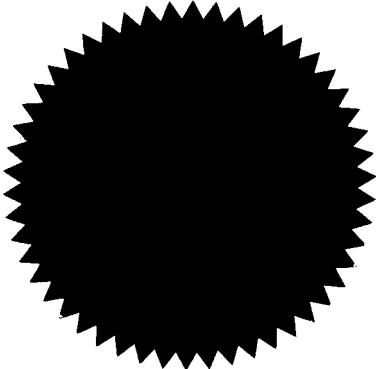


ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)
JUSTICE *MESKUR*) FRIDAY, THE 25TH DAY
) OF NOVEMBER, 2011.

BETWEEN:



THE TORONTO-DOMINION BANK

Applicant

- and -

2012241 ONTARIO LIMITED

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, as amended and SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990 c. C.43, as amended

ORDER

THIS MOTION, made by Ira Smith Trustee & Receiver Inc., in its capacity as court appointed receiver of the Respondent (the "**Receiver**"), for an Order requiring the principals of the Respondent and its counsel to deliver certain documents and funds, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated November 24, 2011, and the Appendices thereto (the "**First Report**") and on hearing submissions from counsel to the Receiver, to the Applicant and any other stakeholders present,

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

2. **THIS COURT ORDERS** that the Order of the Honourable Mr. Justice Campbell dated November 15, 2011, be and the same is hereby amended by inserting at paragraph 2 the following wording: "including but not limited to the municipal property known as 50 Sunny Meadows Circle in Brampton, Ontario" and whose legal description is Pt of Lt 11, Con 5 East of Hurontario St, des as Pts 6 and 7, Pl 43R21902. S/T an easement In favour of Brampton Hydro Electric Commission and The Corporation of the City of Brampton Over Pt of Lt 11, Con 5 EHS, des as Pt 7, Pt 43R21902 as in LT1615145, City Of Brampton in the definition of "Property" (hereinafter referred to as the "**Building**")".

3. **THIS COURT ORDERS** that Sikder Professional Corporation, Barristers and Solicitors, shall transfer to Blaney McMurtry LLP, all deposits presently held by it, in trust, for all purchases of the units in the Building within 72 hours of the date of this Order. In this regard, this Court Orders and appoints Blaney McMurtry LLP as escrow agent for the sole purposes of holding the said trust fund deposits without liability.

4. **THIS COURT ORDERS** that Sikder Professional Corporation shall deliver up ~~within 72 hours of the date of this Order~~ ^{✓ by the} ~~within~~ ^{cycle of business on November 29 2011 ✓ Ken} copies of all documents and accounting relating to the purchase and sale of the condominium units, including but not limited to:

- (a) All agreements of purchase and sale, including amendments thereto;
- (b) All documents relating to all interim occupancies;

- (c) Detailed trust ledger and reconciliation in respect of all deposits and releases of deposits;
- (d) All directions signed by purchasers permitting the disbursements to 2012241 of deposits held in trust by you;
- (e) All correspondence and documentation exchanged between Sikder and all purchasers and their solicitors;
- (f) All draft condominium documents including draft declaration, by-laws and condominium plans, *in its possession* ✓ *Plen*
- (g) Details of all occupancy fees being paid; and
- (h) All documents requested by the Receiver in his November 16, 2011 letter.

5. **THIS COURT ORDERS** that Jagdev Dhaliwal, Jagden Dhaliwal, Jasdew Dhaliwal and Ravinder Chahal (the “**Principals**”) provide responses to all requests contained in the Receiver’s requests contained in its letter of November 16, 2011 (and attached as Schedule “A” to this Order) on or before the close of business on November 29, 2011.

6. **THIS COURT ORDERS** that if the Principals fail to comply with paragraph 4 of this Order, the Receiver shall be free to bring a contempt motion against the Principals on three calendar days’ notice.

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

NOV 25 2011

PER/FAS



Schedule "A"



IRA SMITH
TRUSTEE & RECEIVER INC.

STARTING OVER. STARTING NOW

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November 16, 2011

VIA EMAIL ravi@chahalwilshire.com

Mr. R. Chahal, Project Manager
2012241 Ontario Limited
c/o 470 Chrysler Drive Unit 20
Brampton, ON L6S 0C1

VIA EMAIL dhaliwalj10@hotmail.com

Mr. J. Dhaliwal, President
2012241 Ontario Limited
c/o 7420 Airport Road Unit 105
Mississauga, Ontario L4T 1E5

Dear Sirs

**2012241 Ontario Limited ("2012241")
Receivership Order dated November 15, 2011
50 Sunny Meadow Blvd., Brampton, ON (the "Building")**

We are writing further to the meeting last evening between Mr. and Mrs. Chahal and our Messrs. I. Smith, B. Smith and M. Wolfe. We advise that on November 15, 2011, The Honourable Mr. Justice Campbell of the Ontario Superior Court of Justice (Commercial List) made an Order (the "Appointment Order") appointing Ira Smith Trustee & Receiver Inc. as Receiver (the "Receiver") of the assets, undertakings and properties of 2012241. We enclose a copy of the Appointment Order and the file directions issued yesterday. We confirm that both Mr. and Mrs. Chahal were each provided with a copy of the Appointment Order last evening.

Paragraphs 4 and 5 of the Appointment Order require all persons with notice of the Appointment Order to deliver all Property (as defined in the Appointment Order) and books, records and all documents in their possession to the Receiver. We obtained certain records last evening from the 50 Sunny Meadow Blvd. premises, but many records we would have expected to have seen were not stored in the main floor office.

Although this listing is not meant to be exhaustive, we would have expected to have found, and taken possession of at least the following additional records of 2012241:

1. Quantity Surveyor reports and Architect's Certificates.
2. Contracts with contractors and suppliers for both the construction and ongoing maintenance and property management of the Building.
3. All files relating to the construction of the Building, including all Statutory Declarations and/or lien claims (both registered and unregistered) of the trades used in the construction of the Building.
4. Bank statements and cancelled cheques for all accounts maintained by 2012241 whether at The Toronto-Dominion Bank or elsewhere.
5. The documents relating to all secured indebtedness and leases of equipment.
6. Accounting records and software showing full disclosure of the affairs of 2012241.
7. Minute Book, corporate seal and other corporate records, financial statements and income tax returns.
8. Statements received from Canada Revenue Agency, Workers' Safety and Insurance Board and various provincial and municipal government agencies.
9. Payroll records.
10. Extension Agreements for all Agreements of Purchase and Sale.
11. Identification of the whereabouts and amount of all deposits being held relating to Agreements of Purchase and Sale, by purchaser.
12. Identification of the whereabouts and amount of all security deposits and last month's rent being held from tenants of the Building.
13. All Offers to Lease and Leases from prospective or actual tenants of the Building.
14. The current rent roll for the Building.
15. Extension Agreements for all Agreements of Purchase and Sale entered into with purchasers of the condominium units.
16. Licenses required for the operation of the Building and machinery and equipment located thereon.
17. Occupancy Certificates.

18. The declaration and the description required to register a condominium building under the *Ontario Condominium Act, 1998* S.O. 1998, CHAPTER 19.
19. Documentation relating to owners paying phantom rent for the units they are respectively using.
20. Paid and unpaid billings for the supply of goods and services for the Building, including, but not limited to, property tax, hydro, water and gas.
21. Documentation to clearly identify all assets, properties and undertakings of 2012241 in addition to the Building.
22. A copy of all insurance policies/insurance endorsements detailing the insurance coverage held by 2012241 in relation to the Building, any vehicles and any other assets being insured.

As new information becomes available to us, we will update this listing, although it is your responsibility to deliver all Property of 2012241 without receiving specific requests from us, otherwise, you will be in contravention/contempt of the Appointment Order.

As you know, as Court-appointed Receiver, we are an Officer of the Court and we act on behalf of all the creditors of 2012241 and we must report our actions, activities and all issues concerning this receivership administration to the Court. We must be able to quickly identify the location of all of the assets, properties and undertakings of 2012241 and take possession of same. As indicated above, all persons with notice of the Appointment Order, including you, have a positive duty to disclose the whereabouts of all such assets, properties and undertakings and deliver them to the Receiver immediately.

We therefore advise that we require knowing the whereabouts of, and for you to deliver to the Receiver, all such assets, properties and undertakings of 2012241. We confirm that last evening, our Mr. I. Smith and Mr. Chahal agreed that they would meet at 3PM today, in order for Mr. Chahal to provide Mr. Smith with complete disclosure concerning 2012241's affairs, however, at 12:03PM today by email, Mr. Chahal cancelled the meeting without rescheduling. As you can appreciate, this occurrence is disappointing, and we still require full disclosure and possession of all of 2012241's assets, properties and undertakings immediately.

We look forward to your immediate cooperation. Please contact us immediately to make satisfactory arrangements.

We are copying our independent legal counsel, Mr. D. Magisano of Blaney McMurtry LLP with this communication.

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Court-appointed Receiver of
2012241 Ontario Limited



Per:

Ira Smith
President

Enc

cc Mr. D. Magisano - Blaney McMurtry LLP - dmagisano@blaney.com (letter only)

THE TORONTO-DOMINION BANK
Applicant

and **2012241 ONTARIO LIMITED**
Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding Commenced at **Toronto**

ORDER

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Lawyers for Ira Smith Trustee & Receiver Inc., court appointed
Receiver of 2012241 Ontario Limited