

Court File No. 31-2303814
Estate File No. 31-2303814

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

IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE PROPOSAL OF 1482241 ONTARIO LIMITED, OF THE
CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**CROWE SOBERMAN INC., in its capacity as
Licensed Insolvency Trustee of 1482241 Ontario Limited**

**MOTION RECORD
(Returnable November 2, 2017)**

October 27, 2017

BLANEY McMURTRY LLP
Barristers and Solicitors
1500 - 2 Queen Street East
Toronto, ON M5C 3G5

David Ullmann (LSUC #423571)
Tel: (416) 596-4289
Fax: (416) 594-2437
dullmann@blaney.com

Alexandra Teodorescu (LSUC #63889D)
Tel: (416) 596-4279
Fax: (416) 594-2506
ATEodorescu@blaney.com

Lawyers for 1482241 Ontario Limited

TO: The Service List (Attached)

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SERVICE LIST
(Updated as of October 27, 2017)

TO: Aird Berlis LLP
Brookfield Place,
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Steven L. Graff
Tel: (416) 865-7726
Email: sgraff@airdberlis.com

Miranda Spence
Tel: (416) 865-3414
Email: mspence@airdberlis.com

Lawyers for Crowe Soberman Inc.

AND TO: Miller Thomson LLP
60 Columbia Way, Suite 600
Markham, ON L3R 0C9

Ivan Mitchell Merrow
Tel: (905) 532-6607
Fax: (905) 415-6777
Email: imerrow@millერთhompson.com

Counsel for Jamshid Hussaini, Neelofar Ahmadi, and Homelife Dreams Realty Inc.

AND TO: Dickinson Wright LLP
199 Bay Street, Suite 2200
Toronto, ON
M5L 1G4

Mark Shapiro
Tel: (416) 646-4603
Fax: (844) 670-6009
Email: MShapiro@dickinson-wright.com

Lawyers for North York Family Physicians Holdings Inc.

AND TO: Yonge-Norton Law Chambers
5255 Yonge Street, Suite 1300
Toronto, Ontario
M4B 3C2

A. Paul Gribilas
Tel: (416) 446-1222
Fax: (416) 446-1201
Email: pgribilas@ynlclaw.com

Lawyers for Mann Engineering Ltd.

AND TO: Chaitons LLP
5000 Yonge St.
North York, ON
M2N 7E9

George Benchetrit
Tel: (416) 218-1141
Fax: (416) 218-1841
Email: george@chaitons.com

Counsel for Dan Realty Corporation, E. Manson Investments Limited, Copperstone Investments Limited

AND TO: Harvey S. Margel
2365 Finch Ave. West, #202
North York, ON M9M 2W8

Phone: (416) 745-9933
Fax: (416) 745-9290

Counsel for Janodee Investments Ltd. and Meadowshire Investments Ltd.

AND TO: Treasurer, City of Toronto
c/o George Charocopos
Collections Department
North York Civic Centre, Lower Level
5100 Yonge Street
North York, ON M2N 5V7

Fax: (416) 395-6703
Email: gcharoc@toronto.ca

AND TO: DEPARTMENT OF JUSTICE CANADA
The Exchange Tower
130 King Street West
Suite 3400, P.O. Box 36
Toronto, ON M5X 1K6

Diane Winters
Tel: (416) 973-3172
Fax: (416) 973-0810
Email: diane.winter@justice.gc.ca

**AND TO: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE**
33 King Street West, 6th Floor
Oshawa, ON L1H 8E9

Kevin J. O'Hara
Tel: (905) 433-6934
Fax: (905) 436-451
Email: kevin.ohara@ontario.ca

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IN BANKRUPTCY AND INSOLVENCY

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Tab 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
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IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE PROPOSAL OF 1482241 ONTARIO LIMITED, OF THE
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**CROWE SOBERMAN INC., in its capacity as
Licensed Insolvency Trustee of 1482241 Ontario Limited**

**NOTICE OF MOTION
(Returnable November 2, 2017)**

THE MOVING PARTY, 1482241 Ontario Limited (“**148 Ontario**” or the “**Company**”), will make a motion to the Court to be heard, on Thursday, November 2, 2017, 2017, at 10:00 a.m., or as soon after that time as the motion can be heard at 330 University Avenue, Toronto, Ontario, M5G 1R7.

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

THE MOTION IS FOR:

1. An Order substantially in the form attached at Tab 3 of the Motion Record, *inter alia*:
 - a) abridging the time for and validating the service of the Notice of Motion and the Motion Record;
 - b) granting a charge in respect of the fees and expenses of counsel to the Company, the Proposal Trustee (as defined below), and counsel to the Proposal Trustee

(“**Administration Charge**”) over all property, assets and undertakings of the Debtor (“**Property**”), which charge shall rank junior in priority to the interests of the Mortgagees (as defined below), but in priority to all other interests and creditors;

- c) authorizing 148 Ontario to obtain interim financing, which shall not exceed \$750,000, and granting a charge in respect of these borrowings, which shall be subordinated to the Administration Charge and the interests of the Mortgagees, but will rank in priority to all other interests;
- d) approving the sale solicitation process (“**Sale Process**”) as described in Appendix “E” to the First Report of the Proposal Trustee;
- e) authorizing, directing and empowering the Proposal Trustee to perform its obligations under and in accordance with the Sale Process, and to take such further steps as it considers necessary or desirable in carrying out the Sale Process, including:
 - i. engaging property managers, real estate agents, brokers and listing agents to assist with the exercise of the Proposal Trustee’s powers and duties conferred by the Order;
 - ii. marketing and selling the Property, including advertising and soliciting offers in respect of the Property; and
 - iii. applying for any vesting order and other orders necessary to convey the Property to a purchaser or purchasers, free and clear of any liens or

encumbrances affecting the Property;

- f) extending the time for 148 Ontario to file a proposal to and including December 27, 2017; and
2. Such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

Background

1. 148 Ontario is a company incorporated under the laws of the Province of Ontario. It is the registered owner of the lands and premises located at 240 Duncan Mill Road, Toronto, Ontario (“**Duncan Mill Property**”);
2. The Duncan Mill Property is a multi-unit, commercial building with eight floors and approximately 220,000 square feet of rentable space;
3. The main business of 148 Ontario is to manage and collect rent from the Duncan Mill Property;
4. The Duncan Mill Property was purchased by 148 Ontario in 2001 for \$15.3 million;
5. The Duncan Mill Property is subject to the following mortgages:
 - a. a first charge granted by 148 Ontario in favour of Computershare Trust Company of Canada in the amount of \$11,250,000, which was transferred to Dan Realty Limited, E. Manson Investments Limited and Cooperstone Investments Limited on June 2, 2016 (“**First Mortgage**”);

- b. a second in position charge granted by 148 Ontario in favour of Janodee Investments Ltd. and Meadowshire Investments Ltd. in the amount of \$1,420,000, registered on September 21, 2016 (“**Second Mortgage**”) (collectively with the First Mortgage, “**Mortgagees**”);

Proposal Proceeding

6. Due to financial stresses resulting from various litigation matters, other cash flow issues, and a demand made by the First Mortgagee on October 11, 2017, 148 Ontario commenced restructuring proceedings under the *Bankruptcy and Insolvency Act* (“**BIA**”) by filing a Notice of Intention to Make a Proposal (“**NOI**”) on October 13, 2017;
7. Crowe Soberman Inc. has been appointed to act as Licensed Insolvency Trustee under the NOI (“**Proposal Trustee**”);
8. During its proposal, the Company will communicate with existing tenants, continue collecting rents, and pursue certain outstanding rental accounts; stabilize the business and work with employees and contractors; deal with secured creditors, including the Mortgagees; and address any outstanding litigation issues that impact the business;
9. The Company intends to continue paying the Mortgagees during the NOI process. The Mortgagees are current and/or will be current at the time this motion is heard. The President of 148 Ontario, Alain Checroune (“**Checroune**”), either personally or through a company that he owns, intends to repay the First Mortgage in full when the mortgage becomes due and payable on December 1, 2017;

Administration Charge

10. The involvement of counsel to the Debtor, the Proposal Trustee and counsel to the Proposal Trustee (“**Administrative Parties**”) are essential to a successful restructuring;
11. The Administrative Parties will assist the Debtor in the process of restructuring its affairs and making a proposal to its creditors, including by helping the Debtor manage its cash flow and business operations, and liaising with the Mortgagees;
12. It is intended that the payment of professional fees incurred in the proposal proceeding will be deferred until there are proceeds from the sale of the Property;
13. It is proposed that the Administration Charge will be subordinate in priority to the interests of the Mortgagees, but in priority to all other interests and encumbrances, including the DIP Lender’s Charge (as defined below);
14. The Company’s secured creditors have been provided with notice of the herein motion;
15. This Honourable Court has the authority to grant the Administration Charge pursuant to ss. 64.2(1) of the BIA;
16. It is fair and equitable that the Administration Charge be granted;

DIP Financing and DIP Lender’s Charge

17. The Company’s cash flow demonstrates that it is facing a liquidity crisis and will require additional financing in order to continue operating during the Sale Process and through to March 2018;

18. Checroune (either personally or through a company that he owns) (“**DIP Lender**”) is prepared to fund up to \$750,000 (“**DIP Loan**”) to the Company under a credit facility pursuant to a Debtor-in-Possession Term Sheet (“**DIP Term Sheet**”), which will be provided to this Honourable Court before the return date of this motion. The DIP Loan will provide for an interest rate that is not greater than the rate charged by the Mortgagees, being 13%;
19. The DIP Loan will enhance the prospects of a viable proposal being made in respect of the Company because it will be used by the Company to manage and maximize the value of the Property and prepare it for sale;
20. The interest rate is reasonable in the circumstances given the risks associated with such loans;
21. The Company seeks a charge in favour of the DIP Lender (“**DIP Lender’s Charge**”) as security for any and all of the Company’s outstanding borrowings under the DIP Term Sheet;
22. The Mortgagees are not prejudiced by the DIP Lender’s Charge because it will rank junior in priority to the Mortgagees and the Administration Charge;
23. Section 50.6 of the BIA provides the Court with the authority to grant the DIP Lender’s Charge;

Sale Process

24. The primary purpose of the Company’s proposal proceedings is to find a purchaser for the Company’s business and assets, including the Duncan Mill Property;

25. The proposed Sale Process will be run by the Proposal Trustee, who will:
 - a. retain a listing agent, and market and solicit offers for the Property;
 - b. distribute an interest solicitation letter and confidentiality agreement to interested parties;
 - c. provide each party that signs a confidentiality agreement with a confidential information memorandum, access to an electronic data room, a proposed form of agreement of purchase and sale, and the ability to perform due diligence;
 - d. accept Qualified Offers (as defined in the Sale Process) until January 15, 2018;
 - e. if more than one Qualified Offer is received, hold an auction by January 18, 2018;
 - f. enter into a binding agreement for the sale of the Property by January 31, 2018;
 - g. obtain an Approval and Vesting Order by February 15, 2018, and close the transaction by no later than February 28, 2018;
26. In connection with its obligations under the Sale Process, the Proposal Trustee requires authorization to engage property managers, real estate agents, brokers and listing agents to assist in the sale of the Property, and to apply for any vesting and other orders necessary to convey the Property free and clear of any liens or encumbrances affecting such Property;
27. The Sale Process provides an appropriate mechanism to expose the Property to the market for a reasonable period of time;

28. The Sales Process is an open and transparent process that will be overseen by the Proposal Trustee without interference by the Company, and will maximize value for the creditors;

Extension of time to make a Proposal

29. The initial 30-day stay period granted upon the filing of the NOI expires on November 12, 2017;
30. The Company requires an extension of time so that the Proposal Trustee can commence and carry out the Sale Process, and for the Company to make a proposal to its creditors;
31. If the Court approves the DIP Loan and the DIP Lender's Charge, the Company's cash flow demonstrates that it will have sufficient funds to continue to operate and finance the Sale Process during the extension period;
32. The Company has acted and continues to act in good faith and with due diligence in these proceedings;
33. 148 Ontario will likely be able to make a viable proposal if the extension of time to and including December 27, 2017 is granted;
34. No creditors would be materially prejudiced if the stay of proceedings continued to the requested date;
35. Subsection 50.4(9) provides the Court with the jurisdiction to extend the stay of proceedings;
36. The Proposal Trustee supports the relief sought in the herein motion;

37. The inherent jurisdiction of this Honourable Court.
38. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

1. The Affidavit of Alain Checroune, sworn October 26, 2017; and,
2. The First Report of the Proposal Trustee, dated October 27, 2017;
3. Such further and other evidence as counsel may advise and this Honourable Court may permit.

October 27, 2017

BLANEY McMURTRY LLP
Barristers and Solicitors
1500 - 2 Queen Street East
Toronto, ON M5C 3G5

David Ullmann (LSUC #423571)
Tel: (416) 596-4289
Fax: (416) 594-2437
dullmann@blaney.com

Alexandra Teodorescu (LSUC #63889D)
Tel: (416) 596-4279
Fax: (416) 594-2506
ATEodorescu@blaney.com

Lawyers for 1482241 Ontario Limited

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Extension of time to make a Proposal

29. The initial 30-day stay period granted upon the filing of the NOI expires on November 12, 2017;
30. The Company requires an extension of time so that the Proposal Trustee can commence and carry out the Sale Process, and for the Company to make a proposal to its creditors;
31. If the Court approves the DIP Loan and the DIP Lender's Charge, the Company's cash flow demonstrates that it will have sufficient funds to continue to operate and finance the Sale Process during the extension period;
32. The Company has acted and continues to act in good faith and with due diligence in these proceedings;
33. 148 Ontario will likely be able to make a viable proposal if the extension of time to and including December 27, 2017 is granted;
34. No creditors would be materially prejudiced if the stay of proceedings continued to the requested date;
35. Subsection 50.4(9) provides the Court with the jurisdiction to extend the stay of proceedings;
36. The Proposal Trustee supports the relief sought in the herein motion;
37. The inherent jurisdiction of this Honourable Court.

- 9 -

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

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

1. The Affidavit of Alain Checroune, sworn October 26, 2017; and,
2. The First Report of the Proposal Trustee, dated October 27, 2017;
3. Such further and other evidence as counsel may advise and this Honourable Court may permit.

October 27, 2017

BLANEY McMURTRY LLP
Barristers and Solicitors
1500 - 2 Queen Street East
Toronto, ON M5C 3G5

David Ullmann (LSUC #423571)
Tel: (416) 596-4289
Fax: (416) 594-2437
dullmann@blaney.com

Alexandra Teodorescu (LSUC #63889D)
Tel: (416) 596-4279
Fax: (416) 594-2506
ATEodorescu@blaney.com

Lawyers for 1482241 Ontario Limited

Tab 2

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**AFFIDAVIT OF ALAIN CHECROUNE
(Sworn October 26, 2017)**

I, **ALAIN CHECROUNE**, of the City of Toronto in the Province of Ontario, make oath and swear:

1. I am the President and a director and officer of 1482241 Ontario Limited ("**148 Ontario**" or the "**Company**"), and as such I have personal knowledge of the matters to which I depose to herein. Where this affidavit is based upon information received from others, I have identified the source of that information, and verily believe that information to be true.

2. I swear this affidavit in support of a motion brought by 148 Ontario for:

(a) a charge in respect of the fees and expenses of counsel to the Company, the Proposal Trustee (as defined below), and counsel for the Proposal Trustee, ranking behind the interests of the Mortgagees (as defined below), but in priority to all other creditors;

(b) authorizing a sale process in respect of the Property (as defined below) to be

conducted by the Proposal Trustee;

- (c) authorizing 148 Ontario to obtain interim financing up to \$750,000, and for a charge over the Company's assets, undertakings and property in respect of these borrowings, which will be subordinated to the interests of the Mortgagees, but ahead of all other creditors; and
- (d) extending the time for 148 Ontario to file a proposal to and including December 27, 2017.

Background

3. 148 Ontario is a company incorporated under the laws of the Province of Ontario. Its registered office address is located at 240 Duncan Mill Road, Toronto, Ontario (the "**Property**"). A copy of the corporation profile report with respect to 148 Ontario is attached hereto and marked as **Exhibit "A"**.

4. 148 Ontario is the registered owner of the Property. The Property is a multi-unit, commercial building located near the intersection of Highway 401 and Don Mills Road in Toronto, Ontario. It has eight floors and approximately 220,000 square feet of rentable space. Attached hereto and marked as **Exhibit "B"** is a copy of the parcel register with respect to the Property.

5. The main business of 148 Ontario is to manage and collect rent from the Property. In this capacity, it has three employees and also employs four contractors and some seasonal workers. The Company also owns and receives revenue from the parking at the Property.

6. In order to be able to focus on the restructuring task, the Company intends to retain a reputable property management firm to manage the day-to-day property issues. We are in the midst of reviewing available choices with the Proposal Trustee and intend to select one by the time of the hearing of this matter.

7. The Property was purchased by 148 Ontario for \$15,300,000 in 2001.

8. The Property is subject to the following mortgages, as set out in Exhibit "B":

(a) A first charge granted by 148 Ontario in favour of Computershare Trust Company of Canada ("**Computershare**") in the amount of \$11,250,000, and registered on title to the Property on September 29, 2005 as Instrument No. AT935525 ("**First Mortgage**"). The First Mortgage was transferred from Computershare to Dan Realty Limited, E. Manson Investments Limited and Copperstone Investments Limited (collectively, the "**First Mortgagees**") on June 2, 2016, and registered on title to the Property as Instrument No. AT4236037.

(b) A second in position charge granted by 148 Ontario in favour of Janodee Investments Ltd. and Meadowshire Investments Ltd. (collectively, the "**Second Mortgagees**") in the amount of \$1,420,000, registered on title to the Property on September 21, 2016 as Instrument No. AT4349221 ("**Second Mortgage**").

Collectively, the First Mortgagee and the Second Mortgagee are referred to herein as the "**Mortgagees**".

9. Attached hereto and marked as **Exhibit "C"** is a copy of the results of the Personal Property Security Registration System with respect to 148 Ontario ("**PPSA Results**"). The PPSA

Results indicate that each of the First Mortgagees have registered security as against 148 Ontario's collateral. In addition, Mann Engineering Ltd. ("**Mann Engineering**") also registered security with respect to 148 Ontario's inventory, equipment, accounts and general collateral. The Company previously borrowed money from Mann Engineering, which indebtedness has now been repaid in full and the security should be deleted.

10. Finally, property taxes relating to the Property are due and owing by 148 Ontario to the City of Toronto in the amount of \$1,441,179.66.

Factors leading to the filing of the NOI

11. On June 13, 2014, Jamshid Hussaini, Neelofar Ahmadi and Homelife Dreams Realty Inc. commenced an action against 148 Ontario and me personally seeking, *inter alia*, a declaration that they own 20% of the shares of 148 Ontario and 20% of the interest in the Property, and an order allowing the plaintiffs to purchase the remaining shares of 148 Ontario and the remaining interest in the Property ("**Houssaini Litigation**"). The Houssaini Litigation also involves a counterclaim for damages, resulting from the breach of a lease at the Property, which negatively impacted the Company's cash flow. The Houssaini Litigation has been highly contested and hard fought.

12. Most recently, we sought summary judgment dismissing the Houssaini Litigation, which was denied by the Court on April 19, 2017. The Houssaini Litigation has caused significant financial stress on 148 Ontario.

13. In addition to the Houssaini Litigation, the Company is party to several other lawsuits. Attached here and marked as **Exhibit "D"** is a chart of these various pieces of litigation. These

actions have been a significant drain on the cash flow of the Company and a distraction to myself and others involved with the Company.

14. On October 11, 2017, 148 Ontario received a demand letter from counsel for the First Mortgagees advising that it was in default under the First Mortgage and that it owed \$7,692,202.45 to the First Mortgagees. The letter also included a Notice of Intention to Enforce Security, which would expire 10 days after the notice was sent on October 11, 2017. Attached hereto and marked as **Exhibit "E"** is a copy of the letter to 148 Ontario from counsel for the First Mortgagee.

15. The Company was only one month in arrears to the First Mortgagees when these demands were made. Upon being granted the relief sought herein, the Company intends to bring the Mortgagees current and to continue to pay amounts due under these mortgages pending the filing of the proposal in these proceedings.

16. In addition to the financial pressures resulting from the litigation and the demand made by the First Mortgagees, 148 Ontario has been struggling to pay its obligations as they come due as a result of the low occupancy rate of the Property. The Property is currently only 52% occupied, and, without more rental income from tenants, 148 Ontario has been unable to make payments relating to, for example, property tax arrears. Indeed, the bailiff was visiting the Property on a regular basis in respect of the property taxes owed to the City of Toronto.

17. The Company also received a disconnection notice from Ontario Hydro, who claimed to be owed in excess of \$100,000. Ontario Hydro has been notified of the NOI proceedings and has agreed not to disconnect services provided go forward payments are made, which they will be.

18. It is also forecast that 148 Ontario's costs relating to the Property will increase in the winter due to increased expenditures for snow removal and utilities.

19. Following a review of the Company's finances, I sought the advice of a financial counsellor at Crowe Soberman Inc. ("**Crowe Soberman**"), and met with them in early October. Crowe Soberman confirmed to me that 148 Ontario was cash flow insolvent, and I determined that it was appropriate for the Company to file a proposal under the *Bankruptcy and Insolvency Act* ("**BIA**") to address its financial situation.

20. On October 13, 2017, 148 Ontario commenced restructuring proceedings under the BIA by filing a Notice of Intention to Make a Proposal ("**NOI**"). Crowe Soberman has been appointed to act as Licensed Insolvency Trustee under the NOI ("**Proposal Trustee**"). A copy of the information circular provided to creditors by the Proposal Trustee, which includes a copy of the NOI, is attached hereto and marked as **Exhibit "F"**.

21. The Company worked in conjunction with the Proposal Trustee and filed a cash flow with the Office of the Superintendent of Bankruptcy as required within 10 days of filing the NOI. A copy of the cash flow is attached hereto and marked as **Exhibit "G"**

22. During its proposal, 148 Ontario will communicate with existing tenants, continue collecting rent, and pursue certain outstanding rental accounts; stabilize the business and work with employees and contractors to ensure that services continue to be provided to the tenants and their clients; deal with secured creditors, including the Mortgagees; and address any outstanding litigation issues that impact the business and the Property.

23. Although I am advised by my lawyer, David Ullmann, that the Mortgagees are stayed

from taking any actions to enforce their security as a result of the stay provisions of the BIA, we have met or intend to have consulted with representatives of those creditors prior to the hearing to advise them of our intention to continue to pay the amounts due under their security and lending arrangements with the Company during the NOI period.

24. As a result of the provisions of the BIA, I am also advised by David Ullmann that the various actions outlined in Exhibit “D” are stayed as against the Company. We are in the process of contacting counsel in these various matters to determine how these matters will proceed, if at all, hereafter.

Charge for Professional Fees

25. The Company is seeking a charge over the assets, undertakings and property of 148 Ontario with respect to the fees and expenses of its counsel, the Proposal Trustee, and Proposal Trustee’s counsel (“**Administration Charge**”), which will rank junior in priority to the interests of the Mortgagees.

26. 148 Ontario has retained Blaney McMurtry LLP (“**Blaney**”) to assist it in the process of restructuring its affairs and making a proposal to its creditors.

27. Blaney will primarily assist 148 Ontario in formulating a proposal, which will hopefully be accepted by the creditors, thereby preventing the bankruptcy of 148 Ontario. It is anticipated that Blaney will also liaise with the Proposal Trustee and 148 Ontario’s creditors in the course of the proposal. Indeed, Blaney has already been in contact with the Proposal Trustee and the secured creditors with respect to the herein motion. Blaney will also provide 148 Ontario with strategic advice with respect to the operations of its business and the sale process in respect to

the Property.

28. I believe that Blaney's expertise, advice and guidance to 148 Ontario throughout the proposal process will be essential to a successful restructuring, and will ensure that the value of the Property is maximized for the benefit of all stakeholders.

29. Similarly, the Proposal Trustee is instrumental to the NOI proceeding. The Proposal Trustee will assist the Company in managing its cash flow and maintaining its business operations. The Proposal Trustee will also communicate with and provide information to 148 Ontario's creditors, including its secured creditors

30. As set out in the cash flow, it is intended that the payment of professional fees incurred in the proposal proceeding will be deferred until there are proceeds from the sale of the Property as discussed below.

Sales Process

31. The Company intends to enter into a public process to sell the Property and, by way of a vesting order of this Court, to convey the Property free and clear of the various encumbrances which would ordinarily be vested out by such an order.

32. It is proposed that the sale solicitation process ("**Sale Process**") will be run by the Proposal Trustee. I have reviewed the Sale Process proposed by the Proposal Trustee.

33. The key features of the Sale Process are as follows:

- (a) The Proposal Trustee will solicit the market for any interested parties;
- (b) The Proposal Trustee will retain a listing agent, who will work with the Proposal

Trustee to market and solicit offers for the Property;

- (c) As soon as possible after the issuance of the Order approving the Sales Process, the Proposal Trustee will distribute an interest solicitation letter and a confidentiality agreement to interested parties;
- (d) Each party that signs a confidentiality agreement will then be provided with a confidential information memorandum, access to an electronic data room, a proposed form of agreement of purchase and sale, and the ability to perform due diligence;
- (e) The deadline for the submission of Qualified Offers (as defined in the Sales Process) will be January 15, 2018;
- (f) If more than one Qualified Offer is received, the Proposal Trustee will hold an auction by January 18, 2018;
- (g) The highest bid at the auction will be selected as the successful offer by the Proposal Trustee on January 19, 2018, and a binding agreement will be executed by January 31, 2018;
- (h) It is expected that the parties will return to the Court to obtain an Approval and Vesting Order by February 15, 2018; and
- (i) The closing of the transaction will be no later than February 28, 2018.

34. I believe the Sale Process will allow for the Property to be marketed and sold in a transparent and open matter within a fairly expedited period of time. It will be run by the

Proposal Trustee, and management will not be involved in the selection of Qualified Offers. The Sales Process provides for the general solicitation of bids followed an auction once the Qualified Offers have been selected, which allows for sufficient flexibility to ensure that value is maximized for the benefit of the creditors generally.

DIP Financing

35. The cash flow filed by the Proposal Trustee and attached as Exhibit “G” projects 148 Ontario’s cash flow to and including March 2018, and demonstrates that the Company is facing a liquidity crisis and will require additional financing in the short term in order to operate in the next six months.

36. As such, the Company requires interim financing to support its cash needs during this process. I, either personally or through a company I control, am prepared to fund up to \$750,000 to 148 Ontario (“**DIP Financing**”). The form of the financing agreement will be made available to the Court at the hearing. The interest rate will be no greater than the current rate charged by the Mortgagees, being 13%, and the other terms of the DIP Financing will have been reviewed by and approved by the Proposal Trustee.

37. The proposed DIP Financing will assist the Company with its operating expenses and the costs related to the Property, and will ensure that there is sufficient flexibility in its cash flow going forward. I believe that the loan will enhance the prospects of a viable proposal being made by 148 Ontario to its creditors because it will be used by the Company to manage and maximize the value of the Property and prepare it for sale.

38. It is contemplated that the charge with respect to the DIP Financing will rank behind the

interests of the Mortgagees, and the Administration Charge.

39. The Mortgagees are current and/or will be current by the time this motion is heard.

40. The Company intends to continue paying the Mortgagees during the NOI process, either through cash flow, funds available through the DIP Financing, or through directing the lenders to apply such interest reserves as they hold. I intend to repay the First Mortgage in full (either personally or through a company that I own) when the mortgage is due and payable on December 1, 2017.

41. Since the DIP Financing charge (as well as the Administration Charge) will be subordinate to the security of the Mortgagees, and these creditors will be kept current during the proposal proceeding and/or be paid out, I do not believe that they will be materially prejudiced as a result of the requested charges.

42. I note that the purchase price for the Property in 2001 was in excess of \$15,000,000. I know of no reason why the Property would have less value now. I have received proposals related to the sale of the building within the last 6 months which were equal or in excess of this amount, the details of which I am not including in this affidavit (in the interest of preserving the Sale Process), but which I have shared with the Proposal Trustee.

Stay Extension

43. Since the date of the filing of the NOI, 148 Ontario has been acting in good faith and with due diligence, and continues to act in this manner in its relationships with its tenants, employees, contractors, and creditors, and in pursuing a restructuring plan and a sale of the Property.

- 12 -

44. The Company requires additional time to continue its restructuring efforts in order to market and sell the Property with the assistance of the Proposal Trustee, and to formulate and file a proposal for the benefit of its creditors. I believe that 148 Ontario will likely be able to make a viable proposal if the extension of time being applied were granted.

45. I am not aware of any creditor that would be materially prejudiced if the stay of proceedings continued to the requested date. I am also not aware of any party that objects to the proposed extension.

46. I swear this affidavit in support of 148 Ontario's motion for an Order granting the Administration Charge; approving the Sales Process; approving the DIP Financing and granting a charge in respect of such borrowings, and for no improper purpose.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, this 26th
day of October, 2017.



A Commissioner for Taking Affidavits, etc.
Alexandra Teodorescu



ALAIN CHECROUNE

Exhibit A

This is **Exhibit “A”** referred to in the
Affidavit of
ALAIN CHECROUNE herein,
Sworn before me
this 26th day of October, 2017.



A Commissioner for Taking Affidavits
Alexandra Teodorescu

Request ID: 020256647
 Transaction ID: 64452068
 Category ID: UNE

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2017/05/12
 Time Report Produced: 15:01:42
 Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
1482241	1482241 ONTARIO LIMITED	2001/06/21
		Jurisdiction
		ONTARIO
		Former Jurisdiction
		NOT APPLICABLE
Corporation Type	Corporation Status	
ONTARIO BUSINESS CORP.	ACTIVE	
Registered Office Address		Date Amalgamated
240 DUNCAN MILL ROAD		NOT APPLICABLE
		Amalgamation Ind.
		NOT APPLICABLE
		New Amal. Number
		NOT APPLICABLE
		Notice Date
		NOT APPLICABLE
		Letter Date
		NOT APPLICABLE
Mailing Address		Revival Date
ALAIN CECHROUNE 240 DUNCAN MILL ROAD		NOT APPLICABLE
		Continuation Date
		NOT APPLICABLE
		Transferred Out Date
		NOT APPLICABLE
		Cancel/Inactive Date
		NOT APPLICABLE
		EP Licence Eff.Date
		NOT APPLICABLE
		EP Licence Term.Date
		NOT APPLICABLE
		Date Commenced in Ontario
		NOT APPLICABLE
		Date Ceased in Ontario
		NOT APPLICABLE
Activity Classification	Number of Directors Minimum Maximum	
NOT AVAILABLE	00001 00005	NOT APPLICABLE

Request ID: 020256647
 Transaction ID: 64452068
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2017/05/12
 Time Report Produced: 15:01:42
 Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

1482241

1482241 ONTARIO LIMITED

Corporate Name History

Effective Date

1482241 ONTARIO LIMITED

2001/06/21

Current Business Name(s) Exist:

NO

Expired Business Name(s) Exist:

NO

Administrator:

Name (Individual / Corporation)

Address

ALAINE

1755 JANE STREET

CHECROUNE

Suite # 1503
 TORONTO
 ONTARIO
 CANADA M9N 2S5

Date Began

First Director

2001/06/21

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 020256647
 Transaction ID: 64452068
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2017/05/12
 Time Report Produced: 15:01:42
 Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

1482241

1482241 ONTARIO LIMITED

Administrator:

Name (Individual / Corporation)

Address

ALAINE

1755 JANE STREET

CHECROUNE

Suite # 1503
 TORONTO
 ONTARIO
 CANADA M9N 2S5

Date Began

First Director

2001/06/21

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

PRESIDENT

Y

Administrator:

Name (Individual / Corporation)

Address

ALAIN

240 DUNCAN MILL ROAD

CHECROUNE

Suite # 801
 TORONTO
 ONTARIO
 CANADA M3B 1Z4

Date Began

First Director

2001/06/21

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 020256647
 Transaction ID: 64452068
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2017/05/12
 Time Report Produced: 15:01:42
 Page: 4

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

1482241

1482241 ONTARIO LIMITED

Administrator:

Name (Individual / Corporation)

Address

ALAIN

CHECROUNE

240 DUNCAN MILL ROAD

Suite # 801
 TORONTO
 ONTARIO
 CANADA M3B 1Z4

Date Began

First Director

2001/06/21

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

PRESIDENT

Y

Administrator:

Name (Individual / Corporation)

Address

ALAIN

CHECROUNE

240 DUNCAN MILL ROAD

Suite # 801
 TORONTO
 ONTARIO
 CANADA M3B 1Z4

Date Began

First Director

2005/09/21

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

SECRETARY

Y

Request ID: 020256647
 Transaction ID: 64452068
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2017/05/12
 Time Report Produced: 15:01:42
 Page: 5

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

1482241

1482241 ONTARIO LIMITED

Administrator:

Name (Individual / Corporation)

Address

DON

9 HILL ROAD

SMITH

GREENWICH
 CONNECTICUT
 UNITED STATES OF AMERICA 06830

Date Began

First Director

2001/06/21

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

N

Administrator:

Name (Individual / Corporation)

Address

DON

9 HILL ROAD

SMITH

GREENWICH
 CONNECTICUT
 UNITED STATES OF AMERICA 06830

Date Began

First Director

2001/06/21

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

SECRETARY

N

Request ID: 020256647
Transaction ID: 64452068
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2017/05/12
Time Report Produced: 15:01:42
Page: 6

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

1482241

1482241 ONTARIO LIMITED

Last Document Recorded

Act/Code Description

Form

Date

CIA ANNUAL RETURN 2010

1C

2013/01/26

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.
ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

Exhibit B

This is **Exhibit “B”** referred to in the
Affidavit of
ALAIN CHECROUNE herein,
Sworn before me
this 26th day of October, 2017.



A Commissioner for Taking Affidavits
Alexandra Teodorescu



Ontario ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #66

PAGE 1 OF 5
PREPARED FOR FeiXue01
ON 2017/10/03 AT 09:49:44

10088-0069 (LT)

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

PROPERTY DESCRIPTION: LT 82-83 PL. 7607 NORTH YORK; PT 2, RS1284; TORONTO (N YORK), CITY OF TORONTO

PROPERTY REMARKS:

ESTATE/QUALIFIER:
RE-ENTRY FROM 10088-0184

LT CONVERSION QUALIFIED

FIN CREATION DATE:
2002/02/25

OWNERS' NAMES

CAPACITY SHARE

1482241 ONTARIO LIMITED

BENO

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT		INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2002/02/22 **				
**SUBJECT,		ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:				
**		SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *				
**		AND ESCHEATS OR FORFEITURE TO THE CROWN.				
**		THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF				
**		IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY				
**		CONVENTION.				
**		ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.				
**DATE OF CONVERSION TO		LAND TITLES: 2002/02/25 **				
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
NY471937	1965/10/28	AGREEMENT		*** DELETED AGAINST THIS PROPERTY ***	TOWNSHIP OF NORTH YORK	
NY522733Z	1967/10/20	REST COV APL ANNEX				C
NY579166	1970/07/20	BYLAW EX PART LOT				C
REMARKS: BY-LAW		NO. 23292				
RS1284	1970/11/17	PLAN REFERENCE				
NY624293	1972/09/15	NOTICE OF LEASE		*** COMPLETELY DELETED ***	B. P. OIL LIMITED	C
REMARKS: SKETCH		ATTACHED.				
NY635854	1973/04/06	NOTICE OF LEASE		*** COMPLETELY DELETED ***	THE CLOROX COMPANY OF CANADA LTD.	
REMARKS: SKETCH		ATTACHED.				

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
NY645074	1973/08/16	NOTICE OF LEASE		*** COMPLETELY DELETED ***	THE CLOROX COMPANY OF CANADA LTD.	
NY646786	1973/09/10	NOTICE OF LEASE		*** COMPLETELY DELETED ***	WESTINGHOUSE CANADA LIMITED	
64BA1069	1977/11/10	PLAN BOUNDARIES ACT REMARKS: RE: NY730267-PLI0556		*** COMPLETELY DELETED ***		C
NY748158	1978/09/26	NOTICE OF LEASE		*** COMPLETELY DELETED ***		
TB176112	1984/06/04	RELEASE REMARKS: RE: AGREEMENT NY471937		*** DELETED AGAINST THIS PROPERTY ***	DON VALLEY BUSINESS CENTRE LTD.	
TB977117	1995/11/14	NOTICE OF LEASE		*** DELETED AGAINST THIS PROPERTY *** 148224 CANADA LIMITED	ACCUMARK PROMOTIONS GROUF INC.	
TR51734	1999/11/10	NOTICE OF LEASE		*** DELETED AGAINST THIS PROPERTY *** CF/REALTY HOLDINGS INC.	KINNRK CHILD AND FAMILY SERVICES	
TR80940	2001/08/13	TRANSFER REMARKS: PLANNING ACT STATEMENT	\$15,300,000	CF/REALTY HOLDINGS INC.	1482241 ONTARIO LIMITED	C
TR80941	2001/08/13	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 1482241 ONTARIO LIMITED	HELLER FINANCIAL CANADA, LTD.	
TR80942	2001/08/13	ASSIGNMENT GENERAL REMARKS: RENTS TR80941		*** DELETED AGAINST THIS PROPERTY *** 1482241 ONTARIO LIMITED	HELLER FINANCIAL CANADA, LTD.	
AT398140	2004/01/30	TRANSFER OF CHARGE REMARKS: TR80941 & TR80942		*** COMPLETELY DELETED *** HELLER FINANCIAL CANADA, LTD.	HELLER FINANCIAL CANADA HOLDING COMPANY	
AT398141	2004/01/30	NO ASSIGN RENT GEN REMARKS: TR80941 & TR80942		*** COMPLETELY DELETED *** HELLER FINANCIAL CANADA, LTD.	HELLER FINANCIAL CANADA HOLDING COMPANY	
AT446534	2004/03/31	LR'S ORDER		*** COMPLETELY DELETED *** LAND REGISTRAR		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHRD
AT776208	2005/04/14	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** 1521428 ONTARIO INC.		
AT794523	2005/05/04	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***	1521428 ONTARIO INC.	
AT928259	2005/09/22	APL (GENERAL)		*** COMPLETELY DELETED *** 1482241 ONTARIO LIMITED		
AT929103	2005/09/23	APL (GENERAL)		*** COMPLETELY DELETED *** 1482241 ONTARIO LIMITED		
AT935525	2005/09/29	CHARGE	\$11,250,000	1482241 ONTARIO LIMITED	COMPUTERSHARE TRUST COMPANY OF CANADA	C
AT935526	2005/09/29	NO ASSIGN RENT GEN		1482241 ONTARIO LIMITED	COMPUTERSHARE TRUST COMPANY OF CANADA	C
AT945683	2005/10/11	DISCH OF CHARGE		*** COMPLETELY DELETED *** HELLER FINANCIAL CANADA HOLDING COMPANY		
AT1417119	2007/04/11	LIEN		*** COMPLETELY DELETED *** HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE		
AT1444155	2007/05/11	DISCHARGE INTEREST		*** COMPLETELY DELETED ***	HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE	
AT1519476	2007/07/26	NO DET/SURR LEASE		*** COMPLETELY DELETED ***	ACCUMARK PROMOTIONS GROUP INC.	
AT1519477	2007/07/26	NOTICE OF LEASE		*** COMPLETELY DELETED *** 1482241 ONTARIO LIMITED	ACCUMARK PROMOTIONS GROUP INC.	
AT2214546	2009/10/29	CAU AGR PUR & SALE		*** COMPLETELY DELETED ***		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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Ontario ServiceOntario

LAND
REGISTRY
OFFICE #66

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 4 OF 5
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ON 2017/10/03 AT 09:49:44

10089-0069 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				1482241 ONTARIO LIMITED DELETED PURSUANT TO BULLETIN 2000-02, AMENDED ON 2016/04/19 BY M. GARSTWA.	NORTH SASKATCHEWAN MOTOR INNS INC.	
AT2340582	2010/03/31	APL (GENERAL)		*** COMPLETELY DELETED *** 6 DEGREES INTEGRATED COMMUNICATIONS INC.		
				ONTARIO SUPERIOR COURT OF JUSTICE	NORTH YORK FAMILY PHYSICIANS HOLDINGS INC.	C
AT2418963	2010/06/21	RESTRICTIONS ORDER		NORTH YORK FAMILY PHYSICIANS HOLDINGS INC.	NORTH YORK FAMILY PHYSICIANS HOLDINGS INC.	C
AT2448796	2010/07/16	NOTICE OF LEASE		*** COMPLETELY DELETED *** 7063580 CANADA INC.		
AT2463369	2010/07/29	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** 7063580 CANADA INC.		
AT2502481	2010/09/13	CERTIFICATE		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE		
				REMARKS: CERTIFICATE OF ACTION RE: AT2463369		
AT2767471	2011/07/28	APL AMEND ORDER		*** COMPLETELY DELETED *** 2144688 ONTARIO LTD.	2144688 ONTARIO LTD.	
				REMARKS: S/B APPLICATION TO REGISTER COURT ORDER		
AT2928012	2012/01/24	CERTIFICATE		*** COMPLETELY DELETED *** 1482241 ONTARIO LIMITED	1482241 ONTARIO LTD.	
				REMARKS: CERTIFICATE OF PENDING LITIGATION		
AT3589829	2014/05/27	CAUTION-LAND		*** COMPLETELY DELETED *** 1482241 ONTARIO LIMITED		
AT3606967	2014/06/13	APL (GENERAL)		HUSSAINI, JAMSHID AHMADI, NEELOFAR	HUSSAINI, JAMSHID AHMADI, NEELOFAR	C
				REMARKS: CERTIFICATE OF PENDING LITIGATION		
AT3633735	2014/07/15	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** MANN ENGINEERING LTD.		
AT3699036	2014/09/26	CERTIFICATE		*** COMPLETELY DELETED *** MANN ENGINEERING LTD.		
				REMARKS: CERTIFICATE OF ACTION		
AT3984281	2015/08/20	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** YYZ PLUMBING INC.		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT4222577	2016/05/19	APL AMEND ORDER REMARKS: DELETE AT2767471 AND AT2928012.		ONTARIO SUPERIOR COURT OF JUSTICE	1482241 ONTARIO LIMITED	C
AT4222702	2016/05/19	APL DEL CONST LIEN REMARKS: AT3633735. & AT3699036.		*** COMPLETELY DELETED *** MANN ENGINEERING LTD.		
AT4225538	2016/05/25	CERTIFICATE		ALLEVIO CLINIC #1 TORONTO INC.	DAN REALTY LIMITED E. MANSON INVESTMENTS LIMITED COPPERSTONE INVESTMENTS LIMITED	C
AT4236037	2016/06/02	TRANSFER OF CHARGE		COMPUTERSHARE TRUST COMPANY OF CANADA		C
AT4236049	2016/06/02	NO ASSIGN RENT GEN REMARKS: AT9335525.		1482241 ONTARIO LIMITED	DAN REALTY LIMITED E. MANSON INVESTMENTS LIMITED COPPERSTONE INVESTMENTS LIMITED	C
AT4261850	2016/06/29	NO ASSIGN RENT GEN REMARKS: AT9335525, AT933526		COMPUTERSHARE TRUST COMPANY OF CANADA		C
AT4349221	2016/09/21	CHARGE	\$1,420,000	1482241 ONTARIO LIMITED	1482241 ONTARIO LIMITED	C
AT4349222	2016/09/21	NO ASSIGN RENT GEN REMARKS: AT4349221.		1482241 ONTARIO LIMITED	JANODEE INVESTMENTS LTD. MEADOWSHIRE INVESTMENTS LTD.	C
AT4349427	2016/09/21	APL DEL CONST LIEN REMARKS: AT3984281.		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE		
AT4349428	2016/09/21	APL DEL CONST LIEN REMARKS: AT2463369. DELETE AT2502481		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE		
AT4350034	2016/09/22	NOTICE REMARKS: AT4349221		1482241 ONTARIO LIMITED	JANODEE INVESTMENTS LTD. MEADOWSHIRE INVESTMENTS LTD.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

Exhibit C

This is **Exhibit “C”** referred to in the
Affidavit of
ALAIN CHECROUNE herein,
Sworn before me
this 26th day of October, 2017.



A Commissioner for Taking Affidavits
Alexandra Teodorescu

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 10/18/2017
File Currency Date: 10/17/2017
Family(ies): 2
Page(s): 5

SEARCH : Business Debtor : 1482241 ONTARIO LIMITED

The attached report has been created based on the data received by Cyberbahn, a Thomson Reuters business from the Province of Ontario, Ministry of Government Services. No liability is assumed by Cyberbahn regarding its correctness, timeliness, completeness or the interpretation and use of the report. Use of the Cyberbahn service, including this report is subject to the terms and conditions of Cyberbahn's subscription agreement.

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 10/18/2017
File Currency Date: 10/17/2017
Family(ies): 2
Page(s): 5

SEARCH : Business Debtor : 1482241 ONTARIO LIMITED

FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 5
SEARCH : BD : 1482241 ONTARIO LIMITED

00 FILE NUMBER : 697416678 EXPIRY DATE : 25JUN 2019 STATUS :
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20140625 1012 1862 4827 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: 1482241 ONTARIO LIMITED OCN : 001482241

04 ADDRESS : 802-240 DUNCAN MILL ROAD
CITY : TORONTO PROV: ON POSTAL CODE: M3B 3S6
05 IND DOB : IND NAME:
06 BUS NAME: OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
MANN ENGINEERING LTD.

09 ADDRESS : 101-150 BRIDGELAND AVENUE
CITY : TORONTO PROV: ON POSTAL CODE: M6A 1Z5
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X X X
YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13 GENERAL SECURITY AGREEMENT

14

15

16 AGENT: A. PAUL GRIBILAS, LAWYER

17 ADDRESS : 1300-5255 YONGE STREET
CITY : TORONTO PROV: ON POSTAL CODE: M2N 6P4

FAMILY : 2 OF 2 ENQUIRY PAGE : 2 OF 5
 SEARCH : BD : 1482241 ONTARIO LIMITED

00 FILE NUMBER : 717145821 EXPIRY DATE : 31MAY 2019 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20160531 1146 1862 7560 REG TYP: P PPSA REG PERIOD: 3
 02 IND DOB : IND NAME:
 03 BUS NAME: 1482241 ONTARIO LIMITED

OCN : 1482241

04 ADDRESS : SUITE 801, 240 DUNCAN MILL ROAD
 CITY : TOONTO PROV: ON POSTAL CODE: M3B 3S6
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 DAN REALTY CORPORATION

09 ADDRESS : 1120 FINCH AVENUE WEST, SUITE 100
 CITY : TORONTO PROV: ON POSTAL CODE: M3J 3H7
 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

14

15

16 AGENT: BERNARD GROPPER

17 ADDRESS : SUITE 300, 261 DAVENPORT ROAD
 CITY : TORONTO PROV: ON POSTAL CODE: M5R 1K3

FAMILY : 2 OF 2 ENQUIRY PAGE : 3 OF 5
 SEARCH : BD : 1482241 ONTARIO LIMITED

00 FILE NUMBER : 717145821 EXPIRY DATE : 31MAY 2019 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20160531 1146 1862 7560 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 :

E. MANSON INVESTMENTS LIMITED

09 ADDRESS : 620 WILSON AVENUE, SUITE 401

CITY : TORONTO

PROV: ON

POSTAL CODE: M5N 1S4

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

14

15

16 AGENT:

17 ADDRESS :

CITY :

PROV:

POSTAL CODE:

FAMILY : 2 OF 2 ENQUIRY PAGE : 4 OF 5
SEARCH : BD : 1482241 ONTARIO LIMITED

00 FILE NUMBER : 717145821 EXPIRY DATE : 31MAY 2019 STATUS :
01 CAUTION FILING : PAGE : 003 OF 003 MV SCHEDULE ATTACHED :
REG NUM : 20160531 1146 1862 7560 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 :
COPPERSTONE INVESTMENTS LIMITED
09 ADDRESS : 620 WILSON AVENUE, SUITE 401
CITY : TORONTO PROV: ON POSTAL CODE: M5N 1S4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.
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GENERAL COLLATERAL DESCRIPTION
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16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

FAMILY : 2 OF 2 ENQUIRY PAGE : 5 OF 5
SEARCH : BD : 1482241 ONTARIO LIMITED

FILE NUMBER 717145821
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 001 MV SCHED: 20160531 1235 1862 7580
21 REFERENCE FILE NUMBER : 717145821
22 AMEND PAGE: 1 NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 1482241 ONTARIO LIMITED

25 OTHER CHANGE:
26 REASON: TO CORRECT THE ADDRESS OF THE BUSINESS DEBTOR
27 /DESCR:
28 :

02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE: 1482241 ONTARIO LIMITED OCN: 1482241

04/07 ADDRESS: SUITE 802, 240 DUNCAN MILL ROAD
CITY: TORONTO PROV: ON POSTAL CODE: M3B 3S6
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
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16 NAME : BERNARD GROPPER
17 ADDRESS : SUITE 300, 261 DAVENPORT ROAD
CITY : TORONTO PROV : ON POSTAL CODE : M5R 1K3

Exhibit D

This is **Exhibit “D”** referred to in the
Affidavit of
ALAIN CHECROUNE herein,
Sworn before me
this 26th day of October, 2017.



A Commissioner for Taking Affidavits
Alexandra Teodorescu

1482241 Ontario Limited – Open Litigation Matters

Style of Cause	Counsel to Opposing Party	Court File No.	Nature of Dispute
2144688 Ontario Ltd. v 1482241 Ontario Ltd.	Doug Bourassa Chaitons LLP 416-218-1145	CV-10-416517	Property dispute: Action involved an Agreement of Purchase and Sale dated June 21, 2010 whereby the Defendant agreed to sell 240 Duncan Mill Road to the Defendant for \$15,000,000. The plaintiff commenced an action for specific performance of the Agreement of Purchase and Sale. 148 defended the action alleging that 214 did not have the money to complete the transaction due to its inability to assume the existing mortgage on title and counterclaimed for \$100,000
Allevio Clinic #1 Toronto Inc o/a Allevio Pain Management v 1482241 Ontario Limited and Alain Checroune	Jamie Spotswood Clyde & Co 416-366-4555	CV-15-537708	Allevio and 148 entered into a 10 year lease agreement. The lease provided for a "Fixturing Period" to permit the completion of work/ leasehold improvements by the landlord; lease also provided for vacant space immediately adjacent to the premises. The landlord did not complete the work/ leasehold improvements. Also alleging that improper rent calculation and invoicing, breach of right of first refusal, breach of lease
1482241 Ontario Limited v Clear Customs Brokers Ltd.	Paul Neil Feldman Oscar Barristers & Solicitors 100 Adelaide Street West, Suite 1010 416-601-6821	CV-10-411312	Lease dispute: 148 seeks damages in the amount of \$408,904.28 for unpaid rent, additional rent, parking fees and the unexpired terms of a lease against Clear Customs Brokers Ltd. The Defendant, Plaintiff by Counterclaim, claims against the Plaintiff damages for breach of contract in the sum of \$500,000 and costs
Devry Smith Frank v Alain Checroune and 1482241 Ontario Limited	Flora Poon Devry Smith Frank 416-446-5081	2442/16	Non-payment of lawyer fees
Jamshid Hussaini, Neelofar Ahmadi and Homelife Dreams Realty Inc v Alain Checroune and 1482241 Ontario Limited	Enzo Di Iorio Miller Thomson LLP 905-415-6711 Ivan Merrow 905-415-6737	CV-14-506305	Property dispute: The plaintiffs claim a declaration that they are the beneficial owners of a 20% interest in the property at 240 Duncan Mill Road, that they own 20% of the shares of 240 Duncan Mill Road, that they have a 20% interest in 240 Duncan Mill Road, a declaration that the Agreement of Purchase and Sale entitles the Plaintiffs to purchase the remaining shares of the Defendant or the subject property, a mandatory order requiring specific performance of the Agreement of Purchase and Sale and various declarations/ orders/ damages relating to Mr. Checroune's conduct
North York Family Physicians Holdings Inc. v 1482241 Ontario Limited	Mark Shapiro Dickinson Wright LLP 416-646-4603	CV-12-462542	Application (Sept 11, 2012): North York Family Physicians Holdings Inc. is seeking a declaration that it is entitled to have access to 143 safe and usable surface parking spaces or in the alternative that it is entitled to have access to 139 surface parking spaces and an order for damages on account of the loss of use of 6 surface parking spaces. The applicant is also seeking

Style of Cause	Counsel to Opposing Party	Court File No.	Nature of Dispute
			orders that the respondent is in contempt of a Court of Appeal Order, a Cost Endorsement and an additional order (from 2010). In addition, the applicant is seeking damages for the cost of parking ticket reimbursement, damages for the cost of access to the underground parking area and costs.
1482241 Ontario Ltd. v. North York Family Physicians Holdings Inc.	Mark Shapiro Dickinson Wright LLP 416-646-4603	CV-12-456185	Application (Dec 14, 2012): 148 is seeking an order declaring the Lease Agreement between the parties in default, an order permitting it to terminate the lease, an order permitting it to re-enter into and upon the demised premises, a declaration that the respondent is over holding possession, damages for breach of contract or in the alternative an accounting of the amounts owed by the tenant, pre and post judgment interest and costs.
Vincenzo Salluce and Visamex Financial Group Ltd. v Max Warner, Kevin Macleod, Alain Checroune, Healthcorp Capital Inc. and 1482241 Ontario Ltd.	Matthew Hilbing Hilbing Barristers & Solicitors 905-264-7155	CV-11-104491-00	The Plaintiffs commenced an action for unpaid brokerage fees (seeking \$195,000 from 148 and \$11,250 from Alain). Alain defended the action on the basis that there was no agreement for such fees and crossclaimed against Healthcorp.
2112872 Ontario Inc. v Alain Checroune and A. Checroune Realty Corporation (superior court)	David M. Pomer Pomer and Boccia 416-213-7450	CV-14-117511-00	Environmental contamination dispute: The Statement of Claim alleges that the parties entered into an Agreement of Purchase and Sale and that A. Checroune Realty Corporation signed a Warranty and Representation that it had no knowledge of any contamination of soil on the property. The Plaintiffs are alleging that the Defendants were aware of the existence of contamination on the property at the time of commission of the Warranty. They are suing A. Checroune Realty Corporation and Alain Checroune personally for breach of warranty, misrepresentation and a breach of the <i>Environmental Protection Act</i> .
Strone Corporation v 1482241	<u>Strone:</u> Danielle Molloy F.G. Suter & Assoc. 905-639-5442 <u>Allevio Clinic:</u> Melanie Sinn Clyde & Co 647-789-4782	SC-16-8543-00	Small Claims Court matter between Allevio Clinic, Strone Corporation, and 1482241 Ontario Limited. This dispute was started by Strone Corporation in respect of repair work it performed at the request of Allevio at the Duncan Mill property. Strone Sued both Allevio and 148 in respect of its unpaid invoices.

Exhibit E

This is **Exhibit “E”** referred to in the
Affidavit of
ALAIN CHECROUNE herein,
Sworn before me
this 26th day of October, 2017.



A Commissioner for Taking Affidavits
Alexandra Teodorescu



BERNARD GROPPER
BARRISTER AND SOLICITOR

BY REGISTERED MAIL AND REGULAR MAIL

October 11, 2017

1482241 Ontario Limited
240 Duncan Mill Road
Suite 802
Toronto ON M3B 3S6

and

A. Checroune Realty Corporation
240 Duncan Mill Road
Suite 802
Toronto ON M3B 3S6

and

Alain Joseph Checroune
80 Fifeshire Road
Toronto ON M2L 2G8

Dear Sirs:

Re: Dan Realty Limited, E. Manson Investments Limited and Copperstone Investments Limited (the "Lenders") \$7,500,000 loan (the "Loan") to 1482241 Ontario Limited (the "Borrower"), guaranteed by A. Checroune Realty Corporation and Alain Joseph Checroune (the "Guarantors"); secured, inter alia, by a first Charge on the property municipally known as 240 Duncan Mill Road, Toronto ON (the "Property")

I am the solicitor for the Lenders in respect of the Loan. In that regard, I refer to the commitment letter for the Loan dated May 31, 2016 (the "**Commitment**", defined terms used and not capitalized herein being as therein defined), and to the Security referenced therein.

Your failure to pay the interest installment to the Lenders due and payable on October 1, 2017 constitutes an Event of Default under the Commitment and the Security, as a result of which the entire principal balance of the Loan, together with all other Indebtedness, is now due and payable, and the Lenders are entitled to enforce their Security.

In connection with the foregoing, on behalf of the Lenders I enclose:

- a. a Notice of Intention to Enforce Security addressed to the Borrower, in accordance with the provisions of the *Bankruptcy and Insolvency Act* (Canada) (the "BIA");
- b. a Notice of Intention to Enforce Security addressed to A. Checroune Realty Corporation, in accordance with the provisions of the BIA; and
- c. a statement of the aggregate Indebtedness as at today's date.

As set out in the Notices, the Lenders will not enforce their Security against the Property and/or any other property or assets of the Borrower and/or the Guarantors charged by the Security until the expiry of the ten day period following the delivery of this letter and the enclosed Notices.

Yours very truly,



Bernie Gropper

- c. the Lenders
Lawrence Zimmerman (counsel to the Borrower and the Guarantors)

NOTICE OF INTENTION TO ENFORCE SECURITY

BANKRUPTCY AND INSOLVENCY ACT (CANADA) Subsection 244(1)

TO: 1482241 ONTARIO LIMITED
240 Duncan Mill Road
Suite 802
Toronto ON M3B 3S6

an Insolvent Person

TAKE NOTICE THAT:

1. **DAN REALTY LIMITED, E. MANSON INVESTMENTS LIMITED and COPPERSTONE INVESTMENTS LIMITED**, collectively a Secured Creditor, intend to enforce their security on the property of the Insolvent Person described as:
 - a. the real property (the “**Real Property**”) municipally known as 240 Duncan Mill Road, Toronto ON and legally described as Lots 82 and 83, and Part Lot 84, Plan 7607, Toronto, being Part 2 on Plan RS1284 (PIN 10088-0069; LRO 80);
 - b. all present and future rents and leases in respect of the Real Property; and
 - c. all of the property, assets and undertaking of the Insolvent Person which is situate on, used in connection with or arising from the business and affairs of the Insolvent Person on, at or about the Real Property.

2. The Security (the “**Security**”) that is to be enforced is in the form of:
 - a. a Charge in the principal amount of \$11,250.000 granted by the Insolvent Person in favour of Computershare Trust Company of Canada (“**CTCC**”), which Charge was registered in the Land Registry Office for Toronto (Number 80) against the Real Property on September 29, 2005; and which Charge was (i) transferred by CTCC to the Secured Creditor by a Transfer of Charge registered in the Land Registry Office for Toronto (Number 80) against the Real Property on June 2, 2016 as Instrument Number AT4236037, and (ii) amended by an Agreement Amending Charge among the Insolvent Person, the Secured Creditor, A. Checroune Realty Corporation and Alain Joseph Checroune dated May 31, 2016.
 - b. a Notice of Assignment of Rents granted by the Insolvent Person in favour of the Secured Creditor, which Notice was registered in the Land Registry Office for Toronto (Number 80) against the Real Property on June 2, 2016 as Instrument Number AT4236049; and

- c. a site specific General Security Agreement from the Insolvent Person in favour of the Secured Creditor dated May 31, 2016, the security interests thereunder being perfected by the registration of a financing statement against the Insolvent Person in favour of the Secured Creditor on May 31, 2016 as Registration Number 20160531 1146 1862 7560 and File Number 717145821.
3. The total amount of indebtedness secured by the Security as at October 11, 2017 is **\$7,692,202.45**, together with all further interest thereon, and all expenses and obligations due and owing or as may become due and owing from the Insolvent Person to the Secured Creditor. The exact amount of the aggregate indebtedness of the Insolvent Person to the Secured Creditor may be obtained by contacting the Secured Creditor.
4. The Secured Creditor will not have the right to enforce the Security until after the expiry of the ten (10) day period following the sending of this Notice, unless the Insolvent Person consents to an earlier enforcement.

DATED at Toronto, this 11^h day of October, 2017



**DAN REALTY LIMITED,
E. MANSON INVESTMENTS LIMITED
and COPPERSTONE INVESTMENTS LIMITED**

by their solicitor

Bernard Gropper
Gropper Law Professional Corporation
Suite 300
261 Davenport Road
Toronto ON M5R 1K3

Tel 416.962.3000
Fax 416.487.3002
Email bgropper@gropperlaw.com

NOTICE OF INTENTION TO ENFORCE SECURITY

BANKRUPTCY AND INSOLVENCY ACT (CANADA)

Subsection 244(1)

TO: A. CHECROUNE REALTY CORPORATION

240 Duncan Mill Road
Suite 802
Toronto ON M3B 3S6

an Insolvent Person

TAKE NOTICE THAT:

1. **DAN REALTY LIMITED, E. MANSON INVESTMENTS LIMITED and COPPERSTONE INVESTMENTS LIMITED**, collectively a Secured Creditor, intend to enforce their security on the property of the Insolvent Person described as:
 - a. any and all Charges/Mortgages of Land (collectively, and including assignments of rent and all other ancillary real and personal property security associated therewith, the “**Charges**”) against the property municipally known as 500 Sheppard Avenue West, Toronto, Ontario [PIN 10146-114] (the “**Property**”), granted by 500 Sheppard Avenue West Ltd. (formerly 2078411 Ontario Ltd.) (the “**Chargor**”) in favour of the Insolvent Person; and
 - b. all indebtedness (the “**Indebtedness**”) of the Chargor in favour of the Insolvent Person in respect of the Charges.

2. The Security (the “**Security**”) that is to be enforced is in the form of:
 - a. a Guarantee dated June 1, 2016 by the Insolvent Person of the obligations of 1482241 Ontario Limited to the Secured Creditor in respect of a certain \$7,500,000 secured loan by the Secured Creditor to 1482241 Ontario Limited; and
 - b. an Assignment of Charge as Security dated May 31, 2016 in favour of the Secured Creditor, the security interests thereunder being perfected by the registration of a financing statement against the Insolvent Person in favour of the Secured Creditor on May 31, 2016 as Registration Number 20160531 1217 1862 7576 and File Number 717147459.

3. The total amount of indebtedness secured by the Security as at October 11, 2017 is **\$7,692,202.45**, together with all further interest thereon, and all expenses and obligations due and owing or as may become due and owing from the Insolvent Person to the Secured Creditor. The exact amount of the aggregate indebtedness of the Insolvent Person to the Secured Creditor may be obtained by contacting the Secured Creditor.
4. The Secured Creditor will not have the right to enforce the Security until after the expiry of the ten (10) day period following the sending of this Notice, unless the Insolvent Person consents to an earlier enforcement.

DATED at Toronto, this 11th day of October, 2017



**DAN REALTY LIMITED,
E. MANSON INVESTMENTS LIMITED
and COPPERSTONE INVESTMENTS LIMITED**

by their solicitor

Bernard Gropper
Gropper Law Professional Corporation
Suite 300
261 Davenport Road
Toronto ON M5R 1K3

Tel 416.962.3000
Fax 416.487.3002
Email bgropper@gropperlaw.com

**DAN REALTY LIMITED, E. MANSON INVESTMENTS LIMITED and
COPPERSTONE INVESTMENTS LIMITED LOAN TO 1482241 ONTARIO LIMITED**

INDEBTEDNESS AS AT OCTOBER 11, 2017

Principal Balance of Loan as at September 1, 2017 last payment date	\$	7,500,000.00
Interest from September 1, 2017 to October 1, 2017 (11.0%, compounded monthly)	\$	68,750.00
Interest from October 1, 2017 to October 11, 2017 (10 days @ \$2,281 per day)	\$	22,809.93
Demand Letter Fee (Letter dated July 19, 2017)	\$	300.00
Late Payment Fees (9 months x \$200 each)	\$	1,800.00
Three Month Interest Penalty (\$68,750 x 3 months)	\$	206,250.00
Legal Fees (including HST) for July 19, 2017 Demand	\$	1,000.00
Legal Fees (including HST) for Notice of Intent to Enforce Security (July 27, 2017)	\$	1,412.50
for Notice of Intent to Enforce Security (herein)	\$	1,412.50
TOTAL INDEBTEDNESS:	\$	7,803,734.93
Less Interest Reserve	-\$	111,532.48
TOTAL PAYABLE BY BORROWER AS AT OCTOBER 11, 2017	\$	7,692,202.45

Exhibit F

This is **Exhibit “F”** referred to in the
Affidavit of
ALAIN CHECROUNE herein,
Sworn before me
this 26th day of October, 2017.



A Commissioner for Taking Affidavits
Alexandra Teodorescu



Crowe Soberman Inc.
Member Crowe Horwath International

2 St. Clair Avenue East, Suite 1100
Toronto, ON M4T 2T5
416.929.2500
416.929.2555 Fax
www.crowesoberman.com

October 16, 2017

To: Creditors of 1482241 Ontario Limited (the "Company")

We are writing to advise you that on October 13, 2017, the Company commenced restructuring proceedings pursuant to the *Bankruptcy and Insolvency Act* ("BIA") by filing a Notice of Intention to Make a Proposal ("NOI"). A copy of the NOI is enclosed. Crowe Soberman Inc. has been appointed to act as the Licensed Insolvency Trustee under the NOI ("Proposal Trustee").

Although the NOI proceedings were commenced pursuant to the BIA, it is important to note that the Company is not bankrupt. The NOI process is intended to provide the Company with the stability it requires in order to consider its restructuring options for the benefit of its stakeholders.

At present, creditors are not required to file a proof of claim. The Proposal Trustee will provide creditors with a proof of claim form and filing instructions at the appropriate time. A further notice will be provided in due course regarding the filing of a Proposal and a meeting of creditors.

More information regarding the Company and these proceedings will be made available from time to time on the Proposal Trustee's website at:
<https://crowesoberman.com/insolvency/engagements>

Due to the restructuring proceedings:

- No person may terminate or amend any agreement with the Company or claim an accelerated payment, or a forfeiture of the term, under any agreement with the Company, by reason only that the Company is insolvent or by reason of the filing of the Notice of Intention, pursuant to Section 65.1(1) of the BIA;
- No creditor has any remedy against the Company or its property or shall commence or continue any action, execution, or other proceedings against the Company, pursuant to Section 69.1(1) of the BIA; and

If you have any questions, please contact Joshua Samson from the Trustee's office at joshua.samson@crowesoberman.com

Yours very truly,


CROWE SOBERMAN INC.
LICENSED INSOLVENCY TRUSTEE UNDER THE NOTICE OF INTENTION TO MAKE
A PROPOSAL OF 1482241 ONTARIO LIMITED

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

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
1482241 ONTARIO LIMITED
of the City of Toronto
in the Province of Ontario

Take notice that:

1. I, 1482241 ONTARIO LIMITED, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Crowe Soberman Inc. of 2 St. Clair Ave East, Suite 1100, Toronto, ON, M4T 2T5, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 13th day of October 2017.



1482241 ONTARIO LIMITED
Insolvent Person

To be completed by Official Receiver:

Filing Date

Official Receiver

- Proposal Consent -

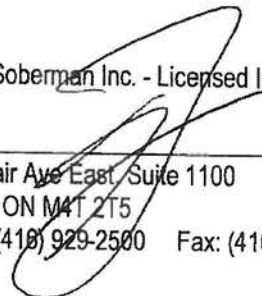
In the matter of the proposal of
1482241 ONTARIO LIMITED
of the City of Toronto
in the Province of Ontario

To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of 1482241 ONTARIO LIMITED.

Dated at the City of Toronto in the Province of Ontario, this 13th day of October 2017.

Crowe Soberman Inc. - Licensed Insolvency Trustee



2 St. Clair Ave East, Suite 1100
Toronto ON M4T 2T5
Phone: (416) 929-2500 Fax: (416) 929-2555

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

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 1482241 ONTARIO LIMITED
 of the City of Toronto
 in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Alain Checroune	240 Duncan Mill Road, Suite 801 Toronto ON M3B 3S6		10,000,000.00
Caruda Holdings	240 Duncan Mill Road Toronto ON M3B 3S6		500,000.00
City of Toronto (Water & Solid Waste)	Box 6000, Toronto ON M2N 5V3		2,000.00
CRA - Tax - Ontario Quebec Insolvency Intake Centre	Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9	RP	10,000.00
CRA - Tax - Ontario Quebec Insolvency Intake Centre	Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9	RT	115,000.00
Daikin Applied Canada Inc.	P.O. Box 15098 Station A Ontario, Toronto ON M5W 1C1		9,000.00
Dan Realty Corporation, E.Manson Investements Limited, Copperstone Investements Limited Larry Zimmerman	c/o Zimmerman Associates, Barristers & Solicitors 3338 Dufferin St, Toronto ON M6A 3A4	1st mortgage - 240 Duncan Mill R	7,692,202.45
E.Manson Investements Limited, Copperstone Invesements Limited Larry Zimmerman	c/o Zimmerman Associates, Barristers & Solicitors 3338 Dufferin St, Toronto ON M6A 3A4	2nd mortgage - 240 Duncan Mill R	1,420,000.00
Enbridge Gas Distribution - Ontario Back Office Collections Department	PO Box 650 Scarborough ON M1K 5E3		1,500.00
Extreme Measures Inc.	55 Avenue Road West Tower, Suite 2910 Toronto ON M5R 3L2		1,000.00

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

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 1482241 ONTARIO LIMITED
 of the City of Toronto
 in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
GDI Services (Canada) LP	60 Worcester Road, ETOBICOKE ON M9W 5X2	TORINV360841-370708	85,000.00
Gowling Lafleur Henderson LLP-Toronto	1600 - 100 King St. W. 1 First Canadian Place Toronto ON M5X 1G5		500,000.00
Hantec Control Systems Inc. Steve Han	479 Rougemount Drive, Unit #1 Pickering ON L1W 2B8		1,000.00
Indy Electric Solutions Indy Woodstock	3020 Keele Street, Unit 347 Toronto ON M3M 2H3		2,000.00
MTCC 918	Berkley Property Management, 3100 Steeles Ave West, Suite 100 Concord ON L4K 3R1		1,200.00
ProFire Safety Services	1 - 15 Kenview Blvd Toronto ON L6T 5G5		10,000.00
Rogers Communications Proposals c/o FCT Default Solutions Insolvency Department	PO Box 2514 Stn B London ON N6A 4G9		1,000.00
Stanley Access Technologies	P.O. Box 9218 Postal Station A Toronto ON M5W 3M1		856.09
Toronto Court Services - Ticket 4860 Collections	137 Edward Street 2nd Floor Toronto ON M5G 2P8		25,000.00
Toronto Hydro-Electric Systems Limited Josephine Pemarell / Mary Degroot	500 Commissioners St, 2nd fl Toronto ON M4M 3N7	240 Duncan Mill Road	125,000.00
Treasurer, City of Toronto George Charocopos, Collections Department	North York Civic Centre, Lower Level 5100 Yonge Street North York ON M2N 5V7	240 Duncan Mill Road,	1,441,179.66
Wesco Distribution Canada LP	475 Hodd Road, Markham ON L3R 0S8	160435&164637	4,000.00

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

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
1482241 ONTARIO LIMITED
of the City of Toronto
in the Province of Ontario

Total		21,946,938.20
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1482241 ONTARIO LIMITED
Insolvent Person

- Creditor Mailing List -

In the matter of the proposal of
1482241 ONTARIO LIMITED
of the City of Toronto
in the Province of Ontario

Creditor Type	Name	Attention	Address	Claim \$
Director	ALAIN CHECROUNE		1755 JANE STREET Toronto ON M9N 2S5	
Contingent	Allevio Clinic # 1 Toronto Inc.		240 duncan Mill Road # 101 Toronto ON M3B 3S6	1.00
	Jamshid Hussaini, Neelofar Ahmadi, and Homelife Dreams Realty Inc.	Ivan Merrow	CV-14-506305 Miller Thomson LLP 60 Columbia Way, Suite 600 Markham ON L3R 0C9	1.00
	Mann Engineering Ltd		101-150 Bridgeland Ave, Toronto ON M6A 1Z5	1.00
	Neelofar Ahmadi			1.00
	YYZ Plumbing Inc.	Josh Rubin	153 Bridgeland Ave, Unit 18 Toronto ON M6A 2Y1	1.00
Secured	Dan Realty Corporation, E.Manson Investements Limited, Copperstone Investements Limited	Larry Zimmerman	1st mortgage - 240 Duncan Mill R c/o Zimmerman Associates, Barristers & Solicitors 3338 Dufferin St, Toronto ON M6A 3A4 Fax: (416) 489-6222 larry@zimlaw.ca	7,692,202.45
	E.Manson Investements Limited, Copperstone Invesements Limited	Larry Zimmerman	2nd mortgage - 240 Duncan Mill R c/o Zimmerman Associates, Barristers & Solicitors 3338 Dufferin St, Toronto ON M6A 3A4 Fax: (416) 489-6222 larry@zimlaw.ca	1,420,000.00
	Treasurer, City of Toronto	George Charocopos, Collections Department	240 Duncan Mill Road, North York Civic Centre, Lower Level 5100 Yonge Street North York ON M2N 5V7 Fax: (416) 395-6703 gcharoc@toronto.ca	1,441,179.66
Unsecured	Alain Checroune		240 Duncan Mill Road, Suite 801 Toronto ON M3B 3S6	10,000,000.00
	Caruda Holdings		240 Duncan Mill Road Toronto ON M3B 3S6	500,000.00
	City of Toronto (Water & Solid Waste)		Box 6000, Toronto ON M2N 5V3	2,000.00
	CRA - Tax - Ontario	Quebec Insolvency Intake Centre	RP Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9 Fax: (866) 229-0839 cra-arc_tax-fisc_ins_t-f_g@cra-arc.gc.ca	10,000.00

- Creditor Mailing List -

In the matter of the proposal of
1482241 ONTARIO LIMITED
of the City of Toronto
in the Province of Ontario

Creditor Type	Name	Attention	Address	Claim \$
Unsecured	CRA - Tax - Ontario	Quebec Insolvency Intake Centre	RT Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9 Fax: (866) 229-0839 cra-arc_tax-fisc_ins_t-f_g@cra-arc.gc.ca	115,000.00
	Daikin Applied Canada Inc.		P.O. Box 15098 Station A Ontario, Toronto ON M5W 1C1	9,000.00
	Devry Smith Frank LLP	James Satin	100 - 95 Barber Greene Road North York ON M3C 3E9 Fax: (416) 449-7071 james.satin@devrylaw.ca	1.00
	Enbridge Gas Distribution - Ontario	Back Office Collections Department	PO Box 650 Scarborough ON M1K 5E3 Fax: (888) 882-5638 customercare@enbridge.com	1,500.00
	Extreme Measures Inc.		55 Avenue Road West Tower, Suite 2910 Toronto ON M5R 3L2	1,000.00
	GDI Services (Canada) LP		TORINV360841-370708 60 Worcester Road, ETOBICOKE ON M9W 5X2	85,000.00
	Gowling Lafleur Henderson LLP-Toronto		1600 - 100 King St. W. First Canadian Place Toronto ON M5X 1G5 Fax: (416) 862-7661 info@gowlings.com	500,000.00
	Hantec Control Systems Inc.	Steve Han	479 Rougemount Drive, Unit #1 Pickering ON L1W 2B8	1,000.00
	Holand Automotive Group		6700 St. Jacques St. West Montreal QC H4B 1V8	157.00
	Indy Electric Solutions	Indy Woodstock	3020 Keele Street, Unit 347 Toronto ON M3M 2H3	2,000.00
	MTCC 918		Berkley Property Management, 3100 Steeles Ave West, Suite 100 Concord ON L4K 3R1	1,200.00
	ProFire Safety Services		1 - 15 Kenview Blvd Toronto ON L6T 5G5	10,000.00
	Rogers Communications Proposals c/o FCT Default Solutions	Insolvency Department	PO Box 2514 Stn B London ON N6A 4G9 Fax: (647) 439-1419 dsinsolvency@collectlink.com	1,000.00
	Stanley Access Technologies		P.O. Box 9218 Postal Station A Toronto ON M5W 3M1	856.09
	Toronto Court Services - Ticket 4860	Collections	137 Edward Street 2nd Floor Toronto ON M5G 2P8	25,000.00

- Creditor Mailing List -

In the matter of the proposal of
1482241 ONTARIO LIMITED
of the City of Toronto
in the Province of Ontario

Creditor Type	Name	Attention	Address	Claim \$
Unsecured	Toronto Hydro-Electric Systems Limited	Josephine Pernarell / Mary Degroot	240 Duncan Mill Road 500 Commissioners St, 2nd fl Toronto ON M4M 3N7 Fax: (416) 542-3574 collections@torontohydro.com	125,000.00
	Wesco Distribution Canada LP		160435&164637 475 Hodd Road, Markham ON L3R 0S8	4,000.00



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2303814
Estate No. 31-2303814

In the Matter of the Notice of Intention to make a
proposal of:

1482241 ONTARIO LIMITED
Insolvent Person
CROWE SOBERMAN INC.
Licensed Insolvency Trustee

Date of the Notice of Intention: October 13, 2017

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

E-File/Dépôt Electronique

Date: October 16, 2017, 08:06

Official Receiver

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

Canada

Exhibit G

This is **Exhibit “G”** referred to in the
Affidavit of
ALAIN CHECROUNE herein,
Sworn before me
this 26th day of October, 2017.



A Commissioner for Taking Affidavits
Alexandra Teodorescu

In the matter of the Proposal of 1482241 Ontario Limited ("148")
Statement of Projected Cash flow for the Period October 2017 to March 2018

	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Totals
CASH INFLOWS							
Rental Income	\$65,213	\$65,213	\$65,213	\$65,213	\$65,213	\$65,213	\$391,280
Parking	\$20,195	\$20,195	\$20,195	\$20,195	\$20,195	\$20,195	\$121,170
Tenant Recoveries	\$79,703	\$79,703	\$79,703	\$79,703	\$79,703	\$79,703	\$478,221
Sale of Building (NOTE 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Court Approved Interim Financing / DIP Loan	\$0	\$84,000	\$91,000	\$87,000	\$87,000	\$186,000	\$535,000
TOTAL INCOME	\$185,112	\$249,112	\$256,112	\$252,112	\$262,112	\$361,112	\$1,525,671
CASH OUTFLOWS							
Snow Removal	\$0	\$0	\$2,889	\$2,889	\$2,889	\$2,889	\$11,556
Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities (Electricity, Gas, Water)	\$27,891	\$59,891	\$59,891	\$59,891	\$59,891	\$59,891	\$327,345
Cleaning/Janitorial	\$11,061	\$11,061	\$11,061	\$11,061	\$11,061	\$11,061	\$66,386
Repairs & Maintenance	\$34,768	\$34,768	\$34,768	\$34,768	\$34,768	\$34,768	\$208,808
Property Management Fees	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500	\$10,500	\$63,000
Office Administration	\$2,845	\$2,845	\$2,845	\$2,845	\$2,845	\$2,845	\$17,072
HST Remittance	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$90,000
Payroll Expenses	\$21,628	\$21,628	\$21,628	\$21,628	\$21,628	\$21,628	\$129,768
Professional Fees - Legal (NOTE 2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional Fees - Proposal Trustee (NOTE 2)	\$5,000	\$0	\$0	\$0	\$0	\$0	\$5,000
Professional Fees - Accounting/Consulting	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$54,000
Vehicle expense	\$1,873	\$1,873	\$1,873	\$1,873	\$1,873	\$1,873	\$11,238
TOTAL EXPENSES	\$138,568	\$188,568	\$189,455	\$189,455	\$189,455	\$266,789	\$1,081,287
NET cash	\$46,544	\$60,544	\$66,657	\$62,657	\$72,657	\$94,323	\$444,384
Repayment of 1st Mortgage	\$0	\$68,750	\$68,750	\$68,750	\$68,750	\$68,750	\$343,750
Repayment of 2nd Mortgage	\$0	\$15,167	\$15,167	\$15,167	\$15,167	\$15,167	\$75,833
NET cash after repayment of mortgage	\$46,544	\$15,167	\$22,740	\$11,290	\$1,280	\$400	\$24,800
Ending Cash Balance	\$25,648	\$24,175	\$26,914	\$25,854	\$24,394	\$24,800	

1482241 Ontario Limited - Proposal to Creditors
Statement of Projected Cash flow

The following ASSUMPTIONS form part of this Statement of Projected Cash flow.

ASSUMPTIONS

Rental Income

Collections of rental income is assumed to be consistent with previous periods based on a 52% occupancy rate / 47% vacancy rate)
The occupancy rate is unlikely to improve significantly in the short term.

Payroll

Has been reduced for cost savings.

Payables

Listed on a COD basis

Sale of Building (NOTE 1)

148's restructuring and proposal will be based on the sale and marketing of real property located 240 Duncan Mill Road, Toronto, Ontario
It is forecasted that a sales process and marketing will run for approximately 45-80 days with a closing scheduled for January or February 2018.

Professional Fees (NOTE 2)

In order to conserve cash through the restructuring, Professional Fees of the Proposal Trustee and legal counsel for 148 will accrue to be paid upon the sale of the building

CERTIFICATION

THE PURPOSE of this Statement of Projected Cash flow is to provide creditors with sufficient information to make an informed decision regarding the Proposal, and to fully disclose to the Trustee and the Official Receiver, the state of 1482241 Ontario Limited financial affairs. This Statement of Projected Cash flow is prepared pursuant to the requirements of sections 50.4(2)(a) and 50(6)(a) of the Bankruptcy and Insolvency Act and solely for that purpose.

Dated this 19th day of October 2017
1482241 Ontario Limited

Per: Alain Desrosiers

Dated this 19th day of October 2017.

CROWE SOBERMAN INC.

Licensed Insolvency Trustee Acting in re: Proposal of 1482241 Ontario Limited

Per: Hans Rizem, CMA, CA, CIRP, LIT



Government
of Canada

Gouvernement
du Canada

Update filing - update is confirmed

Welcome **Hans Rizarri** | [Preferences](#) | [E-Filing helpdesk](#) | [Instructions](#) | [Logout](#)

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 31-2303814
- **Estate Name:** 1482241 ONTARIO LIMITED

Document(s) submitted

The following document(s) have been successfully submitted

- Form 30: Report on Cash-flow Statement by the Person Making the Proposal
- Form 29: Trustee's Report on Cash-flow Statement

Reference

- The Reference Number for this transaction is: **13744748**.
- Submitted by Hans Rizarri.
- 2017-10-23 13:53 EDT

[Submit another document for this estate.](#)

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

Date modified: 2017-07-28



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of Canada

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du Canada

Update filing - update is confirmed

Welcome **Hans Rizarri** | [Preferences](#) | [E-Filing helpdesk](#) | [Instructions](#) | [Logout](#)

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 31-2303814
- **Estate Name:** 1482241 ONTARIO LIMITED

Document(s) submitted

The following document(s) have been successfully submitted

- Cash Flow Statement

Reference

- The Reference Number for this transaction is: **13744756**.
- Submitted by Hans Rizarri.
- 2017-10-23 13:53 EDT

Submit another document for this estate.

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

Date modified: 2017-07-28

Tab 3

Court File No. 31-2303814
Estate File No. 31-2303814

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

THE HONOURABLE) , THE DAY
)
) OF NOVEMBER, 2017

IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE PROPOSAL OF 1482241 ONTARIO LIMITED, OF THE
CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**CROWE SOBERMAN INC., in its capacity as
Licensed Insolvency Trustee of 1482241 Ontario Limited**

ORDER

THIS MOTION made by 1482241 Ontario Limited (“**Debtor**”) for an Order *inter alia*:
(a) granting a charge in respect of the fees and expenses of counsel to the Debtor, Crowe Soberman Inc. in its capacity as Licensed Insolvency Trustee with respect to the Debtor (in this capacity, “**Proposal Trustee**”), and Proposal Trustee’s counsel; (b) approving a sale solicitation process (“**Sale Process**”) with respect to the assets and business of the Debtor; (c) approving the interim financing of the Debtor and granting the DIP Lender’s Charge (as defined below); and extending the time within which a Proposal must be filed to and including December 27, 2017, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Alain Checroune, sworn October 26, 2017, the First Report of the Proposal Trustee, dated October 27, 2017 (“**First Report**”), and on hearing the

submissions of counsel for the Debtor and counsel for the Proposal Trustee, and those other parties present, no one appearing for any other person on the service list, although duly served as appears of the affidavit of service of Alexandra Teodorescu, filed.

SERVICE

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

ADMINISTRATION CHARGE

2. **THIS COURT ORDERS** that counsel to the Debtor, the Proposal Trustee and counsel to the Proposal Trustee (“**Administrative Parties**”) shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on all property, assets and undertakings of the Debtor (“**Property**”), as security for the fees and disbursements of the Administrative Parties, incurred at their standard rates and charges and on the terms set forth in their respective engagement letters, both before and after the making of this Order.

DIP FINANCING

3. **THIS COURT ORDERS** that the Debtor is hereby authorized and empowered to obtain and borrow under a credit facility pursuant to the Debtor-in-Possession Term Sheet (“**DIP Term Sheet**”) between the Debtor and the lender (“**DIP Lender**”) in the form attached to the Supplemental Report of the Proposal Trustee, provided that the borrowings by the Debtor under the DIP Term Sheet shall not exceed \$750,000 unless permitted by further Order of this Court.

4. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (“**DIP Lender’s Charge**”) on the Property as security for any and all obligations, including on account of principal, interest, fees, expenses and other liabilities, under the DIP Term Sheet (“**DIP Obligations**”), which DIP Lender’s Charge shall be in the aggregate amount of the DIP Obligations outstanding at any given time under the DIP Term Sheet.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

5. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender’s Charge (collectively, the “**Charges**”), as among them, shall be as follows:

First - the Administration Charge; and

Second - the DIP Lender’s Charge

6. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

7. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges, encumbrances and claims of secured creditors, statutory or otherwise, except will not rank in priority to the following two charges (provided that the charges are otherwise valid and enforceable):

- (a) A first charge granted by the Debtor in favour of Computershare Trust Company of Canada in the amount of \$11,250,000, and registered on title to the Property on September 29, 2005 as Instrument No. AT935525, which was subsequently transferred to Dan Realty Limited, E. Manson Investments Limited and Copperstone Investments Limited on June 2, 2016, and registered as Instrument No. AT4236037; and
- (b) A second in position charge granted by the Debtor in favour of Janodee Investments Ltd. and Meadowshire Investments Ltd. in the amount of \$1,420,000, registered on September 21, 2016 as Instrument No. AT4349221.

APPROVAL OF SALE PROCESS

8. **THIS COURT ORDERS** that the Sale Process, as described in Appendix “E” to the First Report, be and is hereby approved.
9. **THIS COURT ORDERS** that the Proposal Trustee be and is hereby authorized and directed to perform its obligations under and in accordance with the Sale Process, and to take such further steps as it considers necessary or desirable in carrying out the Sale Process.
10. **THIS COURT ORDERS** that, in accordance with its obligations under the Sales Process, the Proposal Trustee is hereby empowered and authorized, but not obligated, to do any of the following where the Proposal Trustee considers it necessary or desirable:
- (a) to engage consultants, managers, property managers, real estate agents, brokers, listing agents, 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 Proposal Trustee's powers and duties conferred by this Order;

- (b) in accordance with the Sale Process, to market any and all of the Property, including advertising and soliciting offers in respect of the Property, and negotiating such terms and conditions of sale as the Proposal Trustee in its discretion may deem appropriate;
- (c) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of this Court 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;
- (d) 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; and
- (e) 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 Proposal Trustee takes such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of any other individual, firm, corporation, governmental body or agency or any other entity (each being a "**Person**") including the Debtor, and without interference from any other Person.

11. **THIS COURT ORDERS** that the Proposal Trustee and its affiliates, partners, directors, employees, agents and controlling persons shall have no liability with respect to any and all

losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Sale Process, except to the extent such losses, claims, damages or liabilities result from gross negligence or willful misconduct on the Proposal Trustee in performing its obligations under the Sale Process.

12. **THIS COURT ORDERS** that in connection with the Sale Process and pursuant to clause 7(3)(c) of the *Personal Information and Electronic Documents Act* (Canada), the Proposal Trustee is authorized and permitted to disclose personal information of identifiable individuals to prospective purchasers or offerors and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more transactions (each, a “**Transaction**”). Each prospective purchaser or offeror to whom such information is disclosed shall maintain and protect the privacy of such information and shall limit the use of such information to its evaluation of the Transaction, and if it does not complete a Transaction, shall: (i) return all such information to the Proposal Trustee, as applicable; (ii) destroy all such information, or (iii) in the case of such information that is electronically stored, destroy all such information to the extent it is reasonably practical to do so. The transacting party with respect to any of the 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 Proposal Trustee, as applicable, or ensure that all other personal information is destroyed.

EXTENSION OF TIME TO FILE PROPOSAL

13. **THIS COURT ORDERS** that the time in which the Debtor is required to file a proposal is hereby extended to and including December 27, 2017.

GENERAL

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

15. **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 Debtor, the Proposal Trustee and their respective 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 Debtor and the Proposal Trustee as may be necessary or desirable to give effect to this Order, or to assist the Debtor and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF 1482241 ONTARIO LIMITED, OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

CROWE SOBERMAN INC., in its capacity as Licensed Insolvency Trustee of 1482241 Ontario Limited

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

Proceeding commenced at TORONTO

**MOTION RECORD
(Returnable November 2, 2017)**

BLANEY McMURTRY LLP
Barristers and Solicitors
1500 - 2 Queen Street East
Toronto, ON M5C 3G5

David Ullmann (LSUC #423571)
Tel: (416) 596-4289
Fax: (416) 594-2437
dullmann@blaney.com

Alexandra Teodorescu (LSUC #63889D)
Tel: (416) 596-4279
Fax: (416) 594-2506
ATeodorescu@blaney.com

Lawyers for 1482241 Ontario Limited