

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

TRIPLE-I CAPITAL PARTNERS LIMITED

Applicant

-and-

12411300 CANADA INC.

Respondent

MOTION RECORD
(*returnable October 13, 2022*)

Dated: October 10, 2021

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**ONTARIO
SUPERIOR COURT OF JUSTICE
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12411300 CANADA INC.

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

TRIPLE-I CAPITAL PARTNERS LIMITED

Applicant

-and-

12411300 CANADA INC.

Respondent

NOTICE OF MOTION

The Respondent, 12411300 Canada Inc., will make a motion to Justice Cavanagh on October 13, 2022, at 10:00 a.m. or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard by video conference with the Zoom link to be uploaded to Caselines in advance of the hearing.

THE MOTION IS FOR:

1. An order, substantially in the form attached to this motion record at TAB 2, *inter alia*:
 - a. Approving the proposed Refinance (defined herein);
 - b. Directing the Land Registrar for the applicable Land Registry Offices to delete the Order of The Honourable Mr. Justice Cavanagh of the Ontario

Superior Court of Justice (Commercial List) made on July 22, 2022 (the “**Appointment Order**”) from title to the Real Property as follows:

- i. instrument number PR4120793 from title to the real property municipally known as 237B Advance Boulevard, Brampton, Ontario, and legally described in PIN 14027-0087 (LT).
2. Sealing the confidential Exhibits “H”, “J”, and “L” to the Affidavit of Volodymyr Burko until completion of the Refinance, or further order of this Court;
3. An order staying the Receivership (defined below) until October 21, 2022, while the Corporation finalizes the Refinance (defined below) and pay out the Receiver (defined below); and
4. Such further and other relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THIS MOTION ARE:

1. On or about May, 2021, Triple-I Capital Partners Limited (the “**Lender**”) advanced funds to 12411300 Canada Inc. (the “**Corporation**”) through a mortgage loan in the sum of \$6,400,000.00 (the “**Mortgage Loan**”).
2. Around that time, the Lender registered a mortgage in the amount of \$6,400,000.00 on the Brampton Property (as defined below) (the “**Mortgage**”).
3. The Mortgage Loan matured on May 5, 2022, and was not repaid.
4. On or about July 22, 2022, Crowe Soberman LLP (the “**Receiver**”) was appointed receiver of the Corporation’s Property, on the application of the Lender (the “**Receivership**”). The order appointing the Receiver was stayed until September

20, 2022, pursuant to the terms of the Appointment Order.

5. One term of the Appointment Order was that the Corporation make a one-time payment to the Lender, on or before August 1, 2022, or the Stay would be lifted and the Receivership would take effect (the “**Mortgage Payment**”). The Mortgage Payment was to be in the amount of \$267,421.18 comprised of:
 - a. \$189,247.32 in interest arrears on the Mortgage Loan;
 - b. Repayment of \$53,173.86 plus interest in tax payments made by the Lender on behalf of the Corporation; and
 - c. \$25,000.00 in Lender’s legal fees.
6. August 1, 2022, was a civic holiday and accordingly the Mortgage Payment was due August 2, 2022. The Lender paid the Mortgage Payment, against the Mortgage, on August 4, 2022, due to the Corporation’s counsel being away on vacation and unable to access their email until that time.
7. The Lender and Receiver, although accepting the Mortgage Payment, stated that the Receivership was in full force and effect. The Corporation brought a motion before Justice Cavanagh on August 8, 2022, to have the Appointment Order varied to re-impose the Stay. The Lender and the Receiver did not support the motion.
8. On or about August 10, 2022, Justice Cavanagh released his endorsement accepting the position of the Corporation and re-imposing the Stay.
9. On or about August 15, 2022, the Lender provided the Corporation with a statement of account totalling \$6,784,069.40 on a principal loan of \$6,400,000.00, which was comprised of, among other things:

- a. a “3 months interest on default” penalty of \$200,000.01;
- b. the Receiver’s costs in the amount of \$42,824.18;
- c. the Receiver’s legal costs in the amount of \$71,087.97;
- d. the Lender’s legal costs in the amount of \$45,075.02.

10. Since such time, the Corporation has been working to payout the Mortgage and the Lender, but disputes some of the costs and fees charged by the Lender and the Receiver.

11. At this time, the Corporation has one (1) principal asset securing the indebtedness to the Lender, which is the real property municipally known as 237B Advance Boulevard, Brampton, Ontario (the “**Brampton Property**”) and the equipment, furniture, and fixtures located therein (together with the Brampton Property “**the Brampton Assets**”)

12. On or about September 30, 2022, the Receiver gave notice that it intends on selling Corporation’s Property (the “**Receiver’s Notice**”).

13. The Debtors have been working with a new lender to obtain a refinancing of the Brampton Property (the “**Refinance**”) and to obtain cash for the shortfall, so that the Corporation can pay back the Mortgage in full.

14. The Corporation has discussed the circumstances of repayment with the Lender and the Receiver. The Corporation has yet to receive any detailed information in regards to the costs of the Lender and the Receiver, but would note that only limited steps have been taken to date, including:

- a. Reviewing the books and records of the Company;

- b. Inspecting and attending the Brampton Assets;
- c. Arranging for an appraisal of the equipment in the Brampton Property;
- d. Arranging for a bailiff to attend the Brampton Property and taking possession of the Brampton Assets;
- e. Arranging for a commercial realtor to appraise and sell the Brampton Property;
- f. Making arrangements for insurance on the Brampton Property;
- g. Attending a motion to vary the Appointment Order;
- h. Preparing the Notice of Statement of Receiver and sending same on September 30, 2022;
- i. Preparing the first and second reports of the Receiver;
- j. Maintaining the Receiver's website.

15. The Corporation has arranged the Refinance, and secured sufficient cash, to payout the Mortgage and satisfy all of its remaining obligations to the Lender. Once the Lender is repaid in full, the within receivership will serve no further purpose.

16. After consulting with the Receiver, the Corporation makes the within motion to discharge the Receiver in order to (a) implement the Refinance; (b) terminate the receivership of the Debtor; and (c) allow the Corporation to regain control of the Brampton Property.

Background

1. Prior to the Receivership, the Corporation operated as a holding company that

owned and held the Brampton Property. A different company, that is not subject to the Receivership, 1000034179 Ontario Corporation (the “**Operating Company**”), that operates as a licensed cannabis manufacturer and distributor, is the operating company for the Brampton Property.

2. The Corporation defaulted on its obligations to the Lender and was unable to payout the Mortgage (as defined below) on or after maturity of same.

17. There is a second mortgage on the Brampton Property (the “**Second Mortgage**”).

The lenders on the Second Mortgage support the within motion and have consented to postpone the Second Mortgage to the Refinance.

The Receiver is Appointed

18. On or about July 22, 2022, on the application of the Lender, this Court made an order appointing Crowe Soberman Inc. as Receiver of the assets and undertakings of the Corporation. The Receiver’s powers were stayed until September 20, 2022.

19. As stated above, pursuant to the Appointment Order the Mortgage Payment was to be made by August 1, 2022, which was a civic holiday, and the Mortgage Payment was made two (2) days late, on August 4, 2022, due to counsel for the Corporation being on vacation.

20. The Lender asserted that the Stay remained in effect due to the late payment.

21. Shortly after, on or about August 8, 2022, the Corporation brought a motion before Justice Cavanagh to reimpose the Stay. Justice Cavanagh agreed with the position of the Corporation and varied the Appointment Order to reimpose the Stay.

22. The Receiver took possession and control of the Debtor’s Property on or about

September 20, 2022, and has given notice that it intends on selling the Debtor's Property against the wishes of the Debtors and the Second Mortgagee.

23. As of July 22, 2022, the Corporation was indebted to the Lender in the amount of \$6,865,154.00, pursuant to the Receiver's Notice.
24. On or about August 4, 2022, the Mortgage Payment was made in the amount \$267,421.18 toward the Mortgage.
25. As of August 15th, 2022, after the Mortgage Payment was made, the Lender issued a mortgage statement indicating that there was \$6,784,069.40 owing under the Mortgage (the "**Mortgage Statement**"). The Corporation contests certain charges set out in the Mortgage Statement. For example, the Corporation's take the following positions on certain charges in the Mortgage Statement, including, but not limited to:
 - a. the \$200,000.00 "3 month interest on default" fee is not legally enforceable pursuant to Section 8 of the *Interest Act*;
 - b. the Receiver costs of \$42,824.18, the Receiver's lawyer's costs of \$45,075.02, and the Lenders's lawyer's costs of \$71,087.97, are excessive, not sufficietnly particularized, remote, and unreasonable considering the limited steps that were taken leading up to issuance of the Mortgage Statement; and
 - c. the \$575.00 NSF Fee, the \$649.75 Discharge Administration Fee, the \$649.75 Discharge Statement Fee, the \$575.00 Property Tax Administration Fee, and the \$575.00 Service Charge – Property Taxes

Payment" are all not legally enforceable pursuant to Section 8 of the *Interest Act.*

26. To reiterate, the Lender and Receiver have charged the Corporation in excess of \$133,760.00 in professional fees, in response to the Corporation making the Mortgage Payment two (2) days late. Counsel for the Lender and Receiver, although accepting the Mortgage Payment, refused to accept that the Stay had not been lifted because the Mortgage Payment was made only two (2) days late and forced Corporation to attend a hearing before Justice Cavanagh on August 8, 2022, to have the Appointment Order varied. An additional \$133,760.86 in professional fees should not have been charged to the Corporation during the Stay period.

For more clarity the fees charged during the period between July 22, 2022, and August 15 are displayed below:

Description	Amount
Mortgage debt owed as of July 22, 2022	\$6,865,154.00
Mortgage Payment made on August 4, 2022	\$267,421.18
Mortgage debt owed as of July 22, 2022 accounting for Mortgage Payment made on August 4, 2022	\$6,597,732.82
Mortgage debt claimed by the Lender on the Mortgage Statement dated August 15, 2022, accounting for the Mortgage Payment made	\$6,784,069.40
Per diem interest (\$2191.78/diem) payable between July 22, 2022 and August 15, 2022	\$52,602.72
Difference between the Mortgage debt owed as of July 2022 and August 15, 2022	\$186,363.58
Difference between the Mortgage debt owed as of July 2022 and August 15, 2022 accounting for payable per diem interest	\$133,760.86

The Debtors' indebtedness to be Repaid in Full

27. As of the current date, The Corporation remains indebted to the Lender for the

Mortgage in addition to other fees and interest. As of the date of this motion, approximately two (2) months of interest and other fees have accrued and, notwithstanding the Corporation disputes many of the fees charged by the Lender and Receiver, approximately \$6,700,000.00 is owed by the Corporation to the Lender and the Receiver.

28. The Corporation has secured refinancing in order to repay the Lender, by arranging the Refinance, and by securing sufficient cash to pay the Refinance's shortfall on the debt. The Corporation has transferred \$950,000.00 into Atkinson Law's trust account as of Tuesday October 11, 2022 (the "**Trust Funds**"). The Trust Funds consist of a \$300,000.00 deposit from Vladimir Sheluchin on behalf the Corporation, an intra-trust account transfer in the amount of \$150,000.00 from 1876932 Ontario Limited to the Corporation, and a \$500,000.00 wire transfer to Atkinson Law in trust from the Corporation.
29. Upon closing of the Refinance, a new lender (the "**New Lender**") will be granted a first mortgage on the Brampton Property. The Corporation has signed a commitment with a new lender for a loan advance of \$6,000,000.00. The new lender's agent has confirmed that it is unrealistic for the Refinance to close the week of this motion, but has indicated that the Refinance will close the next week. Hence the Corporation's request to Stay the Receivership, for eight (8) days from the date of this motion, until next Friday, October 21, 2022, to allow the completion of the Refinance.

No Prejudice on Discharge

30. The relief sought herein will not prejudice any other person or entity.

31. The Corporation has no other secured creditors, other than the Second Mortgagees, who have consented in writing to the transaction proposed herein.

32. The Corporation has no known unsecured creditors.

33. The Corporation's income tax and HST accounts are paid.

34. The Corporation's property taxes on the Brampton Property are paid.

Other Grounds

35. The Brampton Property is the only asset of the Corporation, and upon the Refinance, the receivership of Crowe Soberman LLP will serve no purpose and the Receiver's administration with respect to the Corporation will be complete, subject to completing such final tasks as the receiver may be required to do and issuing a discharge certificate.

36. Certain amounts claimed to be owing under Mortgage Statement are excessive, unreasonable, not supported by law, and must be negotiated in good faith to arrive at an agreement or determined by the Court.

37. Sections 12(6) and 17 of the *Mortgages Act*, RSO 1990, c M 40.

38. Section 8 of the *Interest Act*, RSC, 1985, c I-15.

39. Rules 1.04, 2.03, 3.02 and 47 of the *Rules of Civil Procedure*, RRO 1990, Reg.194, as amended.

40. 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 affidavit of Volodymyr Burko, sworn October 10, 2022 (the “Burko Affidavit”);
- (b) The Affidavit of Serguei Totrov; and
- (c) Such other evidence that counsel may advise and/or this Court may permit.

Dated: October 10, 2022

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TAB 2

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) the _____

JUSTICE CAVANAGH) day of _____, 2022

)

B E T W E E N:

TRIPLE-I CAPITAL PARTNERS LIMITED

Applicant

-and-

12411300 CANADA INC.

Respondent

DISCHARGE ORDER

THIS MOTION, made by 12411300 Canada Inc. (“**124**”), for an Order:

1. Approving the activities of Crowe Soberman LLP. (“**Crowe Soberman**”) in its capacity as the receiver (in such capacity, the “**Receiver**”) of the undertakings, properties and assets of 124 as set out in the Appointing Order of Justice Cavanagh, dated July 22, 2022 (the “**Appointing Order**”), conditional on payment-in-full of the indebtedness due to the Applicant Triple-I Capital Partners Limited (“**Triple-I**”) within 7 days of the completion of the Refinance (as defined herein), or such other date as may be agreed upon by 124 and Triple-I, and the issuance of the Receiver’s certificate attesting to the Receiver’s complete of the administration of the estate;

2. discharging Crowe Soberman as Receiver of the undertakings, property and assets of 124;
and

3. Staying the receivership of Crowe Soberman LLP over the assets and undertakings of the 124 until 6 p.m. on October 21, 2022,

was heard this day at virtually in Toronto, Ontario.

ON READING the motion materials of 124 the Report of the Receiver, and on hearing submissions from counsel to 124, the Receiver, and Triple-I;

1. THIS COURT ORDERS that the activities of the Receiver and its counsel, as set out in the Report, are hereby approved.

2. THIS COURT ORDERS that the fees of the Receiver, the Receiver's counsel, and Triple-I's counsel be negotiated and agreed between the parties or determined by the Court or an assessment officer;

3. THIS COURT ORDERS that the proposed refinancing of 124's indebtedness, and repayment of same, to Triple-I, be and is hereby approved, provided that same is completed on or before October 21, 2022, or such other date as may be agreed upon in writing between Triple-I and 124, on notice to the Receiver. Such Refinance includes the postponement of the second mortgage, currently on title to the Property (defined herein), and its related instruments to the new first mortgage registered on the Property by the new lender.

4. THIS COURT ORDERS that upon closing of the refinancing transaction contemplated in paragraph 2 hereof and payment in full to Triple-I, and upon the Receiver filing a certificate

substantially in the form attached hereto as Schedule “A” certifying that such transaction has been completed and it has completed the other activities described in the Report, The Receiver shall be discharged as Receiver of the undertakings, property and assets of 124, provided however that notwithstanding its discharge herein the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein.

5. **THIS COURT ORDERS** that the receivership of Crow Soberman LLP over the assets and undertakings of the Corporation is stayed until 6 p.m. on October 21, 2022.

The Honourable Justice Cavanagh

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

TRIPLE-I CAPITAL PARTNERS LIMITED

Applicant

-and-

12411300 CANADA INC.

Respondent

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

DISCHARGE CERTIFICATE

WHEREAS pursuant to the Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice made _____ (the "**Discharge Order**"), Crowe Soberman LLP was discharged as receiver (the "**Receiver**") of all of the assets, undertakings and properties of 12411300 Canada Inc. (the "**Corporation**") with such discharge effective upon the Receiver filing a certificate with this Honourable Court certifying that:

- (a) the refinancing transaction and the payment in full of the Corporation's indebtedness to Triple-I, as contemplated by paragraph 3 of the Discharge Order, has been completed (the "**Refinancing and Repayment**"); and
- (b) the Receiver has completed such other activities required to complete its administration of the within receivership, as concerns the Corporation, as described in the report of the Receiver dated _____ (the "**Final Administration**").

THE UNDERSIGNED HEREBY CERTIFIES as follows:

I. The Refinancing and Repayment has been completed to the satisfaction of the Receiver.

2. The Receiver has completed the Final Administration.

DATED at Toronto, this _____ day of _____, 2022

CROWE SOBERMAN LLP, solely in its capacity
as court-appointed receiver of the assets,
undertakings and properties of **the Corporation** and
not in its personal capacity.

Per:

TRIPLE-I CAPITAL PARTNERS LIMITED
Applicant

- and - **12411300 CANADA INC**
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED
at TORONTO

ORDER

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Lawyers for the Respondent

TAB 3

Court File No. CV-22-00684372-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

TRIPLE-I CAPITAL PARTNERS LIMITED

Applicant

-and-

12411300 CANADA INC.

Respondent

AFFIDAVIT OF VOLODYMYR BURKO

I, Volodymyr Burko, of the City of Oakville, make oath and say as follows;

3. I am a director of 12411300 Canada Inc., and, as such, have direct knowledge of the matters hereinafter deposed to, except where based upon information and belief, in which case I verily believe such matters to be true.

OVERVIEW

4. On or about July 22, 2022, 12411300 Canada Inc. (the “**Corporation**”) was ordered into receivership (the “**Receivership**”), on the application of Triple-I Capital Partners Limited (the “**Lender**”). The Order required that the powers of the receiver Crowe Soberman LLP be stayed for sixty (60) days, until September 20, 2022.

5. The Corporation has one (1) major asset, which is the principal asset securing their indebtedness, the real property municipally known as 237B Advance Boulevard, Brampton, Ontario (the “**Brampton Property**”) and the equipment and furniture and fixtures located therein (together with the Brampton Property the “**Brampton**

Assets"). The Corporation has secured (1) a refinancing; and (2) sufficient cash to cover the shortfall of the refinance, to satisfy its remaining, direct obligations to the Lender, in full, by way of a new mortgage (the "New Mortgage**") loan to be advanced by a new lender and secured by a mortgage on the Brampton Property (the "**Refinance**"). Once the Refinance is complete and the Lender is paid in full, the Receivership will serve no purpose.**

6. Accordingly, after consulting with the Receiver, the Corporation makes the within motion to discharge the Receiver as concerns the Corporation in order to:
 - a. Implement the Refinance of the mortgage and repayment of the Lender;
 - b. Terminate the Receivership; and
 - c. Allow the Corporation to resume control of the Brampton Property.

BACKGROUND

7. Prior to the Receivership, the Corporation operated as a holding company that held the Brampton Property. 1000034179 Ontario Corporation ("**Operating Company**"), who operates as a licensed cannabis cultivator, manufacturer and distributor, is the operating company for the Brampton Property.
8. The Corporation defaulted on their obligations to the Lender and were unable to payout the Mortgage (as defined below) on or after maturity of same.
9. On or about July 22, 2022, on an application from the Lender, the Honourable Justice Cavanagh appointed Crowe Soberman LLP (the "**Receiver**") over the Debtor's Property (the "**Appointment Order**"). The Appointment Order is

attached hereto as **Exhibit “A”**.

10. The Receiver's powers were stayed for sixty (60) days from the date of the Appointment Order (the “**Stay**”). On or about September 20, 2022, the Stay was lifted and the Receveir took control of the Brampton Assets.

11. One term of the Appointment Order was that the Corporation make a one-time payment to the Lender, on or before August 1, 2022, or the Stay would be lifted and the Receivership would take effect (the “**Mortgage Payment**”). Pursuant to the Appointment Order, the Mortgage Payment was to be in the amount of \$267,421.18 comprised of:

- a. \$189,247.32 in interest arrears on the Mortgage Loan;
- b. Repayment of \$53,173.86 plus interest in tax payments made by the Lender on behalf of the Corporation; and
- c. \$25,000.00 in Lender's legal fees.

12. August 1, 2022 was a civic holiday.

13. On or about August 2, 2022, counsel for the Lender, Aram Simovonian (“**Mr. Simovonian**”), wrote to Ryan Atkinson (“**Mr. Atkinson**”), counsel for the Corporation and advised that the Mortgage Payment had not yet been made, noting that Mr. Atkinson “is away this week.” Attached hereto as **Exhibit “B”** is a copy of the email correspondence from Mr. Simovonian dated August 2, 2022.

14. On or about August 4, 2022, Mr. Atkinson wrote back to Mr. Simovonian advising that Mr. Simovonian was correct in that he was away, and that Atkinson Law was now releasing the Mortgage Payment to the Lender. Attached hereto as **Exhibit**

“C” is copy of the email correspondence from Mr. Atkinson, dated August 4, 2022.

15. On or about August 4, 2022, Kevin Sherkin (“**Mr. Sherkin**”), counsel for the Lender, wrote to Mr. Atkinson stating that the Corporation had failed to deliver the funds pursuant to the Appointment order and asserted that the receivership was in effect. Mr. Atkinson wrote back to Mr. Sherkin on August 5, 2022, stating that he had been away on vacation, that the funds were delivered in full, and that the Receiver could attend before the Commercial List if they disagreed with the Corporation’s position. Mr. Sherkin wrote back to Mr. Atkinson on August 5, 2022, stating, among other things, that the receivership would remain in effect unless the Appointment Order was changed or varied. Attached hereto as **Exhibit “D”** is a copy of the correspondence between Mr. Atkinson and Mr. Sherkin.
16. The Corporation brought a motion before Justice Cavanagh on August 8, 2022, to have the Appointment Order varied to re-impose the Stay.
17. On or about August 10, 2022, Justice Cavanagh accepted the position of the Corporation and re-imposed the Stay. Attached hereto as **Exhibit “E”** is a copy of the Endorsement of Justice Cavanagh, dated August 10, 2022.
18. On or about August 15, 2022, the Lender provided the Corporation with a statement of account totalling \$6,784,069.40 on a principal loan of \$6,400,000.00, which was comprised of, among other things:
 - a. a “3 months interest on default” penalty of \$200,000.01;
 - b. the Receiver’s costs in the amount of \$42,824.18;
 - c. the Lender’s legal costs in the amount of \$45,075.;

- d. the Receiver's legal costs in the amount of \$71,087.97; and
- e. a \$575.00 NSF Fee, a \$649.75 Discharge Administration Fee, a \$649.75 Discharge Statement Fee, a \$575.00 Property Tax Administration Fee, and a \$575.00 Service Charge.

(the "**Mortgage Statement**")

Attached hereto as **Exhibit "F"** is a copy of the Mortgage Statement.

19. The Receiver took possession and control of the Debtor's Property on or about September 20, 2022, and has given notice that it intends on selling the Brampton Property against the wishes of the Corporation and the Corporation's other major creditors.

Financing the Property

20. In or about the the spring of 2021, I approached the Lender for a loan to finance the purchase of the Brampton Property.

21. Pursuant to a Commitment Letter dated April 15, (the "**Commitment Letter**"), and a General Security Agreement, dated April 20, 2021, the Lender provided financing to the Corporation in the total amount of \$6,400,000.00 (the "**Mortgage Loan**").

22. On or about December 29, 2021, the Lender registered a mortgage in the amount of \$6,400,000.00 on the Brampton Property (the "**Mortgage**"). A copy of the Mortgage instrument bearing registration numbers PR3827739 for the Brampton Property is attached hereto as **Exhibit "G"**.

23. The Mortgage Loan was used for financing the acquisition of the Brampton Property.

24. The Mortgage Loan was due on August 1, 2022, was not repaid and went into default.

THE RECEIVERSHIP

25. As stated, on July 22, 2022, the Receivership was ordered but was stayed for sixty (60) days.

26. The Receivership commenced, pursuant the Appointment Order. The appointment arose due to the Corporation's inability to repay the Mortgage Loan at maturity.

27. The continuation of the Receivership could wipe out the commercial enterprise that the Corporation, and I have worked to create.

28. Regardless, throughout the Receivership, the Corporation and I have assisted the Receiver as was necessary.

29. One reason that the Mortgage was not paid on maturity is because the Operating Company, did not have a licence from Health Canada to possess, manufacture, and distribute cannabis. Accordingly, the Brampton Property was difficult to refinance, since the equipment inside was sitting unused and its potential to bring income was uncertain. This state of affairs devalued the Brampton Property significantly.

30. Throughout that period of time, the Operating Company was diligently pursuing an application for the Health Canada Licence (as defined below) at the Brampton Property.

31. On or about September 19, 2022, counsel for the Corporation wrote to the counsel for the Lender and the Receiver explaining that the Corporation agreed to a private loan commitment to payout the Lender in full, that the approval of the

Health Canada Licence was imminent, and requesting an exension of forty five (45) days to the payout deadline to allow time for the Health Canada Licence to be issued and for the aforementioned loan commitment to be consummated (the “**September 19 Email**”). The Lender nor the Receiver responded to the September 19 Email. The September 19 Email is attached hereto as **Exhibit “H”**.

32. On or about September 23, 2022, the Operating Company was granted the Health Canada Licence at the Brampton Property. The Brampton Property’s value has risen significantly since then and a mortgage commitment to refinance the Property has been approved. Attached hereto as **Exhibit “I”** is a copy of the Operataing Company’s Health Canada cannabis licence, effective as of September 23, 2022, and valid until Septemebr 23, 2027 (the “**Health Canada Licence**”).

COMPLETING THE REFINANCING

33. As of the date hereof, the Corporation is indebted to the Lender under the Mortgage Loan.

34. As of July 2022, and as stated in the notice and statement of the Receiver, dated September 30, 2022 (the “**Notice and Statement of the Receiver**”) the Corporation was indebted to the Lender in the amount of \$6,865,154.00. Attached hereto and marked as **Exhibit “J”** is a copy of the Notice and Statement of the Receiver, dated September 30, 2022.

35. The Corporation made the Mortgage Payment in the amount of \$267,421.18 on or about August 4, 2022, towards the Mortgage.

36. The Corporation disputes certain amounts claimed by the Lender and Receiver

including, but not limited to a \$200,000.01 three (3) months' interest fee and approximately \$133,760.86 in unsupported professional fees charged by the Lender and Receiver explained in greater detail at paragraphs 54-58.

37. Notwithstanding the above, the Corporation has obtained refinancing on the Brampton Property from a private lender in the total amount of \$6,000,000.00 (the "**Refinance**"). After associated fees and closing costs are paid, net proceeds of \$5,765,500.00 will be advanced per the Refinance (the "**Refinance Proceeds**"). the Corporation has cleared all conditions of the original term sheet provided by the new lender on or about September 16, 2022 (the "**Term Sheet**"), and the new lender issued a commitment letter dated October 7th, 2022 (the "**Commitment Letter**"). Attached hereto as **Exhibit "K"** is a redacted copy of the Term Sheet, and a redacted copy of the Commitment Letter.

38. The Refinance is conditional upon discharge of the Receivership, hence the bringing of the within motion.

41. I have also deposited \$950,000.00 to Atkinson Law in Trust, which is approximately \$30,000.00 more than is required to payout the Lender, to allow for a buffer in case there is any shortfall in funds available from the Refinance to payout the Lender and the Receiver (the "**Trust Funds**"). The Trust Funds will consist of a \$300,000.00 deposit from Vladimir Sheluchin on behalf the Corporation, an intra-trust account transfer in the amount of \$150,000.00 from 1876932 Ontario Limited to the Corporation, and a \$500,000.00 wire transfer to Atkinson Law in trust for the Corporation.. I am able to advance additional funds as may be required when a final account of the amount owing under the Mortgage is determined. Attached

hereto as **Exhibit “L”** is a copy of Atkinson Law’s Trust Ledger describing the Trust Funds to be, and already, deposited.

39. The total amount available through the the Refinance Proceeds and the Trust Funds will be in the amount of \$6,715,000.00. I verily believe that this amount is more than sufficient to pay off all amounts owing to the Lender and the Receiver.

40. I am advised by the New Lender’s agent that the Refinance cannot close the week of this motion. The New Lender’s agent has advised that the Refinance can close on or before October 21, 2022, hence the Coporation’s request for a stay of the Receivership until that time. Attached hereto as **Exhibit “M”** is a copy of redacted correspondence between the New Lender’s agent and Ryan Atkinson, counsel for the Corporation, dated October 7, 2022, stating the above.

41. There are no other significant creditors, besides the Lender and a group of lenders (the “**Second Mortgagees**”) holding a second mortgage on the Brampton Property which is registered as instrument number PR369903 (the “**Second Mortgage**”). The Second Mortgagees have agreed to postpone their rights under the Second Mortgage to the rights of the new lender in the Refinance. Attached hereto and Marked as **Exhibit “N”** is a copy of the the Parcel Register for the Brampton Property having PIN 14027-0087 (LT) and an Acknowledgment and Direction re postponement signed by the Second Mortgagees, subsequent in registration to the Mortgage.

42. There are only two (2) principal creditors of the Corporation. The Statement and Notice of the Receiver, dated September 30, 2022 and attached at Exhibit I, states that there are no other significant creditors of the Corporation other than the Lender

and the Second Mortgagees.

43. The Second Mortgagees support the position of the Corporation in the within motion. The Second Mortgagees have examined the terms of the Refinance and have stated that:

- a. on or about August 12, 2022, \$410,000.00 was paid towards the Second Mortgage by the Corporation and the principal amount owed under the Second Mortgage was reduced from \$2,000,000.00 to \$1,590,000. The Second Mortgagees believe that this good faith payment displays the Corporation's good faith, trustworthiness, and sincere intention to settle their debts in a timely manner;
- b. they trust the Corporation is in a position to put the debts on the Property back into good standing and that the Second Mortgagees are in a better position in the hand of the Corporation, as opposed to the hands of the Receiver;
- c. they will not recover their investment if the Brampton Property is sold through the Receivership;
- d. the Corporation has consistently been responsive and attentive to its debt to them and the Corporation maintains a good relationship with the Second Mortgagees and its agents; and
- e. they are confident that the Corporation will pay off its debt to the Second Mortgagees.

Attached hereto as **Exhibit “O”** is a copy of the Affidavit of Serguei

Totrov, mortgage broker for the Second Mortgagees, stating the above.

44. There is only forty-five (45) dollars in property taxes owing on the Property. The tax owed on the property is insignificant and will be paid promptly. A copy of the Property's tax account is attached hereto as **Exhibit "P"**.
45. There are no writs of execution, orders, or certificates of lien registered or filed on the Brampton Property. Attached hereto and marked as **Exhibit "Q"** is a copy of the clear writ certificate obtained from the Sheriff of Peel with respect to the Corporation and the Brampton Property, dated October 7, 2022.
46. The only Secured Party/Lien Claimant respecting the Corporation's Property is the Lender. Attached hereto and marked as **Exhibit "R"** are copies of *Personal Property Security Act ("PPSA")* Lien Searches with respect to the Corporation's Property, dated October 6, 2022.
47. There are no income taxes nor HST accounts owing in respect of the Corporation as it is a new holding company, has no employees, and has no tax obligations to date. The Corporation does not have HST accounts because it is merely the owner of real property and HST is not applicable to its activities.
48. The only required element remaining to complete the Refinance is the release of the Corporation and the Brampton Property from the Receivership.
49. I have in excess of twenty-five (25) years experience in acquiring, selling, financing, refinancing and operating commercial properties. In my experience, should the Receiver initiate a sales process, it would result in the real and substantial risk that the New Lender would revoke the New Mortgage and make it more

difficult to close the Refinance to payout the Lender, the Receiver, and the Second Mortgagee.

NO PREJUDICE ON DISCHARGE

50. No person or entity will be prejudiced by the discharge of the Debtors.
51. At the time the Refinance will be completed, the Corporation's secured creditors, other than the Lender, will be the Second Mortgagees. As explained in paragraphs 39 and 40 of this my affidavit, these are the only other significant creditors aside from the Lender and they are consenting to the Refinance and the within motion by postponing their mortgage on the Brampton Property to the mortgage of the new lender in the Refinance.
52. A copy of the title search for the Brampton Property, dated October, 6 2022, is attached hereto at **Exhibit "N"**;
53. The Corporation has no unsecured creditors, it operates solely as a holding company for the Brampton Property. The Operating Compnay is responsible for costs that might ordinarily be attributed to an owner of real property. Whenever the Corporation was required to fund services or acquire goods, it paid all related fees and costs immediately. Accordingly, the Corporation has no "trade creditors".
54. The Corporation shall payout all income and other tax liabilities.

RECEIVER'S ACTIVITIES AND ACCOUNTS

55. I understand that the Receiver will be filing a report to the Court in connection with our motion, to support approval of its activities, fees and costs, as well as its discharge in respect of the Corporation. Based on my understanding of the activities

the Receiver has undertaken in respect of the Debtors, and the fees and costs associated therewith, I believe that the Lender and the Receiver are charging unreasonable amounts that must be negotiated in good faith or determined by the Court.

56. I have reviewed the documents served on me by the Receiver including the First Report of the Receiver, dated August 8, 2022 and the Second Report of the Receiver dated October 7, 2022 and the limited steps taken by the Receiver to date are:

- a. reviewing the books and records of the Company;
- b. inspecting and attending the Brampton Assets;
- c. arranging for an appraisal of the equipment in the Brampton Property;
- d. arranging for a bailiff to attend the Brampton Property and taking possession of the Brampton Assets;
- e. arranging for a commercial realtor to appraise and sell the Brampton Property;
- f. making arrangements for insurance on the Brampton Property;
- g. attending a motion to vary the Appointment Order;
- h. preparing the Notice of Statement of Receiver and sending same on September 30, 2022;
- i. preparing the first and second reports of the Receiver;
- j. maintaining the Receiver's website.

57. As of August 15th, 2022, after the Mortgage Payment was made, the Mortgage

Statement indicated that there was \$6,784,069.40 owing under the Mortgages. The Corporation contests certain charges set out in the Mortgage Statement. For example, the Corporation takes the following positions on certain charges in the Mortgage Statement, including, but not limited to:

- a. the \$200,000.01 “3 month interest on default” fee, which I am advised by my lawyers is not legally enforceable pursuant to Section 8 of the *Interest Act*;
- b. I am also advised by my lawyers that the Receiver costs of \$42,824.18, the Lender’s lawyer’s costs of \$45,075.02, and the Receiver’s lawyer’s costs of \$71,087.97, are excessive, not sufficiently particularized, remote, and unreasonable considering the limited steps that were taken leading up to issuance of the Mortgage Statement; and
- c. I am advised by my lawyers that the \$575.00 NSF Fee, the \$649.75 Discharge Administration Fee, the \$649.75 Discharge Statement Fee, the \$575.00 Property Tax Administration Fee, and the \$575.00 Service Charge – Property Taxes Payment” are all not legally enforceable pursuant to Section 8 of the *Interest Act*.

58. The Lender and Receiver have charged the Corporation in excess of \$133,760.86 in professional fees, in response to the Corporation making the Mortgage Payment two (2) days late. Counsel for the Lender and Receiver, although accepting the Mortgage Payment, refused to accept that the Stay had not been lifted because the Mortgage Payment was made only two (2) days late and forced the Corporation to attend a hearing before Justice Cavanagh on August 10, 2022, to have the

Appointment Order varied.

59. The fees charged during the period between July 22, 2022, and August 15 are displayed below:

Description	Amount
Mortgage debt owed as of July 22, 2022	\$6,865,154.00
Mortgage Payment made on August 4, 2022	\$267,421.18
Mortgage debt owed as of July 22, 2022 accounting for Mortgage Payment made on August 4, 2022	\$6,597,732.82
Mortgage debt claimed by the Lender on the Mortgage Statement dated August 15, 2022, accounting for the Mortgage Payment made	\$6,784,069.40
Per diem interest (\$2191.78/diem) payable between July 22, 2022 and August 15, 2022	\$52,602.72
Difference between the Mortgage debt owed as of July 2022 and August 15, 2022	\$186,363.58
Difference between the Mortgage debt owed as of July 2022 and August 15, 2022 accounting for payable per diem interest	\$133,760.86

60. I swear this affidavit in support of our motion to discharge the Receiver as concerns the Debtors in order to (a) implement the Refinance and repayment of the Lender, (b) terminate the Receivership; and (c) end this period of financial difficulty and insecurity for the Corporation, and for no other or improper purpose.

Sworn (*or* Affirmed) before me at the City of Toronto, in the province of Ontario on this 10th day of October, 2022



Commissioner for Taking Affidavits
(*or as may be*)

DocuSigned by:

Volodymyr Burko
FB66221227B640E

Volodymyr Burko

THIS IS EXHIBIT "A" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR. JUSTICE) FRIDAY, THE
)
P. CAVANAGH) 22 DAY OF JULY, 2022

TRIPLE-I CAPITAL PARTNERS LIMITED

Applicant

- and -

12411300 CANADA INC.

Respondent

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

**ORDER
(appointing Receiver)**

THIS MOTION made by Triple-I Capital Partners Limited 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 Crowe Soberman Inc. as receiver and manager (in such capacities, the “**Receiver**”) without security, of the Real Property and Personal Property (each as defined below) of 12411300 Canada Inc. (the “**Debtor**”) was heard this day by video conference.

ON READING the affidavit of Alfred Tong sworn July 21, 2022, and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, counsel for the proposed Receiver, counsel for the Debtor, counsel for the second mortgagee, and such other parties listed on the counsel slip, no one else appearing although duly

served as appears from the affidavit of service of Aram Simovonian sworn July 21, 2022, and on reading the consent of Crowe Soberman Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

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

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

applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$150,000, 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;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the Property, or otherwise related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or

regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post

Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a

charge (the “**Receiver’s Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

SERVICE AND NOTICE

21. **THIS COURT ORDERS** that the Guide Concerning Commercial List E-Service (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 <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 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

22. **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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

23. **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.

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

25. **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.

26. **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.

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

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

29. **THIS COURT ORDERS** that the Receiver, its counsel and counsel for the Applicant may serve or distribute this Order, or any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the creditors or any other stakeholders or interested parties of the Debtor and its advisors (if any). For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 8100-2-175 (SOR/DORS).

THE STAY OF THIS ORDER

30. **THIS COURT ORDERS** that the exercise of the Receiver's powers as set out above are stayed for sixty (60) days from the date of this Order ("Stay Period"), provided that, the following terms are met:

- (a) On or before August 1, 2022, the Debtor shall pay all arrears of mortgage interest being the sum of \$189,247.32;
- (b) On or before August 1, 2022, the Debtor shall repay the Applicant/Moving Party the sum of \$53,173.86 plus simple interest of 12.5% calculated from May 10, 2022 to August 1, 2022;

- (c) On or before August 1, 2022, the Debtor shall pay to the Applicant/Moving Party \$25,000 as a partial payment for the legal fees, expenses and costs of the Applicant, the Receiver, and counsel for the Receiver;
- (d) The Debtor shall allow the Applicant/Moving Party, and its consultants, servants and employees, to attend the mortgaged premises located at 237B Advance Blvd. Brampton, ON L6T 4TJ between the hours of 9:00 a.m. and 5:00 p.m. on July 25, 2022 to inspect the premises and the chattels and equipment located therein;
- (e) The Debtor shall redeem the mortgage and pay to the Applicant/Moving Party its allowable fees, charges and expenses.

31. **THIS COURT ORDERS** that the Stay Period shall terminate and shall be lifted and this Order shall have full force and effect on the earlier of:

- (a) A breach of or noncompliance with the terms set out in paragraph 30 during the Stay Period; or
- (b) The sixty-days day (60) day of the Stay Period, being September 20, 2022.

TRIPLE-I CAPITAL PARTNERS LIMITED
Applicant

and **12411300 CANADA INC**
Respondent

Court File No.: CV-22-00684372-00CL

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

Proceeding commenced at Toronto

**ORDER
(appointing Receiver)**

SCALZI PROFESSIONAL CORPORATION
868A Eglinton Avenue West
Toronto, Ontario M6C 2B6
Carmine Scalzi (LSO #: 52379S)
Tel: (416)-548-7989
Fax: (416) 548-7969
cscalzi@scalzilaw.com

Lawyers for the Applicant

MASON CAPLAN ROTI LLP
123 Front Street West, Suite 1204
Toronto, Ontario M5J 2M2
Gary M. Caplan (LSO #: 19805G)
Tel: (416) 596-7796
gcaplan@mcr.law

Agents for Scalzi PC

THIS IS EXHIBIT "B" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

From: aram.simovonian@scalzilaw.com <aram.simovonian@scalzilaw.com>
Sent: August 2, 2022 4:09 PM
To: avi@atkinsonlaw.ca
Cc: gcaplan@mcr.law; 'Carmine Scalzi' <cscalzi@scalzilaw.com>; ryan@atkinsonlaw.ca
Subject: RE: Triple-I Capital v. 12411300 Canada In- endorsement / 01898

Hello, Avi:

Please see below as I think Ryan is away this week.

Thanks,

--

Aram Simovonian

Lawyer



20 Caldari Road, Unit #2
Concord, ON L4K 4N8
E: aram.simovonian@scalzilaw.com
P: 416.548.7989
F: 416.548.7969

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From: aram.simovonian@scalzilaw.com <aram.simovonian@scalzilaw.com>
Sent: August 2, 2022 3:23 PM
To: ryan@atkinsonlaw.ca
Cc: gcaplan@mcr.law; 'Carmine Scalzi' <cscalzi@scalzilaw.com>

Subject: RE: Triple-I Capital v. 12411300 Canada In- endorsement / 01898

Hi, Ryan:

Please advise if the payment has been made as we have nothing in our trust account as of yet.

The Order and our Trust Account information is attached for ease of reference.

Thank you,

--

Aram Simovonian

Lawyer



20 Caldari Road, Unit #2

Concord, ON L4K 4N8

E: aram.simovonian@scalzilaw.com

P: 416.548.7989

F: 416.548.7969

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RYAN ATKINSON

From: [Ryan Atkinson](#)
To: [aram.simovonian@scalzilaw.com](#); [Avi Freedland](#)
Cc: [gcaplan@mcr.law](#); ["Carmine Scalzi"](#); [Kate Stavropoltseva](#)
Subject: RE: Triple-I Capita1 v. 12411300 Canada In- endorsement / 01898
Date: August 4, 2022 2:45:14 PM
Attachments: [Wire Confirmation.pdf](#)
[image002.png](#)

Hello Aram,

Yes I am away from the office this week and have had no access to email. I have now been made aware that the funds were previously paid into our trust account, and therefore I have now released the funds to Scalzi Professional Corporation in Trust in the amount of 267,421.18. Please see attached wire transfer confirmation form.

I trust the foregoing is satisfactory. I will again be without access to email shortly. Thank you for understanding.

All the Best,
Ryan Atkinson

From: [aram.simovonian@scalzilaw.com](#) <[aram.simovonian@scalzilaw.com](#)>
Sent: August 2, 2022 4:09 PM
To: [Avi Freedland](#) <[avi@atkinsonlaw.ca](#)>
Cc: [gcaplan@mcr.law](#); ['Carmine Scalzi'](#) <[cscalzi@scalzilaw.com](#)>; [Ryan Atkinson](#) <[ryan@atkinsonlaw.ca](#)>
Subject: RE: Triple-I Capita1 v. 12411300 Canada In- endorsement / 01898

Hello, Avi:

Please see below as I think Ryan is away this week.

Thanks,

--

Aram Simovonian

Lawyer



20 Caldari Road, Unit #2
Concord, ON L4K 4N8
E: aram.simovonian@scalzilaw.com
P: 416.548.7989
F: 416.548.7969

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THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

From: [Ryan Atkinson](#)
To: [Sherkin, Kevin](#)
Cc: [gcaplan@mcr.law](#); ["Carmine Scalzi"](#); [Hans Rizarri](#); [aram.simovonian@scalzilaw.com](#); [Faheim, Monica](#); [Martins, Michelle](#); [Avi Freedland](#); [Kate Stavropoltseva](#)
Subject: RE: your emails of today [MTDMS-Legal.FID11474081]
Date: August 4, 2022 7:35:03 PM
Attachments: [image001.png](#)

I am on vacation, these are the only two weeks of the year that I hope to enjoy with my family without interruption. The funds have been delivered in full. You can attend before Justice Cavanaugh or any other Justice on the Commercial List to advance your position if you so desire.

For now, stay away from our client and his property and do not waste anymore of my time.

Good day.

From: Sherkin, Kevin <ksherkin@millerthomson.com>
Sent: August 4, 2022 6:17 PM
To: Ryan Atkinson <ryan@atkinsonlaw.ca>
Cc: gcaplan@mcr.law; 'Carmine Scalzi' <cscalzi@scalzilaw.com>; Hans Rizarri <Hans.Rizarri@crowesoberman.com>; aram.simovonian@scalzilaw.com; Faheim, Monica <mfaheim@millerthomson.com>; Martins, Michelle <mmartins@millerthomson.com>
Subject: your emails of today [MTDMS-Legal.FID11474081]

Ryan

I have been provided a copy of the correspondence between you and Mr. Caplan..

The order was clear as to what was to happen and by when. We wrote you a number of times without the courtesy of a reply. If you failed to deliver the funds that is on you and your firm and in my view you should be reporting yourself to Lawpro(however that's your call). The receiver as officer of the court as well as I do not have the power to change the clear terms of the Order.. Your client is in receivership. The duties upon a receiver are clear as is the order. We are required to continue to abide by those duties and the order unless and until we are repaid or the varied or changed . I hope we make ourselves clear . Note our client and our firm continue to spend sizable expenses and time to fulfill our obligations

KEVIN D. SHERKIN

Providing services on behalf of a Professional Corporation
Partner

Miller Thomson LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, Ontario M5H 3S1
Direct Line: +1 416.597.6028

Fax: +1 416.595.8695
Email: kshерkin@millerthomson.com
millerthomson.com



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From: Sherkin, Kevin <ksherkin@millerthomson.com>
Sent: August 5, 2022 10:49 AM
To: Ryan Atkinson <ryan@atkinsonlaw.ca>
Cc: gcaplan@mcr.law; 'Carmine Scalzi' <cscalzi@scalzilaw.com>; Hans Rizarri <Hans.Rizarri@crowesoberman.com>; aram.simovonian@scalzilaw.com; Faheim, Monica <mfaheim@millerthomson.com>; Martins, Michelle <mmartins@millerthomson.com>; Avi Freedland <avi@atkinsonlaw.ca>; Kate Stavropoltseva <kate@atkinsonlaw.ca>
Subject: RE: your emails of today [MTDMS-Legal.FID11474081]

Mr. Atkinson

While the circumstances are unfortunate it does not change the current landscape and obligations imposed on our client by the court order . As you know a ton of work goes into the beginnings of a receivership . I wrote you three times on Wednesday without a reply. Please provide a number of things. Evidence of the date of receipt of the funds from the Debtor as all we have seen it the date the debtor sent payment to Mr. Scalzi's firm which is a number of days after the required date of the Order. Regardless time is ticking date by which the mortgage has to be paid off. Until the Order is changed as officers of the court both Mr. Rizari and I have a continuing duty to comply with our obligations and continue to move matters forward with the receivership . Assuming you did have the funds on the date in question, Provided you or your client pays the costs thrown away of all counsel and the receiver which is ongoing we would likely not oppose such a motion however that would be for the presiding judge on a motion to decide.. As I stated before, I urge you to contact lawpro as costs continue to mount and you are looking into the tens of thousands of dollars.. The law requires you to move swiftly to potentially correct this and I remind you that technically the funds sitting in Mr. Scalzi's account would form part of the estate..

I await your advice

KEVIN D. SHERKIN

Providing services on behalf of a Professional Corporation
Partner

Miller Thomson LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, Ontario M5H 3S1
Direct Line: +1 416.597.6028
Fax: +1 416.595.8695
Email: ksherkin@millerthomson.com
millerthomson.com

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SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-22-00684372-00CL DATE: 10 August 2022

NO. ON LIST: _____

TITLE OF PROCEEDING: TRIPLE-I CAPITAL PARTNERS LIMITED v. 12411300 CANADA INC.

BEFORE JUSTICE: CAVANAGH

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Aram Simovonian	Triple-I Capital Partners Limited	aram.simovonian@scalzilaw.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Ryan J. Atkinson	12411300 Canada Inc.	ryan@atkinsonlaw.ca
Avi J. Freedland	12411300 Canada Inc.	avi@atkinsonlaw.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Kevin Sherkin	Receiver	ksherkin@millerthomson.com

ENDORSEMENT OF JUSTICE CAVANAGH:

I made an Order dated July 22, 2022 appointing Crowe Soberman Inc. as receiver and manager over property of 1241130 Canada Inc. (the "Debtor"). The Order provides that the exercise of the receiver's powers are stayed for 60 days provided certain conditions are met. One condition is that a payment of arrears of mortgage interest be made on or before August 1, 2022. This date is a civic holiday, so the amount was due on August 2, 2022.

The Debtor failed to pay the amount on that day. Counsel to the applicant attempted to contact counsel for the Debtor but did not receive a response before the end of the day on August 2, 2022. It turns out that counsel for the Debtor was on vacation and not accessible.

As a result, on August 3, 2022, the receiver attended the real property for the purpose of gaining control thereof including changing the locks and taking inventory. The receiver arranged for a bailiff to attend the real property on that day to assist it in gaining access to the real property and changing the locks. The receiver made arrangements for insurance on the real property.

The evidence from one of the lawyers for the Debtor is that lead counsel for the Debtor, Mr. Atkinson, was able to access his email on August 4, 2022. On August 4, 2022, counsel for the Debtor advised that funds in the amount of \$267,421.18 connection with the payment terms provided for under the receivership order were paid out of the trust account of the Debtor's counsel to counsel to the Applicant.

The Debtor moves to vary the receivership order to re-impose the stay of the receivership order.

In the circumstances, I am satisfied that the requested order should be made. The parties have provided me with an approved form of Order.

Order to issue in form of Order signed by me.


Digitally signed
by Mr. Justice
Cavanagh

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SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

STATEMENT OF ACCOUNT

Re: TRIPLE-I CAPITAL PARTNERS LIMITED's.mortgage to 12411300 CANADA INC.
237B Advance Blvd, Brampton, ON

The amount owing under the mortgage/PPSA/GSA as of August 15th, 2022 is as follows:

Principal:	\$6,400,000.00
Interest Arrears (May 1 st , 2022 to August 15 th , 2022) – 107 days x \$2,191.78 per diem	\$234,520.46
NSF Fee– February 2022	\$575.00
Discharge Administration Fee	\$649.75
Discharge Statement Fee	\$649.75
Property Taxes Administration Fee	\$575.00
Service Charge – Property Tax Payment	\$575.00
City of Brampton property tax payment (May 10 th , 2022):	\$53,173.86
Interest on property tax payment (May 10 th , 2022-August 15 th ,2022)- 98 days x \$18.21 per diem	\$1,784.58
3 months interest on default :	\$200,000.01
Receiver's Costs (Crowe Soberman Inc.)	\$42,824.18
Legal Costs and Disbursements (Miller Thomson)	\$45,075.02
Legal Costs and Disbursements (Scalzi PC)	\$71,087.97
Payment Received on August 4 th , 2022	(\$267,421.18)
TOTAL OWING UNDER THE CHARGE =	\$6,784,069.40

*Per Diem of \$2,191.78+\$18.21=\$2,209.99

**All legal fees accrued include HST


Alfred Tong
ASO Triple-I Capital Partners Limited

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SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

Properties

PIN 14027 - 0087 LT *Interest/Estate* Fee Simple
Description PCL D-32, SEC M269 ; FIRSTLY ; PT BLK D, PL M269 , PART 3 , 43R20236 , ;
 SECONDLY ; PT BLK D, PL M269 , PART 4 , 43R20236 ; T/W PT 2, 43R20236 AS IN
 LT1503956; S/T PT 3, 43R20236 IN FAVOUR OF PTS 1 & 2, 43R20236 AS IN
 LT1503956; S/T DP2708 ;; CITY OF BRAMPTON
Address 237 B ADVANCE BOULEVARD
 BRAMPTON

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 12411300 CANADA INC.
Address for Service 450 SANDLEWOOD ROAD, OAKVILLE,
 ONTARIO L6L 3S4

I, BURKO,VOLOODYMYR, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s)**Capacity****Share**

Name TRIPLE-I CAPITAL PARTNERS LIMITED
Address for Service C/O 7941 JANE STREET, UNIT 200, CONCORD, ONTARIO
 L4K 4L6

Statements

Schedule: See Schedules

Provisions

<i>Principal</i>	\$6,400,000.00	<i>Currency</i>	CDN
<i>Calculation Period</i>	Monthly, not in advance		
<i>Balance Due Date</i>	2022/05/01		
<i>Interest Rate</i>	12.50%		
<i>Payments</i>	\$66,666.67		
<i>Interest Adjustment Date</i>	2021 05 01		
<i>Payment Date</i>	1st day of each and every month		
<i>First Payment Date</i>	2021 06 01		
<i>Last Payment Date</i>	2022 05 01		
<i>Standard Charge Terms</i>	200033		
<i>Insurance Amount</i>	Full insurable value		
<i>Guarantor</i>	7925395 Canada Corporation; TS Pharmaceutical Ltd.; Soochan, Tacquinn David; and Burko, Volodymyr		

Signed By

Kirishanthi Sivagopal	7941 Jane St. Suite 200 Concord L4K4L6	acting for Chargor(s)	Signed 2021 04 29
-----------------------	--	--------------------------	-------------------

Tel 416-548-7989

Fax 416-548-7969

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

Submitted By

SCALZI PROFESSIONAL CORPORATION	7941 Jane St. Suite 200 Concord L4K4L6	2021 05 04
Tel 416-548-7989		
Fax 416-548-7969		

Fees/Taxes/Payment

Statutory Registration Fee	\$65.30
Total Paid	\$65.30

File Number

Chargee Client File Number : 2021-04-01525

SCHEDEULE "A"**ADDITIONAL PROVISIONS****ADMINISTRATION FEE**

The Chargee/Mortgagee **shall** charge an administration fee of \$575.00 for each occurrence of any of the following events:

1. Late Payment;
2. Cheque Dishonoured (NSF) for any reason;
3. Failure to make a payment;
4. Failure to pay realty taxes when same fall due;
5. Failure to provide proof of payment of realty taxes;
6. Failure to obtain and/or maintain insurance coverage, with mortgagee endorsement in favour of the herein Chargee/Mortgagee or its assigns;
7. Failure to provide proof of insurance coverage on an annual basis;
8. Failure to provide post-dated cheques;
9. Default under condominium or co-ownership declaration and by-laws;
10. Failure to notify Chargee/Mortgagee of registration of a Lien by the Condominium Corporation or Co-Ownership Corporation, for common maintenance arrears or other default;
11. Default under prior mortgage, charge or encumbrance;

Such administration fee **shall be** automatically and immediately **added to** the principal amount outstanding upon the happening of each such occurrence.

DISPOSITION OF THE MORTGAGED LAND

Provided that if the Chargor(s)/Mortgagor(s), sells, transfers, conveys or otherwise disposes of the lands and premises all amounts, whether principal, interest or otherwise that may be owing hereunder including administration fees and bonuses, shall, at the sole option of the Chargee/Mortgagee, be immediately due and payable and shall bear interest at the rate of interest in accordance with the terms of this Charge/Mortgage from the payment date next preceding the date of such sale, transfer, conveyance or disposition to the date of payment.

CONSTRUCTION LIEN ACT

No portion of the proceeds of this Mortgage is to be used to finance any construction, alterations, renovations or improvements to the subject property within the meaning of the Construction Lien Act (Ontario) or to repay a Mortgage which was taken out for this purpose, failing which all amounts, whether principal, interest or otherwise that may be owing hereunder, including Administration Fees and bonuses, shall be immediately due and payable at the sole option of the Mortgagee. If any amount of money is claimed in priority over this Mortgage pursuant to the Construction Lien Act (Ontario) and if the Mortgagee is obligated to pay any amounts owing under the said Act, same shall be added to the principal amount outstanding under the Mortgage.

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COSTS

In the event of default under the herein Charge/Mortgage, notwithstanding anything contained to the contrary hereinbefore or hereinafter, all costs, charges and expenses including all legal costs on a solicitor and client basis, which may be incurred in endeavoring to collect any monies overdue under this charge, and/or rectifying all other monetary or non-monetary default under the terms of this charge and including but not limited to obtaining legal counsel and advice and to the taking, recovering and keeping possession of the said lands and of negotiating this loan, investigating title, and registering the Charge/Mortgage and other necessary deeds, and generally in any other acts, actions and/or proceedings taken, in connection with or to realize this security, shall be, with interest at a rate as set out herein, a charge upon the said lands in favour of the Chargee/Mortgagee.

PAYMENT METHOD

The Chargor(s)/Mortgagor(s) shall provide the Chargee/Mortgagee with a series of post-dated cheques on or before the closing date of the Charge/Mortgage and a further series of post-dated cheques on or before each anniversary date of the within Charge/Mortgage. Failure to provide such cheques shall at the Chargee's/Mortgagee's option constitute default under the Charge/Mortgage. In the event that there is more than one Chargee, the Chargor shall provide separate payments to each Chargee. In the event that the Charge/Mortgage is assigned, then the Chargor shall forthwith provide a replacement series of post-dated cheques to the new Chargee/Mortgagee or as the new Chargee/Mortgagee may so direct. To be initialed by mortgagor/ guarantor. In the event that the Chargee is or becomes a financial institution as Trustee for the RRSP or RRIF of an individual or individuals, the Charger shall forthwith provide a replacement series of post-dated cheques to the plan holder or plan holder or as the plan holder or directs.

ASSUMPTION OF CHARGE CLAUSE

NOTWITHSTANDING anything to the contrary hereinbefore or hereinafter contained, the Chargor/Mortgagor expressly covenants, undertakes and agrees that the prior written approval of the Chargee/Mortgagee (which approval may at its sole discretion be withheld by the Chargee/Mortgagee) shall be obtained to any proposed sale or transfer of title to the said lands and premises or any part thereof; in the event of failure by the Chargor/Mortgagor to obtain such prior approval, the within Charge/Mortgage shall at the sole option of the Chargee/Mortgagee become due and payable. Following approval by the Chargee/Mortgagee to any sale or transfer of title as aforesaid, the Chargor/Mortgagor shall obtain from the Purchaser an agreement in writing assuming the within Charge/Mortgage and all monies then owing thereunder and in default of the execution and delivery to the Chargee/Mortgagee of such assumption agreement, the monies then owing hereunder shall be accelerated and become legally due and payable; it being understood and agreed, however, that the Chargor/Mortgagor shall also remain liable to the Chargee/Mortgagee in respect to any deficiency upon a sale of the said lands and premises by the Chargee/Mortgagee under the Power of Sale provisions contained in the within Charge/Mortgage, or upon sale of the said lands and premises by a prior Charge/Mortgage or other prior encumbrance.

ASSIGNMENT OF RENTALS

The Chargor(s)/Mortgagor(s) will assign to the Chargee/Mortgagee all rents payable from time to time under leases of the land or any part thereof whether presently existing or arising in the future, together with the benefit of all covenants contained in the said leases in favour of the Chargor(s)/Mortgagor(s) and for the purpose of enabling the Chargee/Mortgagee to enforce payment of the said rents, the Chargor(s)/Mortgagor(s) covenants and agrees that it will forthwith after making any lease of the land or any part thereof grant and assign to the Chargee/Mortgagee the reversion of such lease; provided that nothing herein contained shall be deemed to make the Chargee/Mortgagee responsible for the collection of such rents or any plan thereof or for the performance of any covenants,

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terms or conditions contained in any such lease, and that the Chargee/Mortgagee shall not by virtue of these presents be deemed a Chargee/Mortgagee in possession of the land; and provided further that the Chargee/Mortgagee shall be liable to account for only such monies as may actually come into its hands by virtue of these presents less proper collection charges and that such monies when so received by the Chargee/Mortgagee shall be applied on account of the debt secured by the Charge/Mortgage; and provided further that the Chargee/Mortgagee will not cause the tenants under the said leases or any of them to pay rent to the Chargee/Mortgagee unless and until default has occurred in performance of any covenant contained in this Charge/Mortgage; and the Chargor(s)/ Mortgagors) will perform all of the Landlord's covenants and obligations contained in the said leases or any of them. The Chargor(s)/Mortgagor(s) will execute such further documents as the Chargee/Mortgagee may from time to time deem requisite for the purpose of giving full effect to the Assignment of Rents hereinbefore contained and of enabling the Chargee/Mortgagee to enforce payment of such rents.

OPERATING STATEMENTS

The Chargor/Mortgagor agrees to provide to the Chargee/Mortgagee annually, and not later than ninety days (90) from the balance due date as set out herein, and each extension thereof audited statements of income and operating expenses for the lands and premises mortgaged, which statements shall be certified by an officer of the Chargor/Mortgagor to be true and accurate together with a copy of the current rent roll. Failure to provide such statements of income and operating expenses in accordance with the provisions herein, shall at the Chargee's/Mortgagee's option constitute default under the Charge/Mortgage.

LISTING FOR SALE

The Chargor/Mortgagor agrees that in the event the Chargor/Mortgagor desires to list for sale the lands and premises mortgaged herein within two (2) years of the later of the interest adjustment date herein and the last renewal date, the Chargee/Mortgagee shall have the first right of refusal to purchase the said lands and premises On the same terms and conditions as any bona-fide offer submitted to the Mortgagor and which the Mortgagor wishes to accept, save and except that the actual purchase price to the Chargee/Mortgagee shall be equal to the amount as contained in the aforesaid acceptable bona-fide offer less the total real estate commission payable in connection with the said acceptable bona-fide offer. The Chargor/Mortgagor shall deliver a legible arid complete copy of the said bona fide offer to the Chargee/Mortgagee and the Chargee/Mortgagee shall have three (3) business days following receipt of the said bona-fide offer to exercise the first right of refusal by notifying the Chargor/Mortgagor, failing which the said first right lapses, Only to be reinstated should the Chargor/Mortgagor fail to complete the subject bona fide offer.

SALE ON TERMS

In the event power of sale proceedings are taken, the Chargee as vendor may sell the property on terms and if the result is that a charge/mortgage or charges/mortgages by the Chargee are taken back as part consideration of the sale, then the Chargee shall be entitled to sell those mortgages at a discount, without recourse by the Charger/Mortgagor and the discount shall form part of the loss incurred by the Chargee and be recoverable against the Chargor.

In the case of a sale on credit the Chargee/Mortgagee shall be bound to apply on account only such monies as have been actually received from the purchasers from time to time. After the satisfaction of all Chargee's/Mortgagee's claims the Chargee will not be bound to pay any amount to the Charger/Mortgagor or any other person claiming entitlement thereto until all such agreements and assurances as the Chargee/Mortgagee considers fit have been executed and delivered.

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The Chargee/Mortgagee may buy in or rescind or vary and contract for the sale of the whole or any part of the Property and resell without being answerable for loss occasioned thereby.

Any person, including the Chargee/Mortgagee herein, may bid on, tender for or purchase the Property at the sale.

RECEIVERSHIP CLAUSE

The Charger/Mortgagor agrees that in the event of any default by the Mortgagor in any of its obligations as contained in this schedule A, the commitment letter or any of the security documents shall permit the Chargee / Mortgagee in its sole and unfettered discretion, by writing, to appoint a Receiver or a Receiver and Manager of the mortgaged premises or any part thereof and of the rents and profits hereof and from time to time remove any receiver and appoint another in his stead and that in making any such appointment or appointments the Chargee/Mortgagee shall be deemed to be acting as the attorney for the Chargor/Mortgagor.

And that the following provisions shall apply upon the appointment of any such receiver: that such appointment may be made either before or after the Chargee/Mortgagee shall have entered into or taken possession of the mortgaged premises or any part thereof; that every such receiver may, at the sole discretion of the Chargee/Mortgagee, be vested with all or any of the powers and discretions of the Chargee/Mortgagee; that the Chargee/Mortgagee may from time to time fix the remuneration of every such receiver and direct the payment thereof of the mortgaged premises or the proceeds thereof that every such receiver shall so far as concerns the responsibility for his acts or omissions be deemed the agent of the Chargor/Mortgagor and in no event the agent of the Chargee/Mortgagee, and the Chargee/Mortgagee in making or consenting to such appointment shall not incur any liability to the receiver for his remuneration or otherwise howsoever; that all monies from time to time received by such receiver shall be paid by him firstly, in discharge of all rents, taxes, insurance premiums and outgoings affecting the mortgaged premises, secondly, in payment of his commission as receiver and the cost of executing the necessary or proper repairs; thirdly, in keeping in good standing all charges on the mortgaged premises prior to this Charge/Mortgage; fourthly, in payment of the interest accruing due under this mortgage; and the residue of any money so received by him shall be applied on the principal sum from time to time owing under this Charge/Mortgage.

NON-TENANCY

The Chargor(s)/Mortgagor(s) confirm that the premises charged/mortgaged hereunder is a commercial building not subject to a tenancy agreement at the date of execution hereof. The Chargor(s)/Mortgagor(s) further covenant not to enter into a tenancy agreement prior to the repayment in full of the indebtedness hereunder, and that any tenancy created shall be deemed a default under the herein charge/mortgage loan.

RENOVATION

The Chargor(s)/Mortgagor(s) agree not to renovate or rent any part of the subject premises without written approval of the Chargee(s)/Mortgagee(s).

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DISCHARGE

PROVIDED that when a discharge of the Charge/Mortgage is required for the within Charge/Mortgage, then the Chargee's/Mortgagee's Solicitor will prepare the discharge documentation for execution by the Chargee/Mortgagee, which costs shall be at the Charger's/ Mortgagor's expense.

DEFAULT

Each and every of the following events shall constitute default under this Charge/Mortgage;

- (1) default in the payment of the Principal Amount, interest or any other amount secured by this Charge/Mortgage, when payment of such amount become due under the terms of this Charge;
- (2) if the Charger/Mortgagor sells, transfers or otherwise disposes of the Property or any interest in the Property, to a purchaser not approved by the Chargee/Mortgagee in writing;
- (3) if the Charger/Mortgagor is a Corporation and there is a change of control to a person or persons not approved by the Chargee/Mortgagee in writing;
- (4) if a petition in bankruptcy is filed against the Chargor/Mortgagor, if the Charger/Mortgagor makes a proposal to creditors under the Bankruptcy and Insolvency Act, or makes a general assignment for the benefit of its creditors, if a receiver, interim receiver, monitor or similar person is placed or is threatened to be placed in control of or for overview of the Charger's/Mortgagor's affairs or Property, or in the opinion of the Chargee/Mortgagee, the Chargor/Mortgagor becomes insolvent;
- (5) default under any terms or covenants contained herein or under any terms or covenants contained in any encumbrance registered in priority or subsequent to this Charge/Mortgage, or in payment of the realty taxes or condominium common expenses for the said property, shall constitute default under this Charge/Mortgage.
- (6) Default in any of the obligations contained in the commitment letter, this Schedule A or any of the security documents

ANY PAYMENT that is made after 3:00 p.m. on any date shall be deemed, for the purpose of calculation of interest, to have been made and received on the next bank business day.

The Chargor/Mortgagor agrees that should the mortgage not be renewed or discharged on the maturity date, that the Chargee/Mortgagee, at its option, shall be entitled to charge an additional fee equivalent to three (3) months interest, which amount shall be added to the principal amount outstanding hereunder on the maturity date.

The Chargor/Mortgagor agrees that should the Chargee/Mortgagee commence action due to default under the Charge/Mortgage, that the Charges/Mortgagee at its option shall be entitled to charge an additional fee equivalent to three (3) months interest.

PREPAYMENT PRIVILEGE

PROVIDED that the Chargors are not in default herein, the Chargors have the right to prepay the whole amount of the principal herein then outstanding, upon a payment of three months' interest on the principal being prepaid as of the date of the prepayment, as a bonus and not as a penalty.

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ACKNOWLEDGMENT ON ASSIGNMENT

In the event that the Charges assigns transfers or otherwise conveys its interest hereunder, and upon the delivery of notice of same to the Chargor, the Charger, if so requested, shall without cost, at any time and from time to time, execute an acknowledgment with respect to the terms and conditions of the Charge and the amount outstanding thereunder. Failure to execute the acknowledgment and deliver the acknowledgment to the Chargee within 5 days of its receipt by the Chargor to the Chargee shall be deemed to be default by the Chargor under the Charge.

FURTHER ENCUMBRANCES

The Charter shall not grant or permit any further mortgages, charges or encumbrances of any nature to be registered against the Property without the prior written consent of the Chargee, and in the event of breach of this covenant, the Chargee shall be entitled to commence default proceedings and at the option of the Chargee, all money secured by this Charge/Mortgage together with an amount equal to three (3) months interest on the principal amount at the rate applicable to the principal amount shall become due and payable immediately.

CAPITALISATION OF ANY PAYMENTS ON PRIOR ENCUMBRANCES

If the Chargor makes any agreement with any prior encumbrances to satisfy any arrears of mortgage, property taxes, insurance or any other payments respecting the Property by way of an increase in the principal balance of the mortgage account or any other increase in the mortgage account, without the prior written consent of the Chargee, such act shall be a default under this Charge/Mortgage.

ACCRUAL OF INTEREST

In the event the terms of this Mortgage specifically provide for the accrual of interest for a specified period of time, the Charger/Mortgagor confirms, represents and warrants that the provision for the accrual of interest has been requested by the Charger/Mortgagor and the Chargor/Mortgagor represents, warrants and undertakes to use the monies that would otherwise be paid to the herein Chargee/Mortgagee but for the accrual, towards payment of outstanding realty taxes or to subsequent Chargees/Mortgagees and other subsequent encumbrances.

INDEMNIFICATION OF CHARGE

In the event the Chargee shall be made a party to any litigation commenced by or against the Chargor, the Chargor shall indemnify and hold the Chargee harmless there from and shall pay all costs, expenses and solicitor's fees on a substantial indemnity basis. Such costs shall be a charge on the property and may be added to the principal amount secured hereby.

SERVICING FEE

In the event that the Chargee is called upon to pay any payment in order to protect its security position including but not limited to the payment of realty taxes, insurance premiums, condominium common expenses, principal interest or costs under a prior mortgage, it is agreed that such payment shall bear interest at Ten (10%) percent per annum, calculated and compounded monthly and that there shall be a service charge of not less than \$575.00 for making each such payment or payments.

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FARM DEBT MEDIATION ACT

Provided further that the Chargor represents and warrants that he is not a "Farmer" as defined in the Farm Debt Mediation Act and the Chargor further covenants and agrees that during the currency of the within Chargee will not engage in any activity which would have the effect of deeming him a Farmer within the meaning of the Farm Debt Mediation Act. In the event that the Charger fails to comply with the within provision, the within charge shall, at the Chargee's option, immediately become due and payable in full, together with a service charge equivalent to three (3) months interest thereon.

BANKRUPTCY & INSOLVENCY ACT

The Chargor/Guarantor represents and warrants that she/he is not an "Undischarged bankrupt" as defined in the Bankruptcy and Insolvency Act. In the event that the Chargor/Guarantor is an "Undischarged bankrupt", then all amounts, whether principal, interest or otherwise that may be owing hereunder including administration fees and bonuses together with a three (3) month interest payment thereon shall be immediately due and payable at the sole option of the Chargee.

COVENANT TO PAY BROKER FEE/REFERRAL FEE/LENPSR/LEGAL FEE/COSTS

The Chargor acknowledges that the loan hereby secured was arranged by one or more mortgage brokers or real estate brokers or by others and that broker/referral fees and legal costs were incurred by the Chargee, on behalf of the Chargor, in connection herein. Part of the consideration received by the Chargee in agreeing to advance the funds secured hereby is the payment of the mortgage brokers fees stipulated in Form 2 as required under the Mortgage Brokers Act, R.S.O., 1990 or the payment of the real estate brokers fees or referral fees, as the case may be, and legal costs incurred by the Chargee on behalf of the Chargor herein. Upon registration of this Charge, and where the Chargor is unable to or unwilling to receive the monies secured hereby the Chargor shall not be entitled to a discharge of this charge until the mortgage brokers fees or real estate brokers fees or referral fees, as the case may be, the lenders fees, and the legal costs incurred by the Chargee, on behalf of the Chargor herein, are paid in full.

PRIORITY PAYMENT OF ACCOMMODATION AND/OR AMENDMENT FEE/BROKER FEE/REFERRAL FEE/LEGAL COSTS

In the event the terms of this mortgage or any amendment and/or accommodation agreement made with respect thereto specifically provide for the capitalization or deferment of any accommodation and/or amendment fee, broker fee, referral fee lender fee and/or legal costs, the Chargor/Mortgagor and Guarantor hereby acknowledge and agree and warrant and represent that all payments made are intended to and shall be first applied as payment against accommodation and/or amendment fees, referral fees, broker fees, lender fees and legal costs so capitalized or deferred, until such fees and costs are paid in full.

SEVERABILITY OF ANY INVALID PROVISIONS

If in the event that any covenant, term or provision contained in this Charge is held to be invalid, illegal or unenforceable in whole or in part, then the validity, legality and enforceability of the remaining covenants, provisions and terms shall not be affected or impaired thereby, and all such remaining covenants, provisions and terms shall continue in full force and effect. All covenants, provisions and terms hereof are declared to be separate and distinct covenants, provisions or terms as the case may be.

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LATE PAYMENT CHARGE

PROVIDED that the mortgagee shall be entitled to a late payment charge of \$20.00 per day in the event that the mortgage payments are received by the Mortgagee later than the regularly scheduled payment date and/or not received at all.

DUE ON DEFAULT

IT is understood and agreed by the Mortgagor(s) that should they be in default under any existing mortgages and should the property tax not be paid to date, then the herein Mortgage/Charge is considered as being in default and the Mortgagee shall be entitled to all remedies accorded to it by law.

GUARANTOR CLAUSE

IN consideration of the premises and of the Mortgagee advancing the said money to the Mortgagor, the Guarantor doth hereby absolutely and unconditionally guarantee to the Mortgagee and its successors and assigns, the due and punctual payment by the Mortgagor of all principal moneys, interest and other moneys owing on the security of this mortgage, and the Guarantor for himself, his heirs, executors and administrators, covenants with the Mortgagee that if the Mortgagor shall at any time make default in the punctual payment of any moneys payable hereunder, he or they will pay all such moneys to the Mortgagee without any demand being required to be made.

AND it is hereby expressly declared that although as between the Guarantor and the Mortgagor, the Guarantor is only surety for the payment by the Mortgagor of the moneys hereby guaranteed, yet as between the Guarantor and the Mortgagee the Guarantor shall be considered as primarily liable therefore and that no release or releases of any portion or portions of the mortgaged premises, and no indulgence shown by the Mortgagee in respect of any default by the Mortgagor or any successor which may arise under this mortgage, and that no extension or extensions granted by the Mortgagee to the Mortgagor or any successor for payment of the mortgage moneys hereby secured or for the doing, observing or performing of any covenant, agreement, matter or thing herein contained, to be done, observed or performed by the Mortgagor or any successor nor any variation in or departure from the provisions of this mortgage nor any other dealings between the Mortgagor or any successor and Mortgagee nor any release of the Mortgagor or any other thing whatsoever whereby the Guarantor as surety only would or might have been released shall in any way modify, alter, vary or in any way prejudice the Mortgagee or affect the liability of the Guarantor in any way under this covenant, which shall continue and be binding on the Guarantor, and as well after as before default and after as before maturity of this mortgage, until the said mortgage moneys are fully paid and satisfied. And it is hereby further expressly declared that the Mortgagee shall not be bound to exhaust its recourse against the Mortgagor or the mortgaged premises before being entitled to payment from the Guarantor of the amount hereby guaranteed by the Guarantor.

ANY payment by the Guarantor or any moneys under his said guarantee shall not in any event be taken to affect the liability of the Mortgagor for payment thereof but such liability shall remain unimpaired and enforceable by the Guarantor against the Mortgagor and the Guarantor shall, to the extent of any such payments made by him, in addition to all other remedies subrogated as against the Mortgagor to all the rights, privileges and powers to which the Mortgagee was entitled prior to payment by such Guarantor; provided, nevertheless, that the Guarantor shall not be entitled in any event to rank for payment against the mortgaged premises in competition with the Mortgagee and shall not unless and until the whole of the principal, interest and other moneys owing on the security of this mortgage shall have been paid, be entitled to any rights or remedies whatsoever in subrogation to the Mortgagee.

AND it is further hereby expressly declared that the release of any of the Guarantors from his or their liability hereunder shall not affect the liability of the remaining Guarantor or Guarantors which shall remain unimpaired and still in full force and effect as if the Guarantor or Guarantors so released had not been a party or parties to this Agreement.

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ALL covenants, liabilities and obligations entered into or imposed hereunder upon the Guarantor or Guarantors shall be equally binding upon his or their heirs, executors, administrators and assigns, or successors and assigns as the case may be, and all such covenants and liabilities and obligations shall be joint and several.

THE Mortgagee may vary any agreement or arrangement with the Guarantor and grant extensions of time to or otherwise deal with him, his executors or administrators, without any consent on the part of the Mortgagor.

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THIS IS EXHIBIT "H" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

From: [Ryan Atkinson](#)
To: [gcaplan@mcr.law](#); ["Carmine Scalzi"](#)
Cc: [aram.simovonian@scalzilaw.com](#); [Sherkin, Kevin](#); [Avi Freedland](#); [Kate Stavropoltseva](#)
Subject: 237B Advance Blvd.
Date: September 19, 2022 4:32:20 PM
Attachments: [Letter of intent 237B Advance Boulevard - redacted2.pdf](#)
[Health Canada Licence Application at 237B Advance Blvd.pdf](#)
[image011.png](#)
[image012.png](#)
[image013.png](#)
[image014.png](#)
[image015.png](#)

Counsel,

We write to you regarding the receivership order for 237B Advance Blvd. (the “Subject Property”) that is set to become active tomorrow.

As you know from our client’s prior redacted term sheet, our client was working with an “A” bank for a loan commitment that would payout your client in full. These efforts did not result in a commitment being issued. Therefore, our client has now agreed to (and paid the deposit on) a private loan commitment that, along with the Subject Property, relies on several collateral properties to provide a large enough sum to payout your client in full. That private loan commitment is attached in redacted form.

Furthermore, the main challenge with the Subject Property relates to a Health Canada cannabis licence that was unfortunately revoked during the initial acquisition process when the Subject Property was in the previous receivership. Our client has diligently pursued a new Health Canada cannabis licence (the “HC Licence”) since acquiring the Subject Property. It is evident that the Subject Property is much more valuable with a HC Licence in place. Approval of the HC Licence is now imminent, as you will see from the attached email from David Hyde, who is the principal for the pre-eminent cannabis licencing advisory in Canada.

We request that you consider extending the deadline for instituting a receivership over the Subject Property, to allow for the loan commitment to be consummated and your client paid out in full, and to allow for the HC Licence to be issued. The commencement of a receivership at the Subject Property may jeopardize the HC Licence and make it necessary for any other buyer to start from the beginning of what is a lengthy and complex process to obtain such a licence.

We believe the Subject Property may be sellable for \$7.0M with the HC Licence in place and \$5.0M without the HC Licence. In view of the foregoing, we request an additional forty five (45) days before proceeding with the receivership over the Subject Property.

We look forward to your prompt reply.

All the Best,

RYAN ATKINSON



ATKINSON LAW

BARRISTER & SOLICITOR
ATKINSON LAW PROFESSIONAL CORPORATION

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 ryan@atkinsonlaw.ca
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THIS IS EXHIBIT "I" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

Health
CanadaSanté
Canada

PROTECTED B / PROTÉGÉ B

Licence No. - N° de licence
[REDACTED]

LICENCE

This licence is issued in accordance with the *Cannabis Act* and *Cannabis Regulations*

LICENCE

Cette licence est délivrée conformément à la *Loi sur le cannabis* et le *Règlement sur le cannabis*

Licence Holder / Titulaire de la licence :
1000034179 Ontario Corporation

Licensed Site / Lieu autorisé :
237B ADVANCE BOULEVARD
BRAMPTON, ON, CANADA, L6T 4J2

The above-mentioned person is authorized to conduct, at the site specified on this licence, the activities listed below for the following licence classes and subclasses.

La personne susmentionnée est autorisée à effectuer, sur le site spécifié sur cette licence, les activités énumérées ci-dessous pour les catégories et les sous-catégories de licence suivantes.

Standard Cultivation

Culture standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To obtain dried cannabis, fresh cannabis, cannabis plants or cannabis plant seeds by cultivating, propagating and harvesting cannabis For the purposes of testing, to obtain cannabis by altering its chemical or physical properties by any means To sell cannabis in accordance with subsection 11(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Obtenir du cannabis séché, du cannabis frais, des plantes de cannabis ou des graines provenant de telles plantes par la culture, la multiplication et la récolte de cannabis Afin d'effectuer des essais sur du cannabis, obtenir du cannabis par l'altération, par tout moyen, de ses propriétés physiques ou chimiques Vendre du cannabis en vertu du paragraphe 11(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled "Mandatory cannabis testing for pesticide active ingredients - Requirements".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences ».

Standard Processing

Transformation standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To produce cannabis, other than obtain it by cultivating, propagating or harvesting it To sell cannabis in accordance with subsection 17(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Produire du cannabis, sauf en l'obtenant par la culture, la multiplication et la récolte Vendre du cannabis en vertu du paragraphe 17(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled "Mandatory cannabis testing for pesticide active ingredients - Requirements".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences ».
The only cannabis products that the licence holder may sell or distribute to (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; and fresh cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut vendre ou distribuer (i) à un titulaire d'une licence de vente et (ii) à une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; et cannabis frais.
The only cannabis products that the licence holder may send or deliver to the purchaser at the request of (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; and fresh cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut expédier ou livrer à l'acheteur à la demande (i) d'un titulaire d'une licence de vente et (ii) d'une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; et cannabis frais.

Acting Director, Licensing and Security, Controlled Substances and Cannabis Branch

Directrice par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

Canada



Sale for Medical Purposes

Vente à des fins médicales

Activities	Activités
<ul style="list-style-type: none">• To possess cannabis• To sell cannabis products in accordance with section 27 and Part 14, Division 1 of the Cannabis Regulations	<ul style="list-style-type: none">• Avoir du cannabis en sa possession• Vendre des produits du cannabis en vertu de l'article 27 et la section 1 de la partie 14 du Règlement sur le cannabis
Conditions	Conditions
N/A	nd

Indoor Area(s) / Zone(s) intérieure(s)

The possession of cannabis and the other activities mentioned above are authorized in the following building(s) / La possession de cannabis et les autres activités mentionnées ci-haut sont autorisées dans les bâtiment(s) suivant(s) :

Building One

Effective date of the licence:

This licence is effective as of **September 23, 2022**

Date d'entrée en vigueur de la licence:

Cette licence entre en vigueur à compter du **23 septembre 2022**

Expiry date of the licence:

This licence expires on **September 23, 2027**

Date d'expiration de la licence:

La présente licence expire le **23 septembre 2027**

Acting Director, Licensing and Security, Controlled Substances and Cannabis Branch

Directrice par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

THIS IS EXHIBIT "J" REFERRED TO IN
THE AFFIDAVIT OF VOLODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

THE BANKRUPTCY AND INSOLVENCY ACT

NOTICE AND STATEMENT OF RECEIVER (*Subsections 245(1) and 246(1) of the Act*)

**In the Matter of the Receivership of
12411300 CANADA INC.
of the City of Oakville, Regional Municipality of Halton
in the Province of Ontario**

THE RECEIVER GIVES NOTICE AND DECLARES THAT:

1. On the 20th day of September 2022, we, CROWE SOBERMAN INC. (the “**Receiver**”) became appointed as the Receiver as it relates to all of the assets, undertakings and property of 12411300 Canada Inc. (“the **Debtor**”) acquired for or used in relation to a business carried on by the Debtor, including all proceeds thereof (the “**Property**”). To the Receiver’s knowledge, as at the date of this Notice, the Property consists of Real Property located at 237B Advance Blvd. Brampton, ON L6T 4TJ (the “**Real Property**”) and the equipment and furniture and fixtures located therein.
2. The undersigned became a Receiver in respect of the Property of the Debtor by virtue of being appointed by the Appointment Order of the Honourable Mr. Justice P. Cavanagh dated July 22, 2022 (The Receiver’s powers were stayed for sixty (60) days, and accordingly, the stay was lifted on September 20, 2022). A copy of the Court Order is available on our website dedicated to the proceeding at:
<https://www.crowe.com/ca/crowesoberman/insolvency-engagements/12411300-canada-inc>
3. The undersigned took possession or control of the Property on the 20th day of September, 2022. The Receiver intends to sell the assets, undertakings and property of 12411300 Canada Inc.
4. The following information relates to the receivership:
 - (a) Address and location of insolvent person: 450 Sandlewood Rd, Oakville, ON L6L 3S4
 - (b) Principal line of business: Manufacturer of medicinal products
 - (c) Location of the business: 237B Advance Blvd. Brampton, ON L6T 4TJ
 - (d) Amounts owed by the Debtor to each creditor who holds a security over the Property:
 - 1) **Triple-I Capital Partners Limited- \$6,865,154 (as of July 2022); and**
 - 2) **Second Mortgagees: Elena Narskaia, Evgenia Provad, Yury Goltsman, Tatyana Bershak, Svetlana Sheiman, Elena Nalbandyan, Elena Kotliarenko, and Ilya Avrutov - \$2,000,000.**
 - (e) Legal counsel to 12411300 Canada Inc. has advised the Receiver that there are no other significant creditors of the insolvent person.
 - (f) Contact Person for Receiver: Daniel Posner
Telephone: 416-644-8447
Email: daniel.posner@crowesoberman.com
Fax: 416-929-2555

Dated at Toronto, Ontario, this 30th day of September, 2022.

Daniel Posner

**CROWE SOBERMAN INC.
Licensed Insolvency Trustee
Receiver for
12411300 CANADA INC.**

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR. JUSTICE) FRIDAY, THE
)
P. CAVANAGH) 22 DAY OF JULY, 2022

TRIPLE-I CAPITAL PARTNERS LIMITED

Applicant

- and -

12411300 CANADA INC.

Respondent

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

**ORDER
(appointing Receiver)**

THIS MOTION made by Triple-I Capital Partners Limited 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 Crowe Soberman Inc. as receiver and manager (in such capacities, the “**Receiver**”) without security, of the Real Property and Personal Property (each as defined below) of 12411300 Canada Inc. (the “**Debtor**”) was heard this day by video conference.

ON READING the affidavit of Alfred Tong sworn July 21, 2022, and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, counsel for the proposed Receiver, counsel for the Debtor, counsel for the second mortgagee, and such other parties listed on the counsel slip, no one else appearing although duly

served as appears from the affidavit of service of Aram Simovonian sworn July 21, 2022, and on reading the consent of Crowe Soberman Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

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

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

applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$150,000, 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;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the Property, or otherwise related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or

regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post

Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a

charge (the “**Receiver’s Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

SERVICE AND NOTICE

21. **THIS COURT ORDERS** that the Guide Concerning Commercial List E-Service (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 <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 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

22. **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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

23. **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.

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

25. **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.

26. **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.

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

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

29. **THIS COURT ORDERS** that the Receiver, its counsel and counsel for the Applicant may serve or distribute this Order, or any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the creditors or any other stakeholders or interested parties of the Debtor and its advisors (if any). For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 8100-2-175 (SOR/DORS).

THE STAY OF THIS ORDER

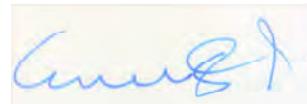
30. **THIS COURT ORDERS** that the exercise of the Receiver's powers as set out above are stayed for sixty (60) days from the date of this Order ("Stay Period"), provided that, the following terms are met:

- (a) On or before August 1, 2022, the Debtor shall pay all arrears of mortgage interest being the sum of \$189,247.32;
- (b) On or before August 1, 2022, the Debtor shall repay the Applicant/Moving Party the sum of \$53,173.86 plus simple interest of 12.5% calculated from May 10, 2022 to August 1, 2022;

- (c) On or before August 1, 2022, the Debtor shall pay to the Applicant/Moving Party \$25,000 as a partial payment for the legal fees, expenses and costs of the Applicant, the Receiver, and counsel for the Receiver;
- (d) The Debtor shall allow the Applicant/Moving Party, and its consultants, servants and employees, to attend the mortgaged premises located at 237B Advance Blvd. Brampton, ON L6T 4TJ between the hours of 9:00 a.m. and 5:00 p.m. on July 25, 2022 to inspect the premises and the chattels and equipment located therein;
- (e) The Debtor shall redeem the mortgage and pay to the Applicant/Moving Party its allowable fees, charges and expenses.

31. **THIS COURT ORDERS** that the Stay Period shall terminate and shall be lifted and this Order shall have full force and effect on the earlier of:

- (a) A breach of or noncompliance with the terms set out in paragraph 30 during the Stay Period; or
- (b) The sixty-days day (60) day of the Stay Period, being September 20, 2022.

A digital signature in blue ink, appearing to read "Cavanagh", is enclosed in a light blue rectangular box.

Digitally signed by
Mr. Justice Cavanagh

TRIPLE-I CAPITAL PARTNERS LIMITED
Applicant

12411300 CANADA INC
and Respondent

Court File No.: CV-22-00684372-00CL

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

Proceeding commenced at Toronto

**ORDER
(appointing Receiver)**

SCALZI PROFESSIONAL CORPORATION

868A Eglinton Avenue West
Toronto, Ontario M6C 2B6
Carmine Scalzi (LSO #: 52379S)
Tel: (416)-548-7989
Fax: (416) 548-7969
cscalzi@scalzilaw.com

Lawyers for the Applicant

MASON CAPLAN ROTI LLP

123 Front Street West, Suite 1204
Toronto, Ontario M5J 2M2
Gary M. Caplan (LSO #: 19805G)
Tel: (416) 596-7796
gcaplan@mcr.law

Agents for Scalzi PC

SERVICE LIST

TO: **SCALZI PROFESSIONAL CORPORATION**
868A Eglinton Avenue West
Toronto, Ontario M6C 2B6

Carmine Scalzi (LSO #: 52379S)
Tel: (416) 548-7989
cscalzi@scalzilaw.com

Lawyers for the Applicant

-and-

MASON CAPLAN ROTI LLP
123 Front Street West, Suite 1204
Toronto, Ontario M5J 2M2

Gary M. Caplan (LSO #: 19805G)
Tel: (416) 596-7796
gcaplan@mcr.law

Lawyer acting as agent to
Scalzi Professional Corporation

AND TO: **12411300 CANADA INC.**
450 Sandlewood Road
Oakville, ON L6L 3S4

-AND-

12411300 CANADA INC
c/o Volodymir Burko
450 Sandlewood Road
Oakville, ON L6L 3S4

Respondent

AND TO: **VOLODYMIR BURKO**
450 Sandlewood Road
Oakville, ON L6L 3S4

AND TO: **ATKINSON LAW**
17 Cosmo Rd.
Toronto, ON M8X 1Z3

Ryan Atkinson
Tel: 416-900-1252
ryan@atkinsonlaw.ca

Counsel to the Debtor

AND TO: **CROWE SOBERMAN LLP**
2 St. Clair Ave. E.
Suite 1100
Toronto ON M4T 2TG

Hans Rizarri
Tel : 416 964-7633
Hans.Rizarri@CroweSoberman.com

Proposed Receiver

AND TO: **MILLER THOMSON LLP**
40 King Street West, Suite 5800,
Toronto ON M5H 3S1
Tel: 416.595.8500
Fax: 416.595.8695

Kevin D. Sherkin LSO#: 27099B
ksherkin@millerthomson.com

Monica Faheim LSO #82213R
mfaheim@millerthomson.com

Counsel to the Proposed Receiver,
Crowe Soberman LLP

AND TO: **7925395 CANADA CORPORATION**
330 Bronte Street South, Unit 104
Milton, ON L9T 7X1

-AND-

7925395 CANADA CORPORATION
c/o Volodymir Burko
450 Sandlewood Road
Oakville, ON L6L 3S4

AND TO: **TS PHARMACEUTICAL LTD.**
597 Water Street
Simcoe, ON N3Y 4K1

-AND-

TS PHARMACEUTICAL LTD.
c/o Tacquinn David Soochan
597 Water Street
Simcoe, ON N3Y 4K1

AND TO: **TACQUINN DAVID SOOCHAN**
597 Water Street
Simcoe, ON N3Y 4K1

AND TO: **ELENA NARSKAIA**
16 Elgin St., Suite #232
Thornhill, ON, L3T 4T4

AND TO: **EVGUENIA PROVAD**
773 Freemont Court
Innisfil, ON L9S 0K4

AND TO: **YURY GOLTSMAN**
2514 Tillings Rd.
Pickering, ON L1X 0C5

AND TO: **TATYANA BERSHAK**
33 Kingshill Rd.
Richmond Hill, ON L4E 4B1

AND TO: **SVETLANA SHEIMAN**
125 Walter Sinclair Ct.
Richmond Hill, ON L4E 0X4

AND TO: **ELENA NALBANDYAN**
1262 Cornerbrook Pl.
Mississauga ON L5C 3J4

AND TO: **ELENA KOTLIARENKO**
31 Amberhill Way
Aurora, ON L4G 7E1

AND TO: **ILYA AVRUTOV**
21 Haley Crt.
Thornhill ON L4J 6A3

AND TO: **MINISTRY OF FINANCE**
Legal Services Br.,
33 King Street West, 6th Floor PO Box 627, Stn. A
Oshawa, ON L1H 8H5

insolvency.unit@ontario.ca

AND TO: **DEPARTMENT OF JUSTICE**
3400-130 King Street West
Tax Section, PO Box 36, Exchange Tower
Toronto, Ontario M5X 1K6

Diane H. A. Winters
Tel: 416.973.3172
Fax: 416.973.0810
diane.winters@justice.gc.ca

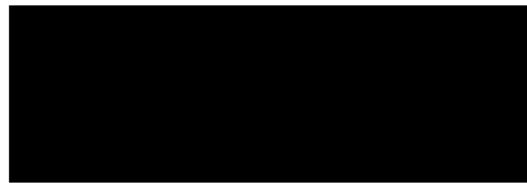
AND TO: **MICHAEL AMURJUEV**
amurjuevlaw@gmail.com

AND TO: **SARA AGHABAB**
s.aghabab@kpmanenterprise.com

THIS IS EXHIBIT "K" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON



September 23, 2022

12411300 Canada Inc.
237B Advance Blvd.
Brampton, ON
L6T 4J2

Attention: Volodymyr Burko

Re: Term Sheet – Credit Facility of CDN \$6,000,000 for 12411300 Canada Inc.

This Term Sheet will provide you with the terms and conditions of a Credit Facility that [REDACTED] (the "Lender") will provide, subject to satisfactory completion of our due diligence, credit committee approval and the execution of the appropriate legal documentation.

BORROWER: **12411300 Canada Inc.** (the "Borrower")

GUARANTORS: [REDACTED], [REDACTED] **Volodymyr Burko** and [REDACTED] (the "Guarantors")

PURPOSE OF FINANCING: Bridge financing to refinance existing creditors.

PROPOSED FINANCING: Demand loan in the maximum amount of **CDN \$6,000,000** (the "Credit Facility").

INTEREST: TD prime lending rate plus 9.4% per annum, payable monthly and calculated on the daily balance outstanding under the Credit Facility.

TERM: 12 month facility with a minimum term of 2 months. Open facility after 2 months.

PAYMENT: Monthly interest only payments with a balloon payment end of term.

DOCUMENTATION AND SECURITY: The Borrower shall provide or cause to be provided, the security and agreements listed below, in form and substance satisfactory to the Lender, including, but not limited to:

- a. Loan Agreement;
- b. Promissory Note;
- c. General Security Agreement;
- d. Collateral Mortgage in the amount of \$6,000,000 against the property located at 237B Advance Blvd, Brampton, ON, registered in 1st position;
- e. Collateral Mortgage in the amount of \$6,000,000 against the properties listed in Schedule "1", registered in 3rd position;
- f. Guarantee and postponement of claims from the Guarantors and other shareholders in the full amount of the Credit Facility, supported by General Security Agreements;



- g. Pre-authorized debit agreement;
- h. Assignment of rents and leases;
- i. Assignment of insurance with 1st and 3rd loss payable to the Lender against the assets of the borrower as applicable; and
- j. Such further security and other documentation that the Lender and its solicitor may reasonably require.

ASSIGNMENTS: The Lender may assign or transfer or grant participations in its rights or obligations in whole or in part at any time without notice to or consent of the Borrower.

ONGOING REPORTING: The Borrower and Guarantors will provide such financial and other information as the Lender may reasonably request, from time to time, including, but not limited to:

- i. Monthly bank statements;
- ii. Monthly internally prepared financial statements;
- iii. Monthly Accounts Receivable and Accounts Payable listings; and
- iv. Evidence of payment of all government priority payables within 15 days of their respective due dates.

ONGOING COVENANTS: The Borrower and Guarantors shall pay when due all statutory liens, trust and other Crown claims including employee source deductions, GST, PST, EHT, WEPPA, property taxes and WSIB premiums.

CONDITIONS: Availability of any borrowings is conditional upon, but not limited to:

- a. Acceptance by the Borrower of this Term Sheet and receipt of the due diligence fee;
- b. Approval of the transaction by the Lender's Credit Committee;
- c. Guarantor to provide a personal financial statement and a recent credit report through Equifax online;
- d. Satisfactory inspection of the assets pledged by the Borrower;
- e. Delivery and registration of the Security in a form acceptable to the Lender; and
- f. The Borrower having paid statutory liens, trust and other Crown Claims including employee source deductions, GST, PST, EHT, amounts due under Wage Earner Protection Plan Act ("WEPPA") and Workplace Safety and Insurance Board ("WSIB") premiums.

FACILITY FEE: 2.5% of the approved Credit Facility to be deducted from the proposed advance upon closing. In addition to the Facility Fee, a monthly monitoring fee of \$500 is due and payable on the last business day of each calendar month.

REFERRAL FEE: 0.75% of the approved Credit Facility to be deducted from the proposed advance upon closing payable to Swoop Funding.

**DUE DILIGENCE /
APPRAISAL FEE:**

Borrower shall pay a non-refundable due diligence / appraisal fee upon acceptance of this Term Sheet in the amount of \$5,000.

LEGAL FEES:

The Borrower will be responsible for all of the Lender's legal fees incurred in respect of the Credit Facility. A legal quote can be provided upon the Lender's approval of the transaction.

ACCEPTANCE:

This Term Sheet must be accepted by the Borrower by no later than 5pm MST on Monday, September 16th, 2022 after which the offer will expire.

Yours truly,

[REDACTED] _____
[REDACTED]
[REDACTED].

On behalf of **12411300 Canada Inc.** I agree with the terms and conditions as stated above:

DocuSigned by:

Volodymyr Burko

FB6E221237BE40E...

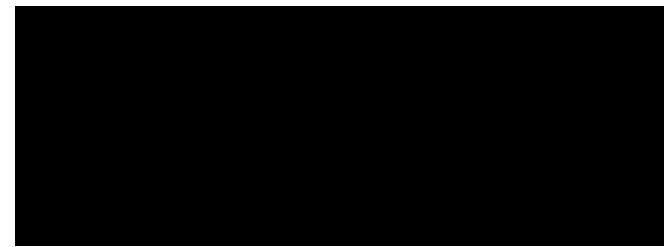
Per: Volodymyr Burko

9/29/2022

Date: _____, 2022

SCHEDULE “1”

- [REDACTED]



October 7, 2022

12411300 Canada Inc.

237B Advance Blvd.
Brampton, ON
L6T 4J2

Attention: Volodymyr Burko

Re: Commitment Letter – Credit Facility of CDN \$6,000,000 for 12411300 Canada Inc.

This Commitment Letter will provide you with the terms and conditions of a Credit Facility that [REDACTED]. (the "Lender") will provide, subject to the execution of the appropriate legal documentation.

BORROWER: **12411300 Canada Inc.** (the "Borrower")

GUARANTORS: [REDACTED] **., Volodymyr Burko and [REDACTED]** (the "Guarantors")

PURPOSE OF FINANCING: Bridge financing to refinance existing creditors.

PROPOSED FINANCING: Demand loan in the maximum amount of **CDN \$6,000,000** (the "Credit Facility").

INTEREST: TD prime lending rate plus 9.4% per annum, payable monthly and calculated on the daily balance outstanding under the Credit Facility.

TERM: 12 month facility with a minimum term of 2 months. Open facility after 2 months.

PAYMENT: Monthly interest only payments with a balloon payment end of term.

DOCUMENTATION AND SECURITY: The Borrower shall provide or cause to be provided, the security and agreements listed below, in form and substance satisfactory to the Lender, including, but not limited to:

- a. Loan Agreement;
- b. Promissory Note;
- c. General Security Agreement;
- d. Collateral Mortgage in the amount of \$6,000,000 against the property located at 237B Advance Blvd, Brampton, ON, registered in 1st position;
- e. Collateral Mortgage in the amount of \$6,000,000 against the properties listed in Schedule "1", registered in 3rd position;
- f. Guarantee and postponement of claims from the Guarantors and other shareholders in the full amount of the Credit Facility, supported by General Security Agreements;

- g. Pre-authorized debit agreement;
- h. Assignment of rents and leases;
- i. Assignment of insurance with 1st and 3rd loss payable to the Lender against the assets of the borrower as applicable; and
- j. Such further security and other documentation that the Lender and its solicitor may reasonably require.

ASSIGNMENTS:

The Lender may assign or transfer or grant participations in its rights or obligations in whole or in part at any time without notice to or consent of the Borrower.

ONGOING REPORTING:

The Borrower and Guarantors will provide such financial and other information as the Lender may reasonably request, from time to time, including, but not limited to:

- i. Monthly bank statements;
- ii. Monthly internally prepared financial statements;
- iii. Monthly Accounts Receivable and Accounts Payable listings; and
- iv. Evidence of payment of all government priority payables within 15 days of their respective due dates.

ONGOING COVENANTS:

The Borrower and Guarantors shall pay when due all statutory liens, trust and other Crown claims including employee source deductions, GST, PST, EHT, WEPPA, property taxes and WSIB premiums.

CONDITIONS:

Availability of any borrowings is conditional upon, but not limited to:

- a. Acceptance by the Borrower of this Commitment Letter and receipt of the legal deposit;
- b. Completion of satisfactory legal diligence, including execution of all legal documents necessary to perfect the Lender's security position;
- c. Satisfactory inspection of the assets pledged by the Borrower, including in person meeting with Volodymyr Burko;
- d. Comfort letter to be provided by [REDACTED] confirming 1st position mortgage against the property located at [REDACTED] will not be re-advanced above \$1,500,000;
- e. Comfort letter to be provided by [REDACTED], confirming 2nd position mortgage against the property located at [REDACTED] will not be re-advanced above \$1,250,000;
- f. Postponement of the Elena Narskaia, Evguenia Provad, Yury Goltsman, Tatyana Bershak, Svetlana Sheiman, and Elena Nalbandyan, mortgage registration on the property located at 237B Advance Blvd, Brampton, ON, in favour of the Lender;
- g. That \$2,837.46 of the Funds, or whatever amount is necessary, be used for the payout of all outstanding HST arrears owed by [REDACTED] to the Canada Revenue Agency;

- h. That \$587.89 of the Funds, or whatever amount is necessary, be used for the payout of all outstanding Federal Corporate Tax arrears owed by [REDACTED] to the Canada Revenue Agency;
- i. Clear property tax certificates, satisfactory to Lender;
- j. All remaining diligence questions and requests, satisfactory to Lender;
- k. Delivery and registration of the Security in a form acceptable to the Lender; and
- l. The Borrower having paid statutory liens, trust and other Crown Claims including employee source deductions, GST, PST, EHT, amounts due under Wage Earner Protection Plan Act ("WEPPA") and Workplace Safety and Insurance Board ("WSIB") premiums.

FACILITY FEE:

2.5% of the approved Credit Facility to be deducted from the proposed advance upon closing. In addition to the Facility Fee, a monthly monitoring fee of \$500 is due and payable on the last business day of each calendar month.

REFERRAL FEE:

0.75% of the approved Credit Facility to be deducted from the proposed advance upon closing payable to Swoop Funding.

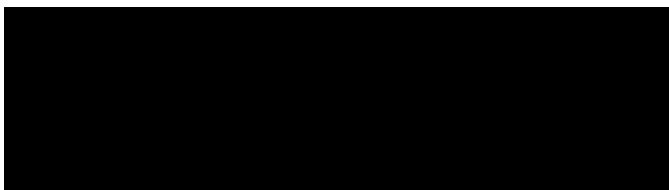
LEGAL FEES:

The Borrower will be responsible for all of the Lender's legal fees incurred in respect of the Credit Facility. Borrower shall pay a legal deposit of \$10,000 upon acceptance of this commitment letter.

ACCEPTANCE:

This Commitment Letter must be accepted by the Borrower by no later than 5pm MST on Wednesday, October 12th, 2022 after which the offer will expire.

Yours truly,



On behalf of **12411300 Canada Inc.** I agree with the terms and conditions as stated above:

DocuSigned by:

Volodymyr Burko
FB6E221237BE40E...

Per: Volodymyr Burko

10/8/2022

Date: _____, 2022

SCHEDULE “1”

1.

- [REDACTED]

THIS IS EXHIBIT "L" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON



Atkinson Law Professional Corporation

Ryan J. Atkinson, B.Sc. (Hons), J.D., LL.B.
Jessica L. Davidson, B.A. (Hons.), LL.B.
Avi J. Freedland B.Sc. (Hons), J.D.
Katrina A. Paray B.A., LL.B.
Saurabh Singhal, B.A. (Hons), LL.B.
Law Clerks: Jennifer Lalonde
Kate Stavropoltseva

October 10, 2022

12411300 Canada Inc.
237B Advance Blvd.
Brampton, ON L6T 4J2

Re: Trust funds for refinance of the Property
237B Advance Blvd., Brampton, ON L6T 4J2 (the “Property”)
Our File No.: 1758-0029

TRUST LEDGER STATEMENT

Transfer from 1876932 Ontario Limited account to 12411300 Canada Inc.

Account	\$150,000.00
Wire Transfer from 12311300 Canada Inc., to be received on	
October 11, 2022	\$500,000.00
Wire Deposit from Vladimir Sheluchin	\$300,000.00
Funds held to the credit of 12411300 Canada Inc. to refinance the Property	\$950,000.00
	\$950,000.00
	\$950,000.00

THIS IS OUR STATEMENT HEREIN
Atkinson Law Professional Corporation

Ryan Atkinson
RA:af
E. & O. E.



Transaction Record
Relevé des opérations

Receipt

Current Date: Oct 08, 2022 01:39 PM
Posting Date: Oct 11, 2022
Transit/Operator: 00662 YW00203

Deposit
To: 01822 ***8612

Total Cheques: \$300,000.00

Deposit Summary
Total Cheques: \$300,000.00
Amount: \$300,000.00

10358 (0521)

Customer's Record of Draft P

The Toronto-Dominion Bank

938 KING STREET WEST HAMILTON, ON L8S 1K8
MR VLADIMIR SHELUCHIN

Purchaser _____

37513

2022-10-08

DATE

YYYYMMDD

346-03751389

Transit-Serial No.

\$ ****300,000.

Pay to the
Order of _____

ATKINSON LAW PROFESSIONAL CORPORATION IN

TRUST

THREE HUNDRED THOUSAND**00/100

Canadian

Authorized signature required for amounts over CAD \$5,000.00

Re _____

The Toronto-Dominion Bank
Toronto, Ontario
Canada M5K 1A2

Important

- Handle original draft with care; unlike a cheque, a stop payment cannot be issued.
- To reduce the risk of a draft being lost, please consider using registered mail.
- To replace a lost or stolen draft additional security may be required, at a cost.
- Do not destroy original draft and customer's record of draft purchased.

Receipt Only - Non Negotiable
Please retain for presentation in event Original lost



Atkinson Law Professional Corporation

Ryan J. Atkinson, B.Sc. (Hons), J.D., LL.B.
Jessica L. Davidson, B.A. (Hons.), LL.B.
Avi J. Freedland B.Sc. (Hons), J.D.
Katrina A. Paray B.A., LL.B.
Saurabh Singhal, B.A. (Hons), LL.B.
Law Clerks: Jennifer Lalonde
Kate Stavropolseva

October 10, 2022

TRANSFER SLIP

Debit: \$150,000.00 from 1876932 Ontario Limited to 12411300 Canada Inc.

Date of transfer: **October 10, 2022**

Total transfer amount: **\$150,000.00**

Ryan Atkinson
RA

THIS IS EXHIBIT "M" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

From: [REDACTED]
To: [Ryan Atkinson](#); [Vlad Burke](#)
Cc: [REDACTED]
Subject: RE: [REDACTED] Commitment Letter
Date: October 7, 2022 3:05:37 PM
Attachments: [REDACTED]

Hi Ryan,

Given next week is a short week I don't think it's realistic to close next week. The following week shouldn't be an issue. Better to be conservative on timing when communicating with the current lender.

Thank you,

[REDACTED]
Assistant Vice President, Sales - Ontario and Eastern Canada
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

From: Ryan Atkinson <ryan@atkinsonlaw.ca>

Sent: October 7, 2022 2:42 PM

To: [REDACTED] Vlad Burke <vlad@vbgp.ca>

Cc: [REDACTED]
[REDACTED]
[REDACTED]

Subject: RE: [REDACTED] Commitment Letter

Thanks very much [REDACTED]. We expect to have the signed Commitment and legal deposit completed today.

[REDACTED]
My office will be doing the legal work on the borrower side.

Let us know if closing by the end of next week is realistic, we can move quickly to clear conditions.

Happy Thanksgiving to all. Cheers.

All the Best,
Ryan Atkinson

THIS IS EXHIBIT "N" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PCL D-32, SEC M269 ; FIRSTLY ; PT BLK D, PL M269 , PART 3 , 43R20236 , ; SECONDLY ; PT BLK D, PL M269 , PART 4 , 43R20236 ; T/W PT 2, 43R20236 AS IN LT1503956; S/T PT 3, 43R20236 IN FAVOUR OF PTS 1 & 2, 43R20236 AS IN LT1503956; S/T DP2708 ;; CITY OF BRAMPTON

PROPERTY REMARKS: CORRECTION: INSTRUMENT NUMBER LT287990 WAS ENTERED IN ERROR AGAINST THIS PROPERTY AND WAS REMOVED AND CERTIFIED ON 1998/01/16 BY SKY DARKEVICS.
 CORRECTION: INSTRUMENT NUMBER TT144298 WAS OMITTED FROM THIS PROPERTY IN ERROR AND WAS ADDED AND CERTIFIED ON 1998/01/16 BY SKY DARKEVICS.

ESTATE/QUALIFIER:
 FEE SIMPLE
 ABSOLUTE

RECENTLY:
 FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
 1996/04/11

OWNERS' NAMES
 12411300 CANADA INC.

CAPACITY SHARE
 ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
EFFECTIVE	2000/07/29	THE NOTATION OF THE	"BLOCK IMPLEMENTATION DATE" OF 1996/04/11 ON THIS PIN			
WAS REPLACED WITH THE		"PIN CREATION DATE"	OF 1996/04/11			
** PRINTOUT	INCLUDES ALL	DOCUMENT TYPES AND	DELETED INSTRUMENTS SINCE 1996/04/10 **			
TT74437	1953/06/01	NOTICE				C
	REMARKS: TORONTO-MALTON AIRPORT ZONING					
TT91081	1955/09/29	NOTICE				C
	REMARKS: AMENDING TT74437					
TT120053	1959/06/15	NOTICE				C
	REMARKS: AMENDMENT OF TORONTO-MALTON AIRPORT ZONING REGULATIONS AMENDED 960306 BY K. BARBISON, DLR					
TT144298	1962/03/13	NOTICE				C
	REMARKS: AMENDMENT OF TORONTO-MALTON AIRPORT ZONING REGULATIONS, AMENDED BY K. BARBISON DLR 96 03 06					
VS248789	1973/02/12	NOTICE				C
	REMARKS: AMENDMENT OF TORONTO-MALTON AIRPORT ZONING REGULATIONS LT248789 AMENDED TO READ 248789VS 95/11/14 KATHY POWER					
LT239806	1979/10/23	NOTICE			THE CORPORATION OF THE CITY OF BRAMPTON THE REGIONAL MUNICIPALITY OF PEEL	C
LT343695	1981/09/25	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF BRAMPTON	C
LT1080132	1989/12/06	NOTICE			THE CORPORATION OF THE CITY OF BRAMPTON	C
LT1085057	1989/12/22	NOTICE OF LEASE		*** COMPLETELY DELETED ***	YOUR HOST CATERERS LIMITED	
LT1085058	1989/12/22	NOTICE OF LEASE		*** COMPLETELY DELETED ***	YOUR HOST CATERERS LIMITED	

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
LT1085060	1989/12/22	CHARGE		*** COMPLETELY DELETED ***	ROYNAT INC.	
LT1085061	1989/12/22	NOTICE		*** COMPLETELY DELETED ***		
LT1200935	1991/02/26	CHARGE		*** COMPLETELY DELETED ***	ROYNAT INC.	
LT1457669	1993/12/14	CHARGE		*** COMPLETELY DELETED ***	LIJOI, VINCENZO	
43R20236	1994/01/31	PLAN REFERENCE				C
LT1503956	1994/07/25	TRANSFER		*** COMPLETELY DELETED ***	FUDA, SALVATORE	
		REMARKS: CONSENT OF THE LAND DIVISION COMMITTEE OF THE	REGIONAL MUNICIPALITY OF PEEL			
LT1503957Z	1994/07/25	APL ANNEX REST COV				C
LT1701562	1997/02/19	TRANSFER		*** COMPLETELY DELETED *** FUDA, SALVATORE	NUMBER 5 GROUP INVESTMENTS LIMITED	
LT1701691	1997/02/20	NOTICE OF LEASE		*** COMPLETELY DELETED *** NUMBER 5 GROUP INVESTMENTS LIMITED	YOUR HOST CATERERS (1993) INC.	
		REMARKS: TWO (2) YEARS FROM 96 02 01 TO 98 01 31.				
LT1701764	1997/02/20	DEBENTURE		*** COMPLETELY DELETED *** NUMBER 5 GROUP INVESTMENTS LIMITED	ROYNAT INC.	
LT1701765	1997/02/20	NOTICE		*** COMPLETELY DELETED *** NUMBER 5 GROUP INVESTMENTS LIMITED	ROYNAT INC.	
		REMARKS: DELETED BY CHERYL YOUNG ON 2011/02/11.				
LT1702936	1997/02/26	CHARGE		*** COMPLETELY DELETED *** NUMBER 5 GROUP INVESTMENTS LIMITED	REBOTH INVESTMENTS LTD.	
LT1702937	1997/02/26	NOTICE		*** COMPLETELY DELETED *** NUMBER 5 GROUP INVESTMENTS LIMITED	REBOTH INVESTMENTS LTD.	
		REMARKS: LT1702936 (RENTS).				
LT1708528	1997/03/20	DISCH OF CHARGE		*** COMPLETELY DELETED ***		

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
LT1732850	1997/06/17	DISCH OF CHARGE		LIJOI, VINCENZO *** COMPLETELY DELETED *** ROYNAT INC.		
LT1732851	1997/06/17	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYNAT INC.		
LT1798708	1998/01/16	DISCH PART CHARGE		*** COMPLETELY DELETED *** ROYNAT INC.		
LT1798709	1998/01/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** REBOTH INVESTMENTS LTD.		
LT1798710	1998/01/16	APL (GENERAL)		*** COMPLETELY DELETED *** YOUR HOST CATERERS LIMITED		
LT1798711	1998/01/16	APL (GENERAL)		*** COMPLETELY DELETED *** YOUR HOST CATERERS LIMITED		
LT1798712	1998/01/16	APL (GENERAL)		*** COMPLETELY DELETED *** YOUR HOST CATERERS (1993) LTD.		
LT1798713	1998/01/16	TRANSFER		*** COMPLETELY DELETED *** NUMBER 5 GROUP INVESTMENTS LIMITED	BARTON ENGINEERING INC.	
LT1798714	1998/01/16	CHARGE		*** COMPLETELY DELETED *** BARTON ENGINEERING INC.	ROYAL BANK OF CANADA	
LT1918442	1999/03/03	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		
LT2057426	2000/03/27	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF THE DEPARTMENT OF TRANSPORT CANADA		C
		REMARKS: PEARSON AIRPORT ZONING REGULATION				

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
PR1901888	2010/10/05	CHARGE		*** COMPLETELY DELETED *** BARTON ENGINEERING INC.	ROYAL BANK OF CANADA	
PR1901895	2010/10/05	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** BARTON ENGINEERING INC.	ROYAL BANK OF CANADA	
		REMARKS: PR1901888.				
PR1987276	2011/04/11	LR'S ORDER		*** COMPLETELY DELETED *** LAND REGISTRAR, LRO NO. 43		
		REMARKS: DELETES TT74437, TT91081, TT120053, TT144298, VS248789, LT239806, LT287990, LT343695, LT1080132, LT1085061, LT2708, LT1085057, LT1085058, LT1085060, LT1200935, LT1457669, LT1085062 FROM THE THUMBNAIL DESCRIPTION.				
PR1990083	2011/04/15	TRANSFER		*** COMPLETELY DELETED *** BARTON ENGINEERING INC.	KOZO HOLDINGS INC.	
PR1990084	2011/04/15	CHARGE		*** COMPLETELY DELETED *** KOZO HOLDINGS INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
PR1992735	2011/04/21	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		
		REMARKS: PR1901888.				
PR2151574	2012/02/15	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** KOZO HOLDINGS INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
		REMARKS: PR1990084.				
PR3412559	2018/11/26	APL (GENERAL)		*** COMPLETELY DELETED *** KOZO HOLDINGS INC.		
		REMARKS: DELETE S/T RIGHT OF RE-ENTRY AS IN LT335783 AND LT397286				
PR3412596	2018/11/26	TRANSFER		*** COMPLETELY DELETED *** KOZO HOLDINGS INC.	237B ADVANCE INC.	
		REMARKS: PLANNING ACT STATEMENTS.				
PR3412597	2018/11/26	CHARGE		*** COMPLETELY DELETED *** 237B ADVANCE INC.	KOZO HOLDINGS INC.	
PR3428285	2018/12/31	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
		REMARKS: PR1990084.				
PR3557408	2019/10/22	CONSTRUCTION LIEN		*** COMPLETELY DELETED ***		

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
PR3580547	2019/12/02	NOTICE		CITY ELECTRIC SUPPLY CORPORATION *** COMPLETELY DELETED *** 237B ADVANCE INC.	KOZO HOLDINGS INC.	
		REMARKS: PR3412597				
PR3601940	2020/01/17	CERTIFICATE		*** COMPLETELY DELETED *** CITY ELECTRIC SUPPLY CORPORATION	237B ADVANCE INC. GO GREEN ELECTRIC INC.	
		REMARKS: PR3557408 DELETED ON 2020/09/02				
PR3603000	2020/01/20	CHARGE		*** COMPLETELY DELETED *** 237B ADVANCE INC.	KOZO, HADIS	
PR3630853	2020/03/23	APL COURT ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	ERNST & YOUNG INC.	
PR3638785	2020/04/14	APL COURT ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	ERNST & YOUNG INC.	
PR3650086	2020/05/11	APL COURT ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	A. FARBER & PARTNERS INC.	
PR3693226	2020/08/27	APL DEL CONST LIEN		*** COMPLETELY DELETED *** CITY ELECTRIC SUPPLY CORPORATION		
		REMARKS: PR3557408. PR3601940				
PR3827737	2021/05/04	APL VESTING ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	TS PHARMACEUTICAL LTD.	
PR3827738	2021/05/04	TRANSFER		TS PHARMACEUTICAL LTD.	12411300 CANADA INC.	C
PR3827739	2021/05/04	CHARGE	\$6,400,000	12411300 CANADA INC.	TRIPLE-I CAPITAL PARTNERS LIMITED	C
PR3827740	2021/05/04	NO ASSGN RENT GEN		12411300 CANADA INC.	TRIPLE-I CAPITAL PARTNERS LIMITED	C
		REMARKS: PR3827739.				
PR3969903	2021/12/29	CHARGE	\$2,000,000	12411300 CANADA INC.	NARSKAIA, ELENA PROVAD, EVGUENIA GOLTSMAN, YURY BERSHAK, TATYANA SHEIMAN, SVETLANA NALBANDYAN, ELENA	C

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
PR3969904	2021/12/29	NO ASSGN RENT GEN		12411300 CANADA INC.	KOTLIARENKO, ELENA AVRUTOV, ILYA NARSKAIA, ELENA PROVAD, EVGUENIA GOLTSMAN, YURY BERSHAK, TATYANA SHEIMAN, SVETLANA NALBANDYAN, ELENA KOTLIARENKO, ELENA AVRUTOV, ILYA	C
PR4120793	2022/09/27	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	CROWE SOBERMAN INC.	

REMARKS: PR3969903.

ACKNOWLEDGEMENT AND DIRECTION

TO: Avi Jarrad Freedland, Michael Amurjuev
(Insert lawyer's name)

AND TO: ATKINSON LAW, AMURJUEV LAW PC
(Insert firm name)

RE: Postponement of Interest to new first mortgage - 237b Advance Boulevard ("the transaction")
(Insert brief description of transaction)

This will confirm that:

- I/We have reviewed the information set out in this Acknowledgement and Direction and in the documents described below (the "Documents"), and that this information is accurate;
- You, your agent or employee are authorized and directed to sign, deliver, and/or register electronically, on my/our behalf the Documents in the form attached.
- You are hereby authorized and directed to enter into an escrow closing arrangement substantially in the form attached hereto being a copy of the version of the Document Registration Agreement, which appears on the website of the Law Society of Ontario as the date of the Agreement of Purchase and sale herein. I/We hereby acknowledge the said Agreement has been reviewed by me/us and that I/We shall be bound by its terms;
- The effect of the Documents has been fully explained to me/us, and I/we understand that I/we are parties to and bound by the terms and provisions of the Documents to the same extent as if I/we had signed them; and
- I/we are in fact the parties named in the Documents and I/we have not misrepresented our identities to you.
- I, _____, am the spouse of _____, the (Transferor/Charger), and hereby consent to the transaction described in the Acknowledgment and Direction. I authorize you to indicate my consent on all the Documents for which it is required.

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A Transfer of the land described above.
 A Charge of the land described above.
 Other documents set out in Schedule "B" attached hereto.

Dated at _____, this _____ day of _____, 20 ____.

WITNESS

(As to all signatures, if required)

Serguei Totrov

Serguei Totrov (Oct 7, 2022 13:09 EDT)

Elena Narskaia

Elena Narskaia (Oct 7, 2022 13:05 EDT)

ELENA NARSKAIA

Provad

Provad (Oct 7, 2022 13:39 EDT)

EVGUENIA PROVAD

Yury Goltzman

Yury Goltzman (Oct 7, 2022 13:47 EDT)

YURY GOLTSMAN

Tatyana Bershak

Tatyana Bershak (Oct 7, 2022 13:48 EDT)

TATYANA BERSHAK

Properties

PIN 14027 - 0087 LT
Description PCL D-32, SEC M269 ; FIRSTLY ; PT BLK D, PL M269 , PART 3 , 43R20236 , ;
 SECONDLY ; PT BLK D, PL M269 , PART 4 , 43R20236 ; T/W PT 2, 43R20236 AS IN
 LT1503956; S/T PT 3, 43R20236 IN FAVOUR OF PTS 1 & 2, 43R20236 AS IN
 LT1503956; S/T DP2708 :: CITY OF BRAMPTON
Address 237 B ADVANCE BOULEVARD
 BRAMPTON

Source Instruments

Registration No.	Date	Type of Instrument
PR3969903	2021 12 29	Charge/Mortgage

Party From(s)

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 Acting as an individual
Address for Service 16 Elgin St., Suite #232
 Thornhill, ON, L3T 4T4

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 Acting as an individual
Address for Service 773 Freemont Court
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Address for Service 1262 Cornerbrook Pl.
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Address for Service 31 Amberhill Way
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Name AVRUTOV, ILYA

T.B. *E.P.* *E.N.*

Party From(s)

Address for Service Acting as an individual
21 Haley Crt.
Thornhill ON L4J 6A3

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Party To(s)**Capacity****Share**

Name PILLAR CAPITAL CORP.
Address for Service Acting as a company

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number

Schedule: The applicant postpones the rights under the selected instrument to the rights under a first mortgage in the principal amount of \$6,000,000.00

This document relates to registration number(s)PR3969904

TB *G.J.* *E.P.* *E.N.*
TB G.J. E.P. E.N.

ACKNOWLEDGEMENT AND DIRECTION

TO: Avi Jarrad Freedland, Michael Amurjuev
(Insert lawyer's name)

AND TO: ATKINSON LAW, LANG LAW
(Insert firm name)

RE: Postponement of Interest to new first mortgage - 237b Advance Boulevard ("the transaction")
(Insert brief description of transaction)

This will confirm that:

- I/We have reviewed the information set out in this Acknowledgement and Direction and in the documents described below (the "Documents"), and that this information is accurate;
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- I/we are in fact the parties named in the Documents and I/we have not misrepresented our identities to you.
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A Transfer of the land described above.
 A Charge of the land described above.
 Other documents set out in Schedule "B" attached hereto.

Dated at _____, this _____ day of _____, 20 ____.

WITNESS

(As to all signatures, if required)

Serguei Totrov

Serguei Totrov (Oct 7, 2022 12:55 EDT)

SV

SVETLANA SHEIMAN (Oct 7, 2022 15:06 EDT)

SVETLANA SHEIMAN

Elena

Elena (Oct 7, 2022 13:52 EDT)

ELENA NALBANDYAN

Elena

Elena (Oct 7, 2022 15:40 EDT)

ELENA KOTLIARENKO

Avruto

Avruto (Oct 7, 2022 14:15 EDT)

ILYA AVRUTOV

Properties

PIN 14027 - 0087 LT

Description PCL D-32, SEC M269 ; FIRSTLY ; PT BLK D, PL M269 , PART 3 , 43R20236 , ;
SECONDLY ; PT BLK D, PL M269 , PART 4 , 43R20236 ; T/W PT 2, 43R20236 AS IN
LT1503956; S/T PT 3, 43R20236 IN FAVOUR OF PTS 1 & 2, 43R20236 AS IN
LT1503956; S/T DP2708 ;; CITY OF BRAMPTON

Address 237 B ADVANCE BOULEVARD
BRAMPTON

Source Instruments

Registration No.	Date	Type of Instrument
PR3969903	2021 12 29	Charge/Mortgage

Party From(s)

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Acting as an individual
Address for Service 16 Elgin St., Suite #232
Thornhill, ON, L3T 4T4

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Innisfil, ON L9S 0K4

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Acting as an individual
Address for Service 2514 Tillings Rd.
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Aurora, ON L4G 7E1

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Name AVRUTOV, ILYA

SS EN EK IA
5.5 EN Elen IA

Party From(s)

Address for Service Acting as an individual
21 Haley Crt.
Thornhill ON L4J 6A3

This document is not authorized under Power of Attorney by this party.

Party To(s)**Capacity****Share**

Name PILLAR CAPITAL CORP.
Address for Service Acting as a company

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number

Schedule: The applicant postpones the rights under the selected instrument to the rights under a first mortgage in the principal amount of \$6,000,000.00

This document relates to registration number(s)PR3969904

SS
S.S

EN
EN

E.K
Elen

IA
IA

THIS IS EXHIBIT "O" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

Court File No. CV-22-00684372-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

TRIPLE-I CAPITAL PARTNERS LIMITED

-and-

Applicant

12411300 CANADA INC.

Respondent

AFFIDAVIT OF SERGUEI TOTROV

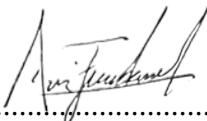
I, Serguei Totrov, of the City of Toronto, make oath and say as follows;

1. I am the mortgage broker for the Second Mortgagees (defined below) and as such have direct knowledge of the matters hereinafter deposed to, except where based upon information and belief, in which case we have stated the source of such information and verily believe such matters to be true.
2. Elena Narskaia, Evguenia Provad, Yury Goltsman, Tatyana Bershak, Svetlana Sheiman, Elena Nalbandyan, Elena Kotliarenko, and Ilya Avrutow (the “**Second Mortgagees**”) are my clients and hold a mortgage on the property municipally known as 237B Advance Boulevard, Brampton, Ontario, L6T 4J2 (the “**Property**”). The Second Mortgagees’ mortgage is registered as instrument PR3969903 (the “**Second Mortgage**”)
3. The Second Mortgagees and I have examined the terms of the new mortgage to be secured on the Property in first position once the applicant Triple-I Capital Partners Limited (“**Triple-I**”) is paid out (the “**New First Mortgage**”).
4. On or about August 22, 2022, 12411300 Canada Inc.’s (the “**Debtor**”) paid \$410,000.00 towards the Second Mortgage and the principal amount owed under the Second Mortgage was reduced from \$2,000,000.00 to \$1,590,000. The Second Mortgagees and I believe

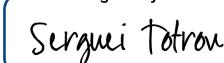
that this good faith payment displays the Debtor's good faith, trustworthiness, and sincere intention to settle their debts in a timely manner.

5. I have consulted with the Second Mortgagees and their advisors and have been informed that they do not expect to recover their investment by a sale of the Property through receivership proceedings. The Second Mortgagees trust that the Debtor is in a position to payout the debts on the Property and that the Second Mortgage is in a better position in the hands of the Debtor as opposed to the receiver appointed over the assets and undertakings of the Debtor, Crowe Soberman Inc. (the "**Receiver**").
6. The Debtor has consistently been responsive and attentive to its debt to the Second Mortgagees and the Debtor maintains a good relationship with the Second Mortgagees and its agents. The Second Mortgagees and I are confident that that the Debtor will repay the Second Mortgage in a timely manner.
7. To our knowledge, the Second Mortgagees and I understand that the Debtor has no other major creditors other than the Second Mortgagees and Triple-I.
8. The Second Mortgagees fully support the Debtor's motion to payout the Triple-I and to discharge the Receiver.
9. The Second Mortgagees have consented to a postponement of the Second Mortgage to the rights and interests of the New Mortgage, which postponement in preparation and the associated acknowledgments and directions are attached hereto as **EXHIBIT A**.
10. I make this affidavit for no improper purpose.

Sworn (*or Affirmed*) before me at the City of Toronto, in the province of Ontario on this 7th day of October, 2022

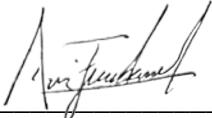
.....


Commissioner for Taking Affidavits
(*or as may be*)

DocuSigned by:

9F36594CB3D242D

SERGEI TOTROV

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF SERGUEI TOTROV SWORN
BEFORE ME
THIS THE 7th DAY OF OCTOBER, 2022



A commissioner, etc.
AVI FREEDLAND

ACKNOWLEDGEMENT AND DIRECTION

TO: Avi Jarrad Freedland, Michael Amurjuev
(Insert lawyer's name)

AND TO: ATKINSON LAW, AMURJUEV LAW PC
(Insert firm name)

RE: Postponement of Interest to new first mortgage - 237b Advance Boulevard ("the transaction")
(Insert brief description of transaction)

This will confirm that:

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- You are hereby authorized and directed to enter into an escrow closing arrangement substantially in the form attached hereto being a copy of the version of the Document Registration Agreement, which appears on the website of the Law Society of Ontario as the date of the Agreement of Purchase and sale herein. I/We hereby acknowledge the said Agreement has been reviewed by me/us and that I/We shall be bound by its terms;
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Dated at _____, this _____ day of _____, 20 ____.

WITNESS

(As to all signatures, if required)

Serguei Totrov

Serguei Totrov (Oct 7, 2022 13:03 EDT)

Elena Narskaiia

Elena Narskaiia (Oct 7, 2022 13:05 EDT)

ELENA NARSKAIA

Provad

Provad (Oct 7, 2022 13:18 EDT)

EVGUENIA PROVAD

Yury Goltsman

Yury Goltsman (Oct 7, 2022 13:19 EDT)

YURY GOLTSMAN

Tatyana Bershak

Tatyana Bershak (Oct 7, 2022 13:19 EDT)

TATYANA BERSHAK

Properties

PIN 14027 - 0087 LT
Description PCL D-32, SEC M269 ; FIRSTLY ; PT BLK D, PL M269 , PART 3 , 43R20236 , ;
 SECONLDY ; PT BLK D, PL M269 , PART 4 , 43R20236 ; T/W PT 2, 43R20236 AS IN
 LT1503956; S/T PT 3, 43R20236 IN FAVOUR OF PTS 1 & 2, 43R20236 AS IN
 LT1503956; S/T DP2708 :: CITY OF BRAMPTON
Address 237 B ADVANCE BOULEVARD
 BRAMPTON

Source Instruments

Registration No.	Date	Type of Instrument
PR3969903	2021 12 29	Charge/Mortgage

Party From(s)

Name NARSKAIA, ELENA
 Acting as an individual
Address for Service 16 Elgin St., Suite #232
 Thornhill, ON, L3T 4T4

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 Acting as an individual
Address for Service 773 Freemont Court
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T.B. *G.G.* *E.P.* *E.N.*

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21 Haley Crt.
Thornhill ON L4J 6A3

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Party To(s)**Capacity****Share**

Name PILLAR CAPITAL CORP.
Address for Service Acting as a company

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number

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This document relates to registration number(s)PR3969904

TB *G.G.* *E.P.* *E.N.*
TB G.G. E.P. E.N.

ACKNOWLEDGEMENT AND DIRECTION

TO: Avi Jarrad Freedland, Michael Amurjuev
(Insert lawyer's name)

AND TO: ATKINSON LAW, LANG LAW
(Insert firm name)

RE: Postponement of Interest to new first mortgage - 237b Advance Boulevard ("the transaction")
(Insert brief description of transaction)

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Dated at _____, this _____ day of _____, 20 ____.

WITNESS

(As to all signatures, if required)

Serguei Totrov

Serguei Totrov (Oct 7, 2022 12:55 EDT)

SV

SVETLANA SHEIMAN (Oct 7, 2022 15:06 EDT)

Elena

Elena (Oct 7, 2022 13:52 EDT)

ELENA NALBANDYAN

Elena

Elena (Oct 7, 2022 15:40 EDT)

ELENA KOTLIARENKO

Avruto

Avruto (Oct 7, 2022 14:15 EDT)

ILYA AVRUTOV

Properties

PIN 14027 - 0087 LT

Description PCL D-32, SEC M269 ; FIRSTLY ; PT BLK D, PL M269 , PART 3 , 43R20236 , ;
SECONDLY ; PT BLK D, PL M269 , PART 4 , 43R20236 ; T/W PT 2, 43R20236 AS IN
LT1503956; S/T PT 3, 43R20236 IN FAVOUR OF PTS 1 & 2, 43R20236 AS IN
LT1503956; S/T DP2708 ;; CITY OF BRAMPTON

Address 237 B ADVANCE BOULEVARD
BRAMPTON

Source Instruments

Registration No.	Date	Type of Instrument
PR3969903	2021 12 29	Charge/Mortgage

Party From(s)

Name NARSKAIA, ELENA
Acting as an individual
Address for Service 16 Elgin St., Suite #232
Thornhill, ON, L3T 4T4

This document is not authorized under Power of Attorney by this party.

Name PROVAD, EVGUENIA
Acting as an individual
Address for Service 773 Freemont Court
Innisfil, ON L9S 0K4

This document is not authorized under Power of Attorney by this party.

Name GOLTSMAN, YURY
Acting as an individual
Address for Service 2514 Tillings Rd.
Pickering ON L1X 0C5

This document is not authorized under Power of Attorney by this party.

Name BERSHAK, TATYANA
Acting as an individual
Address for Service 33 Kingshill Rd.
Richmond Hill, ON L4E 4B1

This document is not authorized under Power of Attorney by this party.

Name SHEIMAN, SVETLANA
Acting as an individual
Address for Service 125 Walter Sinclair Ct.
Richmond Hill, ON L4E 0X4

This document is not authorized under Power of Attorney by this party.

Name NALBANDYAN, ELENA
Acting as an individual
Address for Service 1262 Cornerbrook Pl.
Mississauga ON L5C 3J4

This document is not authorized under Power of Attorney by this party.

Name KOTLIARENKO, ELENA
Acting as an individual
Address for Service 31 Amberhill Way
Aurora, ON L4G 7E1

This document is not authorized under Power of Attorney by this party.

Name AVRUTOV, ILYA

SS EN E.K. IA
S.S. EN Elen IA

Party From(s)

Address for Service Acting as an individual
21 Haley Crt.
Thornhill ON L4J 6A3

This document is not authorized under Power of Attorney by this party.

Party To(s)**Capacity****Share**

Name PILLAR CAPITAL CORP.
Address for Service Acting as a company

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number

Schedule: The applicant postpones the rights under the selected instrument to the rights under a first mortgage in the principal amount of \$6,000,000.00

This document relates to registration number(s)PR3969904

SS *EN* *E.K* *IA*
S.S. EN Elen IA

THIS IS EXHIBIT "P" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

Property Tax Details

Owner Name: 12411300 CANADA INC
Property Address: 237B ADVANCE BLVD
Mailing Address: 450 SANDLEWOOD RD
OAKVILLE, ON, L6L 3S4
Roll Number: 10-15-0-116-20911-0000
Agent:

Account Summary		
Tax Year	Amount Billed	Overdue
2022	\$20,246.00	\$45.00
2021	\$40,493.38	\$0.00
2020	\$43,459.30	\$0.00
Total Overdue Amount:		\$45.00

The total overdue amount is inclusive of the most recent 3 years (displayed) and any prior years (not displayed). If you have any questions regarding the overdue amount, please contact the Tax Department at 311 or 905-874-2000 if you reside outside of Brampton.

Payment history is limited to the current tax year and the two previous tax years. There will be no information displayed for years where no payment was received. For more information, please call 311 or 905 874 2000 (if outside of Brampton). Access to your local government 24/7.

Transaction Date Amount Paid

2022

May 13, 2022 \$53,173.86

Total:

\$53,173.86

2021

May 05, 2021 \$98,796.54

Total:

\$98,796.54

[Click here to learn more on changing your payment type!](#)

Copyright and Contact Information

© 2022 City of Brampton [Terms of Use](#) [Privacy](#) [Contact Us](#)

THIS IS EXHIBIT "Q" REFERRED TO IN
THE AFFIDAVIT OF VOLODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON



CLEAR CERTIFICATE / CERTIFICAT LIBRE

SHERIFF OF / SHÉRIF DE : REGIONAL MUNICIPALITY OF PEEL (BRAMPTON)

CERTIFICATE # / 46095159-6735874B

N° DE CERTIFICAT :

DATE OF CERTIFICATE / 2022-OCT-07

DATE DU CERTIFICAT :

SHERIFF'S STATEMENT

THIS CERTIFIES THAT THERE ARE NO ACTIVE WRITS OF EXECUTION, ORDERS OR CERTIFICATES OF LIEN FILED WITHIN THE ELECTRONIC DATABASE MAINTAINED BY THIS OFFICE IN ACCORDANCE WITH SECTION 10 OF THE *EXECUTION ACT* AT THE TIME OF SEARCHING AGAINST THE REAL AND PERSONAL PROPERTY OF:

DÉCLARATION DU SHÉRIF

CE CERTIFICAT ATTESTE QU'IL N'Y A AUCUNE ORDONNANCE ACTIVE OU AUCUN BREF D'EXÉCUTION FORCÉE OU CERTIFICAT DE PRIVILÈGE ACTIF DANS LA BASE DE DONNÉES ÉLECTRONIQUE MAINTENUE PAR CE BUREAU AUX TERMES DE L'ARTICLE 10 DE LA *LOI SUR L'EXÉCUTION FORCÉE* AU MOMENT DE LA RECHERCHE VISANT LES BIENS MEUBLES ET IMMEUBLES DE :

NAME SEARCHED / NOM RECHERCHÉ

#	PERSON OR COMPANY / PERSONNE OU SOCIÉTÉ	NAME OR SURNAME, GIVEN NAME(S) / NOM OU NOM DE FAMILLE, PRÉNOM(S)
1.	PERSON / PERSONNE	BURKO, VOLOODYMYR
2.	COMPANY / SOCIÉTÉ	12411300 CANADA INC.

CAUTION TO PARTY REQUESTING SEARCH:

1. IT IS THE RESPONSIBILITY OF THE REQUESTING PARTY TO ENSURE THAT THE NAME SEARCHED IS CORRECT.
2. BY VIRTUE OF THIS CERTIFICATE, THE SHERIFF IS ASSURING THAT THIS NAME WILL REMAIN CLEAR UNTIL THE END OF CLOSE OF THIS BUSINESS DATE, UNLESS THE SHERIFF IS DIRECTED OTHERWISE UNDER AN ORDER OF THE COURT.

AVERTISSEMENT À LA PARTIE QUI DEMANDE LA RECHERCHE :

1. IL INCOMBE À LA PARTIE QUI DEMANDE LA RECHERCHE DE S'ASSURER QUE LE NOM RECHERCHÉ EST EXACT.
2. EN VERTU DU PRÉSENT CERTIFICAT, LE SHÉRIF ASSURE QUE CE NOM DEMEURE LIBRE JUSQU' À LA FIN DE CETTE JOURNÉE DE TRAVAIL, À MOINS DE RECEVOIR DES DIRECTIVES CONTRAIRES AUX TERMES D'UNE ORDONNANCE DU TRIBUNAL.

**CHARGE FOR THIS CERTIFICATE / CA\$24.30
/ FRAIS POUR CE CERTIFICAT :**

**SEARCHER REFERENCE /
REFERENCE CONCERNANT
L'AUTEUR DE LA DEMANDE :** 1758-0024

THIS IS EXHIBIT "R" REFERRED TO IN
THE AFFIDAVIT OF VOLOODYMYR BURKO
SWORN BEFORE ME
THIS THE 8th DAY OF OCTOBER, 2022



A commissioner, etc.
RYAN ATKINSON

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 10/06/2022
CCCL711 DISPLAY 1C REGISTRATION - SCREEN 1 12:12:58
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 5
FILE CURRENCY : 05OCT 2022
SEARCH : BD : 12411300 CANADA INC

00 FILE NUMBER : 772025967 EXPIRY DATE : 29APR 2026 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20210429 1432 1590 0475 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: 12411300 CANADA INC.
OCN :
04 ADDRESS : 450 SANDLEWOOD ROAD
CITY : OAKVILLE PROV: ON POSTAL CODE: L6L 3S4
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
TRIPLE-I CAPITAL PARTNERS LIMITED
09 ADDRESS : C/O 7941 JANE STREET, UNIT 200
CITY : CONCORD PROV: ON POSTAL CODE: L4K 4L6
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X
YEAR MAKE MODEL V.I.N.
X
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: SCALZI PROFESSIONAL CORPORATION
17 ADDRESS : 7941 JANE STREET, UNIT 200
CITY : CONCORD PROV: ON POSTAL CODE: L4K 4L6

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 10/06/2022
CCCL711 DISPLAY 1C REGISTRATION - SCREEN 1 12:13:01
ACCOUNT : 009233-0001 FAMILY : 2 OF 2 ENQUIRY PAGE : 2 OF 5
FILE CURRENCY : 05OCT 2022
SEARCH : BD : 12411300 CANADA INC

00 FILE NUMBER : 772026003 EXPIRY DATE : 29APR 2026 STATUS :
01 CAUTION FILING : PAGE : 001 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20210429 1433 1590 0476 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: 12411300 CANADA INC.
OCN :
04 ADDRESS : 450 SANDLEWOOD ROAD
CITY : OAKVILLE PROV: ON POSTAL CODE: L6L 3S4
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
TRIPLE-I CAPITAL PARTNERS LIMITED
09 ADDRESS : C/O 7941 JANE STREET, UNIT 200
CITY : CONCORD PROV: ON POSTAL CODE: L4K 4L6
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 THE SECURITY INTEREST IS TAKEN IN ALL OF THE BUSINESS DEBTOR'S
14 PRESENT AND AFTER-ACQUIRED PROPERTY, ASSIGNMENT OF RENTS AND LEASES
15 AND GENERAL SECURITY AGREEMENT GRANTED BY THE BUSINESS DEBTOR TO THE
16 AGENT: SCALZI PROFESSIONAL CORPORATION
17 ADDRESS : 7941 JANE STREET, UNIT 200
CITY : CONCORD PROV: ON POSTAL CODE: L4K 4L6

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 10/06/2022
CCCL711 DISPLAY 1C REGISTRATION - SCREEN 1 12:13:04
ACCOUNT : 009233-0001 FAMILY : 2 OF 2 ENQUIRY PAGE : 3 OF 5
FILE CURRENCY : 05OCT 2022
SEARCH : BD : 12411300 CANADA INC

00 FILE NUMBER : 772026003 EXPIRY DATE : 29APR 2026 STATUS :
01 CAUTION FILING : PAGE : 002 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20210429 1433 1590 0476 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME: OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 SECURED PARTY GRANTING, AMONG OTHER THINGS, A SECURITY INTEREST IN
14 ALL OF BUSINESS DEBTOR'S PRESENT AND AFTER-ACQUIRED GOODS, CHATTELS,
15 FURNITURE, APPLIANCES, PROPERTY, FIXTURE, RENTS AND OTHER PROPERTY
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 10/06/2022
CCCL711 DISPLAY 1C REGISTRATION - SCREEN 1 12:13:06
ACCOUNT : 009233-0001 FAMILY : 2 OF 2 ENQUIRY PAGE : 4 OF 5
FILE CURRENCY : 05OCT 2022
SEARCH : BD : 12411300 CANADA INC

00 FILE NUMBER : 772026003 EXPIRY DATE : 29APR 2026 STATUS :
01 CAUTION FILING : PAGE : 003 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20210429 1433 1590 0476 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME: OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 SOME OF WHICH ARE SPECIFICALLY DESCRIBED IN SAID ASSIGNMENT OF RENTS
14 AND LEASES AND GENERAL SECURITY AGREEMENT, TOGETHER WITH ALL
15 ACCOUNTS, CHATTEL PAPER, INSTRUMENTS, RECORDS AND BOOKS, SHARES,
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 10/06/2022
CCCL711 DISPLAY 1C REGISTRATION - SCREEN 1 12:13:10
ACCOUNT : 009233-0001 FAMILY : 2 OF 2 ENQUIRY PAGE : 5 OF 5
FILE CURRENCY : 05OCT 2022
SEARCH : BD : 12411300 CANADA INC

00 FILE NUMBER : 772026003 EXPIRY DATE : 29APR 2026 STATUS :
01 CAUTION FILING : PAGE : 004 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20210429 1433 1590 0476 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME: OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 CONTRACTUAL RIGHTS AND INSURANCE CLAIMS RELATING TO THE LANDS
14 COMMONLY KNOWN AS 237B ADVANCE BOULEVARD, BRAMPTON, ONTARIO L6T 4J2
15 AND ALL PROCEEDS THEREOF.
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

TRIPLE-I CAPITAL PARTNERS LIMITED
Applicant

- and - **12411300 CANADA INC**
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED
at TORONTO

AFFIDAVIT OF VOLOODYMYR BURKO

ATKINSON LAW
First Canadian Place
100 King Street W., Suite 5700,
Toronto, Ontario M5X 1C7

RYAN ATKINSON (LSO# 51873E)
Tel: (416) 275-9702
Fax: (416) 516-2208
Email: ryan@atkinsonlaw.ca

AVI FREEDLAND (LSO# 83035F)
Tel: (416) 900-1252 ext.106
Fax: (416) 516-2208
Email: avi@atkinsonlaw.ca

Lawyers for the Respondent

TAB 4

Court File No. CV-22-00684372-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

TRIPLE-I CAPITAL PARTNERS LIMITED

-and-

Applicant

12411300 CANADA INC.

Respondent

AFFIDAVIT OF SERGUEI TOTROV

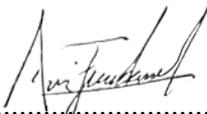
I, Serguei Totrov, of the City of Toronto, make oath and say as follows;

1. I am the mortgage broker for the Second Mortgagees (defined below) and as such have direct knowledge of the matters hereinafter deposed to, except where based upon information and belief, in which case we have stated the source of such information and verily believe such matters to be true.
2. Elena Narskaia, Evguenia Provad, Yury Goltsman, Tatyana Bershak, Svetlana Sheiman, Elena Nalbandyan, Elena Kotliarenko, and Ilya Avrutow (the “**Second Mortgagees**”) are my clients and hold a mortgage on the property municipally known as 237B Advance Boulevard, Brampton, Ontario, L6T 4J2 (the “**Property**”). The Second Mortgagees’ mortgage is registered as instrument PR3969903 (the “**Second Mortgage**”)
3. The Second Mortgagees and I have examined the terms of the new mortgage to be secured on the Property in first position once the applicant Triple-I Capital Partners Limited (“**Triple-I**”) is paid out (the “**New First Mortgage**”).
4. On or about August 22, 2022, 12411300 Canada Inc.’s (the “**Debtor**”) paid \$410,000.00 towards the Second Mortgage and the principal amount owed under the Second Mortgage was reduced from \$2,000,000.00 to \$1,590,000. The Second Mortgagees and I believe

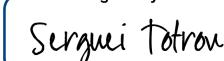
that this good faith payment displays the Debtor's good faith, trustworthiness, and sincere intention to settle their debts in a timely manner.

5. I have consulted with the Second Mortgagees and their advisors and have been informed that they do not expect to recover their investment by a sale of the Property through receivership proceedings. The Second Mortgagees trust that the Debtor is in a position to payout the debts on the Property and that the Second Mortgage is in a better position in the hands of the Debtor as opposed to the receiver appointed over the assets and undertakings of the Debtor, Crowe Soberman Inc. (the "**Receiver**").
6. The Debtor has consistently been responsive and attentive to its debt to the Second Mortgagees and the Debtor maintains a good relationship with the Second Mortgagees and its agents. The Second Mortgagees and I are confident that that the Debtor will repay the Second Mortgage in a timely manner.
7. To our knowledge, the Second Mortgagees and I understand that the Debtor has no other major creditors other than the Second Mortgagees and Triple-I.
8. The Second Mortgagees fully support the Debtor's motion to payout the Triple-I and to discharge the Receiver.
9. The Second Mortgagees have consented to a postponement of the Second Mortgage to the rights and interests of the New Mortgage, which postponement in preparation and the associated acknowledgments and directions are attached hereto as **EXHIBIT A**.
10. I make this affidavit for no improper purpose.

Sworn (*or Affirmed*) before me at the City of
Toronto, in the province of Ontario on this
7th day of October, 2022

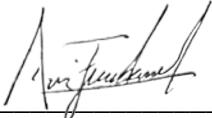
.....


Commissioner for Taking Affidavits
(*or as may be*)

DocuSigned by:

9F36594CB3D242D

SERGEI TOTROV

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF SERGUEI TOTROV SWORN
BEFORE ME
THIS THE 7th DAY OF OCTOBER, 2022



A commissioner, etc.
AVI FREEDLAND

ACKNOWLEDGEMENT AND DIRECTION

TO: Avi Jarrad Freedland, Michael Amurjuev
(Insert lawyer's name)

AND TO: ATKINSON LAW, AMURJUEV LAW PC
(Insert firm name)

RE: Postponement of Interest to new first mortgage - 237b Advance Boulevard ("the transaction")
(Insert brief description of transaction)

This will confirm that:

- I/We have reviewed the information set out in this Acknowledgement and Direction and in the documents described below (the "Documents"), and that this information is accurate;
- You, your agent or employee are authorized and directed to sign, deliver, and/or register electronically, on my/our behalf the Documents in the form attached.
- You are hereby authorized and directed to enter into an escrow closing arrangement substantially in the form attached hereto being a copy of the version of the Document Registration Agreement, which appears on the website of the Law Society of Ontario as the date of the Agreement of Purchase and sale herein. I/We hereby acknowledge the said Agreement has been reviewed by me/us and that I/We shall be bound by its terms;
- The effect of the Documents has been fully explained to me/us, and I/we understand that I/we are parties to and bound by the terms and provisions of the Documents to the same extent as if I/we had signed them; and
- I/we are in fact the parties named in the Documents and I/we have not misrepresented our identities to you.
- I, _____, am the spouse of _____, the (Transferor/Chargor), and hereby consent to the transaction described in the Acknowledgment and Direction. I authorize you to indicate my consent on all the Documents for which it is required.

DESCRIPTION OF ELECTRONIC DOCUMENTS

The Document(s) described in the Acknowledgement and Direction are the document(s) selected below which are attached hereto as "Document in Preparation" and are:

A Transfer of the land described above.
 A Charge of the land described above.
 Other documents set out in Schedule "B" attached hereto.

Dated at _____, this _____ day of _____, 20 ____.

WITNESS

(As to all signatures, if required)

Serguei Totrov

Serguei Totrov (Oct 7, 2022 13:03 EDT)

Elena Narskaia

Elena Narskaia (Oct 7, 2022 13:05 EDT)

ELENA NARSKAIA

Provad

Provad (Oct 7, 2022 13:18 EDT)

EVGUENIA PROVAD

Yury Goltsman

Yury Goltsman (Oct 7, 2022 13:19 EDT)

YURY GOLTSMAN

Tatyana Bershak

Tatyana Bershak (Oct 7, 2022 13:19 EDT)

TATYANA BERSHAK

Properties

PIN 14027 - 0087 LT
Description PCL D-32, SEC M269 ; FIRSTLY ; PT BLK D, PL M269 , PART 3 , 43R20236 , ;
 SECONDLY ; PT BLK D, PL M269 , PART 4 , 43R20236 ; T/W PT 2, 43R20236 AS IN
 LT1503956; S/T PT 3, 43R20236 IN FAVOUR OF PTS 1 & 2, 43R20236 AS IN
 LT1503956; S/T DP2708 :: CITY OF BRAMPTON
Address 237 B ADVANCE BOULEVARD
 BRAMPTON

Source Instruments

Registration No.	Date	Type of Instrument
PR3969903	2021 12 29	Charge/Mortgage

Party From(s)

Name NARSKAIA, ELENA
 Acting as an individual
Address for Service 16 Elgin St., Suite #232
 Thornhill, ON, L3T 4T4

This document is not authorized under Power of Attorney by this party.

Name PROVAD, EVGUENIA
 Acting as an individual
Address for Service 773 Freemont Court
 Innisfil, ON L9S 0K4

This document is not authorized under Power of Attorney by this party.

Name GOLTSMAN, YURY
 Acting as an individual
Address for Service 2514 Tillings Rd.
 Pickering ON L1X 0C5

This document is not authorized under Power of Attorney by this party.

Name BERSHAK, TATYANA
 Acting as an individual
Address for Service 33 Kingshill Rd.
 Richmond Hill, ON L4E 4B1

This document is not authorized under Power of Attorney by this party.

Name SHEIMAN, SVETLANA
 Acting as an individual
Address for Service 125 Walter Sinclair Ct.
 Richmond Hill, ON L4E 0X4

This document is not authorized under Power of Attorney by this party.

Name NALBANDYAN, ELENA
 Acting as an individual
Address for Service 1262 Cornerbrook Pl.
 Mississauga ON L5C 3J4

This document is not authorized under Power of Attorney by this party.

Name KOTLIARENKO, ELENA
 Acting as an individual
Address for Service 31 Amberhill Way
 Aurora, ON L4G 7E1

This document is not authorized under Power of Attorney by this party.

Name AVRUTOV, ILYA

T.B. *E.P.* *E.N.*

Party From(s)

Address for Service Acting as an individual
21 Haley Crt.
Thornhill ON L4J 6A3

This document is not authorized under Power of Attorney by this party.

Party To(s)**Capacity****Share**

Name PILLAR CAPITAL CORP.
Address for Service Acting as a company

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number

Schedule: The applicant postpones the rights under the selected instrument to the rights under a first mortgage in the principal amount of \$6,000,000.00

This document relates to registration number(s)PR3969904

TB G.G. E.P. E.N.

ACKNOWLEDGEMENT AND DIRECTION

TO: Avi Jarrad Freedland, Michael Amurjuev
(Insert lawyer's name)

AND TO: ATKINSON LAW, LANG LAW
(Insert firm name)

RE: Postponement of Interest to new first mortgage - 237b Advance Boulevard ("the transaction")
(Insert brief description of transaction)

This will confirm that:

- I/We have reviewed the information set out in this Acknowledgement and Direction and in the documents described below (the "Documents"), and that this information is accurate;
- You, your agent or employee are authorized and directed to sign, deliver, and/or register electronically, on my/our behalf the Documents in the form attached.
- You are hereby authorized and directed to enter into an escrow closing arrangement substantially in the form attached hereto being a copy of the version of the Document Registration Agreement, which appears on the website of the Law Society of Ontario as the date of the Agreement of Purchase and sale herein. I/We hereby acknowledge the said Agreement has been reviewed by me/us and that I/We shall be bound by its terms;
- The effect of the Documents has been fully explained to me/us, and I/we understand that I/we are parties to and bound by the terms and provisions of the Documents to the same extent as if I/we had signed them; and
- I/we are in fact the parties named in the Documents and I/we have not misrepresented our identities to you.
- I, _____, am the spouse of _____, the (Transferor/Chargor), and hereby consent to the transaction described in the Acknowledgment and Direction. I authorize you to indicate my consent on all the Documents for which it is required.

DESCRIPTION OF ELECTRONIC DOCUMENTS

The Document(s) described in the Acknowledgement and Direction are the document(s) selected below which are attached hereto as "Document in Preparation" and are:

A Transfer of the land described above.
 A Charge of the land described above.
 Other documents set out in Schedule "B" attached hereto.

Dated at _____, this _____ day of _____, 20 ____.

WITNESS

(As to all signatures, if required)

Serguei Totrov

Serguei Totrov (Oct 7, 2022 12:55 EDT)



Svetlana Sheiman (Oct 7, 2022 15:06 EDT)

SVETLANA SHEIMAN



Elena (Oct 7, 2022 13:52 EDT)

ELENA NALBANDYAN



Elena Kotliarenko (Oct 7, 2022 15:40 EDT)

ELENA KOTLIARENKO



Avrutow (Oct 7, 2022 14:15 EDT)

ILYA AVRUTOV

Properties

PIN 14027 - 0087 LT

Description PCL D-32, SEC M269 ; FIRSTLY ; PT BLK D, PL M269 , PART 3 , 43R20236 , ;
SECONDLY ; PT BLK D, PL M269 , PART 4 , 43R20236 ; T/W PT 2, 43R20236 AS IN
LT1503956; S/T PT 3, 43R20236 IN FAVOUR OF PTS 1 & 2, 43R20236 AS IN
LT1503956; S/T DP2708 ;; CITY OF BRAMPTON

Address 237 B ADVANCE BOULEVARD
BRAMPTON

Source Instruments

Registration No.	Date	Type of Instrument
PR3969903	2021 12 29	Charge/Mortgage

Party From(s)

Name NARSKAIA, ELENA
Acting as an individual
Address for Service 16 Elgin St., Suite #232
Thornhill, ON, L3T 4T4

This document is not authorized under Power of Attorney by this party.

Name PROVAD, EVGUENIA
Acting as an individual
Address for Service 773 Freemont Court
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Name GOLTSMAN, YURY
Acting as an individual
Address for Service 2514 Tillings Rd.
Pickering ON L1X 0C5

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Name BERSHAK, TATYANA
Acting as an individual
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Richmond Hill, ON L4E 4B1

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Name SHEIMAN, SVETLANA
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Name NALBANDYAN, ELENA
Acting as an individual
Address for Service 1262 Cornerbrook Pl.
Mississauga ON L5C 3J4

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Name KOTLIARENKO, ELENA
Acting as an individual
Address for Service 31 Amberhill Way
Aurora, ON L4G 7E1

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Name AVRUTOV, ILYA

SS EN E.K. IA
S.S. EN Elen IA

Party From(s)

Address for Service 21 Haley Crt.
Thornhill ON L4J 6A3
Acting as an individual

This document is not authorized under Power of Attorney by this party.

Party To(s)**Capacity****Share**

Name PILLAR CAPITAL CORP.
Address for Service Acting as a company

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number

Schedule: The applicant postpones the rights under the selected instrument to the rights under a first mortgage in the principal amount of \$6,000,000.00

This document relates to registration number(s)PR3969904

SS
S.S

EN
EN

E.K
Elen

IA
IA

TRIPLE-I CAPITAL PARTNERS LIMITED
Applicant

- and - **12411300 CANADA INC**
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED
at TORONTO

MOTION RECORD

ATKINSON LAW
First Canadian Place
100 King Street W., Suite 5700,
Toronto, Ontario M5X 1C7

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Lawyers for the Respondent