

**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 OF 1482241 ONTARIO LIMITED
(MOTION SEEKING EXTENSION OF TIME TO FILE A PROPOSAL)**

March 13, 2018

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**ONTARIO
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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**

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TAB 1

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**

**NOTICE OF MOTION
(Returnable March 16, 2018)**

THE MOVING PARTY, 1482241 Ontario Limited (“148 Ontario” or the “Company”), will make a motion to the Court to be heard, on March 16, 2018, 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; and
 - b) extending the time for 148 Ontario to file a proposal to and including April 13, 2018;

2. Such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

Background

1. 148 Ontario is the registered owner of the lands and premises located at 240 Duncan Mill Road, Toronto, Ontario (“**Duncan Mill Property**”), a multi-unit, commercial building;
2. On October 13, 2017, 148 Ontario commenced restructuring proceedings under the *Bankruptcy and Insolvency Act* (“**BIA**”) by filing a Notice of Intention to Make a Proposal (“**NOI**”);
3. Crowe Soberman Inc. is the proposal trustee with respect to the Company’s NOI (“**Proposal Trustee**”);
4. On November 3, 2017, the Honourable Mr. Justice Hainey approved a sale solicitation process with respect to the Duncan Mill Property (“**Sales Process**”), granted an administration charge in favour of the Proposal Trustee and other professionals, and approved a debtor-in-possession funding arrangement between 148 Ontario and Caruda Holdings Ltd. (“**DIP Lender**”);
5. Pursuant to the Order of Justice Hainey, dated December 20, 2017, the deadline for the Company to file a proposal was extended to February 5, 2018. The Court also extended the Bid Deadline and various milestones under the Sales Process;
6. On February 2, 2018, the Court extended the stay of proceedings to March 22, 2018;

Sales Process

7. The Company's principal, Alain Checroune, has expressed an interest to the Proposal Trustee in bidding for the Company's business and assets under the Sales Process either through the DIP Lender, another corporate entity, or personally. Consequently, the Company has not had any input or involvement in the Sales Process;
8. Pursuant to the December 20th Order, the Bid Deadline for submitting binding offers under the Sales Process was extended to February 15, 2018, with corresponding milestones also being extended;
9. The Proposal Trustee conducted the sale of Property in accordance with the Sales Process, and has selected a successful bidder following an auction. It is anticipated that the sale will close on March 29, 2018;

Extension of time to make a Proposal

10. The time for filing the proposal expires on March 22, 2018;
11. The Company requires an extension of time so that the sale of the Property can close, and for the Company to make a proposal to its creditors;
12. The Company has acted and continues to act in good faith and with due diligence in these proceedings;
13. 148 Ontario will likely be able to make a viable proposal if the extension of time to and including April 13, 2018 is granted;
14. No creditors would be materially prejudiced if the stay of proceedings continued to the requested date;

15. The extension period requested is the last date within the 6 month period provided by under the BIA, and the extension being sought is less than the allotted 45 days;
16. Subsection 50.4(9) provides the Court with the jurisdiction to extend the stay of proceedings;
17. The inherent jurisdiction of this Honourable Court;
18. Such further and other grounds as counsel may advise and this Honourable Court may permit.
19. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the application:
20. The Affidavit of Alain Checroune, sworn March 13, 2018;
21. The Fourth Report of the Proposal Trustee, dated March 8, 2018; and
22. Such further and other evidence as this Honourable Court may permit.

March 13, 2018

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TAB 2

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

**AFFIDAVIT OF ALAIN CHECROUNE
(Sworn March 13, 2018)**

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 an Order extending the time for 148 Ontario to file a proposal to and including April 13, 2018.

Background

3. 148 Ontario is the registered owner of 240 Duncan Mills Road, Toronto, Ontario (the “**Property**”). The Property is a multi-unit, commercial building located near the intersection of Highway 401 and Don Mills Road in Toronto, Ontario. The Company has no other business or

material assets.

4. On October 13, 2017, 148 Ontario filed a Notice of Intention to Make a Proposal (“**NOI**”) under the *Bankruptcy and Insolvency Act*. Crowe Soberman Inc. is the proposal trustee for the Company (“**Proposal Trustee**”).

5. In furtherance of its proposal, the Company sought and obtained an Order from the Honourable Mr. Justice Hainey on November 3, 2017 (“**November 3rd Order**”) approving a sale solicitation process with respect to the Property (“**Sales Process**”), granting an administration charge in favour of the Proposal Trustee and other professionals, and approving a debtor-in-possession funding arrangement (“**DIP**”) between 148 Ontario and Caruda Holdings Ltd. (“**DIP Lender**”). A copy of the November 3rd Order is attached hereto and marked as **Exhibit “A”**.

6. On December 20, 2017, Justice Hainey extended the time for the Company to file its proposal to February 5, 2018, and also extended the deadline for certain milestones under the Sales Process (“**December 20th Order**”). A copy of the Court’s Order, dated December 20, 2017 is attached hereto and marked as **Exhibit “B”**.

7. On February 2, 2018, the Court extended the stay of proceedings again to March 22, 2018. A copy of the Court’s Order dated February 2, 2018 is attached hereto and marked as **Exhibit “C”**.

8. The balance of this affidavit provides an update with respect to the Sales Process and outstanding litigation following the Court’s Order of February 2, 2018.

Sales Process

9. In accordance with the timelines under the Sales Process, on or about December 15, 2017, I advised the Proposal Trustee that I would be bidding in the Sales Process either through the DIP Lender, another corporate entity, or in my personal capacity. Given that I had expressed an interest in bidding for the Company's business and assets, the Company has had no involvement or input into the Sales Process since December 15th, in accordance with this Court's November 3rd Order.

10. Pursuant to the December 20th Order, the Bid Deadline for submitting binding offers under the Sales Process was extended to February 15, 2018, and an auction was held thereafter.

11. I am advised by the Proposal Trustee that it has selected a successful bidder and is working towards closing the sale transaction. I have not been advised of the final sale price of the Property, but am advised that the minimum bid during the auction was as set out in the auction instructions. As such, I am operating on the understanding that the sale price must be at least in that amount, in which case the Company supports the sale.

12. I have written to the Proposal Trustee to inquire as to the amount of the purchase price. The Proposal Trustee has not disclosed the amount of the purchase price to me. In the event that the purchase price is less than the minimum auction bid amount, I object to the sale.

13. During the Sales Process the Company was advised by Cushman & Wakefield, the listing agent, that it had received expressions of interest from serious bidders in excess of the minimum auction price. I am aware that the DIP Lender submitted a bid in the bidding process which was very close to the minimum auction price. In the event that the Property is to be sold

for a price which is not at least the minimum auction price, the Sales Process has been flawed and neither it nor the proposed sale should be approved.

14. I am advised by the Proposal Trustee that the sale of the Property is supposed to close on March 29, 2018.

The “Property Claimants”

15. I have reviewed the material included in the Proposal Trustee’s Fourth Report with respect to the alleged property claim of the “Property Claimants” as defined therein. I share the Proposal Trustee’s conclusion that the alleged Property Claim is invalid and should be disallowed by this Court.

16. It is the Company’s position that the claims of the Property Claimants are entirely without merit. Indeed, it is Company’s position that the Property Claimants owe the Company in excess of \$1,200,000 arising out of their illegal termination of their lease with the Company and failure to honour their obligations thereunder.

17. Assuming the Company is satisfied on the issue of price discussed above and accordingly supports the sale, the Company requires that clear title be conveyed to the Purchaser without any reservation with respect to the alleged Property Claim. To the extent their claim had any merit, the opportunity to assert it was upon the approval of the Sales Process at which time, I am advised by my counsel, it was squarely before the Court.

18. The Company has incurred substantial costs and spent its valuable and limited time in this restructuring in reliance on the understanding that the Sales Process was approved and that the Property would be transferred to a successful purchaser in that process. The Company has

less than a month within which to file its proposal or it will be bankrupt.

Proposed Distributions to Mortgagees

19. The Company supports the eventual payment from the proceeds of the amounts owing to the various mortgagees as proposed by the Proposal Trustee. However, when the Company considered paying out these Mortgages in December, the Company received payout statements from the First Mortgagee which included some items of concern which were added to the debt. In addition, the Company has an outstanding dispute, which is known to the Second Mortgagee, with respect to the calculation of their debt arising from a dispute about the interest due.

20. The Proposal Trustee's report does not contain a payout statement for these lenders or an opinion from the Proposal Trustee as to what is owing to each of them. Subsequent to the Proposal Trustee serving its report we have advised the Proposal Trustee of these issues. The Company is of the view that nothing should be paid to any lenders until the Company, the Proposal Trustee and the relevant lenders have reached an agreement as to the amount owing (which the Company undertakes to do promptly once payout statements are received) or there is a further order of this Court.

Aird & Berlis Fees

21. I have had a chance to conduct an initial review the fees of Aird & Berlis, counsel to the Proposal Trustee, which have been put forward for approval in the Proposal Trustee's report. It was my understanding that fees for the restructuring professionals in this matter would not be paid until after the Property was sold. To date nothing has been paid to Company counsel, for example.

22. I had expected that the fees of the Proposal Trustee, its counsel and Company counsel would all be reviewed in the context of the sale having been complete. It is difficult for me to form an opinion on the appropriateness of these fees in isolation and without knowing the final outcome of the Sales Process (including the amount of the purchase price for the Property).

23. I also am reviewing these accounts for the first time and I have some questions which I intend to review with the Proposal Trustee. Given the foregoing, and the fact that the materials disclose no urgency which requires payment of these fees at this time, the approval of these fees should be deferred to another date.

Avison Young

24. Avison Young was appointed as property manager by the Proposal Trustee in accordance with the November 3rd Order. The Company was not consulted on the form of agreement entered into between the Proposal Trustee and Avison Young.

25. But for the fact that we have been advised by the Proposal Trustee that the purchaser required that there be no changes to the Property pending the closing of the sale, the Company would have sought an order of this Court in this motion to remove Avison Young.

26. In my view, Avison Young has mismanaged the Property during the term of its engagement, and has extracted fees from the rental income of the Property that are in excess of the amounts it was authorized to take under its engagement letter.

27. It is our understanding that Avison Young was to be paid only \$10,000 per month. To the extent Avison Young has paid itself any amounts in excess of that, those amounts should be reimbursed to the Company immediately.

28. Among our concerns with Avison Young, beyond their inappropriate fees, are the following:

- (a) Avison Young has authorized payment to tenants for work conducted by the tenants which is properly tenant work and not the responsibility of the landlord;
- (b) Avison Young has hired third party service providers, such as WTA Engineers, who have provided alarmist and expensive reports that have suggested huge expenses be taken on by the estate which, upon further examination, have proven to be unnecessary;
- (c) Avison Young has without notice to the Company hired new entities to service the building at a higher service fee/cost than the current or previous entities engaged by the Company;
- (d) Avison Young has not collected any revenue for the parking spaces related to the building;
- (e) Avison Young has not provided in full the monthly financial reconciliations requested by the Company on a monthly basis, despite many requests for same
- (f) Avison Young has not been responsive to tenant demands and generally has done a poor job in managing the premises;
- (g) Avison Young has not sought the input of the Company on the various expenses it seeks to authorize, nor, to my knowledge, has it in most cases sought the approval of the Proposal Trustee of those expenses. This has resulted in Avison Young over paying for services or paying for unnecessary services; and
- (h) Avison Young has not paid expenses when due, such as the expense owing to Colliers, without consultation or explanation to or with the Company, which

reflects poorly on the Company.

29. We have repeatedly made these concerns known to the Proposal Trustee and to Avison Young.

30. These issue with Avison Young has resulted in the Company having to incur professional fees and to engage its own service providers to remedy matters related to the building.

31. In my view the engagement of Avison Young has increased the costs related to this process, rather than diminishing or stabilizing them. The Company is considering whether or not it has any remedy against Avison Young for reimbursement or damages.

Outstanding Litigation

32. All of the actions against me and 148 Ontario discussed in my initial affidavit in these proceedings continue to be stayed under the relevant provisions of the *Bankruptcy and Insolvency Act*.

33. Counsel for the plaintiff in the matter styled *2144688 Ontario Ltd. v. 1482241 Ontario Ltd.*, Court File No. CV-10-416517 has requested that the Company return the \$100,000 deposit held in trust as a deposit on the purchase of the Property. A trial decision has been rendered dismissing this matter and ordering the return of the deposit to the plaintiff. The plaintiff has appealed the trial decision and has requested that 148 Ontario return the deposit to the plaintiff. The Company has not agreed to return the deposit to the plaintiff because of the effect of the stay of proceedings, the pending appeal (which has been stayed), and the unpaid cost award of the plaintiff. Attached hereto and marked as **Exhibit “D”** is a true copy of email correspondence from Aaron Grossman to Robert Cohen, dated March 6, 2018.

34. The *Strone Corporation v. 1482241 Ontario Ltd.*, Court File No. SC-16-8543, matter before the Small Claims Court was scheduled by the Court for a trial on March 9, 2018. 148 Ontario advised the Court and opposing counsel of the stay of proceedings in effect and that it would not attend at the trial. The Company believes that it has no serious exposure to liability in this matter in any event. Attached hereto and marked as **Exhibit “E”** is a true copy of a letter from Aaron Grossman to the Court, with copy to opposing counsel, dated February 13, 2018.

35. 148 Ontario is a defendant in an existing slip and fall personal injury matter which is being defended by the Company’s property insurer and was issued in June 2015. This matter was not initially disclosed as one of the Company’s ongoing litigation matters because it was being handled completely by the insurer. This matter is also subject to the stay of the proceedings. I am advised by my lawyers that counsel for the plaintiffs are considering bringing a lift-stay motion to have the insurer proceed with the defence of the matter. Attached hereto and marked as **Exhibit “F”** is a true copy of the amended statement of claim in *Yoo v. 148 Ontario* in Court File No. CV-15-529520-00.

36. 148 Ontario was recently served with a statement of claim in another action for personal injuries following an alleged slip and fall at the Property. 148 Ontario intends to advise the plaintiff that it is subject to a stay of proceedings and to report the matter to its property insurer and expects that it will be covered by the Company’s policy of insurance. Attached hereto and marked as **Exhibit “G”** is a true copy of the statement of claim in *Sternberg v. 148 Ontario* issued on January 15, 2018.

Stay Extension

37. 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.

38. The Proposal Trustee has agreed to sell the Property in accordance with the Sales Process. The Company requires additional time to allow for the sale of the Property to close 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 for is granted.

39. The Company has sufficient funds to operate during the proposed stay. All professional fees continue to be deferred pending the sales proceeds becoming available.

40. 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. Indeed, the Proposal Trustee is supportive of the extension.

41. I swear this affidavit in support of 148 Ontario's motion for an Order extending the time to file a proposal to and including April 13th, 2018, and for no improper purpose.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, this 13th
day of March, 2018.



A Commissioner for Taking Affidavits, etc.
David Ullmann



ALAIN CHECROUN

This is Exhibit "A" referred to in the Affidavit of Alain Checroune
sworn the 13th day of March, 2018.



Commissioner for Taking Affidavits (or as may be)

David T. Ullmann



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

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

THE HONOURABLE) FRIDAY, THE 3RD DAY
)
MR. JUSTICE HAINY) 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**

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 the DIP Term Sheet (defined below) and granting the DIP Lender’s Charge (as defined below); and (d) 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**”), the Supplemental Report of the Proposal Trustee, dated November 2, 2017, and on hearing the submissions of

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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 hereto as Schedule “A”, 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.

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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 any lien for unpaid realty taxes in connection with the Property and will also not rank in priority to the following two charges (provided that the charges are otherwise valid and enforceable):

- 4 -

- (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 (collectively, the "**First Mortgagees**") 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. (collectively, the "**Second Mortgagees**") in the amount of \$1,420,000, registered on September 21, 2016 as Instrument No. AT4349221.

APPROVAL OF SALE PROCESS

HH 8. **THIS COURT ORDERS** that the Sale Process, as described in Appendix "E" to the ~~First Report~~ *C* ~~to the this Order~~, 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 Sale 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, in consultation with the First Mortgagees, 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 is hereby waived;
- (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 vesting same in the proceeds; 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. For clarity, the Proposal Trustee will have unfettered discretion in connection with the Sale Process, and will not be influenced by or obligated to follow the instructions or directions, if any, of any of the Debtor, Alain Checroune, and/or any related party.

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

- 7 -

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 22, 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 or 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.

16. **THIS COURT ORDERS** that Confidential Appendix A to the Supplemental Report of the Proposal Trustee, dated November 2, 2017, be and is hereby sealed until further Order of this Court.

A handwritten signature in blue ink, appearing to read "Haines J.", is placed at the end of the document.

APPENDIX "A"

CARUDA
- HOLDINGS -

SINGAPORE
HONG KONG
CANADA

November 1, 2017

To: 1482241 Ontario Limited

240 Duncan Mills Road,
Toronto, Canada M3B-3S6

Attention: Mr. Alain Checroune

Dear Mr. Checroune, Alain:

**Re:Debtor in Possession funding of the Proposal of 1482241 Ontario Limited
["148"] in the amount of up to \$750,000 (the "Loan")**

We are advised that 148 has filed for protection from its creditors by filing a notice of intention to make a proposal in accordance with the Bankruptcy and Insolvency Act (the "NOI Process") Caruda Holdings Ltd. ("Lender") is prepared to advance funds up to the amount of \$750,000 to 148 by way of a court-approved Debtor on Possession loan, provided that the funds advanced are secured by a court-ordered charge as set out in the draft order attached hereto as Appendix "A", which loan shall in any event be in priority to all entities other than the First and Second Mortgagees and amount owing for Property Taxes as set out therein, and subject to the other terms set out herein.

The terms of the loan are as follows:

**Amount and Nature
and Purpose
of Loan:**

Up to \$750,000 to be advanced to 148 in the increments set out on the Cash Flow attached as Appendix "B" or in such larger or other amounts as 148 requests and Crowe Soberman Inc. in its capacity as proposal trustee of 148 (the "Proposal Trustee") approves, up to the maximum amount of the Loan, provided that in no event will any single advance in any month be greater than \$100,000 without the lenders express consent, which may be withheld. The funds may be used to pay outstanding interest owed to the First and Second Mortgagees.

240 DUNCAN MILL ROAD, SUITE 800, NORTH YORK, ONTARIO, CANADA M3B-3S6

First Right to Further Loans In the event that during the NOI Process 148 requires further funds in order to operate or should it elect to repay any of its other obligations, the Lender shall be given the first opportunity to provide that loan, on terms substantially similar to the terms set out herein, although the Lender is not obliged to do so. 148 will provide the Lender with written notice of its request for further funding and the purpose for such funds and the Lender shall have 5 business days to agree to make said loan.

Security and Draws:

Funds to be advanced as requested in writing by 148 by way of cheque or wire transfer into 148 accounts. All advances will be made with notice to the Proposal Trustee. The Loan and all other amounts due to the lender hereunder will be secured by a court-ordered charge in the form set out in the Order attached as Appendix A

Holdback:

\$50,000 of the Loan to be held back to establish the interest reserve (the "Interest Reserve") for interest due hereunder and for the costs of the Lender.

Interest and Payment:

8% per annum compounded monthly, not in advance, payable monthly from the interest reserve to the extent that funds are available therefrom. The Loan is repayable on Demand, and 148 hereby consents to the lifting of the stay in its NOI Process, if required, in order to allow the loan and security to be enforced. The loan shall be immediately due and payable upon the bankruptcy of 148. The Loan and all amounts due hereunder shall not be compromised in any proposal of 148 and the Lender shall be treated as an unaffected creditor in these proceedings.

Amortization:

Interest only.

Ado *Alp*

CARUDA

- HOLDINGS -

SINGAPORE
HONG KONG
CANADA

Term: Commencing on the execution of this agreement and expiring on April 30th, 2018

Privileges: Open to early pre-payment in full at any time, provided, however, that if pre-payment occurs before the three month anniversary of the initial advance, the Lender shall still be entitled to interest in respect of that three month period.

Prior Encumbrances: The Administration Charge, and the amounts owing in respect of Property Taxes, and the amounts properly due and owing and validly secured in favour of the First and Second Mortgagees

Lender Fee: \$25,000 payable (a) as to \$15,000 on the date the first amount is drawn under the Loan by 148 and (b) as to the balance of \$10,000, on the date that the Lender is repaid hereunder.

Brokerage Fee: None

Further Condition: It is understood that an Order approving this Loan, approving the Administration Charge, ordering a sale process and extending 148's NOI process is being sought on November 3rd. This Loan and the Lender's obligation hereunder is conditional upon the order being granted authorizing the Loan and granting the charge described hereof so that the Loan is in priority to all interests other than the Prior Encumbrances on November 3rd, 2017 and on a sale process being ordered by the court in respect of which a sale agreement will be entered into no later than January 30, 2017.

CARUDA

- HOLDINGS -

SINGAPORE
HONG KONG
CANADA

Assignment:

The Lender shall be entitled to assign this Agreement and the Loan to any other person.

Legal Fees:

The reasonable and documented legal fees, disbursements and HST incurred by the Lender in connection therewith, including without limitation in respect of any enforcement of its rights hereunder, shall be secured by the Order.

The foregoing constitutes a formal offer to provide financing. Nothing in this loan agreement shall prevent the Lender from bidding on or funding an entity bidding on the assets of 148 in the proposed sale process or otherwise.

Yours truly,

CARUDA HOLDINGS LTD.

Per: _____

Andy Degan

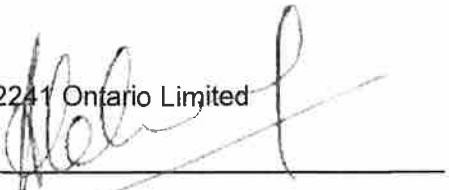
Chief Financial Officer, Secretary
Member of the Board
Shareholder



CARUDA
- HOLDINGS -SINGAPORE
HONG KONG
CANADA

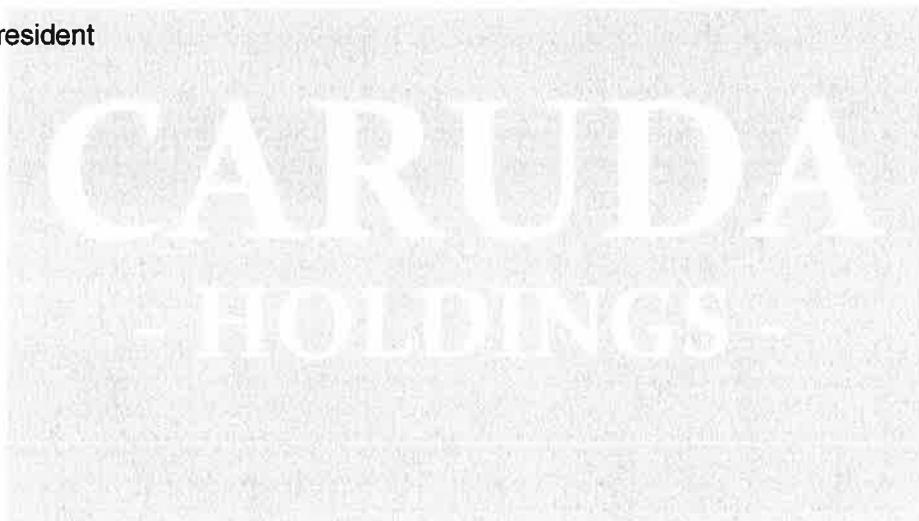
The foregoing is agreed to by the undersigned

1482241 Ontario Limited

Per: 

Name: Alain Checroune

Title: President



APPENDIX "A"

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

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

THE HONOURABLE) FRIDAY, THE 3RD 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 the Debtor in Possession Term Sheet (defined below) 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**”), the Supplemental Report of the Proposal Trustee, dated •, 2017, 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 hereto as

Schedule "A", 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 any lien for unpaid realty taxes in connection with the Property and will also 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 (collectively, the “**First Mortgagees**”) 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, in consultation with the First Mortgagees, 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 is hereby waived;
- (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 vesting same in the proceeds; 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 22, 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.

APPENDIX "B"

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	\$64,000	\$91,000	\$87,000	\$87,000	\$188,000	\$535,000
TOTAL INCOME	\$165,112	\$246,112	\$266,112	\$262,112	\$262,112	\$381,112	\$1,625,871
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	\$68,386
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	\$21,828	\$21,828	\$21,828	\$21,828	\$21,828	\$21,828	\$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	\$139,546	\$165,568	\$169,455	\$169,455	\$169,455	\$268,789	\$1,081,207
NET cash	\$26,567	\$80,940	\$96,667	\$92,667	\$92,667	\$98,323	\$144,694
Réparation of 1st Mortgage	\$0	\$88,750	\$88,750	\$88,750	\$88,750	\$88,750	\$88,750
Réparation of 2nd Mortgage	\$0	\$15,187	\$15,187	\$15,187	\$15,187	\$15,187	\$75,833
NET cash, after repayment of mortgage	\$0	(\$1,271)	\$22,740	(\$1,269)	(\$1,269)	\$696	\$34,800
	\$25,646	\$24,175	\$26,914	\$25,654	\$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 45-60 days with a closing scheduled for January or February 2018.

Professional Fees (NOTE 2)

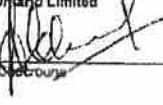
In order to conserve cash through the restructuring, Professional Fees of the Proposal Trustee and legal counsel for 148 will accrue to be paid upon the sale of the building.

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 Trustees 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)(b) and 50(6)(a) of the Bankruptcy and Insolvency Act and solely for that purpose.

Dated this 19th day of October 2017

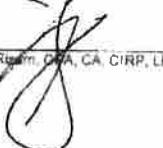
1482241 Ontario Limited


 Par Alain Chabot

Dated this 19th day of October 2017

CROWE SOBERMAN INC.

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


 Par: Hans Rehm, CPA, 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



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

- 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

Appendix "C"

APPENDIX A

1482241 ONTARIO LIMITED

SALES PROCESS – OCTOBER 26, 2017

	Event	Timing
1.	The Proposal Trustee will select and retain a Listing Agent to assist the Proposal Trustee with the marketing and solicitation of offers for the Property.	On or before November * 2018
2.	Compile a list of interested parties through consultation with the Debtor, the Listing Agent, and the Crowe Network of advisors and investors in real estate. <u>The list of interested parties shall be kept confidential from the Debtor, Alain Checroune, and/or any related party (collectively the "Debtor Parties"), unless and until the Debtor Parties declare their intention not to submit an Offer, as described in section 6 below.</u>	On or before November * 2018
3.	Send a teaser (the "Teaser") and confidentiality agreement ("CA") to all parties identified by Crowe as potentially having an interest in the business and assets (the "Property").	Immediately following the Sale Process Approval Date
4.	Information pertaining to this opportunity will be posted on the Proposal Trustee's website: www.crowesoberman.com/insolvency/engagements which will include: <ul style="list-style-type: none"> • An Invitation for Offers to purchase the Debtor's Property; • The Proposed Terms and Conditions of Sale, which is on an "as is, where is" basis with no representations or warranties; and • A CA from the Proposal Trustee. 	Within 10 business days of issuance of the Sale Process Approval Date
5.	The Proposal Trustee shall advertise the Property and Sales Process in <i>The Globe and Mail</i> (National Edition).	Within 10 business days of the Sale Process Approval Date but by no later than Nov 20, 2017
6.	<u>The Debtor Parties shall declare to the Proposal Trustee, in writing, whether they intend to make an Offer in the Sale Process. If the Debtor Parties advise the Proposal Trustee that they intend to make an Offer, then no further information regarding the Sale Process shall be provided to them, and they will be treated in the same manner as any other Interested Party. If the Debtor Parties advise the Proposal Trustee that they do not intend to make an Offer, they shall thereafter be prohibited from doing so.</u>	<u>On or before December 15, 2017</u>
6Z	Interested Parties expressing an interest in participating in the Sale Process will be required to execute the CA, upon which Interested Parties will receive available information in respect of the Property and Sale Process, including access to an electronic data room, once established, which will also include a Confidential Information	Through to no later than January 15, 2018

	Memorandum (“CIM”) setting out the investment and/or purchase opportunity. In addition parties wishing to undertake further due diligence will be provided with an opportunity to conduct site visits and review further additional information not available from the electronic data room.	
7.8.	Interested Parties will have until 5:00 pm Eastern Standard Time on Monday, January 15, 2018 (the “ Bid Deadline ”) to submit a (binding) offer (hereinafter called “ Offer ”), which must include a cash deposit equal to 10% of the total purchase price for the Property subject to the Offer (the “ Deposit ”). The Deposit will be refunded in the event an Offer, as submitted, is not accepted by the Proposal Trustee.	On or before 5:00 PM (EST), January 15, 2018
8.9.	Offers are to be made using the Agreement of Purchase and Sale (“ APS ”) template and are to be made without conditions, other than a condition for Court Approval. Offers shall remain open for acceptance by the Proposal Trustee until at least 5:00 pm Eastern Standard Time, Friday January 19, 2018.	On or prior to 5:00pm (EST) January 19, 2018
9.10.	Following the Bid Deadline, the Proposal Trustee will review and assess all Offers received, if any. In order to be a “ Qualified Offer ”, the offer must: <ol style="list-style-type: none"> Be received by the Proposal Trustee no later than the Bid Deadline; Be accompanied with a cash deposit equal to 10% of the consideration in the APS; Contain no conditions other than the requirement that the Proposal Trustee obtain an Approval Order; Contains evidence of the anticipated sources of capital and/or evidence of availability of such capital, or such other form of financial disclosure and credit support or enhancement that will allow the Proposal Trustee and its legal and financial advisors, to make, in their reasonable business or professional judgement, a reasonable determination as to the potential bidder’s financial and other capabilities to complete the sale transaction; and <u>Provide for consideration that the Proposal Trustee considers commercially reasonable.</u> 	January 16, 2018
10.11.	If more than one Qualified Offer Offer, as determined pursuant to #9.10 above are received by the Bid Deadline, the Proposal Trustee will conduct an auction involving each of the Qualified Offerors, the procedures for which will be announced no less than 3 days before the date of the auction in order to determine one successful offer (the “ Successful Offer ”). All Qualified Offerors shall be responsible for their own fees and costs relating to any transaction.	January 16, 2018
11.12.	Auction (if necessary) and selection of Successful Offer, <u>which shall be conducted in a manner to be further particularized by the Proposal Trustee in advance of the auction.</u>	January 18, 2018

<u>12-13.</u>	Execution of Binding Agreement with Successful Offer	January 31, 2018
<u>13-14.</u>	Seek Court approval of agreement of purchase and sale and obtain a vesting order ("Approval Order") for sale of the Property on or prior to February 15, 2018	On or prior to February 15, 2018
<u>14-15.</u>	Close sale to successful purchaser on or prior to February 28, 2018	On or prior to February 28, 2018

Note: All capitalized terms used and not otherwise defined herein shall have the meaning ascribed to them in the motion material dated October 26, 2017.

| [30836285.2](#)

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

ORDER

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

This is Exhibit "B" referred to in the Affidavit of Alain Checroune
sworn the 13th day of March, 2018.



Commissioner for Taking Affidavits (or as may be)

David T. Ullmann



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

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

THE HONOURABLE

)

WEDNESDAY, THE 20th DAY

)

MR. JUSTICE HAINY

)

OF DECEMBER, 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**

ORDER

THIS MOTION made by 1482241 Ontario Limited (“**Debtor**”) for an Order *inter alia*:

(a) extending the time within which a proposal must be filed to and including February 5, 2018;
(b) amending certain milestones set out in the Sale Process (as defined below); and (c) authorizing and empowering the Debtor to obtain and borrow under a credit facility in order to repay the realty taxes outstanding with respect to the property municipally known as 240 Duncan Mill Road, Toronto (the “**Property**”) and granting a charge to secure advances under that facility on the terms as set out below, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Alain Checroune, sworn December 12, 2017, the Second Report of Crowe Soberman Inc., in its capacity as Licensed Insolvency Trustee with respect to the Debtor (in such capacity, the “**Proposal Trustee**”), dated December 13, 2017, the Affidavit of Alexandra Teodorescu, sworn December 19, 2017, and on hearing the submissions of counsel for the Debtor and counsel for the Proposal Trustee, and those other parties present, no one

- 2 -

appearing for any other person on the service list, although duly served as appears in 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.

AMENDMENTS TO SALE PROCESS

2. **THIS COURT ORDERS** that the sale solicitation process attached as Appendix "C" to the Order of the Honourable Mr. Justice Hainey, dated November 3, 2017 ("Sale Process"), be and is hereby amended as set out in the Second Report of the Proposal Trustee, dated December 13, 2017.

EXTENSION OF TIME TO FILE PROPOSAL

3. **THIS COURT ORDERS** that the time in which the Debtor is required to file a proposal is hereby extended to and including February 5, 2018.

DIP FINANCING

4. **THIS COURT ORDERS** that the Debtor is hereby authorized and empowered to obtain and borrow under a credit facility from any or all of Dan Realty Corporation, E. Manson Investments Limited and Copperstone Investments Limited (in such capacity, the "Tax DIP Lenders") in order to repay the realty taxes outstanding with respect to the Property, currently estimated at approximately \$1.5 million, plus related fees, interest, penalties and costs.

5. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Debtor and the DIP Lender dated as of December 19, 2017 (the “**Commitment Letter**”), substantially in the form attached to the affidavit of Alexandra Teodorescu, sworn December 19, 2017.

6. **THIS COURT ORDERS** that the Tax DIP Lenders shall be entitled to the benefit of and are hereby granted a charge (the “**Tax DIP Lenders’ Charge**”) on the Property which shall have the priority set out in paragraph **10** hereof.

7. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order and any other order made in this proceeding:

- (a) the Tax DIP Lenders may take such steps from time to time as they may deem necessary or appropriate to file, register, record or perfect the Tax DIP Lenders’ Charge; and
- (b) the rights and remedies of the Tax DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Debtor or the Property.

8. **THIS COURT ORDERS AND DECLARES** that the Tax DIP Lenders shall be treated as unaffected in any proposal filed by the Debtor under the *Bankruptcy and Insolvency Act* of Canada (the “**BIA**”), with respect to any advances made under the Commitment Letter.

9. **THIS COURT ORDERS** that the filing, registration or perfection of the Tax DIP Lenders’ Charge shall not be required, and that the Tax DIP Lenders’ Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered,

recorded or perfected subsequent to the Tax DIP Lenders' Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

10. **THIS COURT ORDERS** that the Tax DIP Lenders' Charge shall constitute a charge on the Property ranking in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise in favour of any Person whether or not served with notice of the application for this Order (collectively, "**Encumbrances**"), including the Administration Charge and the DIP Lender's Charge (as those terms are defined in the Order of Justice Hainey dated November 3, 2017 made in this proceeding).

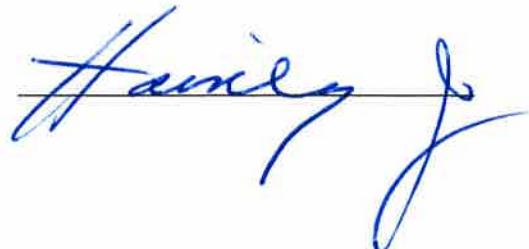
11. **THIS COURT ORDERS** that the Debtor shall not grant any Encumbrances over the Property that rank in priority to, or *pari passu* with, the Tax DIP Lenders' Charge.

12. **THIS COURT ORDERS** that the Commitment Letter and/or the Tax DIP Lenders' Charge shall not be rendered invalid or unenforceable and the rights and remedies of the Tax DIP Lenders thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Debtor, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Tax DIP Lenders' Charge nor the execution, delivery, perfection, registration or performance of the Commitment Letter shall create or be deemed to constitute a breach by the Debtor of any Agreement to which they are a party;
- (b) none of the Tax DIP Lenders shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Debtor entering into the Commitment Letter or the creation of the Tax DIP Lenders' Charge; and
- (c) the payments made by the Debtor pursuant to this Order, the Commitment Letter, and the granting of the Tax DIP Lenders' Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

GENERAL

13. **THIS COURT HEREBY REQUESTS** the aid and recognition or 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.

A handwritten signature in blue ink, appearing to read "Hanley J.", is positioned at the bottom right of the page. The signature is fluid and cursive, with a horizontal line through the middle of the "H" and "J".

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

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at TORONTO

ORDER

BLANEY McMURTRY LLP
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1500 - 2 Queen Street East
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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

This is Exhibit "C" referred to in the Affidavit of Alain Checroune
sworn the 13th day of March, 2018.



Commissioner for Taking Affidavits (or as may be)

David T. Ullmann

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

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



THE HONOURABLE
MR. JUSTICE HAINY

)
)
)

FRIDAY, THE 2ND DAY
OF FEBRUARY, 2018

IN BANKRUPTCY AND INSOLVENCY

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

ORDER

THIS MOTION made by 1482241 Ontario Limited ("Debtor") for an Order extending the time within which a proposal must be filed to and including March 22, 2018, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Alain Checroune, sworn January 31, 2018, the Third Report of Crowe Soberman Inc., in its capacity as Licensed Insolvency Trustee with respect to the Debtor (in such capacity, the "Proposal Trustee"), dated February 1, 2018, 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 in the affidavit of service of Ariyana Botejue, filed.

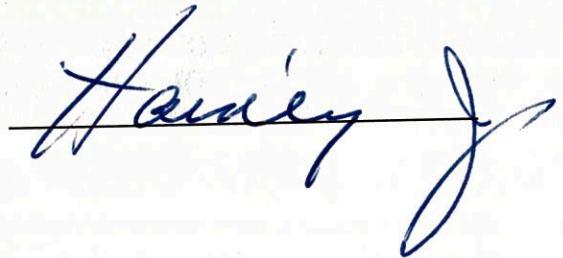
- 2 -

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.

EXTENSION OF TIME TO FILE PROPOSAL

2. **THIS COURT ORDERS** that the time in which the Debtor is required to file a proposal is hereby extended to and including March 22, 2018.

A handwritten signature in blue ink, appearing to read "Hanley J.", is written over a horizontal line. The signature is fluid and cursive, with a distinctive loop on the letter "J".

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

Proceeding commenced at TORONTO

ORDER

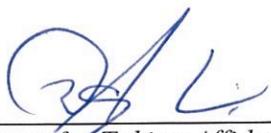
BLANEY McMURTRY LLP
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1500 - 2 Queen Street East
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David Ullmann (LSUC #423571)
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dullmann@blaney.com

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

Lawyers for 1482241 Ontario Limited

This is Exhibit "D" referred to in the Affidavit of Alain Checroune
sworn the 13th day of March, 2018.



Commissioner for Taking Affidavits (or as may be)

David T. Ullmann

Ariyana Botejue

From: Aaron Grossman
Sent: March-06-18 4:51 PM
To: Cohen, Robert (rcohen@casselsbrock.com)
Cc: Ariyana Botejue; David T. Ullmann (dullmann@blaney.com); Miranda Spence (mspence@airdberlis.com)
Subject: RE: Bitton and Checroune re 240 Duncan Mill [IWOV-LEGAL.FID1192114]

Hi Bob,

As you know, we are acting as restructuring counsel to 148 Ontario Ltd. We do not believe that we can provide your client with the funds held in trust at this time for the following reasons. This matter has not been finalized as your client has appealed the trial decision and cost award, there is a stay of proceedings against 148 and I understand that your client may not have satisfied the Cost award of Faieta J. dated March 21, 2016. We are not sure if you have been in touch with counsel for the proposal trustee but we are copying them on this email so that they can provide their input as well.

We or counsel for the Trustee will be in touch with you when a proposal is ultimately made. We trust the foregoing is satisfactory, if you have any questions or concerns please don't hesitate to contact me.

Regards,

Aaron Grossman
 Associate
agrossman@blaney.com
 416-593-3979 |  416-594-5099

From: Cohen, Robert [<mailto:rcohen@casselsbrock.com>]
Sent: March-06-18 4:09 PM
To: David T. Ullmann
Cc: Larry Keown
Subject: RE: Bitton and Checroune re 240 Duncan Mill [IWOV-LEGAL.FID1192114]

David,

Please advise of your position on the \$100K deposit by end of week, failing which we expect to receive instructions to bring a motion for the release of those fund to our client, with interest and costs.

Thanks,

Bob



Robert Cohen
 Direct: +1 416 869 5425 • Fax: +1 416 350 6929 • rcohen@casselsbrock.com
 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2
www.casselsbrock.com

From: Cohen, Robert [<mailto:rcohen@casselsbrock.com>]
Sent: Friday, February 09, 2018 12:02 PM
To: dullmann@blaney.com

Cc: Larry Keown
Subject: RE: Bitton and Checroune re 240 Duncan Mill [IWOV-LEGAL.FID1192114]

David,

May I please have a response to the email below?

Thanks,

Bob



Robert Cohen
 Direct: +1 416 869 5425 • Fax: +1 416 350 6929 • rcohen@casselsbrock.com
 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2
www.casselsbrock.com

From: Cohen, Robert [<mailto:rcohen@casselsbrock.com>]
Sent: Thursday, February 01, 2018 1:34 PM
To: dullmann@blaney.com
Cc: Larry Keown
Subject: Bitton and Checroune re 240 Duncan Mill [IWOV-LEGAL.FID1192114]

David,

Further to my voicemail message, I act for Claude Bitton and 2144688 Ontario Ltd. in connection with litigation against Mr. Checroune's company, 1482241 Ontario Ltd, in respect of 240 Duncan Mill. As you will see below, I have been in contact with Larry Keown (on copy) with respect to the retrieval of my client's \$100,000 deposit, plus interest, which is to be returned in accordance with a trial decision, as attached.

Do you act for the Proposal Trustee of 1482241 Ontario Ltd., and if so, will your client consent to the release of the deposit and interest to my client? If you do not act for the Proposal Trustee, please let me know who you believe does indeed so act.

Thanks for your anticipated cooperation.

Bob



Robert Cohen
 Direct: +1 416 869 5425 • Fax: +1 416 350 6929 • rcohen@casselsbrock.com
 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2
www.casselsbrock.com

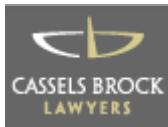
From: Cohen, Robert [<mailto:rcohen@casselsbrock.com>]
Sent: Wednesday, January 10, 2018 12:56 PM
To: Larry Keown
Cc: Tim Deeth; pollockandpollock@rogers.com
Subject: RE: Checroune re 240 Duncan Mill [IWOV-LEGAL.FID1192114]

Understood. Thanks for clarifying.

I will contact the Proposal Trustee to seek his position on behalf of Mr. Checroune and his company.

Regards,

Bob



Robert Cohen
 Direct: +1 416 869 5425 • Fax: +1 416 350 6929 • rcohen@casselsbrock.com
 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2
www.casselsbrock.com

From: Larry Keown [<mailto:Larry.Keown@devrylaw.ca>]
Sent: Wednesday, January 10, 2018 12:42 PM
To: Cohen, Robert
Cc: Tim Deeth; pollockandpollock@rogers.com
Subject: RE: Checroune re 240 Duncan Mill [IWOV-LEGAL.FID1192114]

Robert,

I was not suggesting that we intend to release or transfer the funds.

I was, however, suggesting that we could not release the funds solely on the basis of your client's direction (and without the approval of Mr. Checroune's representatives), given the circumstances. In lieu of a motion, I suggest that we simply ask for the position of Mr. Checroune and/or the Proposal Trustee.

As you know, we do not act for Mr. Checroune, so, we do not have full particulars of the outstanding cost awards. We are, however, aware that there may be some such awards and hence my concern with releasing the funds without approval from Mr. Checroune or his representatives.

Larry W. Keown
Managing Partner
DEVRY SMITH FRANK LLP
 Lawyers & Mediators
 Direct Line: (416) 446-5815
 E-mail: larry.keown@devrylaw.ca

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Barrie Office:
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Whitby Office:
 209 Dundas St E, Suite 401
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From: Cohen, Robert [<mailto:rcohen@casselsbrock.com>]
Sent: January-10-18 11:13 AM
To: Larry Keown <Larry.Keown@devrylaw.ca>
Cc: Tim Deeth <Tim.Deeth@devrylaw.ca>; pollockandpollock@rogers.com
Subject: RE: Checroune re 240 Duncan Mill [IWOV-LEGAL.FID1192114]

Thanks for your email, Larry.

As you know, it is our position that the \$100,000 deposit, plus interest, belongs to my client (which was confirmed when your client's counterclaim for the deposit was dismissed at trial), never formed part of the assets of Mr. Checroune or any of his companies, and any transfer of those funds by your firm without my client's approval would be a breach of trust by your firm.

As such, please confirm that you will not release any portion of these trust funds, or interest thereon, without either my client's approval or a court order obtained with prior adequate notice to my client. In the interim, I will seek instructions to bring a motion on behalf of my client to have the deposit, with interest, released to my client.

As well, please provide particulars of any "outstanding costs awards" between our respective clients, as referenced in your email below. I am not aware of any such outstanding costs awards at this time.

Regards

Bob



Robert Cohen
 Direct: +1 416 869 5425 • Fax: +1 416 350 6929 • rcohen@casselsbrock.com
 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2
www.casselsbrock.com

From: Larry Keown [<mailto:Larry.Keown@devrylaw.ca>]
Sent: Tuesday, January 09, 2018 10:21 AM
To: Cohen, Robert
Cc: Tim Deeth; pollockandpollock@rogers.com
Subject: RE: Checroune re 240 Duncan Mill [IWOV-LEGAL.FID1192114]

Robert,

I am responding to your below email to Tim.

I confirm that Devry Smith Frank is holding the funds in an interest bearing trust account.

Mr. Checroune's company is not bankrupt, as it has filed a Notice of Intention to make a Proposal. I also understand that there may be some outstanding costs awards between your client and Mr. Checroune's company. Accordingly, DSF will not be able to release the funds based on a direction from your client alone and we would need direction from the Proposal Trustee and/or Mr. Checroune.

Thank you.

Larry W. Keown

Managing Partner
DEVRY SMITH FRANK LLP
 Lawyers & Mediators
 Direct Line: (416) 446-5815
 E-mail: larry.keown@devrylaw.ca

Independent Member of the GGI Professional Alliance

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 Barrie, Ontario, Canada L4M 3A7
 Tel: 705-812-2100 | Fax: 1 705-730-6871

Whitby Office:
 209 Dundas St E, Suite 401
 Whitby, Ontario, Canada L1N 7H8
 Tel: 289-638-3171 | Fax: 1-844-449-7071

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Begin forwarded message:

From: "Cohen, Robert" <rcohen@casselsbrock.com>
Date: January 8, 2018 at 1:11:36 PM EST
To: "timothy.deeth@devrylaw.ca" <timothy.deeth@devrylaw.ca>
Cc: Rob Pollock <pollockandpollock@rogers.com>
Subject: Checroune re 240 Duncan Mill [IWOV-LEGAL.FID1192114]

Tim,

Further to my voicemail message, I confirm that I have been re-retained by Claude Bitton and 2144688 Ontario Ltd. in connection with the litigation involving 1482241 Ontario Ltd. and 240 Duncan Mill. I understand that Mr. Checroune's company has filed for bankruptcy; however, please confirm that you continue to hold my client's \$100,000 deposit, plus interest, in trust, and that it may be returned to my client upon further direction from my client.

Regards,

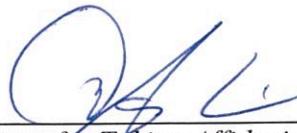
Bob

Robert Cohen

Direct: +1 416 869 5425 • Fax: +1 416 350 6929 • rcohen@casselsbrock.com
2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2
www.casselsbrock.com

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This is Exhibit "E" referred to in the Affidavit of Alain Checroune
sworn the 13th day of March, 2018.



Commissioner for Taking Affidavits (or as may be)

David T. Ullmann

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Blaney McMurtry LLP | Lawyers
2 Queen Street East | Suite 1500
Toronto, Ontario M5C 3G5
+1 416-593-1221
www.Blaney.com

Aaron Grossman
416-593-3979
agrossman@blaney.com

February 13, 2018

VIA FAX (416) 326-3570

Trial Coordinator
Small Claims Court
47 Sheppard Avenue East
Toronto, ON M2N 5N1

To the Trial Coordinator:

Re: Strone Corporation v. 1482241 Ontario Ltd., et al.
Small Claims Court File No.: SC-16-00008543-0000

We are Insolvency counsel for the respondents, 1482241 Ontario Ltd. ("148"), who filed a Notice of Intention to Make a Proposal under section 50.4(1) of the *Bankruptcy and Insolvency Act*. Two further Orders were made by Justice Halney extending the time to file a Proposal until February 5, 2018, copies of the Notice of Intention to Make a Proposal (the "NOI"), the certificate of filing from the Official Receiver and the Orders of Justice Halney are attached.

As a result of the NOI and the Orders of Justice Halney, all proceedings and actions against 148, including the above referenced appeal are stayed. The NOI states: "Pursuant to section 69 of the Act [*Bankruptcy and Insolvency Act*], all proceedings against me [148] are stayed as of the date of filing of this notice with the official receiver in my locality."

Section 69(1)(a) of the *Bankruptcy and Insolvency Act* RSC 1985, c B-3 provides:

"69 (1) Subject to subsections (2) and (3) and sections 69.4, 69.5 and 69.6, on the filing of a notice of intention under section 50.4 by an insolvent person,

(a) no creditor has any remedy against the insolvent person or the insolvent person's property, or shall commence or continue any action, execution or other proceedings, for the recovery of a claim provable in bankruptcy,"

A trial in this matter is scheduled for March 8, 2018. As a result of the stay of proceedings, no one will be appearing at trial on behalf of 148.

Yours very truly,

Blaney McMurtry LLP

Aaron Grossman

AG/ab
Encl.

c.c. Fred G. Suter (F. G. Suter & Associates) Counsel for Strone Corporation
Shawn Therlen (Clyde & Co) Counsel for Co-Defendant, Strone

TIME SENT	CALLED NUMBER	DURATION	PAGES	STATUS
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Crowe Soberman™

Crowe Soberman Inc.
Member Crowe Horwath International
2 St. Clair Avenue East, Suite 1100
Toronto, ON M4T 2T8
416.929.2800
416.929.2866 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

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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

TIME SENT	CALLED NUMBER	DURATION	PAGES	STATUS
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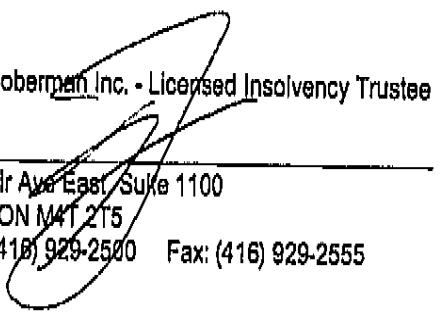
• Proposal Consent -

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

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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 Chocroune	240 Duncan Mill Road, Suite 801 Toronto ON M3B 3S6		10,000,000.00
Carude 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
Dalkin Applied Canada Inc.	P.O. Box 15088 Station A Ontario, Toronto ON M5W 1C1		8,000.00
Dan Realty Corporation, E.Manson Investments Limited, Copperstone Investments Limited Larry Zimmerman	c/o Zimmerman Associates, Barristers & Solicitors 3338 Dufferin St, Toronto ON M6A 3A4	1st mortgage - 240 Duncan Mill R	7,892,202.45
E.Manson Investments Limited, Copperstone Investments 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 850 Scarborough ON M1K 5E3		1,500.00
Extreme Measures Inc.	55 Avenue Road West Tower, Suite 2910 Toronto ON M5R 3L2		1,000.00

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District of: Ontario
 Division No. 08 - 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
Hontec Control Systems Inc. Steve Han	479 Rougemont 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		866.09
Toronto Court Services - Ticket 4860 Collections	137 Edward Street 2nd Floor Toronto ON M5G 2P8		25,000.00
Toronto Hydro-Electric Systems Limited Josephine Pomeroy / Mary Dugroot	500 Commissioners St, 2nd fl Toronto ON M4M 3N7	240 Duncan Mill Road	126,000.00
Treasurer, City of Toronto George Chircopos, Collections Department	North York Civic Centre, Lower Level 5100 Yonge Street North York ON M2N 5V7	240 Duncan Mill Road,	1,441,179.66
Weasco Distribution Canada LP	475 Hodd Road, Markham ON L3R 0S8	160435&164637	4,000.00

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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

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- 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	Allevin Clinic # 1 Toronto Inc. Jamsheed Hussaini, Neelofur Ahmadi, and HomeLife Dreams Realty Inc.	Ivan Merrow	240 duncan Mill Road # 101 Toronto ON M3B 3S6 CV+14-306305 Miller Thomson LLP 60 Columbia Way, Suite 600 Markham ON L3R 0C9	1,00 1,00
	Mann Engineering Ltd		101-150 Bridgeland Ave, Toronto ON M6A 1Z5	1,00
	Neelofur Ahmadi			1,00
	YYZ Plumbing Inc.	Josh Rubin	153 Bridgeland Ave, Unit 18 Toronto ON M6A 2Y1	1,00
Secured	Don Realty Corporation, E.Manson Investments Limited, Copperstone Investments 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	7,692,202.46
	E.Manson Investments Limited, Copperstone Investments 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 Charopoulos, Collections Department	240 Duncan Mill Road, North York Civic Centre, Lower Level 5100 Yonge Street North York ON M2N 5V7 Fax: (416) 395-6703 gcharop@toronto.ca	1,441,179.66
Unsecured	Alain Checroune		240 Duncan Mill Road, Suite 801 Toronto ON M3B 3S6	10,000,000.00
	Carude 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 4693 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9 Fax: (866) 229-0839 cra-nrc_tax-fsc_ins_t-f_g@corp-arc.gc.ca	10,000.00

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- 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 5M9 Fax: (866) 229-0839 cra-arc_lnx-fisc_ins_l-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 customererc@enbridge.com	1,500.00
	Extreme Measures Inc.		55 Avenue Road West Tower, Suite 2910 Toronto ON M5R 3L2	1,000.00
	ODI 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, 1 First Canadian Place Toronto ON M5X 1C5 Fax: (416) 862-7661 Info@gowlings.com	500,000.00
	Hantec Control Systems Inc.	Steve Han	479 Rougemont Drive, Unit #1 Pickering ON L1W 2B8	1,000.00
	Holland 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: (519) 439-1419 disinvolvency@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

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- 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@toronto hydro.com	125,000.00
	Wesco Distribution Canada LP		160435 & 164637 475 Hodd Road, Markham ON L3R 0S8	4,000.00

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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 aforesigned 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 aforesigned Insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: October 16, 2017, 08:06

E-File/Dépôt Electronique

Official Receiver

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

Canada

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

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

THE HONOURABLE)	WEDNESDAY, THE 20 th DAY
)	
MR. JUSTICE HAINY)	OF DECEMBER, 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**

ORDER

THIS MOTION made by 1482241 Ontario Limited ("Debtor") for an Order *inter alia*:

(a) extending the time within which a proposal must be filed to and including February 5, 2018;
 (b) amending certain milestones set out in the Sale Process (as defined below); and (c) authorizing and empowering the Debtor to obtain and borrow under a credit facility in order to repay the realty taxes outstanding with respect to the property municipally known as 240 Duncan Mill Road, Toronto (the "Property") and granting a charge to secure advances under that facility on the terms as set out below, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Alain Checroune, sworn December 12, 2017, the Second Report of Crowe Soberman Inc., in its capacity as Licensed Insolvency Trustee with respect to the Debtor (in such capacity, the "Proposal Trustee"), dated December 13, 2017, the Affidavit of Alexandra Teodorescu, sworn December 19, 2017, and on hearing the submissions of counsel for the Debtor and counsel for the Proposal Trustee, and those other parties present, no one

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appearing for any other person on the service list, although duly served as appears in 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.

AMENDMENTS TO SALE PROCESS

2. **THIS COURT ORDERS** that the sale solicitation process attached as Appendix "C" to the Order of the Honourable Mr. Justice Haincy, dated November 3, 2017 ("Sale Process"), be and is hereby amended as set out in the Second Report of the Proposal Trustee, dated December 13, 2017.

EXTENSION OF TIME TO FILE PROPOSAL

3. **THIS COURT ORDERS** that the time in which the Debtor is required to file a proposal is hereby extended to and including February 5, 2018.

DIP FINANCING

4. **THIS COURT ORDERS** that the Debtor is hereby authorized and empowered to obtain and borrow under a credit facility from any or all of Dan Realty Corporation, E. Manson Investments Limited and Copperstone Investments Limited (in such capacity, the "Tax DIP Lenders") in order to repay the realty taxes outstanding with respect to the Property, currently estimated at approximately \$1.5 million, plus related fees, interest, penalties and costs.

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5. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Debtor and the DIP Lender dated as of December 19, 2017 (the "Commitment Letter"), substantially in the form attached to the affidavit of Alexandra Teodorescu, sworn December 19, 2017.
6. **THIS COURT ORDERS** that the Tax DIP Lenders shall be entitled to the benefit of and are hereby granted a charge (the "Tax DIP Lenders' Charge") on the Property which shall have the priority set out in paragraph 10 hereof.
7. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order and any other order made in this proceeding:
 - (a) the Tax DIP Lenders may take such steps from time to time as they may deem necessary or appropriate to file, register, record or perfect the Tax DIP Lenders' Charge; and
 - (b) the rights and remedies of the Tax DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Debtor or the Property.
8. **THIS COURT ORDERS AND DECLARES** that the Tax DIP Lenders shall be treated as unaffected in any proposal filed by the Debtor under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Commitment Letter.
9. **THIS COURT ORDERS** that the filing, registration or perfection of the Tax DIP Lenders' Charge shall not be required, and that the Tax DIP Lenders' Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered,

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recorded or perfected subsequent to the Tax DIP Lenders' Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

10. **THIS COURT ORDERS** that the Tax DIP Lenders' Charge shall constitute a charge on the Property ranking in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise in favour of any Person whether or not served with notice of the application for this Order (collectively, "Encumbrances"), including the Administration Charge and the DIP Lender's Charge (as those terms are defined in the Order of Justice Hainey dated November 3, 2017 made in this proceeding).

11. **THIS COURT ORDERS** that the Debtor shall not grant any Encumbrances over the Property that rank in priority to, or *pari passu* with, the Tax DIP Lenders' Charge.

12. **THIS COURT ORDERS** that the Commitment Letter and/or the Tax DIP Lenders' Charge shall not be rendered invalid or unenforceable and the rights and remedies of the Tax DIP Lenders thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Debtor, and notwithstanding any provision to the contrary in any Agreement:

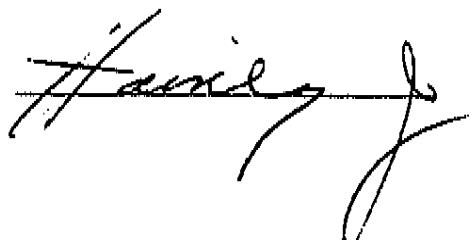
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- (a) neither the creation of the Tax DIP Lenders' Charge nor the execution, delivery, perfection, registration or performance of the Commitment Letter shall create or be deemed to constitute a breach by the Debtor of any Agreement to which they are a party;
- (b) none of the Tax DIP Lenders shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Debtor entering into the Commitment Letter or the creation of the Tax DIP Lenders' Charge; and
- (c) the payments made by the Debtor pursuant to this Order, the Commitment Letter, and the granting of the Tax DIP Lenders' Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

GENERAL

13. **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.



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

**IN BANKRUPTCY AND INSOLVENCY
 ONTARIO**

**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

<p>ONTARIO SUPERIOR COURT OF JUSTICE</p> <p>Proceeding commenced at TORONTO</p>
--

<p>ORDER</p>	<p>BLANEY McMURTRY LLP Barristers and Solicitors 1500 - 2 Queen Street East Toronto, ON M5C 3G5</p> <p>David Ullmann (LSUC #423571) Tel: (416) 596-4289 Fax: (416) 594-2437 dullmann@blaney.com</p> <p>Alexandra Teodorescu (LSUC #63889D) Tel: (416) 596-4279 Fax: (416) 594-2506 ATeodorescu@blaney.com</p> <p>Lawyers for 1482241 Ontario Limited</p>
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TIME SENT

February 13, 2018 at 12:10:19 PM ES 4163263570

DURATION PAGES
314 20

73
STATUS
Sent

73

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

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



) FRIDAY, THE 2ND DAY
)
)

IN BANKRUPTCY AND INSOLVENCY

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

ORDER

THIS MOTION made by 1482241 Ontario Limited ("Debtor") for an Order extending the time within which a proposal must be filed to and including March 22, 2018, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Alain Checroune, sworn January 31, 2018, the Third Report of Crowe Soberman Inc., in its capacity as Licensed Insolvency Trustee with respect to the Debtor (in such capacity, the "Proposal Trustee"), dated February 1, 2018, 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 in the affidavit of service of Ariyana Botcjué, filed.

TIME SENT	CALLED NUMBER	DURATION	PAGES	STATUS
February 13, 2018 at 12:10:19 PM ES	4163263570	314	20	Sent

74

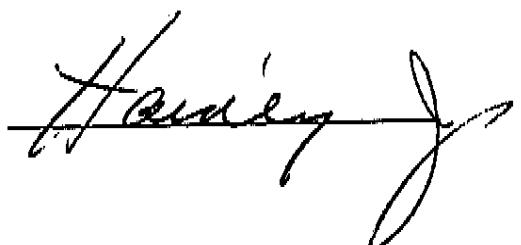
- 2 -

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.

EXTENSION OF TIME TO FILE PROPOSAL

2. **THIS COURT ORDERS** that the time in which the Debtor is required to file a proposal is hereby extended to and including March 22, 2018.



A handwritten signature in black ink, appearing to read "H. Henley", is written over a horizontal line. The signature is fluid and cursive, with a distinct "H" at the beginning and a "J" at the end.

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

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
 Proceeding commenced at TORONTO

ORDER

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

This is Exhibit "F" referred to in the Affidavit of Alain Checroune
sworn the 13th day of March, 2018.



Commissioner for Taking Affidavits (or as may be)

David T. Ullmann

Court File No.: CV-15-5295200
*✓/JF***ONTARIO
SUPERIOR COURT OF JUSTICE****MASTER** *Pope*

) *WEDNESDAY 9th* THE --- DAY
) *MARCH* 2016.
)

B E T W E E N:

CHANG-SOON YOO

Plaintiff

-and-

**NORTH YORK FAMILY PHYSICIANS HOLDING INC.,
1482241 ONTARIO LIMITED and XYZ MAINTENANCE COMPANY**

Defendants

ORDER

THIS MOTION made by the plaintiff for leave to amend the Statement of Claim, was read this day at the Courthouse located at 393 University Avenue, Toronto, Ontario.

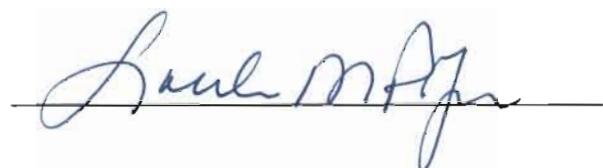
ON READING the Plaintiff's Amended Amended Notice of Motion and the Affidavit of Rene Clonfero with its Exhibits, and that this Motion is unopposed:

1. **THIS COURT ORDERS** that leave is granted to amend the Statement of Claim, issued on June 15, 2015 to correct the name of the

Page...2

Defendant misnamed as XTZ Maintenance Company to Husky Landscaping Services Inc.

2. **THIS COURT ORDERS** that leave is granted to extend time for service of Amended Statement of Claim to March 30, 2016;
3. **THIS COURT ORDERS** ~~that the granting of leave~~ [✓] ~~to amend the~~ [✓] Statement of Claim in the form attached as Schedule "A" attached to the Order; and,
4. **THIS COURT ORDERS** that there be no cost of this motion.



A handwritten signature in blue ink, appearing to read "Paul M. Afza", is written over a horizontal line. The signature is fluid and cursive, with a distinct "P" at the beginning.

SCHEDULE "A"

JP Court File No. *CV-15-529520* *JP*

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

CHANG-SOON YOO

Plaintiff

-and-

**NORTH YORK FAMILY PHYSICIANS HOLDING INC.,
1482241 ONTARIO LIMITED and ~~XYZ MAINTENANCE COMPANY~~
HUSKY LANDSCAPING SERVICES INC.**

Defendants

AMENDED STATEMENT OF CLAIM

TO THE DEFENDANT(S)

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the plaintiff's lawyer or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service, in this court office, **WITHIN TWENTY DAYS** after this statement of claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure.

This will entitle you to ten more days within which to serve and file your statement of defence.

**IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE
GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE
TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO
PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING
A LOCAL LEGAL AID OFFICE.**

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date Issued by _____
Local registrar

Address of court office: 393 University Avenue
10th Floor
Toronto, Ontario
M5G 1E6

TO: NORTH YORK FAMILY PHYSICIANS HOLDING INC.
240 Duncan Mills Road
Suite 703
Toronto, Ontario
M3B 3S6

AND TO: 1482241 ONTARIO LIMITED
240 Duncan Mills Road
Suite 802
Toronto, Ontario
M3B 3S6

AND TO: XYZ MAINTENANCE COMPANY
HUSKY LANDSCAPING SERVICES INC.
3901 Don Mills Road
Suite 14
North York, Ontario
M2H 2S7

CLAIM

1. The Plaintiff claims:
 - (a) General Damages in the sum of FOUR HUNDRED THOUSAND (\$400,000.00);
 - (b) Special Damages in the sum of FOUR HUNDRED THOUSAND (\$400,000.00);
 - (c) Pre-judgment interest in accordance with section 128 of the *Courts of Justice Act*, R.S.O. 1990, c. C43, as amended;
 - (d) Post-judgment interest in accordance with section 129 of the *Courts of Justice Act*, R.S.O. 1990, c C.43, as amended;
 - (e) The costs of this proceeding, plus goods and services tax; and,
 - (f) Such further and other Relief as to this Honourable Court may seem just.
2. The Plaintiff Chang-Soon Yoo resides in the City of Markham in the Province of Ontario. At all material times the plaintiff was a visitor on the premises of the defendants.
3. The Defendant, North York Family Physicians Holdings Inc., is an entity incorporated pursuant to the laws of Canada in the business of providing medical services, located at 240 Duncan Mills Road, Suite 703, Toronto, Ontario. At all material times this Defendant was the owner and occupier of the property with a municipal address of 240 Duncan Mills Road, Toronto, Ontario ("premises"). This property includes a parking lot. As an occupier, this Defendant is therefore responsible for the maintenance, inspection and condition of the premises including the surface of the parking lot.
4. The Defendant, 1482241 Ontario Limited, is an entity incorporated pursuant to the laws of Canada in the business of renting out commercial offices, located at 240 Duncan Mills Road, Suite 802, Toronto, Ontario. At all

material times this Defendant was the owner and occupier of the property with a municipal address of 240 Duncan Mills Road, Toronto, Ontario ("premises"). This property includes a parking lot. As an occupier, this Defendant is therefore responsible for the maintenance, inspection and condition of the premises including the surface of the parking lot.

5. The defendant ~~XYZ Company Inc.~~, Husky Landscaping Services Inc. is ~~one or more a corporate bodies body~~ carrying on business in the Province of Ontario ~~whose legal identities are not known at this time~~. At all material times, ~~some or all of the bodies corporate named in this claim as XYZ Company Inc.~~ Husky Landscaping Services Inc. had a contract with the defendants which was in effect over the winter of 2014 – 2015 to provide winter maintenance services for the parking lot at 240 Duncan Mills Road, Toronto, Ontario. At all material times ~~some or all of the bodies corporate named in this claim as XYZ Company Inc.~~ Husky Landscaping Services Inc. were occupiers of the subject parking lot and were therefore responsible for the maintenance, inspection and condition of the subject parking lot.
6. On February 5, 2015, the Plaintiff visited the premises of the defendants for the purpose of attending her doctor appointment.
7. She parked her vehicle in the parking lot area of the premises.
8. After parking her car, the Plaintiff walked towards the entrance of the building in a careful and prudent manner. Suddenly and without any warning, she slipped on a patch of ice and fell violently to the ground. As a result of the fall the Plaintiff suffered serious and permanent personal injuries.
9. The injuries to the Plaintiff were caused by the negligence of the Defendants, their agents, servants or employees, or independent contractors, jointly and severally, the particulars of which negligence are as follows:
 - (a) they failed to properly maintain the parking lot in an area utilized by

residents and/or visitors on a daily and constant basis;

- (b) they failed to cordon off the area and/or post a warning of the danger to residents and/or visitors utilizing the parking lot, particularly, the Plaintiff;
- (c) they knew or ought to have known of the hazardous condition of the parking lot prior to the Plaintiff's slip and fall;
- (d) they maintained no system, or alternatively an inadequate system of inspection for hazardous objects or accumulations of water, ice and/or snow on the paved surface of the parking lot;
- (e) they made no inspection, or alternatively made an inadequate inspection of the parking lot within a reasonable time prior to the Plaintiff's slip and fall;
- (f) they employed agents, employees, servants or contractors who were incompetent, and who failed to properly monitor and maintain the said parking lot;
- (g) They failed to take reasonable, or any, steps to satisfy themselves that the contractor(s) who were retained, contracted or hired to perform reasonably necessary maintenance and inspection of the premises had the requisite education, training or experience to execute their responsibilities in a professional and competent and reliable manner;
- (h) they acted unreasonably in the circumstances;
- (i) they disregarded the safety of the residents and/or visitor using the parking lot; and,
- (j) Such further and other particulars of negligence as are learned through the discovery process.

10. In the alternative, the cause of the fall and surrounding circumstances were within the exclusive knowledge and control of the Defendants, and the fall would not have occurred but for the negligence of the Defendants. The Plaintiff pleads and rely upon the doctrine of *res ipsa loquitur*.

11. The Plaintiff pleads that the Defendants' actions constitute a public nuisance for which the Plaintiff has suffered damages.
12. As a result of the fall the Plaintiff sustained an injury to her head, arms, shoulders, back, legs, along with a straining and tearing of the muscles and ligaments throughout her body. The injury has caused the Plaintiff great pain and suffering and emotional distress.
13. The injuries have been accompanied by extreme pain, physical discomfort and emotional upset such that the Plaintiff's enjoyment of life has been lessened and her ability to carry on her day-to-day activities, including housekeeping, which has been and will be impaired. This Plaintiff has sustained and will continue to sustain pain and suffering, loss of enjoyment of life and loss of amenities. This Plaintiff has been unable and remains unable to participate in vocational, recreational, domestic and social activities to the extent to which she participated in such activities prior to the incident.
14. As a result of her injuries, the Plaintiff has incurred and will continue to incur out of pocket expenses, including but not limited to, costs for: hospitalization; prescription medication; medical treatment; and transportation.
15. As a further result of her injuries, the Plaintiff has suffered a loss of income and a diminution of her earning capacity. In addition, the Plaintiff's competitiveness in the workplace has been permanently or adversely affected.
16. The Plaintiff has been unable to perform household and home maintenance chores for herself or her family to the extent that she was able to do so prior to the incident and she will require assistance in the future to perform

household and home maintenance chores. This Plaintiff has sustained a loss of homemaking capacity.

17. The Plaintiff pleads and rely upon the provisions of the following Acts as amended:

- a) *Negligence Act* R.S.O. 1990 c.N.1;
- b) *Courts of Justice Act* R.S.O. 1990, c.C. 42; and,
- c) *Occupiers' Liability Act*, R.S.O. 1990, c.0.2..

18. The Plaintiff proposes that this action be tried at the City of Toronto, in the Province of Ontario.

CLONFERO LAW FIRM
55 Adelaide Street East
Suite 300
Toronto, Ontario
M5V 1K6

René A. Clonfero (3666 2G 1D)
Tel: (416) 703-2077
Fax: (416) 703-3351

Lawyers for the Plaintiff

YOO

Plaintiff

-v-

**NORTH YORK FAMILY PHYSICIANS
HOLDING INC. et al.**

Defendants

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
TORONTO

AMENDED STATEMENT OF CLAIM

CLONFERO LAW FIRM
55 Adelaide Street East
Suite 300
Toronto, Ontario
M5V 1K6

René A. Clonfero (3666 2G 1D)

Tel : (416) 703-2077
Fax: (416) 703-3351

Lawyers for the Plaintiff

YOO

NORTH YORK FAMILY PHYSICIANS *ET AL.*

Court File No.: CV-15-5295200

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO

ORDER

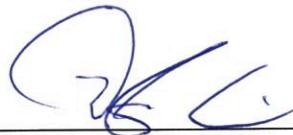
CLONFERO LAW FIRM

55 Adelaide Street East
Suite 300
Toronto, Ontario
M5C 1K6

René A. Clonfero (3666 2G 1D)
Tel : (416) 703-2077
Fax: (416) 703-3351

Lawyers for the Plaintiff

This is Exhibit "G" referred to in the Affidavit of Alain Checroune
sworn the 13th day of March, 2018.



Commissioner for Taking Affidavits (or as may be)

David T. Ullmann

Court File no.

CV-18-590039

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:



DANIEL STEINBERG

Plaintiff

and

1482241 ONTARIO LIMITED AND HUSKY LANDSCAPING
Defendants**STATEMENT OF CLAIM**

TO THE DEFENDANT

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the plaintiff's lawyer or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this statement of claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

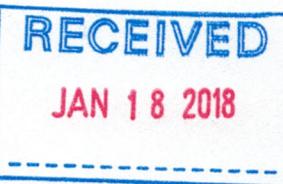
Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

(Where the claim made is for money only, include the following:)

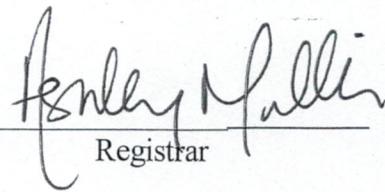
IF YOU PAY THE PLAINTIFF'S CLAIM, and \$1,000⁰⁰ for costs, within the time for serving and filing your statement of defence you may move to have this proceeding dismissed by the court. If you believe the amount claimed for costs is excessive, you may pay the plaintiff's claim and \$400 for costs and have the costs assessed by the court.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.



Date Jan. 15/2018

Issued by


Shirley Mallin
Registrar393 University Avenue, 10th floor
Toronto, Ontario
M5G 1T6

TO:

1482241 Ontario Limited
240 Duncan Mill Road
Suite 400
Toronto, ON M3B 3S6


IEY
-AM-

AND TO:

Husky Landscaping
80 Esna Park Drive
Unit 19
Markham, ON L3R 2R6

CLAIM

1. The Plaintiff claims:

- a. General Damages in the amount of \$100,000.00;
- b. Special Damages in the amount of \$50,000.00;
- c. Prejudgment interest pursuant to the provisions of the Courts of Justice Act, R.S.O. 1990, as amended, as of January 18th, 2016;
- d. His costs of this action on a substantial indemnity basis, with Harmonized Sales Tax;
- e. Such further and other relief as to this Honourable Court may seem just.

2. The Plaintiff is an individual, who resides in the Province of Ontario.

3. The Defendant 1482241 Ontario Limited ("148") is an incorporated company, operating in the Province of Ontario, and, at all material times, was the registered owner and/or occupier of the commercial building known municipally as 240 Duncan Mill Road, Toronto, ON, M3B 3S6 (the "Property").
4. The Defendant Husky Landscaping ("Husky") is an incorporated company, operating in the Province of Ontario, and, at all material times, was responsible for the maintenance and upkeep of the Property, including the removal of snow and the salting of ice.
5. The Plaintiff states and the fact is that, at about 10:35 a.m. on January 18th, 2016, he, while walking on the concrete ramp at the entrance to the Property (the "Ramp"), to attend a doctor's appointment, slipped on the ice covered surface and fell both against the adjacent railing and onto the Ramp (the "Fall").
6. The Plaintiff states and the fact is that, as a result of the Fall, he suffered serious physical injuries, including, but not necessarily limited to, the following:
 - a. Severe and persistent headaches.
 - b. Severe pain in, and loss of mobility of, his left shoulder.
 - c. Severe pain in, and loss of mobility of, his middle back, to the left side and adjacent to his ribs.
 - d. Severe pain in, and loss of mobility of, his right knee.

The Plaintiff states that particulars of his serious physical injuries will be made available to the Defendants prior to, or at, Trial.

7. The Plaintiff states and the fact is that, as a consequence of the Fall, he suffered serious psychological injuries, including, but not necessarily limited to, the following:
 - a. Fear of falling.

The Plaintiff states that particulars of his serious psychological injuries will be provided to the Defendants prior to, or at, Trial.

8. The Plaintiff states and the fact is that, as consequence of the serious physical and psychological injuries he sustained in the Fall, including those described in paragraphs 6 and 7, above, he has been receiving ongoing medical treatments from his family physician, medical specialists and therapists, including medical care and chiropractic care. The Plaintiff states that particulars of the medical treatments he has received will be provided to the Defendants prior to, or at, Trial.
9. The Plaintiff states and the fact is that, as a consequence of the serious physical and psychological injuries he sustained in the Fall, including those described in paragraphs 6 and 7, above, he has endured severe pain and suffered loss of enjoyment of life and loss of amenities, including, but not necessarily limited to, the inability to do housework and household chores, lift or carry objects of significant weight and participate in leisure activities, sports, pastimes and social events. The Plaintiff states

that particulars of his pain, loss of enjoyment of life and loss of amenities will be provided to the Defendants prior to, or at, Trial.

10. The Plaintiff states and the fact is that, at the time of the Fall, he was employed, full-time, as an IT specialist. The Plaintiff states that, as a consequence of the serious physical and psychological injuries he sustained in the Fall, including those described in paragraphs 6 and 7, above, he was unable to work for some time and then only returned to work at a reduced capacity. The Plaintiff claims all special damages arising from the Fall and his related inability to work, including lost income, loss of earning capacity and loss of competitive advantage. The Plaintiff states that particulars of his special damages, including his lost income, loss of earning capacity and loss of competitive advantage will be provided to the Defendants prior to, or at, Trial.

11. The Plaintiff states and the fact is that the Defendants knew, or ought to have known, that the condition of the Property and the Ramp were dangerous and constituted an unusual and concealed danger and trap to persons walking on the Ramp and who were not familiar with, or aware of, the fact that the Ramp was ice covered and slippery. Accordingly, the Defendant 148, as the occupier and/or registered owner of the Property, and the Defendant Husky, as the snow removal and salting contractor for the Property, are in breach of their duties owed to the Plaintiff and to all invitees to the Property, from time to time.

12. The Plaintiff states and the fact is that his injuries, losses and damages were caused by the negligence of the Defendant 148, particulars of which include the following:

- a. It employed and retained incompetent employees, servants and agents, including the Defendant Husky,
- b. It failed to implement a regular system of inspection of the Property and the Ramp to ensure that they were free of ice and not slippery,
- c. It failed to salt and clean the Ramp, or have it salted and cleaned, to ensure that it did not become slippery when icy,
- d. It failed to use reasonable care in keeping the Property and the Ramp in a clean, dry, ice-free and safe condition,
- e. It failed to notify and warn the Plaintiff of the condition of the Property and the Ramp and warn him to take extra precaution when walking on the Ramp,
- f. It failed to take reasonable care to prevent damage from unusual dangers, of which they knew or which it ought to have known, by notice, signs or otherwise.

13. The Plaintiff states and the fact is that his injuries, losses and damages were caused by the negligence of the Defendant Husky, particulars of which include the following:

- a. It employed and retained incompetent employees, servants and agents,
- b. It failed to implement a regular system of inspection of the Property and the Ramp to ensure that they were free of ice and not slippery,
- c. It failed to implement a reasonable schedule of salting the Property and the Ramp, to ensure that they did not become icy and slippery,

- d. It failed to use reasonable, or any, care in salting the Property and the Ramp to ensure that they were free of ice and not slippery,
- e. It failed to notify and warn the Plaintiff of the condition of the Property and the Ramp and warn him to take extra precaution when walking on the Property and the Ramp,
- f. It failed to post a sign or signs at the bottom and top of the Ramp to notify the Plaintiff and other members of the public using the Ramp that it was icy and slippery and to avoid using the Ramp for those reasons.

14. The Plaintiff states and the fact is that, in addition or in the alternative to the above, the Defendants are in breach of their common law duties in that they had sole and absolute control of the Property and the Ramp and were aware that the Property and, in particular, the Ramp, were icy and slippery, and, at the material time, failed in their common law duties to keep the Property and the Ramp in a proper state of safety.

15. The Plaintiff states and the fact is that, in addition or in the alternative to the above, the Defendants breached their legal duties to take such care as was reasonable to see that persons entering the Property and walking on the Ramp were reasonably safe while doing so. The Plaintiff relies upon the provisions of the Occupiers' Liability Act, R.S.O. 1990, as amended.

16. The Plaintiff further pleads and relies upon the doctrine of res ipsa loquitur.

17. The Plaintiff proposes that this action be tried at Toronto.

Date of issue:

Jan. 15/2018

JEFFREY D. GRAY
Barrister & Solicitor
Suite 1006
5160 Yonge Street
Toronto, Ontario
M2N 6L9

(416) 512-1694
(416) 221-8372 (fax)

Lawyer for the Plaintiff

SUPERIOR COURT OF JUSTICE

Proceeding Commenced at

TORONTO

STATEMENT OF CLAIM

JEFFREY D. GRAY
Barrister & Solicitor
1006-5160 Yonge Street
Toronto, ON
M2N 6L9

tel. 416-512-1694
fax. 416-221-8372

LSUC# 23063W

Lawyer for the Plaintiff

TAB 3

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) FRIDAY, THE 16TH DAY
)
MR. JUSTICE HAINY) OF MARCH, 2018

IN BANKRUPTCY AND INSOLVENCY

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

ORDER

THIS MOTION made by 1482241 Ontario Limited (“**Debtor**”) for an Order extending the time within which a proposal must be filed to and including April 13, 2018, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Alain Checroune, sworn March 13th, 2018, the Fourth Report of Crowe Soberman Inc., in its capacity as Licensed Insolvency Trustee with respect to the Debtor (in such capacity, the “**Proposal Trustee**”), dated March 7, 2018, 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 in the affidavit of service of Ariyana Botejue, 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.

EXTENSION OF TIME TO FILE PROPOSAL

2. **THIS COURT ORDERS** that the time in which the Debtor is required to file a proposal is hereby extended to and including April 13, 2018.

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

Proceeding commenced at TORONTO

ORDER

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

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
Proceeding commenced at TORONTO

MOTION RECORD OF 1482241 ONTARIO LIMITED
(Returnable March 16, 2018)

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