.com. Thank you for your attention to this matter.

Yours truly,

RSM CANADA LIMITED in its capacity as
Court-appointed Receiver and Manager of
2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc.,
1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc.
and not in its personal or corporate capacity

Per: **Brenda Wong, CIRP, LIT**
Senior Manager

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

INFORMATION IN THE POSSESSION OF THE RECEIVER

(We have no assurance as to the accuracy or completeness of the records.)

Insurance documents	<p>2015 ERB insurance documents Sunshine Propane Inc. o/b 1401151 Ontario Ltd. Insurance letter for Sunshine Propane Inc. o/a Sparkle Kleen Car Wash Sparkle Kleen Carwash & Propane Ltd & 1527020 Ontario Inc.</p> <p>2016 Aviva insurance documents</p> <ul style="list-style-type: none"> • policy # 81444942 for Sparkle Kleen Carwash and Propane Ltd. • policy # 81455892 and # 70029101 for Sunshine Propane, 1496765 and Sam Propane • policy # 81456836 for 1651033 <p>2017/2018 Gore Mutual insurance documents</p> <ul style="list-style-type: none"> • policy # 9027533 for 1496765 Ont Ltd. o/a Sam Propane, location 5462 Dundas St. W., Etobicoke • policy # CG01554 (auto) for 1496765 Ont Ltd. o/a Sam Propane • policy # CG01685 (auto) for 2496800 Ontario Inc. o/a Goderich Ultramar • policy # 9027532 for 1651033 Ontario Ltd. o/a Sparkle Kleen, location 5223 Dundas St. E., Burlington • policy # 9027536 for 1527020 Ontario Inc. and Sparkle Kleen Carwash & Propane, location 633 Main Street W., Port Colborne
---------------------	---

RECEIVERSHIP COMPANIES

Name	Financial statements	Sales	A/P	Miscellaneous other including:
1496765 Ontario Ltd.	<p>y/e Dec. 31, 2012 binder</p> <p>y/e Dec. 31, 2013 (signed)</p> <p>y/e Dec. 31, 2014</p> <p>y/e Dec. 31, 2016</p>	<p>2014 to 2018 Power Clean invoices</p> <p>2018 handwritten daily cash summaries</p> <p>Commercial lease with Sunshine Propane (Jan 2015)</p>	<p>2012 to 2018 accountings records</p> <p>BMO account cheque stubs 2017 to 2019</p>	<p>June 14, 2018 documents re Third Mortgage from 10831824 Canada Inc.</p> <p>Mortgage Commitment May 30 2018 re second mortgage from Bhupinder Khosa</p> <p>One 2017 and one 2018 ROE</p> <p>2017 and 2018 CRA correspondence re outstanding RC and RP</p> <p>2017 T4 for Abdul Wadood</p> <p>2016 T4s</p> <p>Part (missing first few pages) of an unsigned lease between 1496765 (landlord) and 1944563 (tenant) dated 2016/2017</p> <p>January 2015 Minden Gross correspondence re Notice of Sale under Mortgage (re RBC as mortgagor)</p>

Name	Financial statements	Sales	A/P	Miscellaneous other including:
				SMV Financial Service mortgage documents (2011-2012) and Notice of Sale under Mortgage (2013) BMO mortgage documents Drawings/surveys RBC correspondence and documents (2007-2014) 2007 documents re City of Toronto investigation of water bypass Other CRA correspondence
1527020 Ontario Inc.	y/e July 31, 2011 binder y/e July 31, 2012 binder y/e 2011, 2012, 2013, 2015, 2016 and 2017		2007 to 2015 miscellaneous accounting records, e.g. invoices, bank statements RBC cheque stubs for 2010 to 2015	January 2015 Minden Gross correspondence re Notice of Sale under Mortgage (re RBC as mortgagor) 2015 Stry appraisal report CRA Comfort letter dated March 17, 2011 re status of RC, RT and RP accounts 2008 Phase I ESA 2002 Environmental report Drawings/survey
1651033 Ontario Ltd.	y/e Dec. 31, 2009 y/e Dec. 31, 2010 binder y/e Dec. 31, 2011 y/e Dec. 31, 2013 y/e Dec. 31, 2014 – draft	BMO Bank deposit book for 2017	2011 to 2014 accounting records (bank statements, invoices, etc.) 2015 accounting records BMO account cheque stubs for 2014 TD account cheque stubs for 2010 CIBC account cheque stubs for 2011 to 2014	Econolease term sheet dated March 2018 signed by 1651033 Ontario Ltd. o/a Shark Car Wash Burlington and 1496765 Ontario Ltd. o/a Sparkle Kleen SDM Contract dated March 30, 2017 2014 mortgage documents Noise Impact Review 2014 Business Expansion Plan Oct 2011 2010 property tax appeal 2009 property purchase documents Surveys for the site dated 2009 and 2013
2495087 Ontario Inc.	Interim YE Dec 31, 2017 FS prepared by A.Q. Hotay Interim FS Sep 30, 2017 prepared by A.Q. Hotay	2016-2017 safedrop receipts	2017 Vehicle Loading reports (for gasoline) Miscellaneous 2017-2018 invoices	Lease dated July 27, 2018 between 2495087 and Shawarma King for 595 Port Elgin commencing August 1, 2018

Name	Financial statements	Sales	A/P	Miscellaneous other including:
	<p>Forecasted Statements Dec 31, 2017 to 2020 prepared by Bizlogix</p> <p>Forecasted Statements Apr 31, 2017 to 2020</p>			<p>Share purchase agreement between Mian Afzalaqif/Rauf Khan and 2495087 dated July 23, 2018</p> <p>Correspondence dated July 2018 from First Source re mortgage</p> <p>APS dated March 29, 2018 re 591-595 Goderich sale by Rauf Khan to Mian Afzal Aqif.</p> <p>Trust ledger statement for purchase of property in April 2017</p> <p>Assignment and assumption of leases between 2472840 and 2495087 dated March 2017</p> <p>CST Motor Fuels Consignment agreement dated December 2016</p>
2496800 Ontario	<p>None</p> <p>Projected f/s for 2017 to 2020</p>	<p>Sales Summary Report for Dec. 4, 2017 (cash register printout)</p> <p>Sales Summary Report for 5 dates in 2017</p>	<p>Miscellaneous 2017-2018 invoices</p> <p>Lumsden Brothers invoices 2017</p> <p>Ultramar sales receipt for 2018-08-29 issued for HST # 101745552</p>	<p>Correspondence dated July 2018 from First Source re mortgage</p> <p>APS dated March 3, 2018 re 274 Bayfield Road re sale to Mian Afzal Aqif.</p> <p>APS dated February 2, 2018 re 274 Bayfield Road re sale to 1448843 Ontario Inc.</p> <p>Share Purchase Agreement dated May 17, 2017 between Aisha Ashaad/Mian Wadood (Vendor) and Nitesh Gandhi (purchaser) and 2496800.</p> <p>APS dated May 11, 2017 re 274 Bayfield Road re sale to Nitesh Gandhi.</p> <p>Certificate of incumbency, corporate authority and officers, directors and shareholders to BMO (May 2017)</p> <p>3 BMO bank statements – 2016, 2017</p> <p>Trust ledger statement for purchase of property in November 2016</p> <p>CST Motor Fuels Consignment agreement dated April 2016</p>
Sunshine Propane	y/e December 31, 2012 binder	2016 invoice to West Power Wash	2011 to 2016 accounting records	<p>CRA notices re RC and RT accounts dated 2018</p> <p>2016 ROEs</p>

Name	Financial statements	Sales	A/P	Miscellaneous other including:
	2011 P&L and balance sheet 2010, 2013 and 2014 f/s			Collection correspondence 2016 re Thinking Capital loan; Thinking Capital loan documents 2016 NOI issued by Meridian OneCap (formerly Roynat) Advantex Merchant Services agreement dated May 2016 for Sunshine Propane Inc. cob as Sparkle Kleen Car Wash Aviva insurance documents re 2016 loss claim denied due to fraud Payroll records 2011-2012, 2015 2013 City of Toronto License for Sunshine Propane Inc. o/a Sunshine Propane Inc. PD7A Reports for 2012 2011 TSSA license to 1816857 Ontario Inc. o/a Sunshine Propane BFS Capital secured promissory note Roynat Lease Finance loan documents unsigned and undated Ministry of Finance correspondence RBC documents Share ownership certificate

OTHER COMPANIES

Name	Financial statements	Sales	A/P	Other
1373381 Ontario Inc.			2009, 2010 hydro bills for 5462 Dundas	
1401151 Ontario Ltd.				2014 bank statements Correspondence from Minden Gross (unopened) 2012 bank statement 2010 RBC correspondence re credit facility Insurance documents to North Queen Propane o/b 1401151 Ontario Ltd. and to 1401151 Ontario Ltd. o/a North Queen Propane Ltd.
1944563 Ontario Inc. o/a Sparkle Kleen Car Wash and o/a Dundas & Kipling Car Wash		Moneris Merchant Summary Report for December 2016 to March 2017		Motion record dated January 15, 2018 re Advantex Dining Corporation vs 1944563 Ontario Inc. (place of business at 5462 Dundas St. West) Rapid Advance receivables sale agreement dated 2017 filled out by 1944563 dba Dundas Propane & Carwash and Rapid Advance loan to 1944563 at 5462 Dundas St. Moneris accounts for 1944563 o/a Dundas & Kipling Car Wash and Dundas Propane & Car Wash CanaCap Merchant Agreement CRA correspondence (#799471123) Syndicate Lenders Application filled out by 1945563 dba Dundas Propane & Carwash dated Sep 2017 CanaCap merchant agreement documents with "cut-out" signature for Adeel Babar dated Sept. 2017 SMV Financial Services mortgage documents dated
2195736 Ontario Corp.				HST returns (blank)

Name	Financial statements	Sales	A/P	Other
989129 Ontario Inc.				2013 Notice of Sale under Mortgage re 989129 Ontario Inc. (mortgagor) and SMV Financial Service Inc. (mortgagee) Mortgage documents re 2451 Dufferin St.
Dundas & Kipling Carwash and Propane Ltd.				Articles of Incorporation, incorporated Sep 12, 1017
Kipling-Dundas Propane Co. Ltd.			CIBC cheque stubs for 2002 to 2018	
North Queen Propane	Consolidated FS for year ended Dec. 31, 2002 for North Queen Propane Ltd (1496765 Ontario Ltd.)		2002 to 2014 accounting records	CRA correspondence to 1401151 Ontario Ltd – North Queen Propane #86778 6170
Sam Propane Inc.			RBC account cheque stubs 2016 to 2018	Propane Retailer Return for April 2018, June 2018 and Sep. 2017 Letter to TSSA re owner and director Minister of Finance correspondence Moneris account form 2016
Self Serve Car Wash Ctr.			Union Gas bills for 5223 Dundas St.	
Sparkle Kleen Car Wash		Merchant billing statements 2014-15 2013 merchant statements	2011, 2012 and 2014 accounting records 2015 invoices 2018 Bell invoices	Letter dated March 2017 re employee of Sparkle Kleen Car Wash 2017 City of Port Colborne Garage License Application for Sparkle Kleen Car Wash at 633 Main Street West Correspondence from Minden Gross (unopened)
Sparkle-Kleen-Carwash & Propane Ltd.				CRA correspondence Jan 2018 re account # 82941 1479 RC CRA RT0001 pending cancellation notice dated Oct. 2017 2016 letter from Pallett Valo re Meridian OneCap Credit Corp v Sunshine Propane re car wash equipment to be repossessed

Name	Financial statements	Sales	A/P	Other
				2015 Minden Gross correspondence re RBC loan
Aisha Ashad				Correspondence from Minden Gross (unopened)
Azeem Mohammad	Mohammed Azeem's 2010 consolidated financials for 1401151, 1496765, 1527020, 1651033, Sunshine Propane and Sparkle Kleen Carwash & Propane (prepared by Hotay Financial Services)			Correspondence from Minden Gross (unopened) Other miscellaneous accounting records
Quddus Abdul	Personal tax records			
Rauf Khan			Other miscellaneous accounting records	
Other individuals				Miscellaneous documents including of a personal or confidential nature

Sales Receipts found at 5462 Dundas St. West, Etobicoke

Company	Location	Month	Type	Year	HST Number
Dundas Propane & Car Wash	5462 Dundas St W, Etobicoke	August	Sales	2017	
		January	Sales		
		February	Sales		
		March	Sales		
		April	Sales		
		May	Sales		
		June	Sales		
		July	Sales		
		August	Sales		
		September	Sales		
		December	Sales	2016	
Dundas & Kipling Car Wash	5462 Dundas St W, Etobicoke	September	Sales	2017	
		October	Sales		
		November	Sales		
		December	Sales		
		January	Sales	2018	
		February	Sales		
		March	Sales		
		April	Sales		
		May	Sales		
		June	Sales		
		July	Sales		
August	Sales				
Ultramar	274 Bayfield Road	November	Sales	2017	101745552
		November	Sales & Inventory Summary Reports		101745552
		November	Price & Volume Reports		
		November	Meter Discrepancy Reports		
		August	Close Report		
		August	Meter Discrepancy Reports		
		September	Price & Volume Reports		
		September	Shift Report		
			Close Reports		
		September	Sales		
		September	Meter Discrepancy Reports		
		September	Sales & Inventory Summary Reports		
		December	Price & Volume Reports		
		December	Meter Discrepancy Reports		
		December	Sales Summary Reports		
		January	Sales & Inventory Summary Reports		
		February	Sales & Inventory Summary Reports		
		February	Sales	101745552	
February	Meter Discrepancy Reports				
February	Price & Volume Reports				
March	Close Report				
March	Price & Volume Reports				
March	Sales & Inventory Summary Reports				

Sales Receipts found at 5462 Dundas St. West, Etobicoke

<u>Company</u>	<u>Location</u>	<u>Month</u>	<u>Type</u>	<u>Year</u>	<u>HST Number</u>
		March	Sales	2018	101745552
		March	Meter Discrepancy Reports		
		April	Meter Discrepancy Reports		
		April	Price & Volume Reports		
		April	Sales		101745552
		April	Sales & Inventory Summary Reports		
		May	Sales		
		May	Price & Volume Reports		
		May	Sales & Inventory Summary Reports		
		January	Sales		
		February	Sales		
		April	Sales		
		May	Sales		
		June	Sales		
		July	Sales	2017	
		August	Sales		
		September	Sales		
		November	Sales		
		December	Sales		
		April	Price & Volume Reports	2017	
		December	Sales Summary Reports	2016	
		January	Sales Summary Reports		
		March	Sales Summary Reports		
		April	Sales Summary Reports	2017	
		October	Sales Summary Reports		
		March	Price & Volume Reports		
		March	Sales		
		May	Sales Summary Reports	2017	
		October	Settlement Report		
		October	Close Report		
		September	Shift Report	2017	
		September	Bank Rec Report		
		November	Shift Report		
		November	Close Report		
		December	Sales Summary Reports	2017	
		January			
		January	Meter Discrepancy Reports		
		January	Price & Volume Reports	2018	
		January	Close Report		
		January	Sales		
		June	Sales Summary Reports		
		January	Hand written - Daily Cash Summary		
		February	Hand written - Daily Cash Summary		
		March	Hand written - Daily Cash Summary		
		April	Hand written - Daily Cash Summary	2018	
		May	Hand written - Daily Cash Summary		
Not indicated	Not indicated - Etobicoke?				

Sales Receipts found at 5462 Dundas St. West, Etobicoke

<u>Company</u>	<u>Location</u>	<u>Month</u>	<u>Type</u>	<u>Year</u>	<u>HST Number</u>
		June	Hand written - Daily Cash Summary		
		July	Hand written - Daily Cash Summary		
		August	Hand written - Daily Cash Summary		
Not indicated	Not indicated	November	BMO Deposit Slips	2017	
Ultramar	595 Goderich Street	October	BMO Deposit Slips	2017	
		November	BMO Deposit Slips		
		January	BMO Deposit Slips	2018	
Ultramar	274 Bayfield Road	December	BMO Deposit Slips	2017	
		January	BMO Deposit Slips	2018	
Not indicated	Not indicated	February	BMO Deposit Slips		
		April	BMO Deposit Slips		
Ultramar	274 Bayfield Road	May	BMO Deposit Slips		
Sam's Propane	Etobicoke	January	Primemax daily fuel delivery slips	2017	
		February	Primemax daily fuel delivery slips		
		March	Primemax daily fuel delivery slips		
		April	Primemax daily fuel delivery slips		

TAB P

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This LOAN AGREEMENT is made as of the 24 day of MARCH, 2014, between BANK OF MONTREAL (the "Bank")

AND 1651033 ONTARIO LTD. (the "Borrower")

For good and valuable consideration, the receipt and adequacy of which are acknowledged, the Bank establishes in favour of the Borrower a Fixed Rate Term Loan allowing the Borrower to borrow from the Bank the principal amount of \$3,180,000.00, upon the following terms and conditions:

1. In this Agreement:

- (a) "Agreement" means this loan agreement, as it may be amended, supplemented, restated, replaced or otherwise modified from time to time;
- (b) "Business Day" means any day that is not a Saturday, Sunday or other day on which the Bank is authorized or required by applicable law in the jurisdiction listed in Section 15 of this Agreement to remain closed;
- (c) "Change in Control" means the occurrence of one or more sales, transfers or other dispositions of the beneficial ownership of the Borrower existing on the date of this Agreement in the aggregate of:
 - (i) shares, other securities or other equity interests issued by the Borrower which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Borrower; or
 - (ii) shares, other securities or equity interests issued by any Controlling Entity which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by such Controlling Entity;
- (d) "Controlling Entity" means any corporation or other entity which on the date of this Agreement beneficially owned, directly or indirectly, shares, other securities or other equity interests issued by the Borrower which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Borrower;
- (e) "Fixed Rate" has the meaning set out in clause 3 of this Agreement;
- (f) "Loan" means the total principal amount advanced and outstanding at any time under this Agreement, together with accrued and unpaid interest thereon, if any;
- (g) "Maturity Date" means the 31 day of MARCH, 2014, and
- (h) "Prime Rate" means, on any day, the annual rate of interest established by the Bank and in effect on such day as the reference rate it will use to determine the rate of interest charged on Canadian dollar loans to customers in Canada, and designated by the Bank as its "Prime Rate".

Delete 2 if (i) the Borrower is an individual, (ii) the loan is not secured by a real property mortgage and (iii) the loan amount is for \$100,000 or less. Borrower to initial change

- 2. Prepayment of the Loan in whole or in part is not permitted prior to the Maturity Date.
- 3. The Loan shall bear interest, from and including the date of this Agreement, at the rate of 3.89% per annum, determined and accrued daily and compounded monthly, not in advance, on the outstanding balance of the Loan (the "Fixed Rate").

Check either (a) or (b), as appropriate.

- 4. (a) Principal Payment Plus Interest:
 - (i) The Loan principal shall be repaid by installments as follows:

\$ _____ on the _____ day of _____, 20 _____ and thereafter \$ _____ on the _____ of each and every _____ period until the Maturity

Date, on which date the balance of the Loan then outstanding and all accrued and unpaid interest shall become due and payable.

(ii) Interest shall be paid at the Fixed Rate on the last day of each and every month from the date of this Agreement on the balance of the Loan from time to time remaining unpaid up to and after the Maturity Date.

(b) **Blended Payments:** The Loan shall be repaid by installments comprising principal and interest at the Fixed Rate as follows:
\$23,347.17 on the last day of APRIL, 20 ~~14~~ and thereafter \$23,347.17 on the last day of each and every month until the Maturity Date, on which date the balance of the Loan then outstanding and all accrued and unpaid interest shall become due and payable.

(c) Any installments to be paid on a non-Business Day may, at the Bank's discretion, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon.

(d) Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest on the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Bank's Prime Rate, determined and accrued daily and compounded monthly, not in advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.

5. Fees:

(a) The Borrower agrees to pay on the _____ day of _____, 20____, a booking fee of _____ % of the principal amount of the Loan.

(b) The Borrower agrees to pay on the _____ day of _____, 20____, an application fee in the amount of \$_____.

(c) At the request of the Borrower, the Fixed Rate may be fixed up to 45 days before the first advance. If requested, the Borrower shall pay on the _____ day of _____, 20____, a refundable rate reservation fee of 1% of the principal amount of the Loan, which fee will be refunded to the Borrower on the day the Loan is advanced. In the event that the Loan is cancelled by the Borrower, such fee will not be refunded to the Borrower.

6. The Bank shall be under no obligation to make any advance until the Bank shall be satisfied that it has received:

- (a) a duly executed copy of this Agreement;
- (b) security for the amount of the Loan, duly registered and in form and substance satisfactory to the Bank and duly executed by the Borrower;
- (c) payment in full of all fees and other amounts due and payable on or prior thereto; and
- (d) any additional documents which the Bank may reasonably require.

7. The Borrower represents and warrants that:

- (a) it has been duly incorporated, organized and is properly constituted, exists in good standing and is entitled to conduct its business in all jurisdictions in which it carries on business or has assets or, if the Borrower is an individual, the Borrower has the requisite legal capacity to enter into and perform its obligations under this Agreement;
- (b) the entering into of this Agreement and the incurring of liability and indebtedness by the

Borrower hereunder do not and will not contravene or breach,

- (i) any law, regulation or judicial order applicable to the Borrower or (if applicable) the charter, by-laws or other organizational documents of the Borrower; or
 - (ii) any provision contained in any other loan or credit agreement, debenture, trust deed or other borrowing instrument or contract to which the Borrower is party;
- (c) this Agreement, when duly executed and delivered by the Borrower to the Bank, will constitute a valid and binding obligation of the Borrower, enforceable in accordance with its terms;
- (d) the Borrower's assets are legally and beneficially owned by the Borrower and, except as previously disclosed to the Bank in writing, all of the Borrower's assets pledged to secure the Loan are free and clear of all hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances or rights in favour of third parties, whether perfected or otherwise, which are not in favour of the Bank; and
- (e) all necessary authorizations, approvals, consents or other orders from any authority, governmental or otherwise, have been obtained with respect to the obtaining of the Loan and the execution and delivery of this Agreement.

8. The Borrower covenants that it:

- (a) will deliver to the Bank:
 - (i) as soon as available and in any event within 90 days of the end of each fiscal year, copies of its financial statements (audited, where available) and, if applicable, the report of its auditor thereon; and
 - (ii) at any time and from time to time such other information as the Bank may reasonably request;
- (b) unconditionally promises to pay to the Bank on the Maturity Date the then unpaid principal amount of the Loan, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder;
- (c) will insure against all risks relevant to its business operations for amounts commensurate thereto, and assign the policies to the Bank and assign, hypothecate or otherwise ensure all amounts payable thereunder are payable to the Bank, all as required by and satisfactory to the Bank;
- (d) will furnish the Bank with additional security from time to time as the Bank may request;
- (e) will limit capital expenditures to a maximum of \$ in any fiscal year;
- (f) authorizes the Bank to record, file or register, at the Borrower's expense, any registrations or filings, including without limitation any financing statements, that are necessary or desirable to protect, perfect and maintain the protection and perfection of any hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances or rights in favour of the Bank, and to obtain evidence satisfactory to the Bank of the rank and priority of such hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances or rights;
- (g) will notify the Bank in writing immediately (i) upon receipt or notice of any law suits, claims, demands, governmental investigation or requirements to pay addressed to the Borrower or in which the Borrower is named as a party, and (ii) if any guarantor of all or any part of the Loan dies or terminates its guarantee;
- (h) will use the proceeds of the Loan solely for the purpose of:
refinance car wash facility in Burlington;
- (i) will, to the extent not in conflict or inconsistent with the provisions of this Agreement, comply with all of the provisions, covenants and agreements contained in any term sheet, commitment letter or similar document, as such document may be amended,

supplemented, restated, replaced or otherwise modified from time to time, given by the Borrower to the Bank which relates to the Loan hereunder, and such provisions, covenants and agreements are incorporated herein as if restated in their entirety; and

- (j) will not, without the prior written consent of the Bank:
- (i) materially change the nature of its business from that now carried on;
 - (ii) create, incur, assume or permit to exist any hypothec, mortgage, claim, security interest, lien, charge or other encumbrance or right, whether perfected or otherwise, in favour of a third party ranking ahead of or equally with any security given to or agreed to be given to the Bank;
 - (iii) create, incur, assume or permit to exist any additional debt other than in the ordinary course of business;
 - (iv) sell, lease, license, transfer, assign or otherwise dispose of any assets except in the ordinary course of business; or
 - (v) change the ownership of the business.

9. If one or more of the following events shall occur:

- (a) If:
- (i) the Borrower fails to pay any amount owing to the Bank pursuant to this Agreement or any other document given to the Bank, including without limitation the Loan, on the date same becomes due;
 - (ii) the Borrower leases, licenses, transfers, assigns or otherwise disposes of any or all of the assets which the Bank holds as security for the Loan, other than in the ordinary course of business;
 - (iii) the Borrower shall be in default in respect of any obligation to pay money whether or not it is in respect of the Loan;
 - (iv) the Borrower shall fail to observe and comply with any term, condition or provision of this Agreement or in any other document given to the Bank, other than a default in the payment of money, and such default cannot be cured;
 - (v) the Borrower shall fail to observe and comply with any term, condition or provision of this Agreement or in any other document given to the Bank, other than a default in the payment of money, and such default can be cured and the Borrower shall fail to do so within 30 days after the earlier of the Borrower acquiring knowledge of such default or receiving written notice thereof from the Bank;
 - (vi) any of the Borrower's representations and warranties in this Agreement or in any other document given to the Bank shall prove to have been incorrect when made or deemed to be made;
 - (vii) the holder (including the Bank) of any claim, hypothec, mortgage, security interest, lien, charge or other encumbrance or right on any of the Borrower's assets and undertaking does anything to enforce or realize on such claim, hypothec, mortgage, security interest, lien, charge or other encumbrance or right;
 - (viii) the Bank determines that there has been a materially adverse change in the business, assets, operations, prospects or condition, financial or otherwise, of the Borrower;
 - (ix) a guarantor of all or any part of the Loan dies or if a guarantee for the Loan terminates or ceases to be in full force and effect and a legally valid, binding and enforceable obligation of a guarantor;
 - (x) the Borrower is not an individual and a Change in Control occurs without the prior written consent of the Bank;
 - (xi) the Borrower is not an individual and the Borrower merges, consolidates or amalgamates with any other person or business; or

- (b) If an application for a bankruptcy order, notice of intention to make a proposal or proposal is filed, application made or other proceeding instituted against or in respect of the Borrower, or assignment of all the property of the Borrower is made under the terms of the *Bankruptcy and Insolvency Act*, the *Companies' Creditors Arrangement Act*, the *Winding-Up and Restructuring Act*, any applicable corporations legislation or any other bankruptcy, insolvency or analogous laws, or if a receiver, receiver manager, custodian, trustee, liquidator, sequestrator or other similar official is appointed to take possession over any substantial portion of the assets of the Borrower, or if the Borrower permits any of its assets to be seized (including by way of execution, attachment, garnishment, levy or distraint) or if the Borrower makes an assignment for the benefit of its creditors or is adjudicated insolvent or bankrupt or applies to any tribunal for any receiver, receiver manager, custodian, trustee, liquidator, sequestrator or other similar official of or for the Borrower or the Borrower's assets, or any other proceeding is commenced in relation to any of the foregoing in respect of the Borrower,

then the Borrower shall be in default hereunder and the Bank may, at its option upon written notice to the Borrower, declare that the entire balance of the Loan, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall immediately become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

10. (a) Any request, notice, or demand made or given in connection with this Agreement may be made or given by mail by prepaid post or by delivery to the party for which it is intended and addressed as follows:

BORROWER:

5462 Dundas Street West, Toronto, Ontario, M9B 1B4

BANK OF MONTREAL:

PM Group, 100 King St. W., Toronto, Ontario, M5X 1A1

provided however that any party may change its address for purposes of receipt of such communication by giving 10 calendar days prior written notice of such change to the other party in the manner prescribed herein.

- (b) Any such request, notice, or demand shall be conclusively deemed to have been received by the party to which it is addressed on the third Business Day following the day of such mailing, if mailed, or on the day of delivery, if delivered.
11. All out-of-pocket expenses incurred by the Bank, including reasonable legal costs and all applicable taxes, in the preparation, administration or enforcement of this Agreement or any security or other documentation required hereunder or in connection herewith shall be for the account of the Borrower.
12. The Borrower acknowledges that the actual recording of the amount of any advance or repayment under the Loan and interest, fees and other amounts due in connection with the Loan in the accounts of the Borrower maintained by the Bank, shall constitute prima facie evidence of the Borrower's indebtedness and liability from time to time under this Agreement; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with this Agreement shall not be affected by the failure of the Bank to make such recording.
13. The Bank may from time to time and at any time waive in whole or in part:
- (a) the rights accruing to it by reason of any of the provisions of any clause of this Agreement; or
- (b) any default under any clause in this Agreement which is to its benefit;

but any such waiver by the Bank of any such right or of any such default on any occasion shall be deemed not to be a waiver of the provisions of any such clause thereafter or of any other clause or of any subsequent default, as the case may be.

- 14. If the Borrower comprises more than one person, all covenants and liabilities entered into, by or imposed upon the Borrower shall be joint and several (solidary in the Province of Quebec). Each Borrower, if more than one, is responsible both individually and together with the other Borrower(s) for all obligations of the Borrower to the Bank pursuant to this Agreement.
- 15. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in that province.
- 16. This Agreement shall be binding upon and enure to the benefit of the parties hereto, their successors, heirs, liquidators, administrators and assigns, except that the Borrower may not assign any of its rights or obligations hereunder without the Bank's prior written consent.
- 17. Any clause or part thereof which may be null or unenforceable shall not invalidate, affect or impair the remaining provisions of this Agreement.
- 18. Any schedules attached to this Agreement are incorporated herein in their entirety and form an integral part of this Agreement.
- 19. It is the express wish of the parties that this Agreement and any related documents be drawn up and executed in English.
Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

This clause applies only in the Province of Quebec

IN WITNESS WHEREOF this Agreement has been executed by the Borrower and the Bank as of the date set forth above.

BANK OF MONTREAL

By: _____
Name:
Title:

1651033 ONTARIO LTD.

Per: *Aisha Ashad*
Aisha Ashad, President

I have authority to bind the Corporation

SCHEDULE A
ADDITIONAL TERMS AND CONDITIONS



Check 1. if Debt Service covenant is required. Borrower to initial.

- 1. The Borrower covenants that it will at all times maintain a debt service coverage ratio of not less than 1.25:1, and it will upon request by the Bank from time to time deliver to the Bank all such financial statements and records as are required by the Bank to determine the debt service coverage ratio; for the purpose of this Agreement, the term "debt service coverage ratio" at any date means the ratio of:
 - (i) the amount of the net revenue of the Borrower for the period from the commencement of the then current fiscal year to such date, plus the amounts of depreciation and amortization expense of the Borrower for such period, all as determined by the Bank from financial statements and records provided by the Borrower, to
 - (ii) the aggregate amount of all payments required to be made by the Borrower during such period on account of (i) principal and interest on any indebtedness of the Borrower for borrowed money (from the Bank or otherwise) and (ii) rents or other amounts payable on leases treated by the Borrower as capital leases for accounting purposes.

Check 2. if the Borrower is a municipality. Borrower to initial.

- 2. In the event that the Borrower is a municipality, the provisions of Section 8 of the Agreement shall be deleted in its entirety and replaced with the following:

- "8. The Borrower covenants that it:
 - (a) will deliver to the Bank:
 - (i) as soon as available and in any event within 90 days of the end of each fiscal year, copies of its financial statements (audited, where available) and, if applicable, the report of its auditor thereon; and
 - (ii) at any time and from time to time such other information as the Bank may reasonably request;
 - (b) unconditionally promises to pay to the Bank on the Maturity Date the then unpaid principal amount of the Loan, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder
 - (c) will insure against all risks relevant to its operations for amounts commensurate thereto and satisfactory to the Bank;
 - (d) will furnish the Bank with additional security from time to time as the Bank may deem fit at the request of the Bank,
 - (e) authorizes the Bank to record, file or register, at the Borrower's expense, any registrations or filings, including without limitation any financing statements, that are necessary or desirable to protect, perfect and maintain the protection and perfection of any hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances or rights in favour of the Bank, and to obtain evidence satisfactory to the Bank of the rank and priority of such hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances or rights;
 - (f) will use the proceeds of the Loan for the purpose of:
 - ; and
 - (g) will, to the extent not in conflict or inconsistent with the provisions of this Agreement, comply with all of the provisions, covenants and agreements contained in any term sheet, commitment letter or similar document, as such document may be amended,

273
241

supplemented, restated, replaced or otherwise modified from time to time, given by the Borrower to the Bank which relates to the Loan hereunder, and such provisions, covenants and agreements are incorporated herein as if restated in their entirety."

TAB Q

Properties

PIN 07201 - 0106 LT *Interest/Estate* Fee Simple
Description PT LT 3, CON 1 NEL NDS, PTS 1 & 2, 20R18227; SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 PLAN 20R18227 AS IN HR756568; CITY OF BURLINGTON
Address 5223 DUNDAS STREET
 BURLINGTON

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name 1651033 ONTARIO LTD.
Address for Service 5223 Dundas Street
 Burlington, Ontario

I, Aisha Ashad, President, have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

Chargee(s)*Capacity**Share*

Name BANK OF MONTREAL
Address for Service 100 King Street West
 Toronto, Ontario
 M5X 1A1

Provisions

Principal \$3,180,000.00 *Currency* CDN
Calculation Period Monthly not in advance
Balance Due Date On demand
Interest Rate Mortgagee's Prime Rate +5% per annum
Payments
Interest Adjustment Date
Payment Date On demand
First Payment Date
Last Payment Date
Standard Charge Terms 201031
Insurance Amount full insurable value
Guarantor

Additional Provisions

See Schedules

Signed By

Jennifer B Roberts 201 County Court Blvd. Ste. 200 acting for Chargor Signed 2014 04 02
 Brampton (s)
 L6W 4L2

Tel 905-457-1660

Fax 905-457-5641

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

SIMMONS, DA SILVA & SINTON LLP 201 County Court Blvd. Ste. 200 2014 04 02
 Brampton
 L6W 4L2

Tel 905-457-1660

Fax 905-457-5641

LRO # 20 Charge/Mortgage

Registered as HR1172775 on 2014 04 02 at 10:57

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 4

Fees/Taxes/Payment

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

File Number

Chargor Client File Number :	BANO792
Chargee Client File Number :	BANO792

Restriction of Secondary Financing Clause:

Notwithstanding any other provision hereof, the Chargor shall not obtain or register any secondary mortgage financing against the Lands described herein without the Chargee's written consent and in default thereof the Chargee may at its option immediately declare the balance of all principal and interest to become immediately due and payable and all remedies of the Chargee shall immediately become fully enforceable.

Acceleration Clause/Debt Service Coverage :

In the event the Chargor does not maintain a Debt Service Coverage ratio of 1.25:1 the principal amount of the mortgage loan and all other indebtedness secured by the mortgage with accrued interest thereon and interest rate penalty shall, at the option of the Chargee, become due and payable.

Provision of Financial Information Clause:

The Chargor shall provide to the Chargee financial information and including its financial statements on an annual basis or as reasonably requested by the Chargee and such additional information in accordance with the commitment letter.

In the event the Chargor does not comply with this Financial Information Clause, the principal amount of the mortgage loan and all other indebtedness secured by the mortgage with accrued interest thereon and interest rate penalty shall, at the option of the Chargee, become due and payable.

Receiver /Manager Clause:

In the event the real property produces rental income and such rental income is paid to the Chargor or paid to any other party pursuant to the direction of the Chargor, the Chargor hereby as further security, assigns and pledges all such rental income to the Chargee, such pledge to become operative upon any default being made by the Chargor under any term of the within Charge and to remain in full force and effect as long as such default continues. The Chargor further authorizes the Chargee after default to enter upon the mortgaged premises and to collect in the name of the Chargor or in its own name as assignee, the rents accrued but unpaid and in arrears as of the date of default, as well as all rents accruing and becoming payable thereafter, until such default is remedied. The Chargor agrees to execute written notice to each tenant directing the tenant to pay rent to the Chargee and the Chargor further agrees to pay 10% of the gross amount of all rentals due or accruing, to the Chargee as a collection fee for such period of time when the Chargee is collecting rents or is entitled to collect rents. The Chargor further authorizes the Chargee during default, at its option and at the expense and risk of the Chargor, to enter into the full management of the property with the right to manage the property in the same manner as an owner of the property, and the Chargor hereby releases all claims against the Chargee arising out of such management, except the liability of the Chargee to account for all funds received. It is not the intention of the parties that if the Chargee manages the property as aforesaid, the Chargee shall be a "mortgagee in possession", except if the Chargee so elects in writing. In addition to the collection fee for the collection of rentals as aforesaid, the Chargee shall also be entitled to all other out-of-pocket costs and compensation for its own time of any employees expended for the management of the property in the event the Chargee enters into the management of the property

Acceleration Clause/Due on Sale Clause or Change in Ownership :

In the event the Chargor sells, conveys, transfers or enters into an agreement for sale or transfer of the title of the mortgaged property to a purchaser or transferee or there is a change in corporate or beneficial ownership of the Chargor not approved in writing by the Bank, which approval will not be unreasonably withheld, the principal amount of the mortgage loan and all other indebtedness secured by the mortgage with accrued interest thereon and interest rate penalty shall, at the option of the Chargee, become due and payable.

Cross Default Clause to other Advances/Mortgages

Such that a default in any of the terms of this Charge shall constitute a default in any or all other charges registered against all other properties in which a charge has been delivered by the Chargor by any of 1651033 Ontario Ltd., 1496765 Ontario Ltd. or Sunshine Propane Inc. to the Bank of Montreal.

And such that a default in any other charges registered against other properties in which a charge has been delivered by any of 1651033 Ontario Ltd., 1496765 Ontario Ltd. or Sunshine Propane Inc. to the Bank of Montreal shall constitute default of this Charge.

And such that a default in any other financing by the Bank of Montreal for the Chargor or any of 1651033 Ontario Ltd., 1496765 Ontario Ltd. or Sunshine Propane Inc. shall constitute default of this Charge.

TAB R

Properties

PIN 07201 - 0178 LT
Description PT LT 3, CON 1 NEL NDS, PTS 1 & 2, 20R18227 SAVE & EXCEPT PT 1 20R19559;
SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 PLAN 20R18227 AS IN
HR756568; CITY OF BURLINGTON
Address 5223 DUNDAS STREET
BURLINGTON

Consideration

Consideration \$2,549,484.00

Claimant(s)

Name SDM CONSTRUCTION INC.
Address for Service 111 Regina Road, Unit 2
Woodbridge,
Ontario
L7R 3X4

I am the lien claimant and the facts stated in the claim for lien are true.
I, Sanjay Dubey, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Statements

Name and Address of Owner Sanjay Dubey: 111 Regina Road, Unit 2, Woodbridge, Ontario L4L 8N5 Name and address of person to whom lien claimant supplied services or materials Carwash Company 1651033 Ontario Inc. Time within which services or materials were supplied from 2017/08/01 to 2018/08/29 Short description of services or materials that have been supplied Contract to build Carwash and Oil change facility including Site service, site grading, Property Maintenance new build addition, roofing, masonry, asphalt, curbs, new door, garage doors, construction fencing and other services related to contract. Contract price or subcontract price 2,549,484.00 Amount claimed as owing in respect of services or materials that have been supplied 2,549,484.00

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien

Signed By

Mukesh Bhardwaj 7500-Highway #27, Suite #7 acting for Signed 2018 08 31
Vaughan Applicant(s)
L4H 0J2

Tel 416-747-7777

Fax 905-856-8077

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

BHARDWAJ & ASSOCIATE LAWYERS 7500-Highway #27, Suite #7 2018 08 31
PROFESSIONAL CORPORATION Vaughan
L4H 0J2

Tel 416-747-7777

Fax 905-856-8077

Fees/Taxes/Payment

Statutory Registration Fee \$63.65
Total Paid \$63.65

Properties

PIN 07201 - 0178 LT
Description PT LT 3, CON 1 NEL NDS, PTS 1 & 2, 20R18227 SAVE & EXCEPT PT 1 20R19559;
 SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 PLAN 20R18227 AS IN
 HR756568; CITY OF BURLINGTON
Address 5223 DUNDAS STREET
 BURLINGTON

Party From(s)

Name SDM CONSTRUCTION INC.
Address for Service 111 Regina Road, Unit 2
 Woodbrige, Ontario
 L4L 8N5
 I, Sanjay Dubey - President, have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

Party To(s)	<i>Capacity</i>	<i>Share</i>
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<i>Name</i> 1651033 ONTARIO INC.		
<i>Address for Service</i> 5462 Dundas Street West Suite #1701 Etobicoke, Ontario M9B 1B4		

Statements

This document relates to registration number(s)HR1568135
 Schedule: See Schedules

Signed By

Ankush Sondhi	Unit 9 - 15483 Yonge Street Aurora L4G 1P3	acting for Party From(s)	Signed 2018 11 30
---------------	--	-----------------------------	-------------------

Tel 905-727-8900
 Fax 905-727-9664
 I have the authority to sign and register the document on behalf of the Party From(s).

Submitted By

ANKUSH SONDHI	Unit 9 - 15483 Yonge Street Aurora L4G 1P3	
---------------	--	--

Tel 905-727-8900
 Fax 905-727-9664

Fees/Taxes/Payment

<i>Statutory Registration Fee</i>	\$64.40
<i>Total Paid</i>	\$64.40

FORM 14
CERTIFICATE OF ACTION UNDER SECTION 36 OF THE ACT
Construction Act

CUR 0109446-000
Court File No.

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN SDM CONSTRUCTION INC. Plaintiff(s)
(court seal) and
1651033 ONTARIO INC. Defendant(s)

CERTIFICATE OF ACTION

I certify that an action has been commenced in the Superior Court of Justice under the *Construction Act* between the above parties in respect of the premises described in Schedule A to this certificate, and relating to the claim(s) for lien bearing the following registration numbers:

HR1568135

NOV 29 2018

Date:

[Signature]
.....
(registrar or local registrar)

SCHEDULE A

Description of premises:

PIN: 07201-0178 LT

Description: PT LT 3, CON 1 NEL NDS, PTS 1 & 2, 20R18227 SAVE & EXCEPT PT 1 20R19559;
SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 PLAN 20R18227 AS IN
HR756568; CITY OF BURLINGTON

Address: 5223 DUNDAS STREET
BURLINGTON

(The description of the premises must be the same as in the statement of claim, and must be sufficient for registration under the *Land Titles Act* or the *Registry Act*, as the case may be.)

TAB S

Torkin Manes LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

Tel: 416-863-1188
Fax: 416-863-0305
www.torkinmanes.com

Jonathan Goode
Direct Tel: 416 360 4733
Direct Fax: 1 888 463 8133
jgoode@torkinmanes.com

An international
member of

Ally Law

Torkin | Manes
Barristers & Solicitors

June 20, 2019

Vanessa A. Ibe
Rosenbaum & Ibe LLP
Richmond-Adelaide Centre
120 Adelaide Street West, Suite 2500
Toronto, Ontario M5H 1T1

Dear Vanessa:

Re: **5223 Dundas Street Burlington, Ontario**
Court File No: CV-18-00602537-00CL: Bank of Montreal v. 1651033 Ontario Ltd. et al.

As you are aware, our firm represents the Bank of Montreal in connection with the above matter. Your client, SDM Construction Inc. ("SDM") has registered a lien on title to certain property owned by 1651033 Ontario Inc. ("1651033"), one of the parties under Receivership in connection with same.

I am a partner in our firm's construction litigation department and this matter has been referred to me for review as to the relative priorities as between the Bank claims against 1651033 and SDM's claim for lien.

We confirm that your firm registered a lien against title to the lands located at 5223 Dundas Street in Burlington, Ontario on August 31, 2018 in respect of labour, services, and materials which were allegedly supplied to 1651033 by your client SDM to construct a car wash facility on the lands.

As you know, the Bank was given a mortgage against title to the same property by 1651033 on April 2, 2014 in the amount of \$3,180,000.00 (the "**Mortgage**"). These funds were fully advanced on April 15, 2014. No further advances were made by BMO to 1651033 following this date. An additional charge was registered on title to the property by the Bank in the amount of \$1,000,000, but this was granted in connection with 1651033's guarantee of the corporate indebtedness of a related company and does not correspond to any further advance having been made by the Bank to 1651033.

In its claim for lien, SDM admits that its lien did not arise until August 1, 2017, more than three years following BMO's full advance of the funds under the Mortgage. Pursuant to the express

provisions of the *Construction Lien Act*, R.S.O. 1990, c.C.30 (the "C.L.A."), which continues to apply to, and govern, SDM's claim for lien, the Mortgage and subsequent advances are clearly subject to section 78(3) of the C.L.A. and BMO is therefore entitled to priority over SDM's lien in the full amount of all sums advanced to 1651033 under the Mortgage, namely \$3,180,000.00.

Furthermore, we note that SDM failed to name BMO in its claim for lien or subsequent Statement of Claim. SDM has therefore not made a claim for priority against BMO under the C.L.A., or otherwise.

In addition to all of the foregoing, it is also clear that SDM's lien expired pursuant to section 37 of the C.L.A. on November 28, 2018. SDM purported to perfect its lien on November 30, 2018 through the registration of a certificate of action against title to the lands. This is exactly 93 days following SDM's admitted last day of work of August 29, 2018. Notwithstanding the statement made on SDM's Certificate of Action that the lien is perfected under section 36 of the *Construction Act*, your client's admission that it commenced its supply of services and materials to the improvement on August 1, 2017 places the lien squarely under the jurisdiction of the C.L.A., pursuant to which your client was required to perfect its lien within 90 days of its stated last day of work. We refer you to the transition provisions set out in section 87 of the *Construction Act* in this regard.

Based on the foregoing:

1. SDM's lien has expired;
2. no claim for priority has even been made against the Bank; and
3. Even if the lien were not expired and a claim for priority has been properly made, due to the timing of BMO's advance under the Mortgage the Bank's claim under the Mortgage has priority to any claims of SDM.

Pursuant to the terms of the Amended Distribution Order dated March 4, 2019 and issued by Justice Chiappetta in the above proceeding, the Receiver has been ordered to hold back from distribution to the Bank funds realized from the sale of the property in the amount of \$254,948.40 (the "**Funds Held Back**") pending the determination of SDM's claim for priority over the Bank's Mortgage.

It is our understanding that the Receiver's intention is to proceed with a motion for advice and directions as to the relative priority of the SDM lien claim and the Mortgage in relation to the Funds Held Back. For the foregoing reasons, the Bank's claims have priority over any claims of SDM.

As you are aware, section 86 of the C.L.A. and the *Construction Act* permits the court to award costs against a party or its lawyer where it is clear that the claim for lien is without foundation or is for an exaggerated amount.

Page 3

Our firm has contacted you multiple times to discuss this matter but has not received any response from you. We request that you advise as to SDM's position on this issue and the legal basis upon which SDM is asserting a priority over the Bank's Mortgage. Should SDM no longer be asserting a priority, we require your written confirmation of this. Should SDM continue to assert a priority or otherwise fail to confirm that it does not oppose the release of the Funds held back to the Bank, the Bank's intention is to seek costs in respect of those steps necessary in order to obtain a court order authorizing the release of the Funds Held Back to the Bank. The Bank reserves all rights to take the position that SDM's claim is so defective that costs against SDM's legal counsel pursuant to section 86 of the *Construction Act* are warranted.

We request that you provide us with a response to this letter prior to 5:00 pm, Monday, June 24, 2019.

Yours truly,

TORKIN MANES LLP

Per:

Jonathan Goode

00802.0283/12764758_1

TAB T

Weisz, Daniel

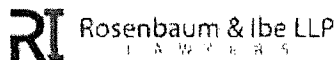
From: Vanessa Ibe <vibe@rosenbaum.com>
Sent: Monday, July 22, 2019 5:10 PM
To: Elizabeth.Rathbone@paliareroland.com
Cc: Jeff.Larry@paliareroland.com; Weisz, Daniel
Subject: RE: BMO/SDM: Holdback re Construction Lien [IWOV-PRiManage.FID334894]

Counsel,

I confirm that SDM is not going oppose the distribution of the holdback to BMO and will not be opposing BMO's priority.

Yours truly,
 Vanessa Ibe

Vanessa A. Ibe, Partner
Vanessa A. Ibe Law Professional Corporation



Rosenbaum & Ibe LLP
 LAWYERS

Richmond-Adelaide Centre
 120 Adelaide Street West, Suite 2500
 Toronto, Ontario M5H 1T1
 Tel: 416.364.1919 Fax: 416.850.9699
www.rosenbaum.com

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From: Elizabeth.Rathbone@paliareroland.com <Elizabeth.Rathbone@paliareroland.com>
Sent: July 22, 2019 1:09 PM
To: Vanessa Ibe <vibe@rosenbaum.com>
Cc: Jeff.Larry@paliareroland.com; daniel.weisz@rsmcanada.com
Subject: BMO/SDM: Holdback re Construction Lien [IWOV-PRiManage.FID334894]

Vanessa,

I am following up on Jeff Larry's e-mail to you last week and my voicemail to you today. Please advise us at your earliest convenience, and in any event by end of day today, whether SDM Construction is in fact consenting to the distribution of the \$254,948.40 held back from the proceeds of sale of the Burlington Property to BMO, or whether SDM intends to oppose BMO's priority.

Thank you,

Elizabeth Rathbone

Associate
 Paliare Roland Rosenberg Rothstein LLP
 t: 416.646.7488
 f: 416.646.4301
 e: elizabeth.rathbone@paliareroland.com
 w: paliareroland.com

TAB U

RSM Canada Limited
Court Appointed Receiver and Manager of
2495087 Ontario Inc. et al
Interim Statement of Receipts and Disbursements
For the period August 29, 2018 to July 12, 2019

	1496765 Ontario Ltd. (Etobicoke)	1651033 Ontario Ltd. (Burlington)	1527020 Ontario Inc. (Port Colb.)	2495087 Ontario Inc. (Port Elgin)	2496800 Ontario Inc. (Goderich)	Sunshine Propane Inc.	Total
Receipts							
Advances from secured lender (1)	\$ 99,000	87,000	99,000	99,000	99,000	-	483,000
Cash on hand & bank	2,596	2,712	-	172	909	-	6,389
Funding advanced to other companies (2)	-	-	-	-	195,000	3,000	198,000
HST collected / refund	-	-	26,659	3,030	-	-	29,689
Miscellaneous	3,234	-	4,300	1,640	3,474	3,293	15,941
Rent	-	-	-	21,225	-	-	21,225
Sale of property	3,700,000	2,500,000	850,000	2,500,000	-	-	9,550,000
Total receipts	\$ 3,804,830	2,589,712	979,959	2,625,067	298,383	6,293	10,304,245
Disbursements							
Appraisals	\$ 3,800	4,200	3,800	3,800	3,800	-	19,400
Commission on sale of property	185,000	125,000	42,500	125,000	-	-	477,500
Deemed trust claims	-	-	-	-	-	3,293	3,293
Funding advanced to other companies (2)	198,000	-	-	-	-	-	198,000
Insurance	7,220	5,381	3,351	6,491	11,190	-	33,633
Legal fees (3)	26,727	27,902	18,855	36,058	18,855	-	128,397
Miscellaneous	945	1,378	2,467	624	514	345	6,272
Phase I ESA updates	2,185	2,385	2,585	1,800	2,100	-	11,055
Property management fees	7,747	8,248	9,523	14,577	13,165	-	53,260
Property taxes	11,364	85,426	23,544	29,569	-	-	149,904
Receiver's fees (4)	78,121	67,654	73,293	80,134	57,841	2,179	359,220
Repairs and maintenance	3,701	1,529	3,350	11,726	2,242	-	22,547
Repayment of advances (1)	101,426	88,954	101,915	102,010	-	-	394,304
Security patrols	13,580	16,060	37,175	37,905	47,760	-	152,480
Snow removal / landscaping	5,680	650	6,355	3,839	6,000	-	22,524
Taking possession	4,926	615	1,685	4,948	4,134	-	16,308
Travel	263	206	691	1,448	503	-	3,111
Utilities - hydro	2,528	429	2,713	8,652	4,902	-	19,223
Utilities - gas	424	-	2,190	484	878	-	3,976
Utilities - water	359	1,714	1,945	1,870	-	-	5,888
Waste removal / disposal	-	-	-	508	501	-	1,009
HST/PST paid	44,212	33,691	26,956	41,821	21,290	319	168,288
Total disbursements	\$ 698,207	471,422	364,891	513,264	195,674	6,135	2,249,593
Excess of Receipts over Disbursements	\$ 3,106,623	2,118,290	615,068	2,111,803	102,709	158	8,054,652
Less: Payments to Secured Creditor (5)	(2,202,185)	(1,800,000)	(540,000)	(2,050,000)	-	-	(6,592,185)
Net funds on hand	\$ 904,438	318,290	75,068	61,803	102,709	158	1,462,467

Notes

- (1) The amount of \$483,000 represents funds advanced by Bank of Montreal under Receiver Certificates # 1 to 13. Receiver Certificates # 2, 6 and 9 were repaid, with accrued interest, upon the sale of the Etobicoke Property. Receiver Certificates # 1, 8 and 11 were repaid, with accrued interest, upon the sale of the Burlington Property. Receiver Certificates # 4 and 12 were repaid, with accrued interest, upon the sale of the Port Elgin Property. Receiver Certificates # 3, 7 and 10 were repaid, with accrued interest, upon the sale of the Port Colborne Property.
- (2) Transfer from the receivership trust account of 1496765 Ontario Ltd. ("1496765") to fund disbursements for the other companies under the receivership. Funds will be repaid to 1496765 upon the sale of the Goderich property. The transfer to Sunshine Propane Inc. may not be repaid.
- (3) Legal fees billed have been allocated equally among the five properties. This amount includes legal fees to April 30, 2019.
- (4) This amount represents the Receiver's fees incurred to May 31, 2019. The Receiver's fees are billed to each Debtor for work specific to that Debtor. In addition, where the work performed is on account of two or more Debtors, the fees are tracked on a combined basis and then allocated equally to each of the five properties.
- (5) Distributions were made to the Bank of Montreal on account of its security.

*This Appendix forms part of the Third Report of the Receiver dated July 23, 2019
and should only be read in conjunction therewith.*

TAB V

Court File No. CV-18-00602537-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO LTD., 1496765 ONTARIO LTD. and
SUNSHINE PROPANE INC.**

Respondents

AFFIDAVIT OF DANIEL WEISZ
(Sworn July 23, 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 August 29, 2018, RSM Canada Limited was appointed receiver and manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of 1496765 Ontario Ltd., 1651033 Ontario Ltd., 1527020 Ontario Inc., 2495087 Ontario Inc., 2496800 Ontario Inc. and Sunshine Propane Inc. acquired for, or used in relation to, the businesses carried on by the Debtors, 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 incurred by the Receiver in respect of the receivership proceedings for the period March 1, 2019 (including one entry for February 28, 2019) to May 31, 2019 (the “**Period**”). The total fees charged for the Period are \$76,653.00, plus HST of \$9,964.93 for a total of \$86,617.93. The average hourly rate charged during the Period was \$404.71.

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

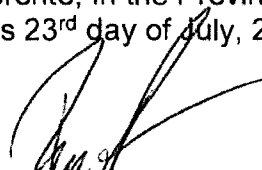
5. Attached hereto and marked as **Exhibit “B”** is a schedule summarizing the invoices in Exhibit “**A**”, the total billable hours charged, the total fees charged and the average hourly rate charged. The Receiver’s accounts have been prepared on the basis that time incurred that specifically relates to an individual debtor has been billed to that debtor. Time incurred that relates to more than one debtor has been included in the “**Combined**” invoice referred to in Exhibit “**B**”.

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.

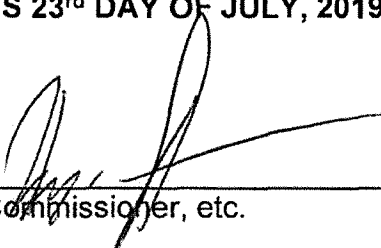
SWORN BEFORE ME at the City of)
 Toronto, in the Province of Ontario,)
 this 23rd day of July, 2019)
)
)
)
)
)
)



DANIEL WEISZ


 Bryan Alan Taubenbaum, a Commissioner, etc.,
 Province of Ontario, RSM Canada LLP
 and RSM Canada Limited
 Expires January 5, 2022

**THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF DANIEL WEISZ SWORN BEFORE ME
THIS 23rd DAY OF JULY, 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.**

256



GST/HST: 80784 1440 RT 0001

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

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 F +1 416 480 2646

www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver and Manager
 of 1496765 Ontario Ltd.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date April 29, 2019

Client File 7842321-10003

Invoice 7

No. 5681219

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., **1496765 Ontario Ltd.** and Sunshine Propane Inc. for the period ending March 31, 2019.

Date	Professional	Description
03/04/2019	Brenda Wong	Call to Moreau On Site Property Services ("Moreau") to schedule site visit for next week for Receiver to pack up records; review Peregrine Protection ("Peregrine") invoice and mobile patrol reports.
03/05/2019	Brenda Wong	Emails with consultant re computers used in automatic car wash operations.
03/06/2019	Daniel Weisz	Review Approval and Vesting Order and forward same to Avison Young; review purchaser request for an extension and send email re same; exchange emails with B. Cohen of Torkin Manes LLP ("Torkin") re same.
03/07/2019	Daniel Weisz	Discussions with A. Riches of Torkin, K. Avison and B. Sykes of Avison Young re extension request from the purchaser; review draft email to purchaser's counsel and provide comments to Torkin; email to Bank of Montreal re extension request.
03/07/2019	Usama Emad	Contact Canada Revenue Agency ("CRA") regarding obtaining a status update on the Receiver's application to change frequency of HST filings from annual to monthly.
03/08/2019	Anne Baptiste	Prepare disbursement cheques; prepare February banking reconciliation.
03/08/2019	Brenda Wong	Review emails re purchaser's extension request and draft agreement; email to J. Larry of Paliare Roland Rosenberg Rothstein LLP re books and records and computers.
03/08/2019	Daniel Weisz	Prepare for and attend at Torkin to sign closing documents; review and sign cheques.
03/11/2019	Daniel Weisz	Review email from P. Kayilasanathan of BDO re the status of sale of the property, reply to email, discussion with P. Kayilasanathan and email to Avison Young re same; discussion with B. Wong on her attendance at the property today.

April 29, 2019
 Invoice 7
 Page 2

Date	Professional	Description
03/11/2019	Brenda Wong	Attend at Etobicoke car wash to review/pack up books and records in the office.
03/11/2019	Usama Emad	Attend at the Etobicoke property to retrieve paper records from the site and bring them back to the office.
03/12/2019	Brenda Wong	Review letter from CRA re GST20 and resending RC59 to CRA; review invoice and patrol report from Peregrine and email to Peregrine to request correction in invoice; emails to Moreau, Peregrine and DAS Property Services re closing of the sale on March 18 and cancellation of service; review the draft Statement of Adjustments.
03/12/2019	Daniel Weisz	Review email re date of closing; email to Avison Young re closing date; discussion with B. Wong on state of items remaining at the property.
03/12/2019	Usama Emad	Contact Toronto Hydro, Enbridge and City of Toronto to submit final meter readings and request bills as of the closing date of March 18, 2019.
03/13/2019	Brenda Wong	Call and email to Moreau re clean-up of Etobicoke site and turnover of keys; review/respond to email from Avison Young re property; review revised statement of adjustments.
03/14/2019	Daniel Weisz	Discussions in the evening with representatives of Peregrine re unlocked door, possible additional patrols and exchange emails with B. Wong re same.
03/14/2019	Brenda Wong	Responding to call from Peregrine re 5462 Dundas and call to E. Moreau of Moreau re same.
03/15/2019	Daniel Weisz	Review emails re status of closing, keys to be made available, and discussion with B. Wong on same; review updated closing documents.
03/15/2019	Brenda Wong	Emails with Moreau re site visit today; emails with Torkin re transfer of keys; call/email with Bell Canada re its account for 5462 Dundas.
03/18/2019	Brenda Wong	Review Enbridge bill; follow up re status of sale and review emails re same; email to Moreau to confirm closing of sale; review books and records retrieved from Etobicoke office.
03/18/2019	Daniel Weisz	Review and sign cheques; conference call with B. Wong and S. Eiley and A. Riches of Torkin regarding the status of closing and purchaser's enquiry; exchange emails with Torkin regarding confirmation of the closing of the sale of the property.
03/19/2019	Brenda Wong	Reconciliation of net sales proceeds received and prepare supporting documentation for posting of receipt.
03/19/2019	Daniel Weisz	Exchange emails with A. Riches re status of closing proceeds; discussion with J. Locke re status of distribution of closing funds.
03/20/2019	Brenda Wong	Review invoices for payment.
03/22/2019	Anne Baptiste	Prepare disbursement cheques.
03/26/2019	Brenda Wong	Review summary of activities; discussion and emails with Memofix re accessing data on computers.
03/27/2019	Daniel Weisz	Review summary of activities.
		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	3.4	\$525	\$ 1,785.00
Brenda Wong, CIRP, LIT	Senior Manager	5.5	\$395	2,172.50
Usama Emad, CPA	Senior Associate	2.3	\$195	448.50
Anne Baptiste	Estate Administrator	1.0	\$110	110.00
Total hours and professional fees		12.2		\$ 4,516.00
HST @ 13%				587.08
Total payable				\$ 5,103.08

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"



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

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 F +1 416 480 2646

www.rsmcanada.com

GST/HST: 80784 1440 RT 0001

To RSM Canada Limited
 Court-appointed Receiver and Manager
 of 1496765 Ontario Ltd.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date May 24, 2019

Client File 7842321-10003

Invoice 8

No. 5700572

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., **1496765 Ontario Ltd. ("149")** and Sunshine Propane Inc. for the period ending April 30, 2019.

Date	Professional	Description
04/01/2019	Brenda Wong	Email to Dedicated CRI re status of receivership; email to Bank of Montreal ("BMO") to inquire re calculation of 149 loan balance; email to Moreau On Site Property Services ("Moreau") re invoice for March clean-up.
04/02/2019	Daniel Weisz	Correspondence and attend at BMO re repayment of 149 indebtedness to BMO.
04/04/2019	Anne Baptiste	Prepare disbursement cheques; filing of banking documentation.
04/05/2019	Brenda Wong	Review and sign disbursement cheques.
04/10/2019	Brenda Wong	Review invoices for payment.
04/11/2019	Anne Baptiste	Prepare March bank reconciliation; prepare disbursement cheques; filing of banking documentation.
04/16/2019	Brenda Wong	Review Canada Revenue Agency ("CRA") correspondence re source deductions and HST outstanding and call to CRA to discuss priority of CRA's claims.
04/17/2019	Anne Baptiste	Filing of banking documentation.
04/24/2019	Anne Baptiste	Filing of banking documentation.
04/30/2019	Brenda Wong	Email to Moneris to request that it make arrangements to pick-up its property.
		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	0.5	\$525	\$ 262.50
Brenda Wong, CIRP, LIT	Senior Manager	0.9	\$395	355.50
Anne Baptiste	Estate Administrator	1.4	\$110	154.00
Total hours and professional fees		<u>2.8</u>		\$ 772.00
HST @ 13%				100.36
Total payable				\$ 872.36

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

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 F +1 416 480 2646

www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver and Manager
 of 1496765 Ontario Ltd.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date June 27, 2019

Client File 7842321-10003

Invoice 9

No. 5723746

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., **1496765 Ontario Ltd. ("149")** and Sunshine Propane Inc. for the period ending May 31, 2019.

Date	Professional	Description
05/02/2019	Anne Baptiste	Prepare disbursement cheque.
05/08/2019	Brenda Wong	Review invoice from City of Toronto, call to inquire re nature of charges and prepare cheque requisition for payment.
05/13/2019	Anne Baptiste	Prepare disbursement cheques; prepare April bank reconciliation; filing of banking documentation.
05/17/2019	Brenda Wong	Review bank reconciliation and follow up re uncleared cheques.
05/22/2019	Anne Baptiste	Filing of banking documentation.
05/22/2019	Brenda Wong	Review summary of activities.
05/29/2019	Anne Baptiste	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.

June 27, 2019
 Invoice 9
 Page 2

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Brenda Wong, CIRP, LIT	Senior Manager	0.5	\$395	\$ 197.50
Anne Baptiste	Estate Administrator	0.9	\$110	99.00
Total hours and professional fees		<u>1.4</u>		\$ 296.50
HST @ 13%				38.55
Total payable				\$ 335.05

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 RSM Canada Limited
 Court-appointed Receiver and Manager
 of 1651033 Ontario Ltd.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date April 29, 2019

Client File 7842321-10002

Invoice 7

No. 5681103

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., **1651033 Ontario Ltd.**, 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending March 31, 2019.

Date	Professional	Description
03/04/2019	Brenda Wong	Review invoice from Peregrine Protection ("Peregrine") for February patrols and email to Peregrine re fees charged, review mobile patrol reports.
03/05/2019	Brenda Wong	Review Modu-Loc invoice.
03/06/2019	Brenda Wong	Call to Canada Revenue Agency ("CRA") to follow up on status of the Receiver's RC59 and RT0002 account; send faxes to CRA again to request a RT0002 account and re-submit RC59.
03/06/2019	Daniel Weisz	Review Approval and Vesting Order and forward same to Avison Young.
03/07/2019	Daniel Weisz	Review draft amendment to Distribution Order re lien claim and discussion with J. Larry of Paliare Roland Rosenberg Rothstein LLP re same.
03/08/2019	Anne Baptiste	Prepare disbursement cheques; prepare February bank reconciliation.
03/08/2019	Brenda Wong	Review Moreau Property Services ("Moreau") invoices for extra charges and calls to Moreau re same, review revised invoice; emails with Torkin Manes LLP ("Torkin") re assumption of the fence rental by the purchaser.
03/08/2019	Daniel Weisz	Prepare for and attend at Torkin to sign closing documents; review and sign cheques.
03/11/2019	Brenda Wong	Emails to Peregrine and Spicer Landscaping & Snow Removal ("Spicer") to advise of sale of property and cancellation of snow clearing and security patrol services effective March 21; review email from City of Burlington re property taxes due on closing and forward to Torkin.
03/11/2019	Usama Emad	Attend to final meter readings re water and hydro accounts.
03/15/2019	Brenda Wong	Review invoices for payment.
03/18/2019	Brenda Wong	Email to Torkin re fence rental.

Date	Professional	Description
03/18/2019	Daniel Weisz	Review request for information from the purchaser, discussion with B. Wong on same and email to Avison Young re same.
03/19/2019	Brenda Wong	Review statement of adjustments, call to City of Burlington to confirm annual tax bill, email to Torkin re 2019 taxes to be paid by the Receiver and review revised Statement of Adjustments; email to Modu-Loc to notify of upcoming sale and rental to be transferred to purchaser and emails with Torkin re same.
03/20/2019	Brenda Wong	Email to Torkin re keys for property and wire instructions for Receiver's account.
03/20/2019	Daniel Weisz	Discussion with S. Thom of Torkin re amendment required to Approval and Vesting Order, including conference call with S. Thom and J. Larry re same; review emails re same.
03/21/2019	Daniel Weisz	Prepare for and attend in court re amendment to Approval and Vesting Order required for closing; exchange emails with Torkin re status of closing of the sale; discussion with A. Riches re sending documents in escrow; discussion with S. Eiley of Torkin re extension of time to close transaction; emails to J. Locke and Avison Young in respect of same.
03/22/2019	Anne Baptiste	Prepare disbursement cheques; post receipt in Ascend.
03/22/2019	Daniel Weisz	Exchange emails and discussion with S. Eiley re status of closing; emails to Bank of Montreal and Avison Young re same; review online bank account re confirmation re funds received.
03/22/2019	Brenda Wong	Review emails re status of closing; completing Modu-Loc transfer form and email to Modu-Loc; emails to Moreau, Peregrine and City of Burlington.
03/25/2019	Brenda Wong	Prepare paperwork for processing of sales proceeds and repayment of funds advanced by Bank of Montreal; review HUB and Peregrine invoices and prepare cheque requisitions.
03/25/2019	Daniel Weisz	Exchange emails with J. Larry re seeking court date re court order issued addressing holdback re construction lien claim.
03/26/2019	Brenda Wong	Review summary of activities.
03/27/2019	Daniel Weisz	Review summary of activities.
03/28/2019	Daniel Weisz	Review email from the purchaser and reply to same.
03/29/2019	Daniel Weisz	Email to the purchaser further to yesterday's correspondence.
		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.

April 29, 2019
 Invoice 7
 Page 3

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	5.4	\$525	\$ 2,835.00
Brenda Wong, CIRP, LIT	Senior Manager	3.2	\$395	1,264.00
Usama Emad, CPA	Senior Associate	0.2	\$195	39.00
Anne Baptiste	Estate Administrator	1.1	\$110	121.00
Total hours and professional fees		9.9		\$ 4,259.00
HST @ 13%				553.67
Total payable				\$ 4,812.67

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"

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 11 King St W, Suite 700, Box 27
 Toronto, ON M5H 4C7

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www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver and Manager
 of 1651033 Ontario Ltd.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date May 24, 2019

Client File 7842321-10002

Invoice 8

No. 5700550

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., **1651033 Ontario Ltd.**, 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending April 30, 2019.

Date	Professional	Description
04/01/2019	Brenda Wong	Call to Canada Revenue Agency ("CRA") re the status of the Receiver's Form RC59.
04/04/2019	Anne Baptiste	Prepare disbursement cheques; filing of banking documentation.
04/05/2019	Brenda Wong	Calls to CRA re its denial of the Receiver's Form RC59 and resending Form RC59 to CRA.
04/09/2019	Daniel Weisz	Discussion with H. Nimrani re her attendance at the City of Burlington and documentation required from the Receiver.
04/11/2019	Anne Baptiste	Prepare March bank reconciliation; prepare disbursement cheques; filing of banking documentation.
04/11/2019	Daniel Weisz	Review J. Larry of Paliare Roland Rosenberg Rothstein LLP email to V. Ibe re tomorrow's court attendance; review email from H. Nimrani re transfer of building permits; review documents and draft cover letter, email to B. Cohen of Torkin Manes LLP and J. Larry re same.
04/12/2019	Brenda Wong	Filing RT0002 HST return for period ending December 31, 2018.
04/12/2019	Daniel Weisz	Discussion with B. Cohen re purchaser's request re City of Burlington and transfer of permits.
04/15/2019	Brenda Wong	Review funds on hand and funds available for distribution.
04/15/2019	Daniel Weisz	Discussion with B. Wong re funds available for distribution to Bank of Montreal; prepare cover letter; review schedule reconciling selling price to amount of interim distribution; discussion with J. Larry re correspondence to Burlington purchaser and finalize the correspondence; receive call from H. Nimrani.
04/17/2019	Anne Baptiste	Prepare disbursement cheque.
04/24/2019	Anne Baptiste	Filing of banking documentation.

Date	Professional	Description
		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	2.6	\$525	\$ 1,365.00
Brenda Wong, CIRP, LIT	Senior Manager	1.0	\$395	395.00
Anne Baptiste	Estate Administrator	1.2	\$110	132.00
Total hours and professional fees		<u>4.8</u>		\$ 1,892.00
HST @ 13%				245.96
Total payable				\$ 2,137.96

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"



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 Toronto, ON M5H 4C7

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To RSM Canada Limited
 Court-appointed Receiver and Manager
 of 1651033 Ontario Ltd.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date June 27, 2019

Client File 7842321-10002

Invoice 9

No. 5723783

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., **1651033 Ontario Ltd.**, 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending May 31, 2019.

Date	Professional	Description
05/02/2019	Anne Baptiste	Prepare disbursement cheques.
05/06/2019	Brenda Wong	Review emails re status of SDM Construction ("SDM") lien claim; email to City of Burlington re notice of bylaw contravention received.
05/10/2019	Brenda Wong	Email to Bank of Montreal ("BMO") to request it correct posting error on April bank statement.
05/14/2019	Brenda Wong	Follow up with BMO re bank posting error to be corrected.
05/15/2019	Brenda Wong	Prepare RC342 application and fax to Canada Revenue Agency; emails with BMO and to HUB re returned cheque to be cleared again.
05/22/2019	Anne Baptiste	Filing re banking support documentation.
05/22/2019	Brenda Wong	Review summary of activities.
05/29/2019	Anne Baptiste	Prepare disbursement cheques.
05/31/2019	Daniel Weisz	Discussion with S. Thom of Torkin Manes LLP re status of the SDM claim.
		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.

June 27, 2019
 Invoice 9
 Page 2

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.1	\$525	\$ 52.50
Brenda Wong, CIRP, LIT	Senior Manager	0.8	\$395	316.00
Anne Baptiste	Estate Administrator	0.4	\$110	44.00
Total hours and professional fees		1.3		\$ 412.50
HST @ 13%				53.63
Total payable				\$ 466.13

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

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www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver and Manager
 of 1527020 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date April 29, 2019

Client File 7842321-10001

Invoice 7

No. 5680900

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., **1527020 Ontario Inc.**, 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending March 31, 2019.

Date	Professional	Description
03/04/2019	Brenda Wong	Call from Canada Revenue Agency requesting supporting documentation for HST returns filed and faxing of same.
03/05/2019	Daniel Weisz	Review draft closing documents and provide comments to Torkin Manes LLP ("Torkin").
03/06/2019	Daniel Weisz	Review Approval and Vesting Order and forward same to Avison Young.
03/08/2019	Anne Baptiste	Prepare disbursement cheques; prepare February bank reconciliation.
03/08/2019	Brenda Wong	Call to Moreau On Site Property Services ("Moreau") re trailers on property and return of keys from Blue Knight; email to Blue Knight re keys; email to Canam Appraiz Inc. re value of trailers; email to Avison Young re trailers and its communication with purchaser re same.
03/08/2019	Daniel Weisz	Discussion with B. Wong on trailer at the premises; prepare for and attend at Torkin to sign closing documents; review and sign cheques.
03/11/2019	Daniel Weisz	Discussion with B. Wong re contents of trailers at the property; review email from Torkin re purchaser's request for extension and emails in respect of same.
03/11/2019	Brenda Wong	Emails to BC's Lawn Care and Tert & Ross Ltd. ("T&R") to notify of sale and cancel snow clearing and security patrols effective March 18.
03/11/2019	Usama Emad	Submit requests for final meter reading dates for the multiple CNP accounts and Enbridge; water account to be finalized, voicemail and email sent.
03/12/2019	Brenda Wong	Review emails re extension of closing date; email to advise HUB of potential change.
03/12/2019	Daniel Weisz	Review comments from Torkin and Paliare Roland Rosenberg Rothstein LLP re purchaser's request for extension; email to Bank of Montreal re purchaser request for extension to closing date.

Date	Professional	Description
03/13/2019	Daniel Weisz	Review request for further extension by Port Colborne purchaser and email to Avison Young re same; review and respond to emails from B. Cohen and S. Eiley of Torkin re same.
03/13/2019	Brenda Wong	Review invoices for payment.
03/14/2019	Daniel Weisz	Review information provided by B. Wong and email to B. Cohen re cost to the Receiver of delay in closing; exchange emails with B. Cohen re same.
03/14/2019	Brenda Wong	Calculate monthly carrying costs and incremental cost from March 18 to May 1.
03/15/2019	Daniel Weisz	Email to Torkin re status of extension discussions in reference to meter readings scheduled.
03/15/2019	Brenda Wong	Review Enbridge bill; email to T&R re security patrols.
03/18/2019	Brenda Wong	Review emails and discussion with D. Weisz re purchaser's extension conditions.
03/18/2019	Daniel Weisz	Review and sign cheques; review counter-proposal re extension to closing date including conference calls with B. Wong and B. Cohen, and then with S. Eiley and A. Riches; conference call with B. Cohen and S. Eiley re status of the Port Colborne transaction and extension of the closing of the transaction.
03/19/2019	Brenda Wong	Email to Moreau re status of sale and arrange for keys to be couriered back to Moreau; emails to Moreau, security company and BC's Lawn Care re change in closing date; review emails re amending agreement; email to HUB re insurance.
03/19/2019	Daniel Weisz	Review emails re extension to closing, discussion with S. Eiley re same; review draft amending agreement and provide comments to Torkin; discussion with J. Locke re the extension; review and sign amending agreement; review fully executed amending agreement and forward same to Avison Young.
03/19/2019	Usama Emad	Contact City of Port Colborne to change the closing date for the water bill.
03/20/2019	Daniel Weisz	Review Torkin email re purchaser request and reply thereto; emails to S. Eiley re additional deposit not yet received; ongoing checks of online bank information re status of additional deposit; email to S. Eiley re status of agreement; emails with Torkin re extension of time during which purchaser to provide additional deposit.
03/21/2019	Daniel Weisz	Review online bank account periodically and emails with S. Eiley re status of deposit; exchange emails with S. Eiley re same; email to J. Locke re receipt of deposit; email to K. Avison and B. Sykes of Avison Young re receipt of the deposit.
03/22/2019	Anne Baptiste	Post receipts to Ascend; prepare disbursement cheques.
03/22/2019	Usama Emad	Contact CNP and Enbridge re the closing date for the sale of the property and continued service required.
03/22/2019	Brenda Wong	Call to Enbridge to set up new account.
03/25/2019	Usama Emad	Make inquiries regarding hard drive recovery services.
03/26/2019	Brenda Wong	Respond to email from CNP re closing of sale; review summary of activities; discussion and emails with Memofix re accessing data on computers.
03/26/2019	Usama Emad	Correspondence with Memofix regarding the hard drives recovered from site.
03/27/2019	Usama Emad	Contact Memofix to schedule the pick-up of the computer hard drives.

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Page 3

Date	Professional	Description
03/27/2019	Daniel Weisz	Review summary of activities,
03/28/2019	Usama Emad	Coordinated and helped with the pick-up of the computers.
		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.

April 29, 2019
 Invoice 7
 Page 4

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	7.0	\$525	\$ 3,675.00
Brenda Wong, CIRP, LIT	Senior Manager	3.1	\$395	1,224.50
Usama Emad, CPA	Senior Associate	1.8	\$195	351.00
Anne Baptiste	Estate Administrator	0.7	\$110	77.00
Total hours and professional fees		12.6		\$ 5,327.50
HST @ 13%				692.58
Total payable				\$ 6,020.08

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

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To RSM Canada Limited
 Court-appointed Receiver and Manager
 of 1527020 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date May 24, 2019

Client File 7842321-10001

Invoice 8

No. 5700531

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., **1527020 Ontario Inc.**, 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending April 30, 2019.

Date	Professional	Description
04/02/2019	Brenda Wong	Review Federated Statement and prepare cheque requisition for payment of 2nd instalment of insurance premium.
04/03/2019	Brenda Wong	Review Enbridge bill and account status.
04/04/2019	Anne Baptiste	Prepare disbursement cheques; filing of banking documentation.
04/05/2019	Brenda Wong	Review and sign disbursement cheques.
04/09/2019	Brenda Wong	Review invoices for payment.
04/10/2019	Brenda Wong	Emails with Moreau On Site Property Services ("Moreau") and BC's Lawn Care re salting pricing and February invoice to be revised; review invoice for payment.
04/11/2019	Anne Baptiste	Prepare March bank reconciliation; prepare disbursement cheques; filing of banking documentation.
04/11/2019	Daniel Weisz	Exchange emails with A. Riches of Torkin Manes LLP ("Torkin") re purchaser's request re party to take title to the property and discussion with A. Riches re same.
04/15/2019	Brenda Wong	Review invoice for payment and send to Moreau to verify.
04/16/2019	Brenda Wong	Review Statement of Adjustments re sale, call to City of Port Colborne re taxes payable by vendor, and email to Torkin re changes to Statement of Adjustments.
04/16/2019	Daniel Weisz	Review email re Statement of Adjustments; exchange of emails re party taking title to the property.
04/17/2019	Daniel Weisz	Attend conference call with S. Eiley and S. Thom of Torkin re the closing of the sale of the property and court attendance required; exchange emails re same.
04/17/2019	Anne Baptiste	Prepare disbursement cheques; filing of banking documentation.

May 24, 2019
 Invoice 8
 Page 2

Date	Professional	Description
04/18/2019	Daniel Weisz	Exchange emails with S. Thom re court attendance next week.
04/22/2019	Daniel Weisz	Review draft affidavit re change in name of purchaser and email to S. Thom re same.
04/23/2019	Daniel Weisz	Discussion with S. Thom regarding the draft; review draft Supplemental Report to First Report and email to S. Thom re same; exchange emails with S. Thom re same.
04/24/2019	Daniel Weisz	Review updated draft report to court and provide comments to S. Thom; review updated report, sign report.
04/24/2019	Anne Baptiste	Post receipts to Ascend; prepare disbursement cheque; filing of banking documentation.
04/25/2019	Daniel Weisz	Prepare for and attend at Torkin to sign closing documents re sale of the property.
04/26/2019	Brenda Wong	Review changes to Statement of Adjustments; call to City of Port Colborne re property tax arrears; follow up with Torkin re April 25 court orders and arrange for posting to webpage; review invoice for payment.
04/29/2019	Brenda Wong	Review cash on hand and funds available for distribution after closing of sale.
04/30/2019	Daniel Weisz	Discussion with A. Riches re status of closing scheduled for May 1 st .
		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.

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May 24, 2019
Invoice 8
Page 3

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	3.3	\$525	\$ 1,732.50
Brenda Wong, CIRP, LIT	Senior Manager	2.1	\$395	829.50
Anne Baptiste	Estate Administrator	1.7	\$110	187.00
Total hours and professional fees		<u>7.1</u>		\$ 2,749.00
HST @ 13%				357.37
Total payable				\$ 3,106.37

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

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GST/HST: 80784 1440 RT 0001

To RSM Canada Limited
 Court-appointed Receiver and Manager
 of 1527020 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date June 27, 2019

Client File 7842321-10001

Invoice 9

No. 5723813

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., **1527020 Ontario Inc.**, 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending May 31, 2019.

Date	Professional	Description
05/01/2019	Daniel Weisz	Review email from A. Riches re status of the sale of the property; review funds available for distribution and discussion with B. Wong on same; A. Riches re status of closing of sale of the property and discussion with B. Wong on same; email to Bank of Montreal re the status of the sale of the property; draft letter to BMO re interim distribution.
05/01/2019	Brenda Wong	Prepare receipts processing form for posting of net sale proceeds; update schedule of estimated cash requirements and funds available for distribution; review invoice to pay; email to security company re continuation of patrols for another day; email to HUB requesting extension of coverage for another day; prepare cheque requisitions for repayment of Receiver Certificates and payment of interim distribution.
05/02/2019	Anne Baptiste	Process accruals; prepare disbursement cheques.
05/02/2019	Brenda Wong	Review emails re closing of the sale of the property; check online banking for receipt of net sale proceeds; review posting of receipts and accrued disbursements; emails to HUB, Moreau On Site Property Services and Tert & Ross Ltd. ("T&R") to advise of closing.
05/02/2019	Daniel Weisz	Review email from A. Riches re status of closing of the transaction; discussions with A. Riches re the status of closing, calculation of funds to be provided to the Receiver; email to BMO to confirm closing of sale; review of bank account to confirm closing proceeds received.
05/03/2019	Daniel Weisz	Finalize payment of interim distribution to BMO.
05/06/2019	Brenda Wong	Receipt and identify Enbridge refund cheque; review T&R April invoice.
05/10/2019	Brenda Wong	Review HST refunds received; prepare and file HST return for period ending April 30, 2019.

Date	Professional	Description
05/13/2019	Anne Baptiste	Prepare disbursement cheques; prepare April bank reconciliation; filing of banking documentation.
05/14/2019	Brenda Wong	Call and fax to Enbridge re sale of the property.
05/22/2019	Anne Baptiste	Filing re banking documentation.
05/22/2019	Brenda Wong	Review summary of activities.
05/24/2019	Brenda Wong	Review revised account from Enbridge.
05/28/2019	Daniel Weisz	Discussion with U. Emad re enquiry from utility.
05/29/2019	Anne Baptiste	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.

June 27, 2019
 Invoice 9
 Page 3

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	1.6	\$525	\$ 840.00
Brenda Wong, CIRP, LIT	Senior Manager	2.6	\$395	1,027.00
Anne Baptiste	Estate Administrator	1.6	\$110	176.00
Total hours and professional fees		5.8		\$ 2,043.00
HST @ 13%				265.59
Total payable				\$ 2,308.59

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"

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To RSM Canada Limited
 Court-appointed Receiver and Manager of
 2495087 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date April 29, 2019

Client File 7842321-10006

Invoice 7

No. 5681461

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of **2495087 Ontario Inc.**, 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending March 31, 2019.

Date	Professional	Description
03/01/2019	Brenda Wong	Call from K. Gillespie of Canada Revenue Agency ("CRA") re additional information required for HST audit and follow up re outstanding information; review amendment to Agreement of Purchase and Sale ("APS"), arrange for execution and email to Avison Young.
03/01/2019	Daniel Weisz	Review extension agreement re APS and emails in respect of same.
03/04/2019	Brenda Wong	Fax to CRA re additional information requested for HST audit.
03/05/2019	Brenda Wong	Emails with Moreau On Site Property Services ("Moreau") re Union Gas visit to check meter and obtaining a quote to repair/replace wall panels.
03/06/2019	Brenda Wong	Review email from Avison Young and call to Rubicon re their response to purchaser's email inquiry; review Elite Landscaping invoice.
03/06/2019	Daniel Weisz	Review email from Avison Young re request of purchaser for environmental report; review file; respond to Avison Young.
03/08/2019	Anne Baptiste	Prepare disbursement cheques; prepare February bank reconciliation; post deposits to Ascend.
03/08/2019	Daniel Weisz	Review and exchange emails re the proposed extension of listing agreement with Avison Young; review and sign cheques; review and sign Avison Young listing extension agreement and email to J. Larry of Paliare Roland Rosenberg Rothstein LLP and B. Cohen of Torkin Manes LLP re same.
03/11/2019	Daniel Weisz	Discussion with B. Wong re damage from winds and building panels; email to Avison Young re extension to listing agreement.
03/11/2019	Brenda Wong	Review email from security company re the outside wall and discussion with Moreau re same; email to Avison Young to obtain its recommendation re repairs to the wall and email to Moreau re quotes for repairs; review HUB invoice for renewal of insurance.

April 29, 2019
 Invoice 7
 Page 2

Date	Professional	Description
03/11/2019	Jeff Berger	Review of report from SecureGroup regarding wind damage to the Port Elgin Property and corresponding with Moreau and D. Weisz regarding same.
03/12/2019	Brenda Wong	Review email from security company re debris and wind damage, call to Moreau to discuss; respond to email from Vape Shop owner re parking; review Westario invoices and prepare cheque requests.
03/13/2019	Daniel Weisz	Discussion with B. Wong re email from Avison Young re purchaser comments on panels at the property; update draft email to B. Sykes of Avison Young.
03/13/2019	Brenda Wong	Review and draft response to email from Avison Young re repairs to the wall; call from Union Gas re shut-off of the gas meter; follow up with Federated Insurance re insurance renewal documents.
03/15/2019	Daniel Weisz	Email to B. Sykes re status of purchaser waiver of conditions; review waiver and updated waiver; execute acknowledgement of receipt of waiver and return same to Avison Young; emails re TDL Right of First Refusal.
03/15/2019	Brenda Wong	Emails with Moreau re Reliance hot water tank and Union Gas; emails with Federated Insurance re renewal documents and payment of premiums; review emails re purchaser's waiver of condition.
03/18/2019	Brenda Wong	Follow up with Federated Insurance re retained premium; email and call with Moreau re site visit this week and repairs to wall panels.
03/18/2019	Daniel Weisz	Review and sign cheques; discussion with S. Eiley of Torkin Manes LLP re notification of Right of First Refusal to TDL; receipt and review of additional deposit cheque from the purchaser.
03/19/2019	Brenda Wong	Review emails re notice to TDL re its Right Of First Refusal and email to TDL to request contact information for notice.
03/19/2019	Daniel Weisz	Review draft letter to TDL re Right of First Refusal and provide comments to S. Eiley; discussion with S. Eiley re same; review updated draft letter and email to S. Eiley re same.
03/21/2019	Daniel Weisz	Review purchaser enquiry and reply to Avison Young re same.
03/25/2019	Daniel Weisz	Review APS re assets being sold; email to Avison Young re purchaser use of property; review email from Avison Young re intended affiliation of purchaser re gas station and email to S. Eiley and J. Larry re same.
03/26/2019	Brenda Wong	Discussion with Moreau re disposal of inventory and quote for repair of wall panels; review summary of activities.
03/27/2019	Daniel Weisz	Review summary of activities.
03/28/2019	Daniel Weisz	Review draft opinion on Bank of Montreal security and email to J. Larry re same; respond to B. Sykes email re closing date; email to BMO re court date.
03/29/2019	Brenda Wong	Review emails re assignment of APS; discussion with J. Berger re tenant lease for Port Elgin location.
03/29/2019	Daniel Weisz	Review updated draft opinion on security and email to E. Rathbone re same; review assignment of agreement received from the purchaser and provide comments to S. Eiley re same; review lease located with respect to the premises; email to J. Larry re same; discussion with B. Cohen; discussion with J. Berger re making enquiries re lease; discussion with J. Larry re the lease.
		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	4.9	\$525	\$ 2,572.50
Brenda Wong, CIRP, LIT	Senior Manager	3.9	\$395	1,540.50
Jeff Berger, CPA, CA	Manager	0.5	\$295	147.50
Anne Baptiste	Estate Administrator	0.7	\$110	77.00
Total hours and professional fees		<u>10.0</u>		\$ 4,337.50
HST @ 13%				563.88
Total payable				\$ 4,901.38

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"



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www.rsmcanada.com

GST/HST: 80784 1440 RT 0001

To RSM Canada Limited
 Court-appointed Receiver and Manager of
 2495087 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date May 24, 2019

Client File 7842321-10006

Invoice 8

No. 5700606

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of **2495087 Ontario Inc.**, 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending April 30, 2019.

Date	Professional	Description
04/01/2019	Brenda Wong	Emails with Moreau On Site Property Services ("Moreau") re site visits to be scheduled for removal of inventory in convenience store, Parkland removal of its property; check online for receipt of TDL Group's April rent cheque; email to tenant re pending sale; email to Avison Young re version of Tahbou lease uploaded to the data room; review Moreau invoice for additional services.
04/01/2019	Daniel Weisz	Review agreement of purchase and sale re tenant at the premises and email to S. Eiley of Torkin Manes LLP ("Torkin") re same; discussion with B. Wong re Avison Young data room; exchange emails with K. Avison of Avison Young; discussion with B. Wong and J. Berger re matters relating to tenant; discussions with B. Sykes of Avison Young and K. Avison re same.
04/01/2019	Donna Nishimura	Deposit rent cheque at the bank.
04/01/2019	Usama Emad	Follow up with Toronto Safecracker for its quote to open the Port Elgin safe.
04/02/2019	Brenda Wong	Discussion with Moreau re status.
04/02/2019	Daniel Weisz	Email to S. Eiley re status of assignment agreement; discussion with J. Larry of Paliare Roland Rosenberg Rothstein LLP re lease agreement between 2495087 and Naveed Amin, and forward lease copy to J. Larry.
04/03/2019	Daniel Weisz	Review updated documents re purchaser's assignment of Agreement of Purchase and Sale and email to S. Eiley re same.
04/04/2019	Anne Baptiste	Prepare disbursement cheques; filing of banking documentation.
04/05/2019	Brenda Wong	Review and sign disbursement cheques; calls with Moreau and Toronto Safecracker re scheduling a date; file 2019 Q1 HST return.
04/08/2019	Daniel Weisz	Review email from K. Avison re purchaser's request re card reader for the gas station pumps, and reply to K. Avison.

Date	Professional	Description
04/09/2019	Brenda Wong	Discussion with Moreau re scheduling date for Parkland to attend; send confirmation email to Toronto Safecracker; send email to Parkland to schedule date and request list of property to be removed.
04/10/2019	Brenda Wong	Emails with Moreau and Tahbou re access to disposal bin; emails with Parkland re property to be removed; review invoices for payment.
04/11/2019	Anne Baptiste	Prepare March bank reconciliation; prepare disbursement cheques; filing of bank documentation.
04/12/2019	Brenda Wong	Email to Moreau re list of Parkland property to be removed; call to Moreau to confirm receipt and date for removal of inventory.
04/12/2019	Daniel Weisz	Prepare for and attend in court re Receiver's application for approval of agreement of purchase and sale; email to Avison Young re issuance of Approval and Vesting Order.
04/15/2019	Brenda Wong	Call to Moreau to discuss vendor invoice and follow up on quote for repair of wall panels.
04/16/2019	Brenda Wong	Respond to Avison Young email re purchaser's request to remove the card readers; email to Torkin re closing date and service contracts/services for the property; discussion with Moreau re quote for repair of wall panels and purchaser's request to attend to remove card readers; email from Moreau re status of inventory clean-up; emails with Torkin re property taxes outstanding; emails to Tert & Ross Ltd. ("T&R") and Moreau re scheduled closing date; email to Miller Waste re service.
04/17/2019	Anne Baptiste	Prepare disbursement cheques; filing of bank documentation.
04/17/2019	Brenda Wong	Notice to Miller Waste, Westario and Saugeen Shores re closing date; discussions with Moreau re status of quote for wall repairs, removal of property by Parkland and contents of safe.
04/17/2019	Daniel Weisz	Discussion with B. Wong re quotes re repairs to the property.
04/18/2019	Daniel Weisz	Review emails from B. Wong re quotes for building repair.
04/18/2019	Brenda Wong	Review quote for wall repairs and email to Moreau to request second quote.
04/22/2019	Brenda Wong	Discussions with Moreau re obtaining a second quote and Parkland's request for access to remove its signage; emails to Parkland re time available for access; review Statement of Adjustments; email to S. Eiley re wall repairs; discussion with K. Avison re contacting purchaser to discuss repairs to the wall; call to Moreau and email to Avison Young re purchaser's request for a site visit.
04/22/2019	Daniel Weisz	Discussion with B. Wong re matters relating to the closing of the sale of the property.
04/23/2019	Daniel Weisz	Review draft documents re sale of the property, review files and email to Torkin re same; review emails re possible adjustment re cost of repair.
04/24/2019	Anne Baptiste	Post deposits to Ascend; prepare disbursement cheque; filing of banking documentation.
04/24/2019	Brenda Wong	Emails with Avison Young re adjustments for wall repairs and Moreau's cost for a site visit; emails with Torkin re Statement of Adjustments; review wording of release re adjustment for wall repairs.

May 24, 2019
 Invoice 8
 Page 3

Date	Professional	Description
04/24/2019	Daniel Weisz	Review quote re stucco repair and email to J. Locke re same; exchange emails with K. Avison re same; review draft release drafted by Torkin and email to Torkin re same.
04/25/2019	Daniel Weisz	Prepare for and attend at Torkin to sign closing documents re sale of the property.
04/26/2019	Brenda Wong	Review and respond to Torkin email re revised Statement of Adjustments, commission payable and keys; discussion with Moreau re purchaser's site visit yesterday; review and file emails; call from Torkin re Tahbou rent to be adjusted; email to Tahbou re increase in April rent.
04/26/2019	Daniel Weisz	Review and sign release re wall damage re closing of the sale of the property; exchange emails with A. Riches re purchaser calculation re land transfer tax.
04/29/2019	Brenda Wong	Review Funds Statement and email to Torkin re correction required, review revised Statement of Adjustments and Funds Statement; review cash position and funds available for distribution; review emails re status of sale; email to T&R re reinstating mobile patrols; emails to Moreau and HUB re status of sale.
04/29/2019	Daniel Weisz	Review Statement of Adjustments and email to A. Riches re same; review email re status of closing; discussion with A. Riches re status of closing and extension required; email to Bank of Montreal re same.
04/30/2019	Brenda Wong	Review emails re status of closing of sale and freezer on site; email to security company to confirm mobile patrols to be cancelled after April 30; email to HUB to advise re status of closing.
04/30/2019	Daniel Weisz	Review emails re status of closing of the transaction; discussion with J. Berger re claim for freezer and A. Riches on same; email to Torkin re same; conference call with A. English and A. Riches re status of closing and claim to freezer; various discussions with A. Riches re status of closing; review email from A. Riches re extension of closing; email to J. Locke re same.
		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	7.1	\$525	\$ 3,727.50
Brenda Wong, CIRP, LIT	Senior Manager	7.6	\$395	3,002.00
Usama Emad, CPA	Senior Associate	0.1	\$195	19.50
Anne Baptiste/Donna Nishimura	Estate Administrator	2.6	\$110	286.00
Total hours and professional fees		<u>17.4</u>		\$ 7,035.00
HST @ 13%				914.55
Total payable				\$ 7,949.55

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"



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www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver and Manager of
 2495087 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date June 27, 2019

Client File 7842321-10006

Invoice 9

No. 5723912

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of **2495087 Ontario Inc.**, 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending May 31, 2019.

Date	Professional	Description
05/01/2019	Daniel Weisz	Review email from Torkin Manes LLP re completion of the sale of the property; email to A. Riches re status of distribution of closing proceeds; email to Bank of Montreal re status of the sale; review funds available for distribution and discussion with B. Wong on same; review email from A. Riches and confirm receipt of funds; email to Avison Young re closing of the sale; draft letter to Bank of Montreal ("BMO") re interim distribution.
05/01/2019	Brenda Wong	Prepare receipts processing form for posting of net sale proceeds; update schedule of estimated cash requirements and funds available for distribution; send emails to Moreau On Site Property Services ("Moreau"), Tert & Ross Ltd. ("T&R"), HUB and Federated re closing of the sale; review online banking for The TDL Group ("TDL") payment and email to TDL to advise of sale and May rent payable; review invoices for payment; prepare cheque requisitions for repayment of Receiver certificates and payment of interim distribution.
05/02/2019	Anne Baptiste	Prepare disbursement cheques; processing receipts and deposits; processing accruals.
05/03/2019	Daniel Weisz	Finalize payment of interim distribution to BMO.
05/03/2019	Brenda Wong	Review and process rent receipt and invoice for payment; execute and return Federated policy cancellation form.
05/06/2019	Brenda Wong	Review invoice for payment; review email from Westario re final invoices; review T&R April invoices.
05/07/2019	Brenda Wong	Review emails from Avison Young re equipment reported missing by the purchaser; email to Parkland to request the return of the equipment that should not have been removed; review and respond to email from Torkin Manes re items raised by the purchaser; review emails from Moreau re inventory removed and disposed.

Date	Professional	Description
05/07/2019	Daniel Weisz	Discussion with B. Sykes and K. Avison of Avison Young re the purchaser's claim that items are missing from the gas station; subsequent discussion with B. Sykes re same; review emails re same and discuss with B. Wong; review email from S. Eiley of Torkin Manes and discussion with B. Wong on same.
05/08/2019	Daniel Weisz	Discussion with B. Wong re follow up with Parkland and exchange emails with Avison Young regarding same; review emails from Parkland and Torkin Manes and discussion with B. Wong on same.
05/08/2019	Brenda Wong	Draft letter to TDL re refund of the May rent; follow-up email and calls to Parkland, review and respond to emails from Torkin Manes and Avison Young re status.
05/09/2019	Daniel Weisz	Review email re missing equipment and Parkland's attendance at the premises.
05/09/2019	Brenda Wong	Emails with Parkland, Avison Young and Torkin Manes re status of overfill protection devices to be re-installed at the Port Elgin gas station.
05/13/2019	Anne Baptiste	Prepare disbursement cheques; prepare April bank reconciliation; filing of banking documentation.
05/14/2019	Daniel Weisz	Review email from B. Sykes re pending claim for reimbursement by the purchaser.
05/14/2019	Brenda Wong	Review email from Avison Young re the purchaser's replacement of missing parts, forward to counsel.
05/16/2019	Daniel Weisz	Discussion with S. Eiley re potential claim of the purchaser.
05/22/2019	Anne Baptiste	Filing of banking documentation.
05/22/2019	Brenda Wong	Review summary of activities.
05/29/2019	Anne Baptiste	Prepare disbursement cheques.
05/30/2019	Daniel Weisz	Review email from B. Sykes re the purchaser's claim for reimbursement, review file and respond to email.
		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.

June 27, 2019
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FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	2.2	\$525	\$ 1,155.00
Brenda Wong, CIRP, LIT	Senior Manager	4.1	\$395	1,619.50
Anne Baptiste	Estate Administrator	2.6	\$110	286.00
Total hours and professional fees		8.9		\$ 3,060.50
HST @ 13%				397.87
Total payable				\$ 3,458.37

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.
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To RSM Canada Limited
 Court-appointed Receiver and Manager of
 2496800 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date April 29, 2019

Client File 7842321-10000

Invoice 7

No. 5680820

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., **2496800 Ontario Inc.**, 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending March 31, 2019.

Date	Professional	Description
03/04/2019	Daniel Weisz	Exchange emails with Avison Young re status of the sale of the property.
03/05/2019	Brenda Wong	Email from and discussion with Moreau On Site Property Services ("Moreau") re jammed lock at Goderich; email to Avison Young re lock.
03/08/2019	Anne Baptiste	Prepare disbursement cheques; prepare February bank reconciliation.
03/08/2019	Daniel Weisz	Review and exchange emails re the proposed extension of listing agreement with Avison Young; review and sign cheques; review and sign Avison Young listing extension agreement and email to J. Larry of Paliare Roland Rosenberg Rothstein LLP and B. Cohen of Torkin Manes LLP re same.
03/11/2019	Daniel Weisz	Email to Avison Young re extension to listing agreement.
03/15/2019	Brenda Wong	Review HUB extension invoice and prepare cheque requisition; review Blue Water invoice.
03/18/2019	Daniel Weisz	Review and sign cheques.
03/25/2019	Brenda Wong	Review Goderich Hydro bill and prepare cheque requisition.
03/27/2019	Daniel Weisz	Review summary of activities.
		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.

April 29, 2019
 Invoice 7
 Page 2

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.7	\$525	\$ 367.50
Brenda Wong, CIRP, LIT	Senior Manager	0.3	\$395	118.50
Anne Baptiste	Estate Administrator	0.3	\$110	33.00
Total hours and professional fees		<u>1.3</u>		\$ 519.00
HST @ 13%				67.47
Total payable				\$ 586.47

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

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 RSM CANADA LIMITED



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www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver and Manager of
 2496800 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date May 24, 2019

Client File 7842321-10000

Invoice 8

No. 5700514

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., **2496800 Ontario Inc.**, 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending April 30, 2019.

Date	Professional	Description
04/01/2019	Brenda Wong	Call to Newer Technologies to arrange for removal of ATM machine; review Moreau On Site Property Services ("Moreau") invoice for additional services.
04/04/2019	Anne Baptiste	Prepare disbursement cheques; filing of banking documentation.
04/05/2019	Brenda Wong	Review and sign disbursement cheques; review email from Moreau and call re status of ATM; file 2019 Q1 HST return.
04/08/2019	Daniel Weisz	Discussion with B. Cohen of Torkin Manes LLP re status of the marketing of the property; review email from J. Locke re letter of credit request and reply to same.
04/09/2019	Daniel Weisz	Review emails re letter of credit issued to Parkland and discussion with B. Cohen re same; discussion with J. Berger re same.
04/09/2019	Brenda Wong	Discussions and emails with Moreau and Newer Technologies re scheduling date for removal of ATM.
04/11/2019	Anne Baptiste	Prepare March bank reconciliation; prepare disbursement cheques; filing of banking documentation.
04/12/2019	Daniel Weisz	Email to Avison Young to set up call re status of the marketing of the property.
04/16/2019	Brenda Wong	Review correspondence from Canada Revenue Agency ("CRA") re HST outstanding and call to CRA to discuss; call to Bluewater to request pickup; call with D. Weisz and Avison Young re status of marketing of the property.
04/16/2019	Daniel Weisz	Prepare for and attend conference call with K. Avison, B. Sykes and B. Wong to discuss the status of the marketing process for the property.
04/17/2019	Anne Baptiste	Filing of banking documentation.
04/18/2019	Daniel Weisz	Review email from K. Avison re recommendation re listing price of the property.
04/22/2019	Brenda Wong	Review invoice for payment.
04/22/2019	Daniel Weisz	Exchange emails with J. Locke re marketing of the property.

May 24, 2019
Invoice 8
Page 2

Date	Professional	Description
04/23/2019	Daniel Weisz	Discussion with J. Locke re status of the marketing of the sale of the property.
04/24/2019	Anne Baptiste	Prepare disbursement cheque; filing of banking documentation.
04/24/2019	Brenda Wong	Call with Avison Young and Bank of Montreal re the marketing of the property.
04/24/2019	Daniel Weisz	Prepare for and attend conference call with C. Hunt, J. Locke, K. Avison, B. Sykes and B. Wong to discuss the marketing of the property and adjustment to listing price.
04/25/2019	Daniel Weisz	Review and sign listing amending agreement and return to Avison Young.
04/26/2019	Brenda Wong	Call to Moreau to follow up re transfer of laptop and key for Goderich to the Receiver.
04/29/2019	Brenda Wong	Review Union Gas and HUB invoices for payment.
		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	2.3	\$525	\$ 1,207.50
Brenda Wong, CIRP, LIT	Senior Manager	2.0	\$395	790.00
Anne Baptiste	Estate Administrator	1.6	\$110	176.00
Total hours and professional fees		<u>5.9</u>		\$ 2,173.50
HST @ 13%				282.56
Total payable				\$ 2,456.06

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"

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GST/HST: 80784 1440 RT 0001

To RSM Canada Limited
 Court-appointed Receiver and Manager of
 2496800 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date June 27, 2019

Client File 7842321-10000

Invoice 9

No. 5723880

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., **2496800 Ontario Inc.**, 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending May 31, 2019.

Date	Professional	Description
05/01/2019	Brenda Wong	Review email from Moreau On Site Property Services ("Moreau") re removal of graffiti; review invoices for payment.
05/02/2019	Anne Baptiste	Prepare disbursement cheques.
05/06/2019	Brenda Wong	Review Tert & Ross Ltd. April invoice.
05/08/2019	Brenda Wong	Review documents saved on laptop retrieved from Goderich gas station; review invoice for payment.
05/10/2019	Daniel Weisz	Exchange emails with Avison Young re the status of the sale of the Goderich property.
05/13/2019	Anne Baptiste	Prepare disbursement cheques, prepare April bank reconciliation; filing of banking documentation.
05/17/2019	Brenda Wong	Review invoice for payment.
05/22/2019	Anne Baptiste	Prepare disbursement cheque; filing of banking documentation.
05/22/2019	Brenda Wong	Review summary of activities.
05/22/2019	Daniel Weisz	Email to Avison Young re status of the sale of the property; review and sign cheques.
05/24/2019	Brenda Wong	Email to Memofix re laptop to be destroyed.
05/29/2019	Anne Baptiste	Prepare disbursement cheques; filing of banking documentation.
05/31/2019	Daniel Weisz	Exchange emails with K. Avison of Avison Young re status of the marketing of the property.
		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.

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June 27, 2019
Invoice 9
Page 2

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.5	\$525	\$ 262.50
Brenda Wong, CIRP, LIT	Senior Manager	1.2	\$395	474.00
Anne Baptiste	Estate Administrator	1.8	\$110	198.00
Total hours and professional fees		<u>3.5</u>		\$ 934.50
HST @ 13%				121.49
Total payable				\$ 1,055.99

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



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

GST/HST: 80784 1440 RT 0001

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

www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver and Manager of
 2495087 Ontario Inc. et al
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date April 29, 2019

Client File 7842321-10005

Invoice 7

No. 5681688

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending March 31, 2019.

Date	Professional	Description
02/28/2019*	Daniel Weisz	Review responding motion record sent by O. Ogunniyi.
03/01/2019	Brenda Wong	Review debtors' responding motion and emails re same; review invoices for payment.
03/01/2019	Daniel Weisz	Review emails from O. Ogunniyi and emails with J. Larry of Paliare Roland Rosenberg Rothstein LLP ("Paliare Roland") re same.
03/01/2019	Daniel Weisz	Discussion with C. Hunt re matters relating to the receivership administration; discussion with J. Larry re court application being heard on March 4.
03/04/2019	Daniel Weisz	Discussion with J. Larry re today's court attendance; prepare for and attend in court re Receiver's application for approval and vesting orders and other relief.
03/04/2019	Brenda Wong	Call from Avison Young re court proceedings; prepare update memo to Bank of Montreal ("BMO"); review Moreau On Site Property Services ("Moreau") monthly invoices; follow up with Federated Insurance and HUB re documents for renewal of insurance; review endorsement and emails re same.
03/04/2019	Daniel Weisz	Review endorsement issued by the court; exchange emails with Paliare Roland re same and discussions with E. Rathbone and J. Larry re same; email to BMO re the endorsement; email to Avison Young re the endorsement and respond to K. Avison of Avison Young email; review and update memo to BMO.
03/05/2019	Brenda Wong	Review quote from HUB for renewal of insurance; review email from Avison Young re marketing status; summarize contact information for purchaser and counsel to provide to utilities; review orders issued re March 4 application.
03/05/2019	Daniel Weisz	Exchange emails with J. Locke re status; discussion with B. Cohen of Torkin Manes LLP ("Torkin") re court attendance and status; exchange emails with Paliare Roland re status of court orders to be issued; preliminary review of court orders issued; discussion with E. Rathbone regarding same.

Date	Professional	Description
03/06/2019	Brenda Wong	Email to Moreau re closing date for sale of three properties; discussion with Moreau re outstanding invoices to be submitted; review invoices for payment and prepare cheque requisitions.
03/06/2019	Daniel Weisz	Discussion with J. Locke re court orders obtained; discussions with A. Riches re closing dates and email to A. Riches regarding same; discussion with J. Larry re changes required to Distribution Order issued by the Court.
03/08/2019	Brenda Wong	Review and sign disbursement cheques; follow up with Torkin re closing dates.
03/11/2019	Brenda Wong	Follow up with Diabetes Canada re removal of bins; email to Torkin re computers left at Port Colborne and Etobicoke; review Paliare Roland bills to be processed for payment; prepare weekly update memo; review email from Torkin re Port Colborne purchaser's request to extend the closing date.
03/12/2019	Brenda Wong	Discussion with Moreau re potential change in closing dates; make change to update memo.
03/12/2019	Daniel Weisz	Review and update lender update.
03/13/2019	Daniel Weisz	Discussion with B. Sykes of Avison Young on the status of the sales of the various properties; discussion with B. Wong re the status of closings.
03/13/2019	Brenda Wong	Follow up with Avison Young re keys for the properties; review books and records retrieved from Etobicoke office; discussion with Avison Young re status; email to Torkin re transfer of keys.
03/15/2019	Brenda Wong	Discussion/email with Moreau re transfer of keys in their possession; discussions with Torkin and J. Larry re computers.
03/18/2019	Brenda Wong	Start drafting the Receiver's Second Report to the Court; call with D. Weisz and S. Eiley of Torkin re status of closing.
03/18/2019	Daniel Weisz	Discussion with J. Larry regarding his discussion with S. Thom of Torkin re matters relating to repaying BMO indebtedness; emails to BMO and Avison Young re the status of the closing of the Etobicoke and Port Colborne property transactions.
03/19/2019	Brenda Wong	Follow up re miscellaneous items related to sales of properties; making inquiries re accessing the data on the hard drives or disposal of them; review of books and records for the debtor in the Receiver's possession and records required for outstanding HST filings; prepare weekly update memo.
03/19/2019	Daniel Weisz	Discussion with B. Cohen re status of Canada Revenue Agency ("CRA") obligations of the debtors; review and finalize lender update.
03/20/2019	Brenda Wong	Continue reviewing books and records retrieved from the Etobicoke office; discussion with D. Weisz re records in the possession of the Receiver and potential bankruptcy filing; prepare schedule of estimated cash requirements; prepare cheque requisitions for professional fees to be paid and transfer of funds to fund disbursements; review draft reimbursement agreement.
03/20/2019	Daniel Weisz	Prepare for and meet with B. Wong to review status of quantification of Debtor liabilities to CRA; review schedule re status of funds on hand and discussion with B. Wong on same; review draft reimbursement agreement, discuss with B. Wong and provide comments to J. Larry; discussion with S. Thom; review and sign cheques; discussion with J. Larry re the draft reimbursement agreement.
03/20/2019	Usama Emad	Review of records obtained from the Etobicoke office.

Date	Professional	Description
03/21/2019	Daniel Weisz	Review and sign cheques.
03/21/2019	Usama Emad	Review and organization of records obtained from the Etobicoke office, prepare summary of records by company.
03/22/2019	Daniel Weisz	Review and sign cheques; correspondence with J. Larry; draft letter to BMO re repayment of Receiver's Certificate.
03/22/2019	Brenda Wong	Review of books and records of the debtors retrieved from the Etobicoke office.
03/25/2019	Brenda Wong	Letter to CRA to request basis of calculation for notional assessments and copies of prior returns; reviewing books and records and updating summary; continue drafting Receiver's Second Report.
03/25/2019	Daniel Weisz	Discussion with J. Locke on the status of the individual property sales.
03/25/2019	Usama Emad	Continue sorting through two additional boxes of receipts for the gas stations.
03/26/2019	Brenda Wong	Continue working on second report; prepare weekly update memo; review summary of activities; review edits to the second report and forward to J. Larry for review.
03/26/2019	Usama Emad	Updating the statement of receipts and disbursements ("R&D") for all the debtor companies for the Receiver's second report.
03/26/2019	Daniel Weisz	Email to J. Larry re the status of various matters; review and update status memo; review and update report to court.
03/27/2019	Brenda Wong	Review revised report and send to Paliare Roland for review, gather appendices for report; review draft R&D; review invoices for payment; prepare affidavit of fees; review Paliare Roland changes to the draft report and make additional edits.
03/27/2019	Usama Emad	Continue preparing the R&D.
03/27/2019	Daniel Weisz	Discussion with J. Larry re draft report to court, update report; review summary of activities; email to J. Locke re statement of indebtedness required; review R&D and discussion with B. Wong on same.
03/28/2019	Daniel Weisz	Review J. Larry changes to draft report to court; review B. Cohen changes to reimbursement agreement and email to J. Larry re same; work on fee affidavit; update report to court, forward draft of report; discussion with J. Larry on various matters.
03/29/2019	Brenda Wong	Review changes to report, reference to source documents and make additional edits, compile confidential appendix; update summary of documents; review invoices for payment.
03/29/2019	Daniel Weisz	Discussion with B. Wong re status of report to court; review schedule re documents from Etobicoke location and discussion with B. Wong on same; discussion with B. Cohen re companies' potential indebtedness to CRA; finalize and swear affidavit of fees; update report re Port Elgin lease and forward draft to J. Larry; finalize report and attend at Paliare Roland to meet with J. Larry.
		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	22.0	\$525	\$ 11,550.00
Brenda Wong, CIRP, LIT	Senior Manager	25.8	\$395	10,191.00
Usama Emad, CPA	Senior Associate	9.7	\$195	1,891.50
Total hours and professional fees		<u>57.5</u>		\$ 23,632.50
HST @ 13%				3,072.23
Total payable				\$ 26,704.73

* Not billed on previous invoice.

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"



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

GST/HST: 80784 1440 RT 0001

To RSM Canada Limited
 Court-appointed Receiver and Manager of
 2495087 Ontario Inc. et al
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date May 24, 2019

Client File 7842321-10005

Invoice 8

No. 5700629

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending April 30, 2019.

Date	Professional	Description
04/01/2019	Brenda Wong	Follow up with Moreau On Site Property Services ("Moreau") re March billings for additional site visits and quote for Port Elgin repairs; review estimated cash requirements at April 1, 2019.
04/01/2019	Daniel Weisz	Review draft notice of motion and court order and email to J. Larry of Paliare Roland Rosenberg Rothstein LLP ("Paliare Roland") regarding same; review reimbursement agreement received, email to J. Larry re same and execute document; review and filing of emails.
04/02/2019	Brenda Wong	Arrange for posting of court documents to the Receiver's webpage; prepare weekly update memo; follow up with Memofix re data on hard drives.
04/02/2019	Daniel Weisz	Review and file emails; review and update lender update and send.
04/03/2019	Brenda Wong	Prepare cheque requisitions for payment of professional fees; prepare Receiver's interim statement pursuant to S.246(2) of the Bankruptcy and Insolvency Act ("BIA") and send to the Office of the Superintendent of Bankruptcy and debtor; emails with Memofix re accessing the html file and index of files provided by it.
04/03/2019	Daniel Weisz	Review documents; review report pursuant to Section 246 (2) of the BIA, discussion with B. Wong on same.
04/05/2019	Brenda Wong	Review list of retrieved files and email to Memofix to request transfer of data to portable drive for Receiver; review Avison Young commission invoices.
04/08/2019	Daniel Weisz	Review account rendered by Paliare Roland; discussion with B. Cohen of Torkin Manes LLP re status of the receivership administration.
04/09/2019	Daniel Weisz	Review draft factum re application to court on April 12 and provide comments to Paliare Roland.
04/09/2019	Brenda Wong	Review data retrieved from the debtors' computers.
04/10/2019	Brenda Wong	Review invoice for payment.

Date	Professional	Description
04/11/2019	Daniel Weisz	Review and sign cheques; discussion with J. Larry re tomorrow's court attendance.
04/12/2019	Brenda Wong	Review and sign disbursement cheques; prepare weekly update to lender; review invoices for payment.
04/12/2019	Daniel Weisz	Review and update status memo re the receivership administration; review court orders issued and finalize update memo.
04/15/2019	Brenda Wong	Letter to Canada Revenue Agency ("CRA") re books and records in the Receiver's possession; respond to email from A. Khan re status of the properties.
04/16/2019	Daniel Weisz	Review B. Wong summary of information re CRA; discussion with B. Cohen on the status of various matters.
04/17/2019	Brenda Wong	Prepare weekly update memo; send list of documents to CRA.
04/17/2019	Daniel Weisz	Review and update lender update.
04/18/2019	Daniel Weisz	Update and finalize lender update and send; exchange emails with J. Locke re same.
04/26/2019	Brenda Wong	Prepare weekly update memo; review summary of activities.
04/26/2019	Daniel Weisz	Review, update and finalize lender update; review summary of activities.
		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.

May 24, 2019
 Invoice 8
 Page 3

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	9.2	\$525	\$ 4,830.00
Brenda Wong, CIRP, LIT	Senior Manager	8.0	\$395	3,160.00
Total hours and professional fees		<u>17.2</u>		\$ 7,990.00
HST @ 13%				1,038.70
Total payable				\$ 9,028.70

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 RSM Canada Limited
 Court-appointed Receiver and Manager of
 2495087 Ontario Inc. et al
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date June 27, 2019

Client File 7842321-10005

Invoice 9

No. 5723943

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. for the period ending May 31, 2019.

Date	Professional	Description
05/01/2019	Daniel Weisz	Review and respond to email re status of future distributions by the Receiver and issues relating thereto; discussion with B. Cohen of Torkin Manes LLP re status of Receiver's administration; review email from J. Larry of Paliare Roland Rosenberg Rothstein LLP ("Paliare Roland") re same; discussion with B. Wong re statement of receipts and disbursements to be prepared.
05/01/2019	Brenda Wong	Review invoices for payment and prepare cheque requisitions.
05/02/2019	Brenda Wong	Prepare updated statement of receipts and disbursements to May 3, 2019 (the "R&D"); review weekly update memo.
05/02/2019	Daniel Weisz	Review and sign cheques; prepare lender update.
05/03/2019	Daniel Weisz	Review the R&D and discussion with B. Wong on same; finalize lender update and send.
05/03/2019	Brenda Wong	Follow up with Moreau On Site Property Services re laptop, key for Goderich and Port Elgin safe contents to be delivered to the Receiver; update the R&D.
05/06/2019	Brenda Wong	Send follow-up emails to Canada Revenue Agency ("CRA") re books and records of the companies.
05/08/2019	Daniel Weisz	Review Paliare Roland account; review email from A. Khan re status of the sale of the properties and proposed draft response; review March Amended Distribution Order and email to Paliare Roland in respect of same; review further email from A. Ashad.
05/08/2019	Brenda Wong	Review and respond to emails from A. Ashad re sale of the properties; prepare cheque requisition for payment of legal fees; arrange for posting of documents to the Receiver's webpage.
05/10/2019	Daniel Weisz	Review and finalize lender update and send.
05/10/2019	Brenda Wong	Prepare weekly update memo.
05/13/2019	Brenda Wong	Review and sign disbursement cheques; review correspondence.

Date	Professional	Description
05/13/2019	Daniel Weisz	Review and sign cheques.
05/16/2019	Daniel Weisz	Discussion with S. Eiley of Torkin Manes re documents required to be maintained re sale; prepare and send lender update.
05/17/2019	Brenda Wong	Fax to CRA re outstanding RT0001 returns.
05/21/2019	Brenda Wong	Review records of entities to be destroyed.
05/22/2019	Brenda Wong	Review summary of activities.
05/23/2019	Daniel Weisz	Review and update summary of activities; draft lender update.
05/24/2019	Brenda Wong	Prepare cheque requisitions for payment of invoices.
05/24/2019	Daniel Weisz	Finalize lender update and send.
05/27/2019	Daniel Weisz	Review and filing of emails.
05/29/2019	Daniel Weisz	Review and sign cheques.
05/31/2019	Daniel Weisz	Prepare lender update and send.
		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	6.4	\$525	\$ 3,360.00
Brenda Wong, CIRP, LIT	Senior Manager	3.4	\$395	1,343.00
Total hours and professional fees		9.8		\$ 4,703.00
HST @ 13%				611.39
Total payable				\$ 5,314.39

PAYMENT BY VISA / MC ACCEPTED

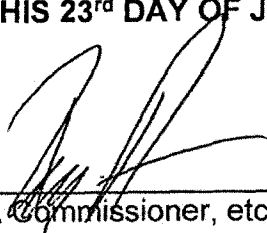
Card Number _____ Expiry Date _____
 Name on Card _____ Amount _____

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"

**THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF DANIEL WEISZ SWORN BEFORE ME
THIS 23rd DAY OF JULY, 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.**

In the Matter of the Receivership of
 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc.,
 1651033 Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc.
 Summary of Receiver's Fees
 For the Period March 1, 2019 to May 31, 2019

Invoice Date	Period	Hours	Fees	HST	Total	Average Hourly Rate
1496765 Ontario Ltd.						
	March 1 to 31, 2019	12.2	\$ 4,516.00	\$ 587.08	\$ 5,103.08	\$ 370.16
	April 1 to 30, 2019	2.8	772.00	100.36	872.36	\$ 275.71
	May 1 to 31, 2019	1.4	296.50	38.55	335.05	\$ 211.79
		16.4	\$ 5,584.50	\$ 725.99	\$ 6,310.49	\$ 340.52
1651033 Ontario Ltd.						
	March 1 to 31, 2019	9.9	\$ 4,259.00	\$ 553.67	\$ 4,812.67	\$ 430.20
	April 1 to 30, 2019	4.8	1,892.00	245.96	2,137.96	\$ 394.17
	May 1 to 31, 2019	1.3	412.50	53.63	466.13	\$ 317.31
		16.0	\$ 6,563.50	\$ 853.26	\$ 7,416.76	\$ 410.22
1527020 Ontario Inc.						
	March 1 to 31, 2019	12.6	\$ 5,327.50	\$ 692.58	\$ 6,020.08	\$ 422.82
	April 1 to 30, 2019	7.1	2,749.00	357.37	3,106.37	\$ 387.18
	May 1 to 31, 2019	5.8	2,043.00	265.59	2,308.59	\$ 352.24
		25.5	\$ 10,119.50	\$ 1,315.54	\$ 11,435.04	\$ 396.84
2495087 Ontario Inc.						
	March 1 to 31, 2019	10.0	\$ 4,337.50	\$ 563.88	\$ 4,901.38	\$ 433.75
	April 1 to 30, 2019	17.4	7,035.00	914.55	7,949.55	\$ 404.31
	May 1 to 31, 2019	8.9	3,060.50	397.87	3,458.37	\$ 343.88
		36.3	\$ 14,433.00	\$ 1,876.30	\$ 16,309.30	\$ 397.60
2496800 Ontario Inc.						
	March 1 to 31, 2019	1.3	\$ 519.00	\$ 67.47	\$ 586.47	\$ 399.23
	April 1 to 30, 2019	5.9	2,173.50	282.56	2,456.06	\$ 368.39
	May 1 to 31, 2019	3.5	934.50	121.49	1,055.99	\$ 267.00
		10.7	\$ 3,627.00	\$ 471.52	\$ 4,098.52	\$ 338.97
COMBINED						
	March 1 to 31, 2019*	57.5	\$ 23,632.50	\$ 3,072.23	\$ 26,704.73	\$ 411.00
	April 1 to 30, 2019	17.2	7,990.00	1,038.70	9,028.70	\$ 464.53
	May 1 to 31, 2019	9.8	4,703.00	611.39	5,314.39	\$ 479.90
		84.5	\$ 36,325.50	\$ 4,722.32	\$ 41,047.82	\$ 429.89
*includes one entry on Feb 28, 2019						
Total		189.4	\$ 76,653.00	\$ 9,964.93	\$ 86,617.93	\$ 404.71

TAB W

Court File No. CV-18-00602537-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

BANK OF MONTREAL

Applicant

-and-

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INC. LTD., 1496765 ONTARIO INC. LTD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3,
s.101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

AFFIDAVIT OF STEPHANIE EILEY

I, Stephanie Eiley, of the City of Toronto, in the Province of Ontario, MAKE OATH AND
SAY:

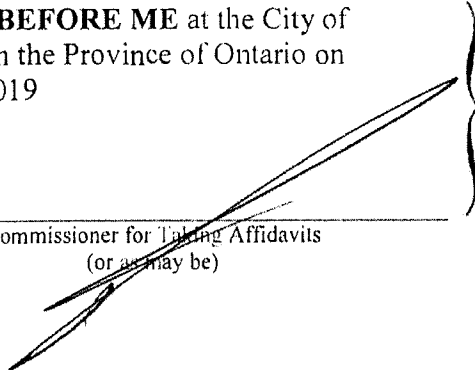
1. I am a Lawyer with the law firm of TORKIN MANES LLP (“**Torkin Manes**”), which has been engaged as counsel to RSM Canada Limited (“**RSM**”), in its capacity as Court-Appointed Receiver to assist the Receiver complete the sales of four properties, and as such have knowledge of the matters to which I hereinafter depose either through my own knowledge or by informing myself with respect thereto in which case I have indicated the source of my information and belief.
2. Attached hereto as **Exhibit "A"** are true copies of the invoices issued by Torkin Manes to RSM which includes detailed descriptions of the work performed for the period from February 11, 2019 to and including June 12, 2019. The total fees charged by Torkin Manes to

RSM during this period were \$53,687.50 plus HST of \$6,927.38, plus disbursements of \$1,471.19 plus HST of \$96.72, for a total amount of \$62,182.79.


3. I confirm that the attached invoices accurately reflect the services provided by Torkin Manes in this matter and the fees and disbursements claimed by it during the period described above.

4. Additionally, attached hereto as **Exhibit "B"** is a summary of additional information with respect to the aforesaid invoices indicating all members of Torkin Manes who worked on this matter during the period described above, their year of call to the bar, total time charges and hourly rates, and I hereby confirm that this list represents an accurate account of such information

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on July 19, 2019




Commissioner for Taking Affidavits
(or as may be)



STEPHANIE EILEY

This is Exhibit "A" referred to in the Affidavit of Stephanie Eiley
sworn July 19, 2019



Commissioner for Taking Affidavits (or as may be)

Torkin Manes LLP
 Barristers & Solicitors
 151 Yonge Street, Suite 1500
 Toronto, ON M5C 2W7

Tel: 416 863 1188
 Fax: 416 863 0305
 torkinmanes.com

Torkin|Manes
 Barristers & Solicitors

May 31, 2019

Invoice No.: 318103

Attention: Daniel Weisz
 RSM Canada Limited, Court-appointed Receiver of
 2495087 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, Ontario, M5H 4C7

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Receivership of 2495087 Ontario Inc.; Sale of 591-595
 Goderich St., Port Elgin
 File No.: 41362.0001

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Feb 11 19	AR	Port Elgin - initial review of Agreement of Purchase and Sale
Feb 12 19	SE	Finalized draft approval and vesting orders; review of drafts from Pallaire
Feb 13 19	AR	Diarized relevant dates; review of Agreement of Purchase and Sale
Feb 14 19	SE	Commenced review of basic terms of documents
Feb 22 19	AR	Correspondence with Purchaser's solicitor re closing
Feb 27 19	SE	Correspondence with client re extension of purchaser's due diligence period
Feb 28 19	AR	Review of correspondence re status and extension of conditional period
Feb 28 19	SE	Reviewed and commented on amendment to Agreement of Purchase and Sale extending conditional period; correspondence with client and agent

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Torkin|Manes
 Barristers & Solicitors

Mar 01 19	SE	Correspondence with client; received and reviewed amending agreement
Mar 02 19	SDT	Communications with counsel for Receiver and Barry Cohen re correspondence/Receiver from lien claimant and position of Receiver re same
Mar 06 19	BAC	Correspondence from Receiver and review and consider correspondence from purchaser's counsel and consider issue
Mar 06 19	BAC	Correspondence to Receiver and its counsel
Mar 06 19	BAC	Dialogue with Jeff Simpson and correspondence from/to Receiver
Mar 06 19	BAC	Correspondence from Receiver, purchaser's counsel, consider issue; provide comments to Receiver; correspondence from Receiver
Mar 07 19	BAC	Correspondence regarding the draft order, consider issue and correspondence to Receiver
Mar 07 19	BAC	Correspondence regarding proposed extension terms and consider issue; correspondence to Stephanie Eiley and Receiver
Mar 08 19	SDT	Communications re closing of Port Elgin property and extension of closing date
Mar 10 19	BAC	Correspondence from Receiver's counsel; dialogue with Jeff Simspon
Mar 11 19	BAC	Correspondence from counsel to purchaser; consider issue of requested extension; correspondence to Receiver
Mar 15 19	AR	E-mail correspondence re waiver;
Mar 15 19	SE	Re waiver.;correspondence with client re waiver
Mar 18 19	SS	Meeting with Angie and Stephanie re receiver's certificate; attending at 330 University re same

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Torkin|Manes
Barristers & Solicitors

Mar 18 19 SE Correspondence with client re notice to TDL; drafted notice re ROFR; review of lease re ROFR and notice provisions; correspondence with Barry Cohen

Mar 18 19 SDT Communications with counsel for Receiver re Port Elgin property and Tim Horton's ROFR

Mar 19 19 SE Telephone discussion with Barry Cohen to review notice to TDL; correspondence with client; attended to matters re ROFR and delivery of notice of Agreement of Purchase and Sale to TDL

Mar 19 19 BAC Dialogue with Stephanie Eiley; review and provide comments on draft TDL letter

Mar 19 19 BAC Discussion with Receiver regarding CRA issue; receipt and review of Receiver March 19, 2019 report

Mar 19 19 SDT Communications with Stephanie Eiley re ROFR and lease documentation re Port Elgin

Mar 25 19 SE Received and reviewed reply from TDL re ROFR; correspondence with client; correspondence with Purchaser's solicitor re TDL Group's reply re ROFR; correspondence with Purchaser's solicitor re assignment of Agreement of Purchase and Sale

Mar 25 19 BAC Dialogue with Receiver and Stephanie Eiley

Mar 28 19 SE Received and reviewed email from client re court application; e-mail correspondence with Purchaser's solicitor re assignment of Agreement of Purchase and Sale; reviewed and commented on assignment agreement; received and reviewed executed agreements; correspondence with client

Mar 29 19 SE Correspondence with client; received and reviewed comments from client re assignment documents; correspondence with Purchaser's solicitor re assignment agreements; telephone discussion with Stewart Thom re Approval and Vesting Order

Mar 29 19 BAC Receive and review draft indemnity agreement and provide comments

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Torkin|Manes
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Mar 29 19	SDT	Obtained and reviewed parcel registers re Port Elgin Property; communications with Receiver re Approval and Vesting Order
Mar 31 19	SE	Correspondence with Stewart Thom re Approval and Vesting order; reviewed and comments on draft Vesting Order
Apr 01 19	BAC	Dialogue with Receiver; correspondence from Receiver including copies of 2 leases, consider issue raised, discussion with Stephanie Eiley
Apr 01 19	SDT	Preparation of Approval and Vesting Order
Apr 02 19	AR	Review of title with regard to Offer to Lease; exchange of email correspondence re same
Apr 02 19	SE	Received and reviewed emails re leases at property; correspondence with Purchaser's solicitor re closing and assignment documents
Apr 09 19	SE	Meeting with Angie Riches re closing matters and preparation for closing
Apr 12 19	AR	Followed up re status of Approval and Vesting Order
Apr 15 19	SE	Meeting with Angie Riches re closing matters; review of initial draft documents
Apr 15 19	AR	Prepared draft documents; review of Notice of Assignment and related documents; drafted email to Purchaser's solicitor re closing; e-mail correspondence with client re Closing Date
Apr 16 19	AR	Created blacklines of closing documents and review of same; correspondence with Purchaser's lawyer re closing of transaction
Apr 17 19	AR	Drafted Statement of Adjustments; receipt and review of tax certificates for the Property; discussion with client re rental payments;
Apr 22 19	SE	Correspondence with client re damage to wall and next steps

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Torkin|Manes
 Barristers & Solicitors

Apr 23 19	SE	Correspondence with client re wall repairs; instructions to Angie Riches re closing matters, delivery of documents
Apr 23 19	AR	Revised Assignment of Leases and closing documents; finalized Statement of Adjustments; correspondence with client and Purchaser's lawyer re closing; obtained copy of Approval and Vesting Order
Apr 24 19	SE	Correspondence with Purchaser's solicitor; attended to matters re closing documents; correspondence with client re release for credit to purchaser for wall damage; drafted full and final release; review of client's comments
Apr 24 19	AR	Amended Statement of Adjustments; prepared documents for execution; correspondence re wall damage and mutual release
Apr 25 19	AE	To attending to rent adjustment issue
Apr 25 19	SE	Correspondence with Angie Riches re assignment documents and other closing matters; received and reviewed email from Purchaser's solicitor
Apr 26 19	LDR	Review and revise DRA
Apr 26 19	AE	To attending to issues re proposed allocation of purchase price
Apr 26 19	AR	Review of Purchaser's documents; conducted HST search; revised Statement of Adjustments and circulated; prepared Funds Statement and Forwarded to client for approval; sent closing package to Purchaser's lawyer
Apr 29 19	LDR	Review and revise corporate resolution
Apr 29 19	AE	To attending to extension of closing
Apr 29 19	AR	Attended to all matters in connection with closing of transaction
Apr 30 19	AE	To attending to closing and issues re further extension of closing and ownership of ice cream freezer, including e-mail correspondence and telephone discussion with Daniel Weisz and telephone discussion with purchaser's solicitors re same

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Torkin|Manes
 Barristers & Solicitors

Apr 30 19	AR	Attended to all matters in connection with closing of transaction
Apr 30 19	BAC	Correspondence from Aaron English; telephone discussion with Aaron English
May 01 19	AE	To attending to closing and post-closing matters
May 01 19	SDT	Communicate (in firm) re closing of Port Elgin Transaction
May 07 19	AR	Drafted report to client
May 08 19	SE	Correspondence with client and Purchaser's solicitor re TSSA request
May 13 19	AR	Forwarded evidence of payment of realty taxes to Purchaser's solicitor
May 16 19	SDT	Communicate with Receiver re Port Elgin Property issues
May 31 19	SE	Reviewed and revised reporting letter to client

OUR FEE:	\$17,021.50
HST:	\$2,160.80
SUB-TOTAL:	<u>\$19,182.30</u>

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Deliveries	40.11
Document Scanning	6.00
LPIC surcharge	65.00
Laser copies	43.80

154.91

NON-TAXABLE DISBURSEMENTS:

Bank transfer and service charges	27.00
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27.00

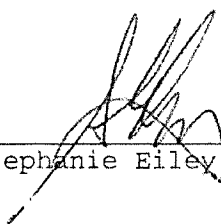
Page 7
May 31, 2019
Our File No.: 41362.0001
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Torkin|Manes
Barristers & Solicitors

Total Disbursements	\$181.91	
HST on Disbursements	\$20.14	
TOTAL DISBURSEMENTS AND HST:		\$202.05
<hr/>		
TOTAL FEE, DISBURSEMENTS & HST		\$19,384.35
BALANCE DUE AND OWING BY YOU		\$19,384.35

TORKIN MANES LLP

Per: _____


Stephanie Eiley

E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
Interest will be charged pursuant to the Solicitors Act at the
rate of 1.0 percent per year.

Torkin Manes LLP
 Barristers & Solicitors
 151 Yonge Street, Suite 1500
 Toronto, ON M5C 2W7

Tel: 416 863 1188
 Fax: 416 863 0305
 torkinmanes.com

Torkin | Manes
 Barristers & Solicitors

July 19, 2019

Attention: Daniel Weisz
 RSM Canada Limited, Court-appointed Receiver of
 2495087 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, Ontario, M5H 4C7

Invoice No.: 320137

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Receivership of 2495087 Ontario Inc.; Sale of 591-595
 Goderich St., Port Elgin
 File No.: 41362.0001

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Jun 03 19	AR	Amended report letter and index
Jun 04 19	AR	Finalized report and forwarded to client with all enclosures
Jun 07 19	AR	E-mail correspondence re TDL rental payments and post-closing issues
Jun 11 19	SE	Received and reviewed email from Purchaser's solicitor re removal of Parkland materials; correspondence with client
Jun 12 19	SE	Correspondence with Purchaser's solicitor re removal of valves from tanks; correspondence with client

OUR FEE:	\$650.00
HST:	\$84.50
SUB-TOTAL:	<u>\$734.50</u>

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 July 19, 2019
 Our File No.: 41362.0001
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Torkin|Manes
 Barristers & Solicitors

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Document Scanning	22.95
Laser copies	16.20
	<hr/>
	39.15

Total Disbursements	\$39.15
HST on Disbursements	\$5.09

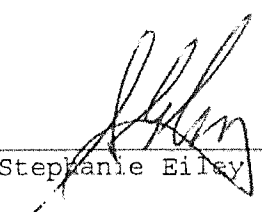
TOTAL DISBURSEMENTS AND HST:	<hr/>	\$44.24
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TOTAL FEE, DISBURSEMENTS & HST	\$778.74
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BALANCE DUE AND OWING BY YOU	\$778.74
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TORKIN MANES LLP

Per:



 Stephanie Eiley

E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
 Interest will be charged pursuant to the Solicitors Act at the
 rate of 1.0 percent per year.

Torkin Manes LLP
 Barristers & Solicitors
 151 Yonge Street, Suite 1500
 Toronto, ON M5C 2W7

Tel: 416 863 1188
 Fax: 416 863 0305
 torkinmanes.com

Torkin|Manes
 Barristers & Solicitors

April 25, 2019

Invoice No.: 316298

Attention: Daniel Weisz
 RSM Canada Limited, Court-appointed Receiver of
 1496765 Ontario Ltd.
 11 King Street West, Suite 700
 Toronto, Ontario, M5H 4C7

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Receivership of 1496765 Ontario Ltd.; Sale of 5462 Dundas
 St., Etobicoke
 File No.: 41362.0002

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Feb 11 19	AR	Initial review of Agreement of Purchase and Sale
Feb 12 19	SE	Finalized draft approval and vesting orders; review of drafts from Pallaire; correspondence with Purchaser's solicitor
Feb 13 19	AR	Prepared draft Statement of Adjustments and Vendor's Bring Down Certificate
Feb 14 19	AR	Drafted closing documents
Feb 14 19	SE	Commenced review of basic terms of documents
Feb 15 19	AR	Amended draft closing documents and circulated to client and Purchaser's lawyer; correspondence re contracts and property taxes
Feb 15 19	SE	Reviewed and revised closing documents; correspondence with client re required information for closing
Feb 19 19	SE	Reviewed requisition letter; reviewed comments on loan documents

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April 25, 2019
Our File No.: 41362.0002
Invoice # 316298

Torkin|Manes
Barristers & Solicitors

Feb 22 19	AR	Correspondence with Purchaser's solicitor re closing
Feb 22 19	SE	Email to Purchaser's solicitor re vesting order; correspondence with client; meeting with Angie Riches
Feb 25 19	AR	Drafted Purchaser's acknowledgement re propane tanks
Feb 25 19	SE	Reviewed and revised additional documents required for closing; correspondence with Stewart Thom confirming final form of Agreement of Purchase and Sale delivered to purchasers
Feb 27 19	SE	Meeting with Angie Riches re documents for closing, delivery of Application for Vesting Order, registration, requirements from Purchaser's solicitor
Feb 27 19	AR	Circulated additional Purchaser documents; exchange of email correspondence with Purchaser's lawyer and client
Feb 28 19	AR	Amended Acknowledgement; correspondence re same
Mar 01 19	SE	Meeting with Angie Riches to discuss next steps, required documentation and matters for closing; reviewed and revised requisition letter; attended to pre-closing matters and review of additional documents
Mar 01 19	AR	Drafted reply to requisitions; amended document registration agreement; circulated copies to Purchaser's solicitor and client
Mar 04 19	AR	Receipt and review of endorsement; exchange of e-mail correspondence re upcoming closing
Mar 05 19	SE	Correspondence with client re court endorsement, closing date, closing matters; instructions to Angie Riches re notices requires to all purchasers
Mar 06 19	AR	Drafted correspondence to Purchaser's solicitor re confirmation of closing; exchange of emails and telephone discussions with client re closing date; receipt of request for extension to closing date; advised client of same
Mar 07 19	AR	Prepared execution copies of Vendor's documents; exchange of e-mail correspondence regarding request for extension by the Purchaser

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Torkin|Manes
Barristers & Solicitors

Mar 08 19 AR Meeting with client to execute documents; drafted correspondence re extension of closing date

Mar 08 19 BAC Correspondence from/to Receiver; dialogue with Stephanie Eiley

Mar 12 19 AR Followed up with Purchaser's solicitor re extension request; telephone discussion re closing date; advised client of same; drafted statement of adjustments; contacted City of Toronto to confirm amount of outstanding taxes; receipt of correspondence from Purchaser's solicitor; review of Purchase Agreement regarding building permits and permitted encumbrances

Mar 13 19 SE Attended to matters re closing, Statement of Adjustments and payment of realty taxes

Mar 15 19 AE To review of e-mail correspondence and telephone discussion with Brenda Wong re issues relating to potential sensitive information on computers left on property

Mar 15 19 AR Followed up with Purchaser's solicitor re closing; drafted Undertaking to Readjust; prepared package of closing documents; messaged Application for Vesting Order to Purchaser's solicitor; email correspondence with client re status of closing

Mar 18 19 AR Attended to all matters associated with closing of transaction

Mar 18 19 SE Correspondence with client; numerous exchanges with Purchaser's solicitor; attended to closing matters

Mar 19 19 BAC Telephone discussion with Receiver regarding CRA issue

Mar 20 19 NF Attended at client's office to obtain signatures;

Mar 21 19 AR Amended report to client

Mar 22 19 SE Reviewed and revised reporting letter to client

Mar 28 19 AR Delivery of change of ownership to the City

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April 25, 2019
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Invoice # 316298

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Barristers & Solicitors

OUR FEE:		\$7,711.00
HST:		\$1,002.43
SUB-TOTAL:		<u>\$8,713.43</u>
DISBURSEMENTS		
TAXABLE DISBURSEMENTS:		
Deliveries	96.23	
LPIC surcharge	65.00	
	<u>161.23</u>	
Total Disbursements	\$161.23	
HST on Disbursements	\$20.96	
TOTAL DISBURSEMENTS AND HST:		<u>\$182.19</u>
TOTAL FEE, DISBURSEMENTS & HST		\$8,895.62
BALANCE DUE AND OWING BY YOU		\$8,895.62

TORKIN MANES LLP

Per:


Stephanie Eiley

E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
Interest will be charged pursuant to the Solicitors Act at the
rate of 1.0 percent per year.

Torkin Manes LLP
 Barristers & Solicitors
 151 Yonge Street, Suite 1500
 Toronto, ON M5C 2W7

Tel: 416 863 1188
 Fax: 416 863 0305
 torkinmanes.com

Torkin|Manes
 Barristers & Solicitors

April 25, 2019

Attention: Daniel Weisz
 RSM Canada Limited, Court-appointed Receiver of
 1651033 Ontario Ltd.
 11 King Street West, Suite 700
 Toronto, Ontario, M5H 4C7

Invoice No.: 316297

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Receivership of 1651033 Ontario Ltd.; Sale of 5223 Dundas
 St., East, Burlington
 File No.: 41362.0003

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Feb 11 19	AR	Initial review of Agreement of Purchase and Sale
Feb 11 19	SE	Meeting with Angie Riches re preparation and drafting of closing documents
Feb 12 19	SE	Finalized draft approval and vesting orders; review of drafts from Pallaire; correspondence with client re name of purchaser; received and reviewed numerous emails re determination of purchaser
Feb 13 19	AR	Prepared draft Statement of Adjustments and Vendor's Bring Down Certificate
Feb 14 19	SE	Commenced review of basic terms of documents
Feb 15 19	AR	Correspondence with agent re Purchaser's lawyer; prepared Authorization re municipal searches and circulated to client for execution; amended bring down certificate
Feb 18 19	SE	Received and reviewed emails from client; meeting with Angie Riches re authorizations for off title searches

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April 25, 2019
Our File No.: 41362.0003
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Torkin | Manes
Barristers & Solicitors

Feb 19 19	SE	Received and reviewed numerous emails with client; meeting with Angie Riches re closing matters
Feb 20 19	AR	Continued drafting of closing documents; forwarded same to client and Purchaser's solicitor
Feb 21 19	AR	Exchange of email correspondence re status of approval and vesting orders; diarized relevant dates
Feb 22 19	AR	Correspondence with Purchaser's solicitor re closing
Feb 22 19	SE	Email to Purchaser's solicitor re vesting order; correspondence with client; meeting with Angie Riches
Feb 25 19	AR	Followed up with Vendor's solicitor re extension
Feb 25 19	SE	Correspondence with Stewart Thom confirming final form of Agreement of Purchase and Sale delivered to purchasers
Mar 01 19	SE	Meeting with Angie Riches to discuss next steps, required documentation and matters for closing; review of additional closing documents
Mar 01 19	AR	Amended Document Registration Agreement
Mar 04 19	AR	Receipt and review of endorsement; exchange of e-mail correspondence re upcoming closing
Mar 05 19	SE	Correspondence with client re court endorsement, closing date, closing matters; instructions to Angie Riches re notices requires to all purchasers
Mar 06 19	AE	To review of proposed terms of acceleration of closing date
Mar 06 19	SE	E-mail correspondence with Purchaser's solicitor re amending Agreement of Purchase and Sale re closing date
Mar 06 19	AR	Drafted correspondence to Purchaser's solicitor re confirmation of closing; exchange of emails and telephone discussions with client re closing date; receipt of request from Purchaser's lawyer for accelerated closing date; drafted correspondence re confirmation of same

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Torkin|Manes
Barristers & Solicitors

Mar 07 19	AR	Prepared execution copies of Vendor's documents; followed up with Purchaser's solicitor re request for accelerated closing date
Mar 08 19	AR	Meeting with client to execute documents; correspondence with Purchaser's solicitor re assumption of fence rental
Mar 12 19	AR	Followed up with Purchaser's solicitor re fence contract
Mar 15 19	LD	Drafted Statement of Adjustments
Mar 15 19	AR	Review of draft Statement of Adjustments
Mar 19 19	AR	Correspondence with client re status of deposit; followed up with Purchaser's lawyer re assumption of fence rental
Mar 20 19	SE	Meeting with Angie Riches re status of closing matters; numerous exchanges with Purchaser's solicitor; received and reviewed emails and updated searches; correspondence with Stewart Thom re Approval and Vesting Order
Mar 20 19	SDT	Communications with Stephanie Eiley re changes required to Burlington Approval and Vesting Order and discussions related to closing
Mar 20 19	SDT	Communications with Stephanie Eiley re closing of Burlington Property
Mar 21 19	SE	Numerous exchanges with Purchaser's solicitor re closing matters; numerous exchanges with client; attended to matters re extension
Mar 21 19	AR	Attended to all matters in connection with closing of transaction
Mar 21 19	BAC	Dialogue with Receiver and Stephanie Eiley regarding funding issue; request for extension of closing
Mar 22 19	SE	Numerous exchanges with Purchaser's solicitor re closing; correspondence with client

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Torkin|Manes
 Barristers & Solicitors

Mar 22 19	TM	Attended at court accountant's office to issue receivership certificate
Mar 22 19	AR	Conducted HST search; followed up with Purchaser's solicitor re status of closing; attended to matters associated with closing of transaction
Mar 22 19	BAC	Various correspondence; dialogue concerning extension issues/funding
Mar 28 19	SE	Correspondence with Purchaser's solicitor re application for a permit, missing information
Mar 29 19	SE	Reviewed and revised reporting letter to client
Apr 12 19	BAC	Correspondence from Receiver; review attached documents, consider issue; telephone discussion with Receiver; correspondence from Receiver

OUR FEE:	\$8,874.00
HST:	\$1,153.62
SUB-TOTAL:	<u>\$10,027.62</u>

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Deliveries	62.68
LPIC surcharge	65.00
Title search disbursements	22.50
	<u>150.18</u>

NON-TAXABLE DISBURSEMENTS:

Title search disbursements	9.65
Bank transfer and service charges	13.50
	<u>23.15</u>

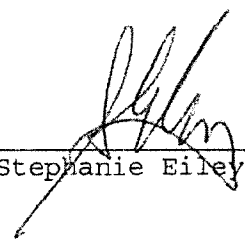
Page 5
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Torkin|Manes
 Barristers & Solicitors

Total Disbursements	\$173.33	
HST on Disbursements	\$19.52	
TOTAL DISBURSEMENTS AND HST:		<u>\$192.85</u>
TOTAL FEE, DISBURSEMENTS & HST		\$10,220.47
BALANCE DUE AND OWING BY YOU		\$10,220.47

TORKIN MANES LLP

Per: _____


 Stephanie Eiley

E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
 Interest will be charged pursuant to the Solicitors Act at the
 rate of 1.0 percent per year.

Torkin Manes LLP
 Barristers & Solicitors
 151 Yonge Street, Suite 1500
 Toronto, ON M5C 2W7

Tel: 416 863 1188
 Fax: 416 863 0305
 torkinmanes.com

Torkin|Manes
 Barristers & Solicitors

June 30, 2019

Attention: Daniel Weisz
 RSM Canada Limited, Court-appointed Receiver of
 1527020 Ontario Inc.
 11 King Street West, Suite 700
 Toronto, Ontario, M5H 4C7

Invoice No.: 319499

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Receivership of 1527020 Ontario Inc.; Sale of 633 Main St.,
 Port Colborne
 File No.: 41362.0004

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Feb 11 19	AR	Port Colbourne - initial review of Agreement of Purchase and Sale
Feb 13 19	AR	Prepared draft Statement of Adjustments and Vendor's Bring Down Certificate
Feb 14 19	AR	Contacted Purchaser's lawyer; amended Statement of Adjustments
Feb 20 19	AR	Followed up with Purchaser's lawyer
Feb 21 19	AR	Commenced drafting of closing documents; correspondence with Purchaser's solicitor
Feb 22 19	AR	Correspondence with Purchaser's solicitor re closing
Feb 22 19	SE	Email to Purchaser's solicitor re vesting order; correspondence with client; meeting with Angie Riches
Feb 25 19	AR	Followed up with Vendor's solicitor re extension

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 June 30, 2019
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Torkin|Manes
 Barristers & Solicitors

Feb 25 19	SE	Review of file, correspondence with Stewart Thom confirming final form of Agreement of Purchase and Sale delivered to purchasers
Feb 26 19	AR	Drafted additional closing documents; correspondence and discussion with Purchaser's solicitor; amended Document Registration Agreement; advised client of change in Purchaser's solicitor
Feb 27 19	SE	Meeting with Angie Riches re documents for closing, delivery of Application for Vesting Order, registration
Feb 27 19	AR	Amended draft closing documents; forwarded documents to Purchaser's lawyer and client for review; prepared Receiver's Certificate and Application for Vesting Order
Mar 01 19	SE	Meeting with Angie Riches to discuss next steps, required documentation and matters for closing; review of additional closing documents
Mar 01 19	AR	Circulated draft documents to client for review; amended Document Registration Agreement; meeting with S. Eiley to discuss closing; drafted email to Purchaser's lawyer
Mar 04 19	AR	Receipt and review of endorsement; exchange of e-mail correspondence re upcoming closing
Mar 05 19	SE	Correspondence with client re court endorsement, closing date, closing matters; instructions to Angie Riches re notices requires to all purchasers
Mar 06 19	AE	To review of comments on draft closing documents received from Daniel Weisz; attending to issues re timing of closing
Mar 06 19	SE	Received and reviewed numerous emails re timing of closing and appeal period; correspondence with Jeffrey Simpson
Mar 06 19	AR	Drafted correspondence to Purchaser's solicitor re confirmation of closing; exchange of emails and telephone discussions with client re closing date;

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June 30, 2019
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Torkin|Manes
Barristers & Solicitors

Mar 06 19	JJS	Various telephone discussions and email communications with receiver, receiver's counsel and real estate counsel and clerk regarding request to push back date of closing
Mar 07 19	AR	Revised closing documents; prepared Vendor's documents for execution;
Mar 08 19	AR	Meeting with client to execute documents; email correspondence with client re confirmation of closing date
Mar 11 19	AR	Receipt of request for extension to closing date from Purchaser's solicitor; forwarded request to client for instructions
Mar 11 19	SE	Extension email; numerous exchanges with client
Mar 12 19	AR	E-mail correspondence re Purchaser's request for an extension of the closing date
Mar 12 19	SE	Attended to matters re conditions of extension of closing; correspondence with client
Mar 12 19	BAC	Correspondence from/to Jason Locke
Mar 13 19	BAC	Correspondence from/to Receiver
Mar 13 19	BAC	Receive and consider purchaser's comments, reply and consider issue; correspondence with Receiver
Mar 13 19	SE	Correspondence with client re terms of extension
Mar 14 19	AR	Exchange of e-mail correspondence re status of draft closing documents
Mar 14 19	BAC	Dialogue with Stephanie Eiley; correspondence to/from Stephanie Eiley; telephone discussion with Stephanie Eiley
Mar 14 19	BAC	Correspondence from Receiver, consider issue; correspondence to/from Bank; correspondence to Receiver and dialogue with Stephanie Eiley

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Torkin|Manes
 Barristers & Solicitors

Mar 14 19	SE	Numerous exchanges with client, Barry Cohen re terms of extensions and additional receiver costs; correspondence with Purchaser's solicitor re extension terms
Mar 14 19	BAC	Dialogue with Stephanie Eiley; correspondence to/from Stephanie Eiley; telephone discussion with Stephanie Eiley
Mar 15 19	LD	Drafted Statement of Adjustments
Mar 15 19	SE	E-mail correspondence with Purchaser's solicitor re closing
Mar 16 19	BAC	Correspondence from/to Receiver
Mar 18 19	LD	Amended Statement of Adjustments
Mar 18 19	SE	Correspondence with client re extension terms; numerous exchanges with Purchaser's solicitor re extension
Mar 18 19	BAC	Correspondence from/to Receiver; dialogue with Stephanie Eiley; telephone discussion with Receiver; telephone discussion with Stephanie Eiley and Receiver
Mar 18 19	BAC	Correspondence from counsel, consider same; telephone discussion with Receiver
Mar 19 19	SE	Correspondence with client Purchaser's solicitor re extension terms; drafted amending agreement; correspondence with Barry Cohen and Daniel Weisz re amending agreement; numerous exchanges with Purchaser's solicitor
Mar 19 19	BAC	Dialogue with Stephanie Eiley
Mar 19 19	BAC	Dialogue (several) with Stephanie Eiley concerning extension issue; correspondence from/to Receiver and to Stephanie Eiley
Mar 20 19	SE	Correspondence with Purchaser's solicitor re request for authorization re permit and further deposit; correspondence with client; attended to extension re delivery of second deposit

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Torkin|Manes
Barristers & Solicitors

Mar 21 19	SE	Numerous exchanges with client and Purchaser's solicitor re second deposit
Apr 09 19	SE	Correspondence with Purchaser's solicitor re closing documents
Apr 10 19	SE	Correspondence with Purchaser's solicitor re direction re title to new entity
Apr 11 19	AR	Correspondence with Purchaser's solicitor re Purchaser entity; advised client re same; amended documents
Apr 11 19	SE	Correspondence with Purchaser's solicitor re direction re title; correspondence with client re purchaser taking title differently; meeting with Angie Riches re revisions to documents
Apr 12 19	SE	Attended to matters for closing documents; meeting with Angie Riches
Apr 12 19	AR	Revised closing documents with regard to Purchaser's name and closing date;
Apr 15 19	AR	Amended Application for Vesting Order and messaged to Purchaser's solicitor; prepared blackline versions of all closing documents; revised Statement of Adjustments and forwarded to client for approval; inquiry with Stewart Thom re Receiver's Certificate
Apr 15 19	SE	Review of documents; correspondence with Purchaser's solicitor re direction re title to another entity and requirement for new court order; review of vesting order; correspondence with Stewart Thom re court requirements
Apr 15 19	SDT	Communications with Real Estate department re Port Colborne Purchaser request to direct title to part not named in APS/Approval and Vesting Order; discussions with Stephanie Eiley re same; correspondence with counsel for purchaser
Apr 16 19	SE	Correspondence with Purchaser's solicitor re closing documents , title directed to new entity; correspondence with client

Page 6
 June 30, 2019
 Our File No.: 41362.0004
 Invoice # 319499

Torkin|Manes
 Barristers & Solicitors

Apr 16 19	AR	Revised Application for Vesting Order; correspondence with Purchaser's solicitor and client re Purchaser entity
Apr 17 19	SE	Telephone discussion with client and Stewart Thom re application to amend name of purchaser; correspondence with Purchaser's solicitor
Apr 17 19	SDT	Correspondence with court and receiver re scheduling of court date to seek amendment of approval and vesting order
Apr 22 19	SE	Reviewed and revised affidavit re newly named purchaser; correspondence with Stewart Thom
Apr 22 19	SDT	Preparation of draft affidavit of purchaser re amendments to approval and vesting order; preparation of draft supplement to receiver's report; preparation of draft order re motion to amend
Apr 23 19	SE	Instructions to Angie Riches re closing matters; correspondence with Stewart Thom; correspondence with Purchaser's solicitor re affidavit and court application
Apr 23 19	SDT	Correspondence with receiver and counsel for purchaser re motion to amend approval and vesting order
Apr 24 19	AR	Revised closing documents; prepared execution copies of Vendor documents; correspondence with Purchaser's solicitor
Apr 24 19	SE	Numerous exchanges with Stewart Thom re supplemental receiver's report, name of new purchaser; correspondence with Purchaser's solicitor
Apr 24 19	SDT	Revisions to receiver's supplemental report; correspondence and telephone calls with counsel for purchaser; communications with receiver and Stephanie Eiley
Apr 25 19	SDT	Preparation for and attendance in court re amendments to approval and vesting order

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 June 30, 2019
 Our File No.: 41362.0004
 Invoice # 319499

Torkin|Manes
 Barristers & Solicitors

Apr 26 19	AR	Revised Statement of Adjustments and circulated for approval; forwarded Approval and amending order to Purchaser's solicitor; exchange of email correspondence
Apr 29 19	AR	Followed up with Purchaser's lawyers re upcoming closing
Apr 30 19	AR	Prepared closing package for Purchaser's solicitor; telephone discussion re status of closing; circulated signed DRA
May 01 19	AE	To attending to extension of closing
May 02 19	SS	Attended at 330 University re Receiver's Certificate
May 02 19	AE	To attending to closing
May 07 19	AR	Exchange of email re post-closing matters
May 14 19	AR	Forwarded stamped Receiver's Certificate and registered Application for Vesting Order to client
Jun 03 19	AR	Drafted report letter to client and prepared index
Jun 21 19	SE	Reviewed and revised reporting letter

OUR FEE:	\$19,431.00
HST:	\$2,526.03
SUB-TOTAL:	<u>\$21,957.03</u>

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Deliveries	20.17
Document Scanning	59.70
LPIC surcharge	65.00
Laser copies	13.20
Process Server	75.00

Page 8
June 30, 2019
Our File No.: 41362.0004
Invoice # 319499

Torkin | Manes

Barristers & Solicitors

Colour Copies 5.50

238.57

NON-TAXABLE DISBURSEMENTS:
File 640.00
Process Server 10.00
Bank transfer and service charges 27.00

677.00

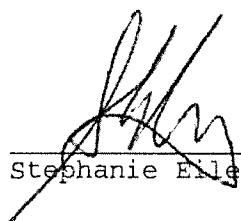
Total Disbursements \$915.57
HST on Disbursements \$31.01

TOTAL DISBURSEMENTS AND HST: \$946.58

TOTAL FEE, DISBURSEMENTS & HST \$22,903.61

BALANCE DUE AND OWING BY YOU \$22,903.61

TORKIN MANES LLP

Per: 
Stephanie Elley

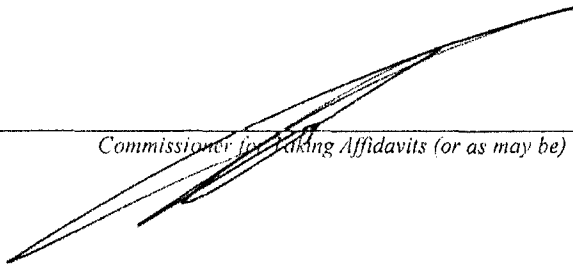
E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
Interest will be charged pursuant to the Solicitors Act at the
rate of 1.0 percent per year.

This is Exhibit "B" referred to in the Affidavit of Stephanie Eiley
sworn July 19, 2019

Commissioner for Taking Affidavits (or as may be)

A handwritten signature in black ink, consisting of several overlapping, sweeping strokes that form a cursive, illegible name. The signature is positioned above a horizontal line and extends across it.

Summary of Additional Lawyer Information

<u>Lawyer</u>	<u>Year of Call</u>	<u>Hours Billed</u>	<u>Hourly Rate</u>	<u>Total Billed</u>
Barry Cohen	1967	11.10	\$675.00	\$7,492.50
Leonard Rodness	1988	0.40	\$600.00	\$240.00
Jeffrey Simpson	1997	1.40	\$600.00	\$840.00
Stewart Thom	2008	15.60	\$475.00	\$7,410.00
Stephanie Eiley	2002	37.90	\$500.00	\$18,950.00
Aaron English	2004	3.50	\$490.00	\$1,715.00
Angie Riches	Clerk	63.40	\$250.00	\$15,850.00
Laurel Deland	Clerk	0.50	\$175.00	\$87.50
Taryn Meyer	Student	2.20	\$225.00	\$495.00
Nicole Fedorovsky	Student	0.60	\$225.00	\$135.00
Stephen Skorbinski	Student	2.10	\$225.00	\$472.50
TOTAL				\$53,687.50

BANK OF MONTREAL
Applicant

-and- 2495087 ONTARIO INC. et al.
Respondents

Court File No. CV-18-00602537-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF STEPHANIE EILEY

TORKIN MANES LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto ON M5C 2W7

Stewart Thom (55695C)
sthom@torkinmanes.com
Tel: 416-777-5197
Fax: 1-877-689-3872

Lawyers for the Applicant, Bank of Montreal

RCP-E 4C (May 1, 2016)

TAB X

Court File No.: CV-18-00602537-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN :

BANK OF MONTREAL

Applicant

- and -

2495087 ONTARIO INC., 2496800 ONTARIO INC., 1527020 ONTARIO INC.,
1651033 ONTARIO INC LD., 1496765 ONTARIO INC LD. and
SUNSHINE PROPANE INC.

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C.
1985 c-B-3,
s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43, and
Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

AFFIDAVIT OF SARITA SANASIE

(Sworn July 23, 2019)

I, Sarita Sanasie, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am an assistant at the law firm of Paliare Roland Rosenberg Rothstein LLP ("Paliare Roland"). I have personal knowledge of the matters to which I hereinafter refer.
2. Pursuant to the order of the Honourable Justice Hainey dated August 29, 2018 (the "Appointment Order"), RSM Canada Limited was appointed as the receiver (the "**Receiver**") of all the assets, undertakings and properties of 2495087 Ontario Inc., 2496800 Ontario Inc., 1527020 Ontario Inc., 1651033

Ontario Ltd., 1496765 Ontario Ltd. and Sunshine Propane Inc. (collectively, the "Debtors") acquired for, or used in relation to businesses carried on by the Debtors.


3. Pursuant to the Appointment Order, Paliare Roland has provided services to and incurred disbursements on behalf of the Receiver. The detailed invoices attached hereto and marked as **Exhibit "A"** (the "Dockets") set out Paliare Roland's fees and disbursements from March 1, 2019 to April 30, 2019. The Dockets describe the services provided and the amounts charged by Paliare Roland.

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


Professional	Hourly Rate	Hours Billed	Fees Billed
Jeff Larry, Partner, 2001 Call	\$675/hr	18.60	12,555.00
Elizabeth Rathbone, Associate, 2016 Call	\$450/hr	21.80	9,810.00
Deanna Watters, Law Clerk	\$220/hr	1.50	330.00
Subtotal		41.90	\$22,695.00

5. Inclusive of HST and disbursements, the total amount of the Dockets are **\$27,389.38.**

SWORN BEFORE ME, at the City of Toronto, in the Province of Ontario this 23rd day of July, 2019.


A commissioner, etc.

M. STARON C110476



Sarita Sanasie




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

416.646.4300
paliareroland.com

This is Exhibit "A" referred to in the
affidavit of SAHIA SANASIE
sworn before me, this 23rd
day of July, 2019.

March 31, 2019
Invoice No.: 88898
Our File No.: 6595-95326

Private and Confidential
Danny Weisz
RSM Canada Limited
11 King Street West, Suite 700
Box 27
Toronto, Ontario M5H 4C7


A COMMISSIONER, 1970

RE: 2495087 Ontario Inc. et al

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending March 31, 2019:

Total Fees	\$ 16,957.50
Non Taxable Disbursements	37.00
Total Disbursements subject to HST	158.70
Total HST	2,225.11
INVOICE TOTAL	\$ 19,378.31

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Per:



Jeffrey Larry



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March 31, 2019
Invoice No.: 88898
Our File No.: 6595-95326

RE: 2495087 Ontario Inc. et al

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending March 31, 2019:

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
01/03/19	JL	Email correspondence with B. Cohen;	675.00	0.10	67.50
01/03/19	JL	Review responding record; call with Avison Young; call with D. Weisz; prepare for motion;	675.00	1.80	1,215.00
01/03/19	ER	Finalize materials for sale hearing; e-mails with K. Avison re same; multiple confers with J Larry re same; call with D Weisz re same;	450.00	2.10	945.00
04/03/19	JL	Prepare for and attend to argue motion for sale approval; review Justice Chiappetta's endorsement; discussion with counsel;	675.00	3.30	2,227.50
04/03/19	ER	Prepare for and attend hearing re sale approvals, adjournment; confer with J. Larry re same; review endorsement re same; multiple e-mails with D Weisz, J Larry re same; e-mails with Court re same; e-mail to O. Ogunniyi re same; calls with D. Weisz re endorsement, next steps; confer with J Larry re lien issue;	450.00	4.20	1,890.00
05/03/19	ER	Coordinate issuing and entering of orders; review same; e-mails to J Larry re same; e-mails with D	450.00	2.20	990.00

RSM Canada Limited

Invoice No.: 88898

Our File No.: 6595-

95326

Page No.: 2

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
		Weisz re same; call with D Weisz re same; e-mail to J Larry re same;			
06/03/19	JL	Call with D. Weisz; discussion internally re: motion;	675.00	0.50	337.50
07/03/19	JL	Call with D. Weisz re indemnity issues; call to Torkin Manes; discussion re: E. Rathbone regarding Justice Chiappetta order and next steps; draft revised Order and letter to Justice Chiappetta;	675.00	1.90	1,282.50
07/03/19	ER	Confer with J Larry re distribution issue; revise order re same;	450.00	0.70	315.00
08/03/19	JL	Email correspondence to V. Ibe re: revisions to Order; review extension agreement; correspondence with D. Weisz;	675.00	0.30	202.50
15/03/19	JL	Review waiver; correspondence with D. Weisz;	675.00	0.30	202.50
18/03/19	JL	Telephone call with D. Weisz;	675.00	0.30	202.50
20/03/19	JL	Finalize reimbursement agreement; various discussions with D. Weisz; email to V. Ibe; internal conference re: draft orders;	675.00	1.20	810.00
20/03/19	JL	Call with D. Weisz and S Thom re: closing issue and revisions to Order;	675.00	0.30	202.50
21/03/19	ER	E-mail to D Watters re corporate searches;	450.00	0.20	90.00
22/03/19	DW	Instructions from E. Rathbone; conduct corporate search re: 2495087 Ontario Inc. ("249"); email to ESC Corporate Services requesting searches re: (1) 249 re: PPSA, Writs of Execution, bankruptcy and insolvency; s. 427	220.00	0.60	132.00

RSM Canada Limited

Invoice No.: 88898
 Our File No.: 6595-
 95326
 Page No.: 3

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
		Bank Act (Canada); (2) property searches re 591 and 595 Goderich Street, Port Elgin, ON; emails with E. Rathbone;			
24/03/19	ER	E-mails with M Jackson re scheduling a date at the commercial list; e-mails with J Larry re same;	450.00	0.20	90.00
26/03/19	JL	Discussions with D. Weisz; email correspondence; arrange 930 and motion with court;	675.00	0.70	472.50
26/03/19	ER	E-mail with D Watters re searches; review searches; draft security opinion;	450.00	1.10	495.00
26/03/19	DW	Receipt and review of search results and provide to E. Rathbone: 1) PPSA (uncertified); 2) Writs/Execution search; 3) Confirmation Letter - s.427 Bank Act; 4) Toronto Court search - Superior Court in Bankruptcy; 5) Superintendent of Bankruptcy - BIA; title searches: 591 Goderich Street, Port Elgin, ON; 595 Goderich Street, Port Elgin, ON	220.00	0.70	154.00
27/03/19	JL	Drafting Reimbursement Agreement; revise Receiver's Report; discussions with D. Weisz;	675.00	1.70	1,147.50
27/03/19	ER	Draft security opinion; draft notice of motion; confers with J Larry re same;	450.00	3.30	1,485.00
27/03/19	DW	Conduct search for Certificate of Status re: 2495087 Ontario Inc.; receipt and review of search results and provide status to E. Rathbone;	220.00	0.20	44.00
28/03/19	JL	Various calls with D. Weisz re: report, Reimbursement Agreement	675.00	1.10	742.50

RSM Canada Limited

Invoice No.: 88898
 Our File No.: 6595-
 95326
 Page No.: 4

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
		and related matters; call to B. Cohen; discussion with E. Rathbone;			
28/03/19	ER	Confer with J Larry re status, 249 sale, next steps; review and revise security opinion; e-mail to M Jackson re fee affidavit;	450.00	0.70	315.00
29/03/19	JL	Further review of report; meeting with D. Weisz; revise Reimbursement Agreement; correspondence with B. Cohen;	675.00	0.60	405.00
31/03/19	ER	Draft distribution order; review Receiver's second report; review revised Notice of Motion; e-mail to J Larry re same;	450.00	1.10	495.00

TIME SUMMARY

MEMBER	POSITION	HOURS	RATE	VALUE
Jeffrey Larry (JL)	Partner	14.10	675.00	9,517.50
Elizabeth Rathbone (ER)	Associate	15.80	450.00	7,110.00
Deanna Watters (DW)	Law Clerk	1.50	220.00	330.00
OUR FEES				\$ 16,957.50
HST at 13%				2,204.48

Non Taxable Disbursements:

Search Disbursement - Non-taxable	37.00
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Taxable Disbursements:

Search Disbursement	28.00
Photocopies	42.00
Laser Copies	25.00
Courier Expense	8.70

RSM Canada Limited

Invoice No.: 88898
Our File No.: 6595-95326
Page No.: 5

15/03/19	Process Server Fees/Disbursements Re: Issuer and Enter Order Voucher No. 21777 for Invoice No. 148963 issued by (581) Nixon Legal Services Inc.	55.00
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Total Taxable Disbursements	158.70
HST at 13%	20.63
INVOICE TOTAL	<u><u>\$ 19,378.31</u></u>



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RSM Canada Limited
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Box 27
Toronto, Ontario M5H 4C7

March 31, 2019
Invoice No.: 88898
Our File No.: 6595-95326

RE: 2495087 Ontario Inc. et al

**REMITTANCE COPY
PLEASE REMIT WITH PAYMENT**

Total Fees	\$ 16,957.50
Non Taxable Disbursements	37.00
Total Disbursements subject to HST	158.70
Total HST	<u>2,225.11</u>
INVOICE TOTAL	<u><u>\$ 19,378.31</u></u>

350



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April 30, 2019
Invoice No.: 89513
Our File No.: 6595-95326

RE: 2495087 Ontario Inc. et al

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending April 30, 2019:

Total Fees	\$ 5,737.50
Non Taxable Disbursements	320.00
Total Disbursements subject to HST	1,068.75
Total HST	884.82
INVOICE TOTAL	\$ 8,011.07

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Per:

Jeffrey Larry



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April 30, 2019
Invoice No.: 89513
Our File No.: 6595-95326

RE: 2495087 Ontario Inc. et al

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending April 30, 2019:

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
01/04/19	JL	Revise Orders; revise notice of motion; comment on report; discussion with D. Weisz;	675.00	1.20	810.00
02/04/19	JL	Revise order; modify materials; discuss internally;	675.00	0.70	472.50
08/04/19	JL	Review and revise materials;	675.00	0.30	202.50
08/04/19	ER	Review and revise order re miscellaneous relief per D Weisz updates; draft factum re Port Elgin sale approval; e-mail to J Larry re same;	450.00	2.70	1,215.00
09/04/19	JL	Review and finalize factum;	675.00	0.40	270.00
09/04/19	ER	Review and revise factum and book of authorities; e-mails with D. Weisz re same; revise per D Weisz comments; finalize and coordinate service and filing of same;	450.00	1.70	765.00
11/04/19	ER	Prepare for hearing; compile documents for J. Larry; finalize orders and prepare necessary documents; revise Port Colborne order per S. Thom; multiple confers with J Larry re same;	450.00	1.10	495.00

RSM Canada Limited

Invoice No.: 89513
 Our File No.: 6595-
 95326
 Page No.: 2

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
12/04/19	JL	Prepare for and attend at motion;	675.00	1.20	810.00
12/04/19	ER	Confer with J Larry re hearing; scan and compile orders; coordinate issuing and entering of same;	450.00	0.50	225.00
22/04/19	JL	Correspondence with S. Thom; discussion with D. Weisz; discussion with E. Rathbone;	675.00	0.30	202.50
23/04/19	JL	Review draft supplemental report; various correspondence re: closing of purchase;	675.00	0.40	270.00

TIME SUMMARY

MEMBER	POSITION	HOURS	RATE	VALUE
Jeffrey Larry (JL)	Partner	4.50	675.00	3,037.50
Elizabeth Rathbone (ER)	Associate	6.00	450.00	2,700.00

OUR FEES \$ 5,737.50
 HST at 13% 745.88

Non Taxable Disbursements:

01/04/19 Filing Fee Re: Motion Record Cheque No. 35094 for Ref 95326
 issued to Minister of Finance 320.00

Taxable Disbursements:

Laser Copies 429.50
 Photocopies 20.25
 Search Disbursement 364.95
 Cerlox and Binding 3.90
 16/04/19 Process Server 35.00
 Fees/Disbursements Re: Motion
 Record Voucher No. 22095 for

RSM Canada Limited

Invoice No.: 89513
 Our File No.: 6595-
 95326
 Page No.: 3

	Invoice No. 149515 issued by (581) Nixon Legal Services Inc.		
16/04/19	Photocopy Expense Re: Print Three Voucher No. 22117 for Invoice No. 255566 issued by (1296) Print Three	105.15	
16/04/19	Process Server Fees/Disbursements Re: Factum and Book of Authorities - Commercial List Voucher No. 22130 for Invoice No. 149659 issued by (581) Nixon Legal Services Inc.	55.00	
18/04/19	Process Server Fees/Disbursements Re: Issue and Enter Order Voucher No. 22210 for Invoice No. 149748 issued by (581) Nixon Legal Services Inc.	55.00	
Total Taxable Disbursements			1,068.75
HST at 13%			138.94
INVOICE TOTAL			\$ 8,011.07



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April 30, 2019
Invoice No.: 89513
Our File No.: 6595-95326

RE: 2495087 Ontario Inc. et al

**REMITTANCE COPY
PLEASE REMIT WITH PAYMENT**

Total Fees	\$ 5,737.50
Non Taxable Disbursements	320.00
Total Disbursements subject to HST	1,068.75
Total HST	884.82
	<hr/>
INVOICE TOTAL	\$ 8,011.07
	<hr/> <hr/>

BANK OF MONTREAL

-and-

Court File No. CV-18-00602537-00CL
2495087 ONTARIO INC. et al.

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF SARITA SANASIE

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

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Jeffrey Larry (LSO# 44608D)

Tel: 416.646.4330

jeff.larry@paliareroland.com

Elizabeth Rathbone (LSO# 70331U)

Tel: 416.646.7488

elizabeth.rathbone@paliareroland.com

Lawyers for the Receiver

BANK OF MONTREAL
Applicant

-and-

Court File No. CV-18-00602537-00CL
2495087 ONTARIO INC. et al.
Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

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jeff.larry@paliareroland.com

Elizabeth Rathbone (LSO# 70331U)

Tel: 416.646.7488

elizabeth.rathbone@paliareroland.com

Lawyers for the Receiver