

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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**

MOTION RECORD
(Motion Returnable January 30, 2012)

January 24, 2012.

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appointed Receiver of 2012241 Ontario Limited

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AND PARMINDER SINGH CHAHAL
TO: 100 Westmore Drive
Suite 12F
Etobicoke, ON M9V 5C3

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OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990 c. C.43, as amended**

NOTICE OF MOTION

IRA SMITH TRUSTEE & RECEIVER INC., in its capacity as court appointed receiver of the Respondent (the “**Receiver**”) will make a motion to a Judge of the Superior Court of Justice - Commercial List on January 30, 2012, at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

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

THE MOTION IS FOR:

- (1) if necessary, an Order abridging and validating the time for service of this Notice of Motion, the Second Report of the Receiver dated January 24, 2012 (the “**Second Report**”) and the Motion Record herein and directing that any further

service of same be dispensed with such that this motion is properly returnable on the date that it is heard;

- (2) an Order approving the Receiver's actions and conduct as set out in the First Report of the Receiver dated November 24, 2011 and Second Report;
- (3) an Order authorizing and approving, *nunc pro tunc*, the Receiver's entering into a management contract for the management of the premises municipally known as 50 Sunny Meadows Blvd, Brampton, Ontario (the "**Condominium Complex**");
- (4) an Order authorizing and directing the Receiver to retain Pelican Woodcliff Inc. as construction consultant to the Condominium Complex;
- (5) an Order authorizing and directing the Receiver to retain Lebow, Hicks Appraisal Inc. to provide an appraisal of the Respondent's business, including but not limited to, the Condominium Complex;
- (6) an Order directing 1732037 Ontario Inc. ("**1732037**") to repay to the Receiver \$116,917.89 representing funds transferred from the Respondent's bank account to 1732037;
- (7) an Order restraining the sale, disposition or encumbrance of the real property owned by 1732037 and more particularly described as PCL BLK 106-1 SEC 43M1120; BLK 106, PL 43M1120, EXCEPT PTS 1 & 2, 43R21032; S/T LT1486454, LT1576532 ORANGEVILLE (the "**Orangeville Property**");

- (8) an Order directing English Prestige Property Management Inc. ("**English Prestige**") and English Prestige Contracting Inc. ("**English Prestige Contracting**") to provide an accounting of all monies received from the Respondent and to deliver forthwith any and all invoices, receipts, correspondence, documents and or contracts relating to the Respondent;
- (9) an Order authorizing, but not obliging the Receiver and its counsel to examine under oath any or all of Jagdev Dhaliwal ("**Dhaliwal**"), Ravinder Chahal ("**Chahal**"), Ajay Shah, Harjinder Chahal, Paltu Kumar Sikder and Parm Singh Chahal ("**Parm**") (collectively, the "**Examinable Parties**") and an Order compelling the attendance of the Examinable Parties by service of a Notice of Examination on them and providing three days' notice of such examination;
- (10) an Order directing that should the Receiver serve a Notice of Examination in accordance with the *Rules of Civil Procedure*, R.S.O. 1990, Reg. 194 on any or all of the Examinable Parties, said Examinable Party(s) shall attend an examination under oath (an "**Examination**") at the date, time and location prescribed in the Notice of Examination;
- (11) an Order directing that if an Examinable Party is required to attend an Examination it shall bring all books, records, correspondence or other information or documentation in its possession to said Examination and the Receiver shall be permitted to take copies of same;
- (12) an Order directing Home Life /Miracle Realty Ltd and its broker of record, Ajay Shah, to deliver forthwith any and all information, correspondence, documents

and/or contracts, including, but not limited to any agency agreements, commission agreements, relating to the Respondent;

- (13) an Order approving the Receiver's fees and disbursements for the period of October 16, 2011 to December 31, 2011;
- (14) an Order approving the fees and disbursements of the Receiver's legal counsel, Blaney McMurtry LLP from November 16, 2011 to December 31, 2011;
- (15) the costs of this motion as against Chahal and Dhaliwal on a substantial indemnity basis; and
- (16) such further and other relief as this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

- (1) the Respondent was in the business of developing the Condominium Complex, which is substantially completed. The Respondent had an office at the Condominium Complex.
- (2) on November 15, 2011 the Honourable Mr. Justice Campbell appointed the Receiver (the "**Appointment Order**");
- (3) pursuant to the Appointment Order the Receiver has taken possession of the Condominium Complex located at said premises. The Receiver also began investigations into the Respondent's business and affairs;

Receiver's Investigations

- (4) the Receiver's initial investigations determined that:
- (a) many of the Respondent's books and records were missing from its offices (the "**Missing Documents**");
 - (b) the Respondent had issued a bank draft in the amount of \$50,000 payable to Rena Setwant Dhaliwal on the day following the Appointment Order (the "**Post Receivership Withdrawal**"); and
 - (c) there were significant discrepancies between the trust ledgers provided by the Respondent's counsel, Sikder Professional Corporation and that Sikder Professional Corporation had released \$1,200,042.20 to the Respondent in contravention of the *Condominium Act*, 1998, S.O. 1998, c. 19.
- (5) the Receiver demanded return of the Missing Documents and the Post Receivership Withdrawal. While the Post Receivership Withdrawal amount was ultimately returned, most of the Missing Documents remained outstanding;
- (6) on November 25, 2011 the Honourable Madam Justice Mesbur ordered, among other things that:
- (a) Sikder Professional Corporation remit to the Receiver's counsel all remaining trust funds held for purchases of condominiums in the Condominium Complex (the "**Trust Funds**"); and

- (i) the principals of the Respondent deliver the Missing Documents to the Receiver on or before November 29, 2011.
- (7) on November 29, 2011, Sikder Professional Corporation delivered to counsel for the Receiver the sum of \$1,158,415.00, which it represented to be the Trust Funds in its possession together with other documentation requested by the Receiver and ordered delivered by the Court;
- (8) while the principals of the Respondent have delivered some of the Missing Documents, many of the Missing Documents remain outstanding;
- (9) furthermore, the Receiver's investigations have also uncovered the following irregularities:
- (a) on or about January 28, 2009, the Respondent appears to have paid \$420,007.50 to Home Life Realty Investments Inc. without any explanation or rationale for making said payment. The Receiver has been advised that Home Life Miracle Realty Ltd. was the real estate agency retained to sell condominium units at the Condominium Complex, however, no commissions ought to have been paid as there has not been a final closing on any of said units at the Condominium Complex;
 - (b) over the span of approximately two years the Respondent remitted at least \$116,917.89 to 1732037, the owner of the Orangeville Property. Both Dhaliwal and Ravinder are listed as Officers and Directors of 1732037. The Orangeville Property remains advertised for sale on the internet; and

- (c) the Orangeville Property is the only asset of 1732037 of which the Receiver is aware.
- (10) in spite of demands for information and requests for repayment of funds, to date the Receiver has not received adequate explanations or a return of the funds mentioned in subparagraph (i) above;
- (11) the Receiver has asked 1732037 for an undertaking not to sell or encumber the Orangeville Property, but the request has been refused;
- (12) the books and records obtained from the Respondent do not contain any reference to invoicing statements, payments or remittances, if any, to English Prestige Management, which was the prior property manager of the Condominium Complex;
- (13) English Prestige Contracting, which is a related corporation to English Prestige Management, obtained a \$1.6 million contract to develop and proceed to construction on the Orangeville Property. Of that amount, \$288,609.92 remains owing;
- (14) the Receiver is concerned that monies were directed by the Respondent through English Prestige Management to English Prestige Contracting to develop and do construction work on the Orangeville Property;
- (15) sections 101 and 103 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43; rules 5.04, 26.01, 40 and 44 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194,

sections 2 and 4 of the *Fraudulent Conveyances Act*, R.S.O. 1990 c. F-29, and section 248 of the *Business Corporations Act* RSO 199 c. B.16.

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

- (1) the Second Report of the Receiver dated January 24, 2012, and Appendices thereto; and
- (2) such further and other evidence as counsel may advise and this Honourable Court permit.

January 24, 2012

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AND ENGLISH PRESTIGE PROPERTY
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8 Building B Automatic Road
Suite 2
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AND ENGLISH PRESTIGE CONTRACTING INC.
TO: 8 Building B Automatic Road
Suite 2
Brampton, ON L6S 5N4

AND PARMINDER SINGH CHAHAL
TO: 100 Westmore Drive
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Respondent

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SUPERIOR COURT OF JUSTICE
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Proceeding Commenced at **Toronto**

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

TAB B

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**SECOND REPORT OF THE RECEIVER
DATED JANUARY 24, 2012**

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**SECOND REPORT OF THE RECEIVER
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DATED JANUARY 24, 2012**

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3. Receiver's First Report dated November 24, 2011, without appendices
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INTRODUCTION

1. On November 15, 2011, the Honourable Mr. Justice Campbell appointed Ira Smith Trustee & Receiver Inc. as receiver (the “**Receiver**”) of all of the property, assets and undertaking (the “**Property**”) of the Respondent (the “**Appointment Order**”). Attached hereto and marked as **Appendix “1”** is a copy of the Appointment Order.
2. As part of its application seeking the appointment of the Receiver, The Toronto-Dominion Bank (the “**Bank**” or the “**Applicant**”) relied upon the affidavit of Kenneth J. Malcolm sworn November 10, 2011 (the “**Malcolm Affidavit**”). Attached hereto and marked as **Appendix “2”** is a copy of the Malcolm Affidavit (without exhibits).
3. Following the Appointment Order a bank draft payable to Rena Setwant Dhaliwal in the amount of \$50,000 was improperly issued from the Respondent’s bank account. Furthermore (and in spite of numerous requests), the principals of the Respondent failed to provide the Receiver with requested documents and information relating to the Respondent’s business. This resulted in the Receiver preparing its first report dated November 24, 2011 (the “**First Report**”). Attached hereto and marked as **Appendix “3”** is a copy of the First Report (without appendices).
4. On November 25, 2011 the Honourable Madam Justice Mesbur ordered, among other things, that the Principals (as defined in the Order) provide responses to the Receiver’s written request for information before the close of business on November 29, 2011, failing which the Receiver may pursue a contempt order (the “**Production Order**”). Pursuant to the Production Order, Jagdev Dhaliwal, Jagden Dhaliwal, Jasdew Dhaliwal and Ravinder Chahal were ordered to provide responses to all requests contained in the Receiver’s letter dated November 16, 2011. Attached hereto and marked as **Appendix “4”** is a copy of the Production Order.
5. Any capitalized terms not defined in this Second Report shall have the meaning ascribed to them in the First Report.

PURPOSE OF THE REPORT

6. The purpose of this report is to:

- (a) Seek approval of the Receiver's actions to date, as outlined in the First Report and the Second Report of the Receiver dated January 24, 2012 (the "**Second Report**");
- (b) Seek approval, *nunc pro tunc*, of the Receiver entering into a property management agreement with Y.L. Hendler Ltd. for management of the condominium complex located at 50 Sunny Meadow Blvd, Brampton, Ontario (the "**Condominium Complex**");
- (c) Report on operations and management of the Property, including the Condominium Complex;
- (d) Seek an Order, *nunc pro tunc*, authorizing and directing the Receiver to engage Lebow, Hicks Appraisal Inc. to provide an appraisal of the Condominium Complex;
- (e) Seek an Order, *nunc pro tunc*, authorizing and directing the Receiver to engage Pelican Woodcliff Inc. to provide condominium registration and construction consulting services concerning the Condominium Complex;
- (f) Provide an update on the receipt and accounting of trust funds and deposits received by Sikder Professional Corporation ("**Sikder**") in relation to the Condominium Complex;
- (g) Provide an update on the production of books and records as provided for in the Production Order together with a list of what documentation and information remains outstanding;
- (h) Report on the Receiver's investigation of the Respondent's business and affairs, including:

- (i) the transfer of funds from the Respondent to 1732037 Ontario Inc. (“1732037”); and
 - (ii) the payment of \$420,000.00 by the Respondent to HomeLife Realty Investments Ltd. for commissions.
-
- (i) Seek an Order compelling the attendance of Jagdev Dhaliwal, Ravinder Chahal, Ajay Shah, Parm Chahal, Parm Singh Chahal, Harjinder Chahal and Paltu Kumar Sikder at an examination under oath by the Receiver in respect of the affairs of the Respondent;
 - (j) Seek an Order directing 1732037 to repay to the Receiver \$116,917.89 representing funds transferred from the Respondent’s bank account to 1732037;
 - (k) Seek an Order restraining the sale, disposition or encumbrance of the real property owned by 1732037 and more particularly described in paragraph 36, herein;
 - (l) Seek an Order directing HomeLife Miracle Realty Ltd and its broker of record, Ajay Shah, to deliver forthwith any and all information, correspondence, documents and/or contracts, including, but not limited to any agency agreements, commission agreements, relating to the Respondent;
 - (m) Seek approval of the Receiver’s Statement of Receipts and Disbursements as at January 20, 2012; and
 - (n) Seek approval of the Receiver’s fees and disbursements together with the fees and disbursements of its counsel Blaney McMurtry LLP (“Blaney McMurtry”).

DISCLAIMER

7. The Receiver has relied upon the financial records of the Respondent, as well as other information supplied by staff and management of the Respondent, its service providers and its financial institutions. The Receiver assumes no responsibility or liability for loss or damage occasioned by any party as a result of the circulation, publication, re-

production or use of this report. Any use which any party, other than the Court, makes of this report or any reliance on or decision made based on this report is the responsibility of such party.

BACKGROUND AND OPERATIONS

8. The Respondent has substantially completed building the Condominium Complex on property which it owned. The Condominium Complex was originally approved for 47 units, but the Receiver's investigation to date indicates that there may be up to 62 units. The Receiver to date has not found any evidence of zoning approval for the increased number of units, but the Receiver's review is ongoing. As described herein, the Receiver continues to experience difficulty in recovering documentation concerning the building and operation of the Condominium Complex.
9. A copy of the Corporation Profile Report for the Respondent is attached hereto and marked as **Appendix "5"** and a copy of the parcel register for the Condominium Complex is attached hereto and marked as **Appendix "6"**.
10. Ravinder Singh Chahal ("**Chahal**") and Jagdev Dhaliwal ("**Dhaliwal**") (collectively, the "**Principals**") are principals of the Respondent.
11. The Receiver has been advised that the Bank is owed \$12,729,112.54 as at October 26, 2011 and that said indebtedness is secured by certain security provided by the Respondents, including, but not limited to a mortgage over the Premises and a general security agreement granted by the Respondents and dated October 10, 2008. The Receiver has not obtained an opinion as to the validity and enforceability of the Bank's security although we expect to do so in the near future.
12. A search of the Personal Property Security Registration Database has been completed and the results of that search are attached hereto and marked as **Appendix "7"**.
13. The Condominium Complex was managed by English Prestige Property Management Inc. (the "**Prior Manager**"). It appears that the principal of the Prior Manager may be

related to the Respondent. The Receiver met with the Prior Manager and discussed management and operations at the Condominium Complex.

14. There are currently ten (10) parties occupying thirteen (13) units in the Condominium Complex. Based on documentation and post-dated cheques seized by the Receiver, the Receiver has prepared a preliminary draft rent roll which was included in the First Report. Attached hereto and marked as **Appendix "8"** is a Unit Status Matrix Chart showing all units in inventory and demonstrating whether the unit is sold, unsold, leased occupied or vacant.
15. The Receiver has also retained the services of Y.L. Hendler Ltd. as property manager for the Condominium Complex (the "**Property Manager**"). The Receiver retained the Property Manager based on its knowledge and experience in managing commercial condominium complexes. Attached hereto and marked as **Appendix "9"** is a copy of the agreement between the Property Manager and the Receiver. As indicated in the agreement, it is subject to the approval of this Honourable Court.
16. Since its appointment, in addition to the activities of the Receiver described in the First and Second Reports and ongoing occupant communications, the Receiver and the Property Manager have tended to various matters at the Condominium Complex as described in the Receiver's memo to file attached hereto and marked as **Appendix "10"**.
17. The Receiver also retained Lebow, Hicks Appraisal Inc. (the "**Appraiser**") to provide an appraisal of the Condominium Complex. Attached hereto and marked as **Appendix "11"** is a copy of the emails between the Receiver and the Appraiser forming the Receiver's agreement with the Appraiser.
18. The Receiver is missing documents pertaining to the tenancies in the Condominium Complex. The Receiver has concerns regarding the legitimacy of each of the tenancies, whether occupancy rent has been, and continues to be, paid by each tenant and whether the tenants are in compliance with their respective agreements of purchase and sale. Accordingly, the Receiver proposes to hold a meeting with the tenants of the Condominium Complex. Attached hereto and marked as **Appendix "12"** is a copy of the

Notice to the tenants, which was delivered on January 20, 2012. The meeting will provide an opportunity to the Receiver and the tenants to express their concerns and gather further information.

RETURN OF THE FUNDS FROM A BANK DRAFT MADE PAYABLE TO RENA SETWANT DHALIWAL IN THE AMOUNT OF \$50,000

19. Notwithstanding receipt of the Appointment Order on November 15, 2011, on November 16, 2011, a representative of the Respondent issued a bank draft (without the Receiver's knowledge or consent) to Rena Setwant Dhaliwal in the amount of \$50,000 (the "**Bank Draft**") from the Respondent's bank account at DUCA. The Bank Draft was issued prior to the Receiver determining the existence of accounts at DUCA and putting DUCA on notice to freeze all accounts on that same day.
20. The funds were delivered to the Receiver on November 24, 2011, after several demands for repayment.
21. On November 30, 2011, the Receiver met with Dhaliwal, at his request. At this meeting, Dhaliwal confirmed that Rena Setwant Dhaliwal is his daughter. He further advised that he withdrew the Bank Draft based on the advice of Chahal's assistant, Ms. Aman Manget.

DISCREPANCY IN TRUST DEPOSITS

22. Pursuant to the Production Order, Sikder was required to transfer to Blaney McMurtry all deposits it held in trust for purchasers of condominium units at the Condominium Complex (the "**Sikder Deposits**").
23. On November 28, 2011, Sikder Professional Corporation delivered a Trust Ledger indicating that \$1,158,415.17 was being held in the trust account. On November 29th, the Sikder Deposits in the sum of \$1,158,415.17 was delivered to Blaney McMurtry and was deposited in the firm's trust account in compliance with the provisions of the *Condominium Act*, 1998, S.O. 1998, c. 19. Attached hereto and marked as **Appendix**

“13” is a copy of the November 28, 2011 letter from Sikder Professional Corporation to the Receiver’s counsel enclosing the Sikder Deposits.

24. Pursuant to the Production Order, the Receiver obtained a number of trust ledgers.

25. The following table outlines the trust balances in Sikder’s trust ledgers of the various dates:

Sikder Trust Account Balance	Date	Notes
\$2,560,781.98	April 24, 2008	
\$3,446,766.20	August 25, 2009	Plus \$25,362.30 for “interest till date on deposit”
\$3,346,766.20	June 17, 2011	On November 23, 2011, Sikder advised the Receiver that this document did not originate from his office and that his firm has no knowledge of its contents
\$995,384.73	November 23, 2011	
\$1,158,415.17	November 25, 2011	Plus occupancy fees in the amount of \$32,573.58 and interest in the amount of \$5,736.64

26. The Receiver is continuing to investigate the unexplained discrepancy of \$2,293,351.10 between the August 25, 2009 Trust Ledger and the November 25, 2011 Trust Ledger. As well, Sikder advised that the trust account was out of trust by the amount of \$79,568 and that Sikder’s accountant would be providing a reconciliation. To date, no such reconciliation or further explanation has been received.

PRODUCTION OF DOCUMENTS

27. Pursuant to the Production Order, the Principals were required to respond to the requests contained in the Receiver’s November 16, 2011 letter on or before the close of business on November 29, 2011. A substantial portion of the requested information remains outstanding.

28. On November 30, 2011, the Receiver met with Dhaliwal at his request. Dhaliwal confirmed that he had delivered to the Receiver all documents in his possession and advised that he did not have access to any corporate records other than those, which he previously delivered. Dhaliwal further advised that Chahal would have most of the information sought.

29. On December 6, 2011, the Receiver met with Bateman MacKay LLP (“**Bateman**”), the external accountants for the Respondent. The documents obtained from Bateman evidenced the transfer of funds by the Respondent to 1732037 Ontario Inc. and to HomeLife Realty Investments Inc., which transfers are summarized in paragraphs 33 to 48, below.

30. By way of letter dated December 15, 2011, counsel to the Receiver wrote to Dhaliwal and Chahal advising that the following items listed in the November 16th letter remained outstanding:
 - (a) Item 4 - Information or documentation relating to the TD bank statements with cancelled cheques from July 2009 to October 2010;
 - (b) Item 7 - Minute books and corporate seal of the Respondent;
 - (c) Items 11 and 12 - The whereabouts of the security deposits and last month’s rent for tenants at the Condominium Complex;
 - (d) Item 14 - Rent roll for the Condominium Complex;
 - (e) Item 16 - Licences required for operation of the building, machinery and equipment at the Condominium Complex;
 - (f) Item 17 - Occupancy certificates for the Condominium Complex;
 - (g) Item 20 - Billings for the supply of goods and services at the Condominium Complex; and

- (h) Item 21 - Documents and information relating to all of the Respondent's assets, including the Condominium Complex.
31. By way of letter dated December 22, 2011, Alistair Riswick of Capo Sgro LLP, counsel to Chahal, advised counsel to the Receiver that he had been retained by Chahal for the purpose of responding to the December 15th letter. Contrary to Dhaliwal's statements to the Receiver during the November 30th meeting, the December 22nd letter states that Chahal was involved in the "construction side of the business" and that Dhaliwal may have more information with respect to the outstanding documents. Mr. Riswick advised that Chahal did not have any of the outstanding documents. He further advised as follows:
- (a) the external accountant may have a copy of the rent roll;
 - (b) Dhaliwal may have the minute books;
 - (c) the Respondent was not in possession of any licences;
 - (d) the occupancy certificates were last located in the "bottom drawer of the desk in the office", presumably at the Condominium Complex;
 - (e) Chahal had been contacted by certain unidentified suppliers and has instructed them to contact the Receiver;
 - (f) The Respondent's only asset of value is the Condominium Complex; and
 - (g) Chahal was in possession of a 2008 Lincoln Navigator which was leased to the Respondent by Ford Credit Canada Leasing. Chahal claimed to be paying the monthly lease payments. He further indicated that there was no equity in the lease.

Attached hereto and marked as **Appendices "14"** and **"15"**, respectively, is a copy of the December 15, 2011 letter from Counsel to the Receiver and the December 22nd letter from Mr. Riswick.

32. On or about January 6, 2012, counsel to the Receiver wrote to Ford Credit Canada Leasing and Chahal requesting that arrangements be made for an assignment of the lease to reflect Chahal as a new assignee within ten (10) days of the date of the letter. The letter asked that, in the alternative, Chahal return the vehicle to either the Receiver or Ford Credit Canada Leasing within ten (10) days of the date of the letter. The letter also requested a copy of the lease and the balance outstanding on the lease pursuant to section 18 of the Ontario *Personal Property Securities Act*, R.S.O. 1990, c. P.10. Attached hereto and marked as **Appendix "16"** is a copy of the January 6, 2012 letter.
33. By way of email dated January 11, 2012, Chahal advised counsel to the Receiver that he is in the process of obtaining financing for the 2008 Lincoln Navigator and requested a meeting with counsel. Counsel to the Receiver responded by email of the same date requesting that Chahal advise of any arrangements to assign the lease and to contact the Receiver directly. Attached hereto and marked as **Appendix "17"** is a copy of the January 11, 2012 exchange between Chahal and counsel to the Receiver.
34. Ford Credit Canada Leasing advised that if they need to take possession of the vehicle, they will do so without further notice to the Receiver. The Receiver performed a desktop appraisal of the vehicle and determined that there is not equity available to the Receiver. Accordingly, notwithstanding the stay of proceedings concerning any action against the Respondent, without either the written consent of the Receiver or the approval of this Honourable Court, as there is no equity in the vehicle, the Receiver is not taking any further action in connection with either the vehicle or the position of Ford Credit Canada Leasing.

RECEIVER'S INVESTIGATIONS

(i) Transfer of Funds to 1732037 Ontario Inc.

35. A review of the general ledger and bank statements of the Respondents indicate that, over the span of approximately two years, the Respondent remitted at least \$116,917.89 to 1732037 for the "Orangeville Project". Counsel for 1732037 and Dhaliwal has informed the Receiver that the Orangeville Property is in the process of being developed. Attached

hereto and marked as **Appendix "18"** is a copy of the Respondent's general ledger dated November 30, 2011. Attached hereto and marked as **Appendix "19"** is a copy of the spreadsheet summarizing the payments made by the Respondent to 1732037 prepared by the Receiver.

36. 1732037 is the owner of premises municipally known as 50 Rolling Hills Drive, Orangeville, Ontario (the "**Orangeville Property**"). Both Dhaliwal and Chahal are listed as officers and directors of 1732037. Attached hereto and marked as **Appendix "20"** and **Appendix "21"**, respectively, is a copy of the corporate profile of 1732037 and the parcel register for the Orangeville Property.
37. The Receiver has determined that 1732037 mortgaged the Orangeville Property in favour of 1662850 Ontario Inc. ("**1662850**") and 1616292 Ontario Limited ("**1616292**") pursuant to a charge dated October 26, 2011. The Corporation Profile Report for 1662850 lists Sandeep Chahal and Jagden Dhaliwal as the directors of the company. Jagden Dhaliwal is a director of the Respondent. Attached hereto and marked as **Appendices "22"**, "**23**" and "**24**", respectively, is a copy of the Corporation Profile Reports for 1662850 and 1616292 and the charge registered as DC125497 on October 28, 2011.
38. On or about December 7, 2011, counsel to the Receiver determined that the Orangeville Property was listed for sale. Attached hereto and marked as **Appendix "25"** is a copy of an internet posting, which shows the Orangeville Property for sale. Dhaliwal, a principal of the Respondent, is listed as the contact person and Homelife/Miracle Realty, the realtor engaged by the Respondent to sell units in the Condominium Complex, as the realtor.
39. By way of letter dated December 19, 2011, counsel to the Receiver demanded payment of the \$116,917.89 from 1732037 to the Receiver within ten (10) days of the date of the letter (the "**Demand Letter**"). Attached hereto and marked as **Appendix "26"** is a copy of the December 19, 2011 letter.

40. By way of email dated December 22, 2011, counsel to the Receiver was advised by Charles C. Chang of Chang Advocacy Professional Corporation that he was in the process of being retained by 1732037 and Dhaliwal. Attached hereto and marked as **Appendix "27"** is a copy of the email from Mr. Chang dated December 22, 2011. In an email dated December 23, 2011, counsel to the Receiver wrote to Mr. Chang requesting an undertaking on behalf of 1732037 that it would not take any steps to transfer or further encumber the Orangeville Property. Mr. Chang responded on the same date advising that the Orangeville Property is an ongoing development, and accordingly, he was not sure whether his client would be agreeable to the requested undertaking. An undertaking has yet to be given by 1732037. Attached hereto and marked as **Appendix "28"** is a copy of the email correspondence between counsel to the Receiver and Mr. Chang dated December 23, 2011.
41. On or about January 6, 2012, Mr. Chang advised counsel to the Receiver that Dhaliwal was willing to discuss the affairs of 2012241 and also, on a without prejudice basis, the affairs of 1732037 and its connection to the Respondent. Counsel to the Receiver requested that Dhaliwal attend an examination under oath, which request was refused by Dhaliwal.
42. By way of email dated January 6, 2012, Mr. Chang advised counsel to the Receiver that Dhaliwal and 1732037 deny the claims made in the Demand Letter and intend to "vigorously defend" any proceedings commenced against them.
43. The Receiver is not aware of any other property or assets owned by 1732037 other than the Orangeville Property.

(ii) Payments to English Prestige Contracting

44. A review of the parcel register for the Orangeville Property reveals the existence of a Construction Lien Registration and a Certificate of Action in favour of English Prestige Contracting Inc. ("**English Prestige Contracting**"). Parm Chahal, who shares the same last name with both a principal of the Respondent and a lawyer at Sikder law firm, is listed on the registered construction lien as the agent for English Prestige Contracting.

The lien indicates that English Prestige Contracting entered into a \$1.6 million contract with 1732037 to perform construction work on the Orangeville Property (the “**English Prestige Construction Contract**”). Attached hereto and marked as **Appendices “29”** and “**30**” respectively are copies of the lien registration registered as DC100790 on July 28, 2009 and the Certificate of Action registered as DC102335 on September 11, 2009.

45. The principal of the Prior Manager is the same as the principal of English Prestige Contracting Inc. In addition, the registered had office address and the mailing address of both corporations is identical. Attached hereto and marked as **Appendices “31”** and “**32**” respectively are copies of the Corporation Profile Reports for English Prestige Property Management Inc. and English Prestige Contracting Inc.
46. The Receiver is missing documents evidencing payments to the Prior Manager (i.e. English Prestige Property Management Inc.), which may have ultimately been used to finance the English Prestige Contracting construction contract for the Orangeville Property.
47. The Prior Manager has advised the Receiver that it is owed the amount of \$162,326.75 by the Respondent for property management services provided to the Respondent at the Condominium Complex.

(iii) Real Estate Commissions to HomeLife Realty Investments Inc.

48. Based on a review of the Respondent’s record, it appears that HomeLife Miracle Realty Ltd. (“**HomeLife Miracle**”) was the real estate agency retained to sell the condominium units of the Condominium Complex.
49. However, the Receiver located a fax document dated December 3, 2008 sent by HomeLife Miracle to “Carlos” enclosing a bank draft payable to HomeLife Realty Investments Inc. (“**HomeLife Realty**”) in the amount of \$420,000.00. The NUANS corporate search results indicate that HomeLife Realty is not a corporation incorporated pursuant to the laws of Ontario or Canada. Attached hereto and marked as **Appendix “33”** is a copy of the NUANS corporate search results.

50. The fax further enclosed bank statements which indicated that the payment was for "Comiss on sale of units of Sunny Meadow".
51. The Receiver further discovered handwritten notes on the fax cover page indicating "\$1,051,280.99" as "total commissions" and "paid 28/01/09 \$420,000.00". The Receiver has yet to determine the basis for this payment. Attached hereto and marked as **Appendix "34"** is a copy of the fax document dated December 3, 2008 sent by HomeLife Realty.
52. The Receiver thereafter instructed counsel to contact the broker of record, Ajay Shah, to determine the reason for the payment for purported commissions. By way of letter dated December 15, 2011, counsel to the Receiver wrote to Ajay Shah, broker of record at HomeLife Miracle, advising him of the Appointment Order. Counsel to the Receiver requested from Mr. Shah the following information before December 21, 2011:
- (a) an accounting of all commissions received by HomeLife Realty by the Respondent;
 - (b) copies of all agency agreements, commission agreements or any other agreements relating to the Respondent retaining HomeLife Realty as the breakage and listing agent for the Condominium Complex; and
 - (c) all information in the possession of HomeLife Realty relating to the sale of any of the condominium units at the Condominium Complex, including, but not limited to, agreements of purchase and sale, extension agreements, closing documents and any correspondence relating thereto.

Attached hereto and marked as **Appendix "35"** is a copy of counsel to the Receiver's letter dated December 15, 2011.

53. By way of letter dated December 23, 2011 (the "**December 23rd letter**"), Mr. Shah advised counsel to the Receiver that "we" did not receive any payments in relation to the Condominium Complex. He further advised that the total commission owing is estimated

to be \$1,088,362.99. Attached hereto and marked as **Appendix "36"** is a copy of Mr. Shah's letter dated December 23, 2011.

54. By way of letter dated December 29, 2011, counsel to the Receiver advised Mr. Shah of the discrepancy between the December 23rd letter and the results of the investigations of the Receiver. Counsel to the Receiver requested copies of all agency agreements, commission agreements or any other agreements relating to the Respondent retaining HomeLife Miracle as listing agent for the Condominium Complex and all information in the possession of HomeLife Miracle relating to the sale of any condominium units at the Condominium Complex, including, but not limited to, agreements of purchase and sale, extension agreements, closing documents and any related correspondence. Neither the Receiver nor its solicitor has received a response.
55. Upon further investigation, the Receiver discovered that Dhaliwal is a registered broker at HomeLife Miracle according to the website for the Real Estate Counsel for Ontario ("RECO"). Attached hereto and marked as **Appendix "37"** is a copy of the search results from the RECO website as at January 12, 2012.
56. The head office for HomeLife Miracle is listed as 470 Chrysler Drive, Unit 20, Brampton, Ontario. This is also the office address for Chahal Wilshire Group Inc. Attached hereto and marked as **Appendices "38"** and **"39"**, respectively, is a copy of the HomeLife Miracle webpage dated January 12, 2012 and the Corporation Profile Report for Chahal Wilshire Group Inc. The Chahal Wilshire Group Inc., through its website, <http://www.chahalwilshire.com/>, describes itself as healthcare real estate owner and developer, and the developer of the Condominium Complex. Through its website, <http://www.sunnymeadow.ca/contact-information>, the Principals are listed as two of the three persons to contact and the Chrysler Drive address is displayed. Attached hereto and marked as **Appendix "40"** is a copy of the contact webpage.

CONSTRUCTION CONSULTANT

57. As described in the First and Second Reports, the Receiver has spent a considerable amount of time collecting information and documents which should have been found at the Respondent's office located at the Condominium Complex, or should be in the possession of the Principals at locations not owned or leased by the Respondent and provided to the Receiver in accordance with the Appointment Order and the Production Order. Based on the information now available to the Receiver, the Receiver believed that it must retain a Consultant experienced in quantity surveying and construction project management, to advise the Receiver as to what steps must be taken and the costs to be incurred, for the registration of a freehold condominium corporation under the *Condominium Act*, 1998, S.O. 1998, c. 19.
58. Ira Smith Trustee & Receiver Inc., as Receiver of a different unfinished condominium project, previously retained Pelican Woodcliff Inc., to provide consulting services¹. In that matter, Pelican Woodcliff Inc. advised the Receiver on the state of the construction of that project, what construction work needed to be carried out immediately for health and safety reasons, and what work needed to be completed if the Receiver wished to complete that Project. Pelican Woodcliff Inc. ran a request for proposals process for the work the Receiver decided to undertake, advised the Receiver on the various proposals received, assisted the Receiver in entering into construction contracts and monitored the construction work.
59. The Receiver believes that it must retain a Construction Consultant, in order to advise the Receiver on what work needs to be completed in order to be in a position to complete the Condominium Complex for registration, and the costs involved, to allow the Receiver to be in a position to complete sales of condominium units. Such Report along with the appraisal report being obtained as described in this Second Report, will then allow the Receiver to advise this Honourable Court of its recommendations on how to proceed in realizing on the Condominium Complex and to obtain approval for such specific actions.

¹ ICICI BANK CANADA (Applicant) - and - 1539304 ONTARIO LIMITED (Respondents), COURT FILE NO.: CV-08-7714-00CL

60. The Receiver has retained the services of Pelican Woodcliff Inc. as Construction Consultant. The Receiver retained Pelican Woodcliff Inc. based on its knowledge and experience as described herein. Attached hereto and marked as **Appendix "41"** is a copy of the agreement between Pelican Woodcliff Inc. and the Receiver. As indicated in the agreement, it is subject to the approval of this Honourable Court.

INSURANCE

61. The Receiver identified that the insurance coverage obtained by the Respondent for the period from February 15, 2011 to February 15, 2012, was cancelled for payment arrears prior to the appointment of the Receiver and set to expire on January 22, 2012. Attached as **Appendix "42"** is a copy of the letter dated March 9, 2011 from the Respondent's insurance broker, Nacora Insurance Brokers Ltd. ("**Nacora**") summarizing the coverage obtained by the Respondent.
62. Upon identifying the issue, the Receiver contacted its insurance agent who manages the insolvency insurance program across Canada for trustees and receivers, Firstbrook, Cassie & Anderson Ltd. ("**Firstbrook**"). Firstbrook advised that since the building was primarily vacant, the monthly insurance premium for the Condominium Complex would be in the approximate amount of \$12,000 and the Receiver would have to provide proof of insurance coverage from the parties occupying units.
63. The Receiver also contacted Nacora to determine if they could obtain coverage for the Receiver. The Receiver also contacted one other insurance broker known to the Receiver as well as the in house risk manager of the Applicant, to see if either one could obtain suitable coverage.
64. Only Nacora could obtain coverage from one insurer, being Lloyd's London as represented by Southwestern Insurance Group. The monthly insurance premium is \$10,075.50 (including PST), with a minimum earned premium of six months' coverage.
65. The Receiver discussed the insurance situation with representatives of the Applicant that there was no choice but to accept the coverage obtained by Nacora. The Applicant has concurred with this. On January 20, 2012, the Receiver provided Nacora with certified

funds in the amount of \$60,615 and obtained insurance coverage. Attached as **Appendix "43"** is a copy of the Receiver's insurance binder for the period January 22, 2012 to January 22, 2013.

FEES AND DISBURSEMENTS

- 66. The Receiver and its legal counsel have maintained detailed records of their professional time and costs since the Receivership Order.
- 67. The Receiver seeks the approval of its fees and the fees of its counsel, Blaney McMurtry LLP. The fee affidavits for Ira Smith Trustee & Receiver Inc. and Blaney McMurtry LLP are attached hereto and marked as **Appendix "44"** and **Appendix "45"** respectively.

RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

- 68. Attached as **Appendix "46"** is the Receiver's Statement of Receipts and Disbursements for the period from November 15, 2011 to January 20, 2012, inclusive, indicating funds on hand at that date of \$55,043.42.

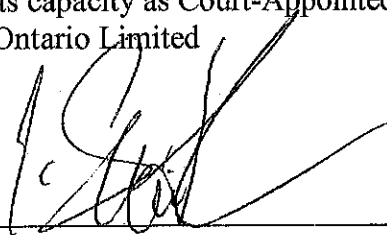
COURT APPROVAL AND DIRECTION

- 69. The Receiver seeks an Order approving the within report and further seeks an Order in the form attached as Schedule A to the Notice of Motion.

All of which is respectfully submitted this 24th day of January, 2012.

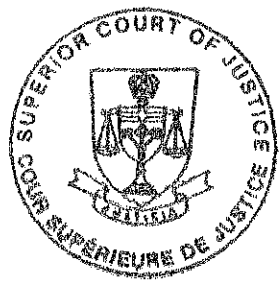
IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Court-Appointed Receiver of
2012241 Ontario Limited

Per:



President

APPENDIX 1



Court File No. CV-11-9456-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE *MD*) TUESDAY, THE 15TH
JUSTICE *Cr Campbell*) 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 APPLICATION made by the Applicant, *ex parte*, for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Ira Smith Trustee and Receiver Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 2012241 Ontario Limited (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Kenneth Malcolm sworn November 10, 2011 and the exhibits thereto, and the affidavit of Theresa Kellen sworn November 15, 2011 and the exhibits attached thereto and on hearing the submissions of counsel for Applicant and on reading the consent of Ira Smith Trustee and Receiver Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, and protect of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$150,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act, [or section 31 of the Ontario Mortgages Act, as the case may be,] shall not be required, and in each case the Ontario Bulk Sales Act shall not apply.

- (m) 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;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of

the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering,

interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

13. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the Wage Earner Protection Program Act.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the

Canadian Environmental Protection Act, the Ontario Environmental Protection Act, the Ontario Water Resources Act, or the Ontario Occupational Health and Safety Act and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

GENERAL

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

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

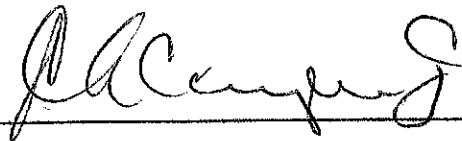
26. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals,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

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

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

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

29. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than ^{Two (2) days} ~~seven (7)~~ days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



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

NOV 15 2011

RECEIVED 

Schedule "A"

RECEIVER CERTIFICATE

CERTIFICATE NO.

AMOUNT \$

1. THIS IS TO CERTIFY that Ira Smith Trustee and Receiver Inc., the receiver (the "Receiver") of the assets, undertakings and properties 2012241 Ontario Limited acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the _____ of MONTH, 20YR (the "Order") made in an action having Court file number -CL- _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the Bankruptcy and Insolvency Act, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the day of MONTH, 20YR.

Ira Smith Trustee and Receiver Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

THE TORONTO-DOMINION BANK

and

2012241 ONTARIO LIMITED

Applicant

Respondent

Court File No. CV-11-9456-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER

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Lawyers for the Applicant

000053

APPENDIX 2

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

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

**AFFIDAVIT OF KENNETH J. MALCOLM
(Sworn November 10, 2011)**

I, KENNETH J. MALCOLM, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am a Senior Manager, Commercial Credit, Financial Restructuring Group, of the applicant ("TD Bank"). I am the individual at TD Bank now responsible for managing and collecting the loans advanced to the respondent (the "Debtor"). As such, I have knowledge of the matters to which I hereinafter depose. To the extent that I do not have direct first-hand knowledge of particular facts or events, I have obtained that information from others, and have indicated the source of that information in my affidavit, which I believe to be true.

THE PURPOSE OF THE APPLICATION

2. TD Bank is seeking an order to appoint Ira Smith Trustee & Receiver Inc. ("**Ira Smith Trustee**"), a licensed bankruptcy trustee, as receiver ("**Receiver**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended ("**BIA**"), and/or section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended ("**CJA**"), without security, of all of the Debtor's current and future assets, undertakings and properties.

THE INDIVIDUALS AND ENTITIES REFERENCED HEREIN

3. TD Bank is a chartered bank that carries on business throughout Canada, including in Toronto, Ontario.

4. The Debtor is an Ontario corporation. Its registered office address was 470 Chrysler Drive, Unit 20, Brampton, Ontario. Its current registered office address is 97 Sunforest Drive, Brampton, Ontario. Attached hereto as **Exhibit A** is a corporate profile report for the Debtor dated November 7, 2011.

5. The Debtor owns certain lands known municipally as 50 Sunny Meadow Circle, Brampton, Ontario (the "**Property**"), on which it is building a three storey commercial condominium (the "**Condominium**"). The Property's legal description is attached at Schedule A to this affidavit. A parcel register for the Property, dated November 7, 2011 (the "**Parcel Register**"), is attached hereto as **Exhibit B**.

6. Ravinder Singh Chahal ("**Chahal**") is an Ontario resident. He is an officer and director of the Debtor and holds fifty percent of the Debtor's shares.

7. Jagdev Dhaliwal ("**Dhaliwal**") is an Ontario resident. He is an officer and director of the Debtor and holds fifty percent of the Debtor's shares. I am unaware who Jagden Dhaliwal and Jasdev Dhaliwal are even though they are listed to be directors of 201.

8. 1611161 Ontario Limited ("161") is an Ontario corporation. Sandeep Chahal and Jaldev Dhaliwal are reported to be the directors of 161. A corporate profile report for 161 dated November 7, 2011, is attached hereto as **Exhibit C**.

THE DEBTOR'S INDEBTEDNESS TO TD BANK

The Loan Agreement

9. The Debtor is, as at October 26, 2011, indebted to TD Bank in the amount of \$12,729,112.54, plus legal fees, pursuant to a commitment letter dated July 3, 2008, as amended by commitment letters dated December 12, 2008, July 28, 2009, January 27, 2010, June 23, 2010 and March 30, 2011 (collectively the "**Loan Agreement**"), between the Debtor and TD Bank. Interest and fees continue to accrue. The Loan Agreement is attached hereto as **Exhibit D-1 – D-6**.

10. The Loan Agreement provides that TD Bank will make available to the Debtor two credit facilities (together the "**Loan**"), as follows:

- (a) A loan, repayable on demand, in the amount of \$12,225,883, with interest accruing at TD Bank's prime rate of interest (as defined in the Loan Agreement) plus 1.75% *per annum*, to finance construction of the Property (the "**First Credit Facility**"); and
- (b) Letters of Credit/Guarantee in the amount of \$274,117, with interest accruing at 1.00% *per annum*, to support performance guarantees issued by the Debtor (the "**Second Credit Facility**").

11. Interest on the First Credit Facility is calculated daily and payable monthly in arrears based on the number of days that the monies are outstanding. Interest on the Second Credit Facility is payable monthly in advance.

12. As set out below, the Loan Agreement was amended on several occasions because, among other things, the Debtor failed to repay the Loan Agreement in accordance with its terms.

13. The July 3, 2008 commitment letter (Exhibit D-1) provides that the Debtor shall repay the First Credit Facility by January 31, 2010, assuming that the First Credit Facility was activated in July 2008. If the First Credit Facility was not activated in July 2008, then the Debtor was obliged to repay the First Credit Facility within eighteen months of activation. The First Credit Facility was activated on December 18, 2008.

14. At the Debtor's request, the date for repayment of the First Credit Facility was extended to May 31, 2010, pursuant to a commitment letter dated January 27, 2010 (Exhibit D-4).

15. Pursuant to a further request from the Debtor, the date for repayment of the First Credit Facility was again extended, to November 30, 2010, pursuant to a commitment letter dated June 23, 2010 (Exhibit D-5).

16. Pursuant to yet another request from the Debtor, the date for repayment of the First Credit Facility was again extended, to June 15, 2011, pursuant to a commitment letter dated March 30, 2011 (Exhibit D-6).

17. Alan Bensky, Vice-President, Mississauga Real Estate, was the individual at TD Bank who was managing the Debtor's account when the above-noted extensions to repay the First Credit Facility were requested by the Debtor. I am advised by Mr. Bensky, and believe, that each time that the repayment term of the First Credit Facility was extended, it was because:

- (a) the Debtor had not completed the measures required to register the Condominium;

- (b) the Debtor was accordingly unable to close the agreements of purchase and sale in which it had entered with purchasers of the Condominium's units; and
- (c) as a result, the Debtor had not received proceeds of sale from the aforementioned purchasers from which it could repay the First Credit Facility.

The Security – General Security Agreements

18. The Debtor's indebtedness to TD Bank is secured by the following:

- (a) a general security agreement made by the Debtor in favour of TD Bank (the "**Debtor GSA**"), dated September 10, 2008, along with a corporate resolution authorising the Debtor to grant the GSA, and a lawyer's letter of opinion, all of which are attached hereto as **Exhibit E**; and
- (b) a general security agreement from 161 (the "**161 GSA**"), dated September 10, 2008, along with a corporate resolution from 161 authorising 161 to grant the GSA, and a lawyer's letter of opinion, all of which are attached hereto as **Exhibit F**.

19. TD Bank made the following registrations pursuant to the *Personal Property Security Act* (Ontario) (the "**PPSA**") in respect of its security interest in the Debtor's and 161's assets:

- (a) on August 7, 2008, for five years, pursuant to Registration No. 20080807 0938 1862 6843 against the inventory, equipment, accounts, other (motor vehicle included) of the Debtor; and
- (b) on August 7, 2008, for five years, pursuant to Registration No. 20080807 0936 1862 6842 against the inventory, equipment, accounts, other (motor vehicle included) of 161.

20. A copy of the PPSA search results for the Debtor, with currency to September 29, 2011, is attached hereto as **Exhibit G**. A copy of the PPSA search results for 161, with currency to September 29, 2011, is attached hereto as **Exhibit H**.

21. By virtue of the PPSA registrations referenced above, the TD Bank security constitutes a perfected security interest in and to all of the assets and undertaking of the Debtor and of 161. Further, TD Bank holds a first registered priority general security interest against the inventory, equipment, accounts, and other (motor vehicle included) of the Debtor and of 161.

The Security – Collateral Mortgage Granted to TD Bank Against the Property

22. As further security for its obligations, the Debtor granted TD Bank a demand collateral mortgage on the Property in the amount of \$12,500,000 (the "**TD Bank Mortgage**"). The TD Bank Mortgage was registered against title to the Property as a first Charge/Mortgage in the applicable land registry office on October 20, 2008 as instrument number PR1554408. The TD Bank Mortgage, along with the standard charge terms and a signed acknowledgement of receipt of the standard charge terms are attached hereto as **Exhibit I**.

23. The Parcel Register (attached at Exhibit B) evidences four encumbrances registered prior to that of TD Bank, all in favour of 1448037 Ontario Limited ("**144**"). Each one of these encumbrances has been subordinated and postponed by 144 in favour of the TD Bank Mortgage, as follows:

- (a) a charge in the original principal amount of \$400,000, attached hereto as **Exhibit J**, registered as instrument number PR1418741 on February 21, 2008, was postponed in favour of the TD Bank Mortgage pursuant to an Acknowledgment and Direction (Postponement of \$400,000 Charge), attached hereto as **Exhibit K**, and registered against title to the Property on November 18, 2008 as instrument number PR1569920;

- (b) an encumbrance pertaining to the assignment of rents, attached hereto as **Exhibit L**, and registered as instrument number PR1418749 on February 21, 2008, was postponed in favour of the TD Bank Mortgage pursuant to an Acknowledgment and Direction (Postponement of GAR re: \$400,000 Charge), attached hereto as **Exhibit M**, and registered against title to the Property on November 18, 2008 as instrument number PR1569921;
- (c) a charge in the original principal amount of \$864,070, attached hereto as **Exhibit N**, registered as instrument number PR1539845 on September 25, 2008, was postponed in favour of the TD Bank Mortgage pursuant to an Acknowledgment and Direction (Postponement of \$864,070.00 Charge), attached hereto as **Exhibit O**, and registered against title to the Property on November 18, 2008 as instrument number PR1569922; and
- (d) an encumbrance pertaining to the assignment of rents, attached hereto as **Exhibit P**, registered as instrument number PR1539924 on September 26, 2008, was postponed in favour of the TD Bank Mortgage pursuant to an Acknowledgment and Direction (Postponement of GAR re: \$864,070.00 Charge), attached hereto as **Exhibit Q**, and registered against title to the Property on November 18, 2008 as instrument number PR1569923.

24. In addition to the subordination and postponement of the encumbrances referenced above, TD Bank and 144 also entered into an Acknowledgement of Priority and Standstill Undertaking (the "**Standstill Undertaking**"), attached hereto as **Exhibit R**, and registered against title to the Property as instrument number PR1681378 on August 5, 2009. This agreement provides that TD Bank shall have undisputed priority over all rights, title and interest which 144 may have in the Property pursuant to its registrations.

25. Additionally, TD Bank, 144, 161, Chahal, Dhaliwal and the Debtor entered into an Inter-Lender Agreement on September 22, 2009, attached hereto as **Exhibit S**, and registered against title to the Property as instrument number PR1720150 on October 15, 2009. Pursuant to this agreement, all of the parties to this agreement consented to be bound by the terms of the Standstill Undertaking.

26. As a result of all of the above, the TD Bank Mortgage represents a first charge against title to the Property.

27. The Parcel Register also reveals that the following additional instruments have been registered on title since the Debtor granted TD Bank the TD Bank Mortgage:

Instrument No	Document Type	Granted to/on
PR1785468	Application (General) being a Certificate of Pending Litigation	H S G Properties Incorporated
PR1803331	Postponement of the Certificate of Pending Litigation to PR1554408 (Charge in favour of TD)	H S G Properties Incorporated
PR1982084	Construction Lien in the amount of \$383,399	Versa Construction Limited
PR2003837	Certificate of Action in connection with the above construction lien	Versa Construction Limited

28. Additionally, I have learned that there are currently tax arrears relating to the Property owed to the City of Brampton totalling \$29,220.18 as of October 4, 2011. A copy of the tax certificate is attached hereto as **Exhibit T**.

Additional Security

29. TD Bank also received the following additional security:
- (a) an unlimited corporate guarantee from 161, dated September 10, 2008, attached hereto as **Exhibit U**;
 - (b) personal guarantees from Chahal and Dhaliwal, each limited to the amount of \$4 million, attached hereto as **Exhibits V and W** respectively;
 - (c) Assignment of Term Deposits and Credit Balances in the amount of \$500,000 issued by the Debtor, attached hereto as **Exhibit X**;
 - (d) General Hypothecation of Stocks and Bonds issued by the Debtor, attached hereto as **Exhibit Y**.

THE DEBTOR'S DEFAULTS ON ITS OBLIGATIONS TO TD BANK***The Failure to Make Payments Due to TD Bank – Repayment of the First Credit Facility***

30. The Loan Agreement provides that the Debtor shall repay the First Credit Facility by June 15, 2011. The First Credit Facility was not repaid on this date. As of the date of this affidavit, the First Credit Facility has still not been repaid.

The Failure to Make Payments Due to TD Bank – Extension Fee

31. When the date for repayment of the First Credit Facility was extended from November 30, 2011 to June 15, 2011, the Debtor agreed to pay TD Bank an extension fee of \$60,000. As of the date of this affidavit, the Debtor has failed to pay this amount to TD Bank.

The Failure to Make Payments Due to TD Bank – Repayment of Overdraft

32. Further, the Debtor has allowed its account to remain overdrawn by \$75,000, which overdraft has not been repaid.

33. TD Bank permitted the overdraft because the Debtor advised TD Bank that it was required to pay Versa Construction Limited ("**Versa Construction**"), the general contractor retained by the Debtor to construct the Condominium, the final holdback due to it. The Debtor advised TD Bank that although it had the majority of the funds to pay the final holdback, it required some further funds to make the full payment.

34. The overdraft was accordingly authorized for the purpose of allowing the Debtor to pay the full amount of the final holdback to Versa Construction. The overdraft was to be repaid.

35. As set out below, Versa Construction has registered a lien against title to the Property. The Debtor has not advised TD Bank the reason that this lien was registered given that it was required to use the overdraft to pay the full amount of the final holdback due to Versa Construction. In any event, the overdraft has still not been repaid.

The Failure to Make Payments Due to TD Bank – Interest Payments

36. Further, contrary to the terms of the Loan Agreement, commencing August 31, 2011 and continuing to the date that this affidavit is sworn, being a period of approximately three months, the Debtor has failed to make the monthly interest payments due to TD Bank. As at October 20, 2011, interest arrears are approximately \$147,000 and continue to accrue.

The Failure to Discharge Liens Registered Against Title to the Property

37. The Loan Agreement provides that in the event that construction liens are registered against title to the Property, such liens are to be cleared from title to the Property no later than thirty days after they are registered.

38. Contrary to its obligations in this regard, as of the date of my affidavit, the Debtor has failed to discharge a construction lien registered by Versa Construction Limited against title to the Property on March 30, 2011 as Instrument No. PR1982084 in the amount of \$383,399 (the

"Versa Lien"). The Versa Lien and the associated Certificate, which was registered against title to the Property on May 16, 2011, as Instrument No. PR2003837, are attached hereto as **Exhibit Z**.

THE OCTOBER 4TH MEETING WITH THE DEBTOR

39. On October 4, 2011, I attended at the Property and met with Chahal. I was concerned with the Debtor's failure to pay the amounts due to TD Bank and its failure to discharge the Versa Lien. These failures suggested to me that the Debtor did not have the financial means to meet its obligations to TD Bank.

40. I was also concerned about the status of agreements of purchase and sale entered into by purchasers of units in the Condominium. The Debtor had missed the June 15, 2011 deadline to repay the First Credit Facility, presumably because it was unable to register the Condominium. Although TD Bank had previously agreed to extend the date for repayment of the Loan, as set out above, the Debtor had not provided TD Bank with evidence that agreements of purchase and sale with unit holders had been similarly extended. I was concerned that the significant delays in registering the Condominium could result in purchasers rescinding their agreements to purchase units in the Condominium, over which TD Bank has security, and TD Bank required comfort that its security was not in jeopardy.

41. Accordingly, the purpose of the meeting, from my point of view, was to determine:

- (a) why the Debtor had failed to make the interest payments due pursuant to the Loan Agreement;
- (b) why the Debtor had not repaid the overdraft;
- (c) why the Debtor had failed to vacate the Versa Lien;

- (d) the status of the Condominium project;
- (e) when the Condominium was likely to be registered and the TD Bank repaid;
- (f) the status of the purchase and sale agreements with buyers who had purchased units in the Condominium; and
- (g) the status of existing and additional cost over-runs.

42. I also intended on impressing on Chahal and Dhaliwal the need to immediately repay to TD Bank the interest arrears, the overdraft and the extension fee, and to retain an expert to review the Debtor's financial wherewithal, the status of the agreements of purchase sale, review why there had been a delay in registering the Condominium, and determine how the registration of the Condominium could be expedited and the agreements of purchase and sale with purchasers of the units closed.

43. At the meeting, Chahal gave me a tour of the Condominium. I noted that some units appeared to be occupied. Chahal confirmed to me that some purchasers had closed on an interim basis. Assuming this to be true, I expected that these purchasers would be paying the Debtor interim occupancy fees. I was accordingly concerned why the Debtor had failed to fulfill its monetary obligations to TD Bank, since it should be receiving this stream of revenue.

44. Once the tour was completed, I expressed my concerns to Chahal about the Debtor's failure to pay the amounts owed to TD Bank, the delay in registering the Condominium, and the failure to repay the Loan. Chahal stated that he understood and appreciated TD Bank's concerns. He advised me that he would cause the Debtor to:

- (a) immediately pay the interest arrears, the overdraft and the extension fee; and

- (b) retain, at the Debtor's own cost, a consultant suggested by TD Bank, to review and assess the Debtor's books, records, assets and operations (the "**Review and Assessment**"), and report on:
- (i) the agreements of purchase and sale entered into by the Debtor with purchasers of the Condominium's units, including all amending or extension agreements, and the reconciliation of the deposits being held in trust as they relate to such agreements;
 - (ii) the status of the registration of the Condominium and the reasons for the delay in registering it; and
 - (iii) any other matter pertaining to the Debtor's viability and relationships with its creditors.

THE DEBTOR RENEGES ON THE OCTOBER 4TH AGREEMENT

45. Between October 4, 2011 and October 26, 2011, the Debtor engaged in a course of conduct in which it appeared to be renegeing on the agreement that we reached on October 4, 2011, and to avoid its payment obligations to TD Bank and its commitment to retain a consultant to conduct the Review and Assessment.

46. By email dated October 7, 2011, attached hereto as **Exhibit AA**, I wrote to Chahal and asked that he contact me immediately. I was required to communicate with Chahal in this manner because he rarely, if ever, answered the telephone when I called him, and his voicemail was unable to accept messages because the mailbox was inevitably full and would not accept messages.

47. When Chahal returned my call, I reminded him of the commitments that he made on October 4, 2011 to repay the monies owed to TD Bank and to engage a consultant to conduct the Review and Assessment.

48. On October 12, 2007, Chahal responded by email and asked me to send him a breakdown of the funds that he had agreed to pay. This email is attached hereto as **Exhibit BB**.

49. That same day, I responded to Chahal by email, attached hereto as **Exhibit CC**. I confirmed to Chahal that the monies were due no later than October 14, 2011, and provided him with a detailed breakdown of the amounts TD Bank required the Debtor to pay, as follows:

		Rounded*
Overdraft	\$73,491.02	
Interest Due	<u>\$ 887.88</u>	
Total	\$74,378.90	\$74,000
Demand Loan		
Interest Aug/Sept	\$98,644.16	
Oct to Oct. 20, 2011	<u>\$47,731.19</u>	
Total	\$146,375.35	\$147,000
Monthly Letter of Credit Fees	\$228.43	\$1,000
Contingency		\$3,000
Negotiated Default Fee Due June 30, 2011	\$60,000.00	\$60,000
Total		\$285,000*

*Includes contingencies

50. I am advised by Marty Wolfe, a chartered accountant employed at Ira Smith Trustee, the consultant selected by TD Bank to conduct the Review and Assessment, and believe, that on October 11, 2011, he wrote to Chahal, enclosed the engagement letter which outlined the

services to be performed by Ira Smith Trustee, and scheduled a meeting for October 12, 2011. Mr. Wolfe's email to the Debtor, and the engagement letter, are attached hereto as **Exhibit DD**.

51. By email dated October 11, 2011, attached hereto as **Exhibit EE**, Chahal wrote to Wolfe and advised him that he would be forwarding the engagement letter ". . .to my Lawyer and waiting for thier instructions, will contact you as soon as he has reviewed it. I guess their is no sense in meeting tomorrow untill I get my councils input" [sic].

52. That same day, Wolfe responded to Chahal by email, which is attached hereto as **Exhibit FF**. Wolfe advised Chahal that it was of great urgency that the meeting take place the following day, to advise his lawyer that time is of the essence, and that he would not cancel the meeting that had been scheduled.

53. On October 11, 2011, Chahal responded to Wolfe by email, attached hereto as **Exhibit GG**, and stated that:

That is impossible, I have a large investment here that I have to protect and make sure all my clients interests are protected, are you trying to force yourself upon this project without our council properly instructing us? I will met with you when my council has time and instructed us. You are to work with us not against us, and if that is your manner then we will do everything to protect ourselves, we are in our final stages ok getting off work condominium registered, we do not want to take any actions work that will jeopardize everybody's interests!!! [sic]

54. Wolfe responded to this email by requesting that the Debtor sign the engagement letter by the end of day tomorrow (October 12) or at the latest by noon on Thursday (October 13, 2011). This email is attached hereto as **Exhibit HH**.

55. Chahal responded to Wolfe's request by email dated October 11, 2011 and stated that he wished to work with Wolfe and anticipated to be able to meet on Thursday (October 13) morning. This email is attached hereto as **Exhibit II**.

56. I am advised by Wolfe, and believe, that on October 12, 2011, Chahal unilaterally cancelled the meeting scheduled for October 13, 2011, and re-scheduled it for the following day (October 14, 2011).

57. On October 13, 2011, I wrote to Chahal and directed him to provide Wolfe with the cheque for \$285,000 when they met. This email is attached hereto as **Exhibit JJ**.

58. I am advised by Wolfe, and believe, as follows:

- (a) he attended at the Debtor's premises on October 14, 2011, for a meeting;
- (b) the purpose of the meeting was to collect the engagement letter signed by the Debtor, collect the cheque in the amount of \$285,000 and commence the Review and Assessment;
- (c) he met with Chahal and Dhaliwal;
- (d) after receiving a tour of the Condominium, he was provided with an uncertified cheque made payable to TD Bank in the amount of \$285,000;
- (e) the cheque was post-dated to October 20, 2011; and
- (f) he was advised by Chahal and Dhaliwal that the engagement letter was not signed because it had not been reviewed by the Debtor's legal counsel, however, its lawyer would do so on Monday (October 17, 2011).

59. On October 16, 2011, I received an email from Chahal, which is attached hereto as **Exhibit KK**. The email provides as follows:

Kenneth, hope you had a great weekend,

did you received the check? please deposit so we can bring our account up to date, I was jut told by Jagdev that the funds where on hold on our account till Tuesday that is why he wrote Thursday, if I would of known this I would of went to the branch myself to get the funds cleared RIGHT AWAY AS SOON AS DEPOSITED, I will go to the branch tomorrow to see if i can get it cleared, if not our checks don't bounce and it Will cleared as soon as it is deposited> [sic]

60. I understood this email to mean that TD Bank should proceed to deposit the cheque and that the Debtor would take measures to ensure that is clears. TD Bank was unable to immediately deposit the cheque, however, since it was post-dated to October 20, 2011.

61. The Debtor had advised TD Bank that it held a bank account at Duca Financial Services Credit Union Ltd. ("Duca Financial"). Accordingly, on October 20, 2011, I attended at Duca Financial to attempt to certify the cheque provided to me by the Debtor. A copy of the cheque is attached hereto as **Exhibit LL**. The branch manager with whom I spoke, named Ramsey Fashho, advised me, and I believed, that Duca Financial would not certify the cheque as there were insufficient funds in the Debtor's bank account to honour it.

62. I accordingly deposited the cheque for conventional clearing on October 20, 2011. Despite Chahal's representations contained in his email dated October 16, 2011, the cheque was dishonoured. A copy of the cheque and Returned Item Advice dated October 24, 2011 is attached hereto as **Exhibit MM**.

63. As of the date of my affidavit, the Debtor:

- (a) has failed to provide TD Bank with a replacement cheque or otherwise pay the amount of \$285,000 as agreed on October 4, 2011;
- (b) has failed to return a signed engagement letter permitting the consultant to engage in the Review and Assessment;

- 18 -

- (c) has failed to repay the Loan;
- (d) has failed to provide TD Bank with details regarding the delay in the status of the registration of the Condominium; and
- (e) has failed to provide TD Bank with details regarding the status of the agreements of purchase and sale entered into between the Debtor and the purchasers of Condominium units.

TD BANK ISSUES DEMANDS AND SECTION 244 NOTICES AND THE FALLOUT

64. Accordingly, TD Bank caused demand letters and notices of intention to enforce its security under section 244(1) of the BIA to be issued on October 26, 2011. Copies of these demands and notices are attached hereto as **Exhibit NN**.

65. On November 5, 2011, the day that the stay period under section 244(1) of the BIA was to expire, I received an email from Chahal. He advised me that the demands and notices had been sent to the Debtor's previous address and not its current registered office address. He acknowledged receiving the demands and notices on November 1, 2011, and that the ten day stay period would accordingly expire on November 11, 2011. This email is attached hereto as **Exhibit OO**.

66. On November 7, 2011, I received a letter from the Debtor, which is attached hereto as **Exhibit PP**. Chahal advised me in the letter that the Debtor intends to close agreements of purchase and sale with purchasers of units in the Condominium by January 30, 2012. However, on page three of this letter, the Debtor set out a list of twelve items that need to be completed before the Condominium could be registered. Many of the items on the list are dependent on third parties completing various reviews, including the City of Brampton, Peel Region, the Land Titles Registry, and the architect. In my experience, given the number of tasks that remain to be

completed, it is unlikely these will be completed by January 30, 2012 and that the agreements of purchase and sale will close by January 30, 2012.

67. I am also concerned by the fact that the Debtor, in the letter:

- (a) states that the Debtor has removed all of its funds held in the bank account at Duca Financial and moved them to a different institution, which institution is not disclosed;
- (b) states that Chahal has advised purchasers of units that TD Bank may be bringing power of sale proceedings and stating to them that TD Bank has interfered with the Debtor's general contractors, thereby causing delay; and
- (c) threatens to release deposits to purchasers and cancel agreements of purchase and sale ". . . for those requesting same...", or, for all purchasers who still want the units, to ". . . amend the purchase price on units to compensate for their loss of income and value caused by delays. . ." even though the purchasers ". . . all are willing and ready close their deals when I tell them we are ready to close."

68. Chahal appears to threaten that if TD Bank takes measures with which the Debtor does not agree, then the Debtor will take measures to undermine the value of TD Bank's security by cancelling agreements of purchase and sale or making payments to purchasers.

69. The appointment of a Receiver to attend at the Debtor's premises, preserve the Debtor's assets, conduct a review of the status of the registration of the Condominium and the agreements of purchase and sale with purchasers of units is necessary for the protection and realisation of TD Bank's interests and the interests of all stakeholders, including all construction lien claimants. It is also in the interests of purchasers of units in the Condominium, including

those who have closed on an interim basis, to ensure that the Condominium is registered in an expeditious manner and the agreements of purchase and sale are closed.

THE NEED FOR A RECEIVER

70. It is just and equitable that a Receiver be appointed because the Debtor has committed events of default under the Loan Agreement and TD Bank's security, and has jeopardised the value of its security, by:

- (a) failing to pay the interest due to TD Bank pursuant to the Loan Agreement;
- (b) failing to discharge the Versa Lien within thirty days of its registration;
- (c) failing to repay the overdraft;
- (d) failing to account for the use of the funds for which the over-draft was authorised;
- (e) reneging on an agreement to pay TD Bank \$285,000 for interest arrears, repayment of the over-draft and the extension fee;
- (f) providing TD Bank with a cheque that it was unable to negotiate and which was dishonoured;
- (g) reneging on an agreement to retain a consultant to conduct the Review and Assessment;
- (h) failing to provide TD Bank details regarding the delay in registering the Condominium or the status of agreements of purchase and sale; and
- (i) failing to repay the Loan.

71. The appointment of a Receiver will benefit all of the Debtor's creditors, lien claimants and other stakeholders, including purchasers of units in the Condominium, since it will allow for the preservation of the Debtor's assets, an assessment of the Debtor's financial viability, a determination of why the Condominium has not yet been registered, and likely, the expediting of the registration of the Condominium.

72. TD Bank proposes that Ira Smith Trustee be appointed as Receiver of the Debtor. Ira Smith Trustee is an experienced, licensed trustee in bankruptcy. Ira Smith Trustee has consented to act as Receiver. The consent is attached hereto as **Exhibit QQ**.

SWORN BEFORE ME at
the City of Toronto,
in the Province of Ontario,
this 10th day of November, 2011.

COMMISSIONER, ETC.

KENNETH J. MALCOLM

000075

SCHEDULE A

Legal Description of the Property

PT OF LT 11, CON 5 EAST OF HURONTARIO ST, DES AS PTS 6 AND 7, PL 43R21902. S/T
A 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, PL 43R21902 AS IN LT1615145. CITY OF BRAMPTON

THE TORONTO-DOMINION BANK

and

2012241 ONTARIO LIMITED

Applicant

Respondent

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT TORONTO**

**AFFIDAVIT OF KENNETH MALCOLM
(sworn November 10, 2011)**

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
Suite 1800, Box 754
181 Bay Street
Toronto, ON M5J 2T9
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Sanj Sood – LSUC No. 42137R

Lawyers for the Applicant

11337764.4

000076

APPENDIX 3

000077

Court File No. CV-11-9456-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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**

**FIRST REPORT OF THE RECEIVER
DATED NOVEMBER 24, 2011**

**IRA SMITH TRUSTEE &
RECEIVER INC.**
167 Applewood Crescent, Suite 6
Concord, ON L4K 4K7

Telephone: 905.738.4167
Fax: 905.738.9848

**ONTARIO
SUPERIOR COURT OF JUSTICE
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**FIRST REPORT OF THE RECEIVER
DATED NOVEMBER 24, 2011**

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Court File No. CV-11-9456-00CL

**ONTARIO
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**FIRST REPORT OF THE RECEIVER
DATED NOVEMBER 24, 2011**

APPENDICES

- A. Order of the Honourable Mr. Justice Campbell dated November 15, 2011
- B. The Affidavit of Kenneth J. Malcolm sworn November 10, 2011, without exhibits
- C. E-mail from Ravinder Singh Chahal to Mr. Malcolm dated November 15, 2011
- D. The Affidavit of Theresa Kellen sworn November 15, 2011
- E. Corporate Profile Report of 2012241 Ontario Limited
- F. Parcel Register of 50 Sunny Meadow Blvd., Brampton, Ontario
- G. Personal Property Security Registration Database search of 2012241 Ontario Limited
- H. Receiver's preliminary draft rent roll

- I. Template form of letter to occupants of the Condominium Complex
- J. Letter from Ira Smith Trustee & Receiver Inc. to Sikder Professional Corporation dated November 16, 2011
- K. E-mail from Paltu Kumar Sikder to Ira Smith dated November 23, 2011 enclosing the Sikder Professional Corporation Trust Ledger Statement dated November 23, 2011
- L. Sikder Professional Corporation Trust Ledger Statement dated June 17, 2011
- M. E-mail exchange between Paltu Kumar Sikder and Shawn Wolfson dated November 23, 2011
- N. E-mail from Ravinder Singh Chahal to Ira Smith cancelling November 16, 2011 meeting
- O. Letter from Ira Smith Trustee & Receiver Inc. to Ravinder Singh Chahal and Jagdev Dhaliwal dated November 16, 2011
- P. E-mail from Roman Humeniuk to Ira Smith dated November 16, 2011
- Q. E-mail from Ira Smith to Ravinder Singh Chahal and Jagdev Dhaliwal dated November 17, 2011
- R. Letter from Domenico Magisano to Ravinder Singh Chahal and Jagdev Dhaliwal dated November 19, 2011
- S. Bank Draft in the amount of \$50,000.00 payable to Rena Setwant Dhaliwal dated November 16, 2011

INTRODUCTION

1. On November 15, 2011, the Honourable Mr. Justice Campbell appointed Ira Smith Trustee & Receiver Inc. as receiver (the "**Receiver**") of all of the property, assets and undertaking (the "**Property**") of the Respondent (the "**Appointment Order**"). A copy of the Appointment Order is attached hereto and marked as **Appendix "A"**.
2. As part of its application seeking the appointment of the Receiver, The Toronto-Dominion Bank (the "**Bank**") relied upon the affidavit of Kenneth J. Malcolm sworn November 10, 2011 (the "**Malcolm Affidavit**"). A copy of the Malcolm Affidavit (without exhibits) is attached hereto and marked as **Appendix "B"**.
3. The application for the Appointment Order was originally scheduled for November 18, 2011, however, on November 15, 2011, Ravinder Singh Chahal, one of the principals of the Respondent, wrote to Mr. Malcolm sent at 3:01pm threatening to take immediate steps that could adversely affect the Bank's security (the "**Chahal e-Mail**"). A copy of the Chahal e-mail is attached hereto and marked as **Appendix "C"**.
4. As a result of receiving the e-mail attached at Appendix "C" to this report, Theresa Kellen swore a supplemental affidavit dated November 15, 2011 (the "**Kellen Affidavit**") and the Bank's legal counsel, Aird & Berlis LLP, attended before the Honourable Mr. Justice Campbell later that day seeking the Appointment Order. A copy of the Kellen Affidavit (together with exhibits) is attached hereto and marked as **Appendix "D"**.

PURPOSE OF THE REPORT

5. The purpose of this report (the "**First Report**") is to:
 - (a) Report on the Receiver's attempts to secure the Property;
 - (b) Report on the discrepancy of trust deposits held by Sikder Professional Corporation;
 - (c) Report on attempts to obtain certain books and records from the principals of the Respondent;

- (d) Report on the Receiver's discovery that the Respondent (without the Receiver's approval) issued a \$50,000 bank draft from the its bank account at DUCA Financial Services Credit Union Ltd. ("DUCA") payable to Rana Setwant Dhaliwal on November 16, 2011; and
- (e) Request a minor revision to the Appointment Order.

DISCLAIMER

6. The Receiver has relied upon the financial records of the Respondent, as well as other information supplied by staff and management of the Respondent, its service providers and its financial institutions. The Receiver assumes no responsibility or liability for loss or damage occasioned by any party as a result of the circulation, publication, reproduction or use of this report. Any use which any party, other than the Court, makes of this report or any reliance on or decision made based on this report is the responsibility of such party.

BACKGROUND AND OPERATIONS

7. The Respondent is an Ontario corporation which owns certain lands municipally known as 50 Sunny Meadow Blvd., Brampton, Ontario (the "**Premises**"). The Respondent has substantially completed building a three story, commercial condominium building on the Real Property (the "**Condominium Complex**"). The Condominium Complex was originally approved for 47 units, but the Receiver's investigation to date indicates that there may be up to 62 units. The Receiver to date has not found any evidence of zoning approval for the increased number of units, but the Receiver's review is ongoing and currently, as described herein, the Receiver is missing a large amount of documentation concerning the building of the Condominium Complex.
8. A copy of the corporate profile report for the Respondent is attached hereto and marked as **Appendix "E"** and a copy of the parcel register for the Premises is attached hereto and marked as **Appendix "F"**.
9. The principals of the Respondent are Ravinder Singh Chahal ("**Chahal**") and Jagdev Dhaliwal ("**Dhaliwal**") ("**Principals**").

10. The Receiver has been advised that the Bank is owed \$12,729,112.54 as at October 26, 2011 and that said indebtedness is secured by certain security provided by the Respondents, including, but not limited to a mortgage over the Premises and a general security agreement granted by the Respondents and dated October 10, 2008. The Receiver has not obtained an opinion as to the validity and enforceability of the Bank's security although we expect to do so in the near future.
11. A search of the Personal Property Security Registration Database has been completed and the results of that search are attached hereto and marked as **Appendix "G"**.

ATTENDING THE PREMISES AND SECURING ASSETS

12. The Receiver attended at the Premises on the evening of November 15, 2011. Mrs. Chahal was at the Premises when the Receiver arrived. She contacted Chahal and he arrived shortly thereafter. The Receiver met with Chahal and provided him with a copy of the Appointment Order. The Receiver also changed the locks to Chahal's office on the Premises and removed whatever documentation could be found concerning the Condominium Complex, as well as what appears to be a full set of keys for various units, and mechanical and storage rooms.
13. Significant work on the Condominium Complex has been completed and certain people have moved in, however, the Condominium Complex has not been registered pursuant to the *Condominium Act*.
14. The Condominium Complex is managed by English Prestige Property Management Inc. (the "**Manager**"). It appears that the principal of the Manager may be related to the Respondent. The Receiver has contacted the Manager to attempt to meet with the Manager to determine its suitability to continue as the Manager of the Condominium Complex.
15. On November 21, 2011, the Receiver put the Manager on notice that all property, books, records and documents of the Respondent, or related to the assets, properties and undertakings of the Respondent, including the Condominium Complex, must be provided to the Receiver. The Manager and the Receiver are in communication and the Manager

has undertaken to provide the Receiver with the requested information and documentation and to meet with the Receiver early in the week of November 28, 2011 to provide the Receiver with such documentation and information.

16. The Manager has asked the Receiver if it should continue in its role as Manager and the Receiver has requested a copy of the property management agreement to review, and has advised the Manager that it should continue to provide its services at least until representatives of the Manager and the Receiver meet. The Receiver believes that it requires the services of an experienced and independent property manager and will advise this Honourable Court of its conclusions as to the proposed property manager to be retained by the Receiver in its Second Report to Court.
17. As described herein, the Receiver currently has limited documentation in its possession relating to the assets, properties and undertakings of the Respondent. The Receiver's understanding is that there are currently fifteen (15) parties occupying units in the Condominium Complex. Based on documentation and post-dated cheques seized by the Receiver, the Receiver has prepared a preliminary draft rent roll. Attached as **Appendix "H"** is a copy of such rent roll. The Receiver's investigation concerning these occupants is ongoing to determine if these occupants are tenants, or if some are purchasers who have not yet been able to take title to their respective units as the Condominium Complex has yet to be registered. The Receiver cautions that this preliminary draft rent roll is tentative and subject to change.
18. On November 23, 2011 the Receiver delivered a letter to each of the occupants to provide each with a copy of the Appointment Order, confirming where post-dated cheques were being held for rent and advising that all rent payments must be only to the Receiver until further notice. Attached hereto as **Appendix "I"** is a copy of the template of the letters issued, without the enclosures.
19. Mr. Malcolm provided the Receiver with a binder of Agreements of Purchase and Sale that the Respondent previously provided to the Bank as part of its ongoing obligations to the Bank in support of the financing it obtained. The Receiver has performed a review on a test-check basis and has determined that the summary prepared by the Bank is accurate.

The Receiver also found some Agreements of Purchase and Sale on the premises. The Receiver's review to determine which Agreements of Purchase and Sale exist, and which are currently valid is ongoing and the Receiver will report its findings to this Honourable Court as the Receiver's analysis unfolds.

20. From the review of the documentation previously provided to the Bank by the Principals of the Respondent, the Receiver found a trust account statement dated June 17, 2011 (the "**June 17, 2011 Trust Ledger**") from Sikder Professional Corporation, Barristers and Solicitors ("**Sikder**") indicating that it was holding in trust deposits totaling \$3,446,766.20 from purchasers of units in the Condominium Complex. On November 16, 2011, the Receiver wrote to Sikder advising of the Appointment Order, requesting an accounting of all such deposits being held, and an accounting of any assets, properties, undertakings and documents of the Respondent being held and that all such Property must be delivered to the Receiver. Attached as **Appendix "J"** is a copy of that letter. As of this date, Sikder has confirmed receipt of the letter but has failed to provide substantially all of the requested information, documents or Property.

DISCREPANCY IN TRUST DEPOSITS

21. On November 23, 2011 the Receiver received an e-mail from Sikder attaching an updated trust ledger statement dated November 23, 2011 (the "**November 23, 2011 Trust Ledger**") a copy of the e-mail from Sikder's office to the Receiver and a copy of the November 23, 2011 Trust Ledger are attached as **Appendix "K"**. A review of the November 23, 2011 Trust Ledger indicates a substantial discrepancy in the trust deposits being held by Sikder from that shown from the June 17, 2011 Trust Ledger. The total amount held in trust as stipulated in the November 23, 2011 Trust Ledger is \$995,384.76 as opposed to the sum of \$3,446,766.20 shown in the June 17, 2011 Trust Ledger.
22. In response to an e-mail from Shawn Wolfson of Blaney McMurtry LLP, counsel for the Receiver, Mr. Paltu Kumar Sikder indicated that the June 17, 2011 Trust Ledger did not originate from his office and as a result could not make any comment on this document. He further indicated that his firm had no knowledge of this document. Mr. Wolfson thereafter replied to Mr. Sikder asking him to provide a detailed trust reconciliation

showing all debits and credits in respect of this file from its outset to present. Attached as **Appendix "L"** is the June 17, 2011, Trust Ledger.

23. In response thereto, Mr. Sikder sent an e-mail to Mr. Wolfson indicating that he would get his information from his accountant which is coming to his office this Saturday. Attached and marked as **Appendix "M"** is an email exchange between Shawn Wolfson and Mr. Paltu Sikder all dated November 23, 2011.
24. In addition, the November 23, 2011 Trust Ledger indicates that the sum of \$1,200,042.20 of trust deposits previously held by Sikder was released to 2012241 as same was "disbursed on purchasers direction". No corroborating directions were delivered to the Receiver to support the release/disbursement of trust funds to 2012241. The Receiver has received advice from its counsel that release of deposits are not permitted by the provisions of the *Condominium Act*, 1998, S.O. 1998, c. 19.
25. A further comparison of the June 17, 2011 Trust Ledger and the November 23, 2011 Trust Ledger indicates that the name Harjinder Chahal was removed from the mast-head of the June 17, 2011, Trust Ledger as a lawyer of the firm in question. Our review of the corporation profile report (Appendix "E") indicates that one of the officers and director of 2012241 is a Mr. Ravinder Chahal, who has the same last name as the lawyer whose name is missing from the mast-head of the June 17, 2011 Trust Ledger. Further, one of the entries on the June 17, 2011 Trust Ledger discloses Harjinder Chahal as a purchaser of three of the units, but is not noted as a purchaser of any of the units on the November 23, 2011 Trust Ledger.
26. On November 24, 2011, Blaney McMurtry LLP, counsel for the Receiver, delivered a letter to Sikder requiring the immediate delivery of all deposits held in trust together with all documentation of all documents relating to the purchase and sale of the condominium units.
27. Given the aforementioned facts, including the discrepancies in the trust ledgers, the failure to deliver documentation as requested by the Receiver and the release of trust funds to the Respondent by Sikder, the Receiver has no confidence in Sikder and seeks an

order for the transfer of all trust deposits presently held by Sikder in respect of the sale of condominium units and the delivery of all documentation in its possession relating to the development, sale and marketing of the condominium units.

FAILURE TO DELIVER DOCUMENTS

28. On November 15, 2011 the Receiver attended both the Premises and the registered address for the Respondent as indicated in its corporate profile report seeking all of the Respondent's books and records. The Receiver was not provided with the Respondent's books and records but Mr. Chahal agreed to meet with the Receiver at 3pm on November 16, 2011 and provide the required books and records and full disclosure regarding the building of and the status of the Condominium Complex.
29. By e-mail executed on November 16, 2011 between Chahal and the Receiver, Chahal cancelled his 3:00 p.m. meeting with the Receiver. A copy of the e-mail exchange is attached hereto and marked as **Appendix "N"**.
30. Following receipt of Chahal's e-mail attached as Appendix "N" hereto, the Receiver wrote to the Principals requiring immediate compliance with the Appointment Order and providing a preliminary list of documents required. A copy of the letter from the Receiver to the Principals dated November 16, 2011 is attached hereto and marked as **Appendix "O"**.
31. At 6:38 p.m. on November 16, 2011, the Receiver received an e-mail from Roman Humeniuk advising that the Respondent had retained Kerr Waid & Associates to represent it in this matter. The Receiver's understanding is that Mr. Humeniuk may have been assisting the Respondent in its attempt to refinance the indebtedness to the Bank prior to the Receiver's appointment. Ten minutes later, the Receiver forwarded its letter to the Principals to Kerr Waid & Associates. A copy of the e-mail chain containing Mr. Humeniuk's e-mail at 6:38 p.m. and the Receiver's e-mail to Kerr Waid & Associates at 6:48 p.m. are attached hereto and marked as **Appendix "P"**.
32. The Receiver did not receive a response to the request for information contained in the letter attached as Appendix "O" hereto. Furthermore, the Receiver had a telephone

conversation with Mr. R. English of Aird & Berlis LLP, advising that his firm received a telephone call from a representative of Kerr Waid & Associates wherein they were advised that Kerr Waid & Associates had not been formally retained by the Respondent.

33. On November 17, 2011, the Receiver sent an e-mail to the Principals following up on its November 16, 2011 letter. A copy of the e-mail from the Receiver to the Principals is attached hereto and marked as **Appendix "Q"**.
34. The Receiver did not receive a response to its e-mail attached as Appendix "Q" hereto. On November 19, 2011, Domenic Magisano of Blaney McMurtry LLP, counsel for the Receiver, wrote to the Principals requiring a response to the Receiver's letter by no later than 5:00 p.m. on November 21, 2011. A copy of the letter from the Receiver's counsel to the Principals dated November 19, 2011, is attached hereto and marked as **Appendix "R"**.
35. On November 21, 2011, counsel for the Receiver received a response to the November 19, 2011, correspondence with the Principals, indicating that the Respondent had retained Mr. G. Kerr of Kerr Waid & Associates as its counsel.
36. On November 21, 2011, Mr. Magisano received a telephone call from Mr. G. Kerr of Kerr Waid and Associates. Mr. Kerr advised Mr. Magisano that:
 - a. he has been retained by the Respondent;
 - b. he has instructed his client to fully cooperate with the Receiver. To that end his client was pulling together all of the documents requested by the Receiver and hopes to begin delivering documents in the upcoming days (and hopes to have most of it by the end of the week);
 - c. apparently the principals tried to use \$20,000 of the \$50,000 taken from DUCA to pay Mr. Kerr's retainer. Mr. Kerr advised the Principals he could not accept that as the retainer and instructed his client to return the \$50,000 to the Receiver. Mr. Kerr advises that the Receiver should receive the \$50,000 by the end of the day on November 22, 2011;

- d. Mr. Kerr has contacted Sikder Professional Corporation and asked them to provide all documents relating to the Premises or the Condominium Complex (including an accounting of trust funds); and
 - e. the Principals are in the midst of securing a pool of investors who will be providing sufficient financing to repay the Applicant.
37. Counsel for the Receiver was also advised of concerns and requests by the Respondent pertaining to security, utilities and access to the Premises for ongoing landscaping work, all of which are addressed in the November 21, 2011, correspondence.
38. Counsel for the Receiver requested certain documentation and also advised that as the Receiver has not yet either found or been provided with the documentation requested of the Principals, the Receiver was not in a position to have a definitive discussion on those administrative matters.
39. Mr. Kerr was advised that a motion would be brought on November 25, 2011, if the Respondent failed to comply with the details outlined in November 21, 2011, correspondence.
40. On November 21, 2011, counsel for the Receiver contacted Mr. Sikder of Sikder Professional Corporation advising of the request the books, records and documents referenced in paragraph 20 of this Report.
41. A response to the November 21, 2011, correspondence from Mr. Sikder was received by counsel to the Receiver on November 22, 2011, advising that Mr. Kerr had confirmed that all such documents would be forwarded to the Receiver by the Respondent.
42. While it is always important for a Receiver to have access to the books and records of a company in receivership, it is particularly important (and urgent) that the Receiver obtain the documents requested in its November 17, 2011 letter.
43. As previously discussed, certain people have already taken possession of units in the Condominium Complex. Without the documentation requested the Receiver has no way of knowing the basis on which the particular unit holders have taken possession (or if

they are in fact entitled to take possession), whether there are additional amounts owing from these unit holders, whether additional unit holders will be moving into the Condominium Complex in the upcoming days and weeks and what legal and financial responsibilities may exist.

44. Furthermore, the Receiver cannot assess whether the Principals have acted on the threats made in the Chahal E-Mail and if acted upon, whether the Receiver can reverse the actions in question.
45. Based on the Receiver's written request, DUCA also provided the Receiver with a copy of the Respondent's bank statements and cancelled cheques for the twelve (12) months prior to the date of the Receiver's appointment. The Receiver is currently reviewing those bank statements for transactions to determine which parties may have information concerning the assets, properties and undertakings of the Respondent.
46. As of the date of this First Report, the Respondent has begun sending copies of certain documents that he has deemed important to the Receiver. Many documents listed in the November 16, 2011 letter however, remain outstanding.

POST RECEIVERSHIP WITHDRAWAL FROM RESPONDENT'S BANK

47. As previously mentioned, on the evening of November 15, 2011 the Receiver personally delivered a copy of the Appointment Order to Chahal. The Appointment Order was also attached to the Receiver's letter attached as Appendix "O" to this First Report.
48. Notwithstanding receipt of the Appointment Order on November 15, 2011, a representative of the Respondent issued a bank draft (without the Receiver's knowledge or consent) from the Respondent's bank account at DUCA the very next day, prior to the Receiver determining the existence of accounts at DUCA and putting DUCA on notice to freeze all accounts on that same day. The bank draft was in the amount of \$50,000 and payable to Rena Setwant Dhaliwal (the "Bank Draft"). The Receiver does not know the relationship between Rena Setwant Dhaliwal and the Respondent but notes that the last name is the same as one of the Principals. A copy of the bank draft is attached hereto and marked as **Appendix "S"**.

49. The Bank Draft is dated November 16, 2011, a day after the Appointment Order was granted and personally delivered to Chahal.
50. After withdrawal of the bank draft, the Respondent's account at DUCA still contained \$14,461.45. This amount has been forwarded to the Receiver by DUCA and deposited by the Receiver into its trust bank account maintained with the Applicant for the administration of this receivership.
51. As part of its letter dated November 19, 2011, counsel to the Receiver demanded that the funds withdrawn pursuant to the Bank Draft be returned by 5:00pm on November 21, 2011. As of the date of this First Report the funds in question have not been returned.
52. The funds withdrawn by way of the Bank Draft were finally delivered to the Receiver on November 24, 2011.

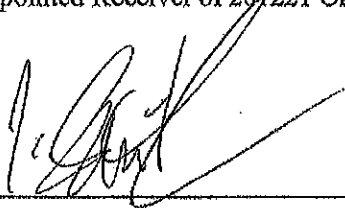
COURT APPROVAL AND DIRECTION

53. The Receiver seeks an Order approving the within report and further seeks an Order in the form attached as Schedule A to the Notice of Motion.

All of which is respectfully submitted this 24th day of November, 2011.

IRA SMITH TRUSTEE & RECEIVER INC.
Court-Appointed Receiver of 201221 Ontario Limited

Per:



President

APPENDIX 4

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE

JUSTICE

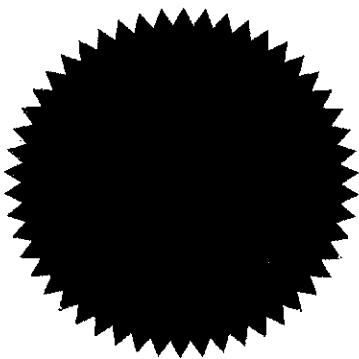
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FRIDAY, THE 25TH DAY

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 end of business on November 29 2011 ✓* 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* *Plur*
- (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.

Mesher

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

NOV 25 2011

PER/PAR *[Signature]*



167 Applewood Cres. Suite 6, Concord, ON L4K 4K7
Phone: 905.738.4167
Fax: 905.738.9848
irasmithinc.com

Ira Smith
Phone: 905.738.4167 ext. 111
Email: ira@irasmithinc.com

November 16, 2011

VIA EMAIL ravi@chahalwilshire.com

VIA EMAIL dhaliwalj10@hotmail.com

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

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.

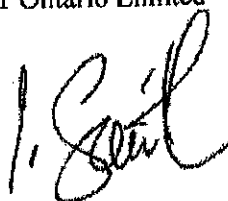
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We are copying our independent legal counsel, Mr. D. Magisano of Blaney McMurtry LLP with this communication.

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)



IRA SMITH
TRUSTEE & RECEIVER INC.
STARTING OVER, STARTING NOW

THE TORONTO-DOMINION BANK
Applicant

and

2012241 ONTARIO LIMITED
Respondent

**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

Lou Brzezinski LSUC #19794M
Domenico Magisano LSUC# 45725E
Tel: (416) 593-1221
Fax: (416) 593-5437

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

APPENDIX 5

Request ID: 013725311
Transaction ID: 46014942
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/21
Time Report Produced: 12:45:31
Page: 1

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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2012241	2012241 ONTARIO LIMITED	2002/06/04
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
97 SUNFOREST DRIVE	NOT APPLICABLE	NOT APPLICABLE
BRAMPTON ONTARIO CANADA L6Z 3Y5	New Amal. Number	Notice Date
	NOT APPLICABLE	NOT APPLICABLE
Mailing Address		Letter Date
JAGDEV DHALIWAL 97 SUNFOREST DR	Revival Date	NOT APPLICABLE
BRAMPTON ONTARIO CANADA L6Z 3Y5	NOT APPLICABLE	Continuation Date
		NOT APPLICABLE
	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	NOT APPLICABLE
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors	Date Commenced
	Minimum Maximum	in Ontario
	00001 00010	Date Ceased
Activity Classification		in Ontario
NOT AVAILABLE		NOT APPLICABLE

Request ID: 013725311
Transaction ID: 46014942
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/21
Time Report Produced: 12:45:31
Page: 2

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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2012241	2012241 ONTARIO LIMITED

Corporate Name History	Effective Date
2012241 ONTARIO LIMITED	2002/06/04

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)	Address
RAVINDER CHAHAL	17 ADRIONDACK CRES BRAMPTON ONTARIO CANADA L6R 1E5

Date Began	First Director	
2008/06/20	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	SECRETARY	

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2012241	2012241 ONTARIO LIMITED

Administrator: Name (Individual / Corporation)	Address
JAGDEN DHALIWAL	31 JEWEL CRES., BRAMPTON ONTARIO CANADA L6R 2P5

Date Began	First Director	Resident Canadian
2002/06/04	NOT APPLICABLE	
Designation	Officer Type	
OFFICER	OTHER	

Administrator: Name (Individual / Corporation)	Address
JAGDEN DHALIWAL	31 JEWEL CRES., BRAMPTON ONTARIO CANADA L6R 2P5

Date Began	First Director	Resident Canadian
2002/06/04	NOT APPLICABLE	
Designation	Officer Type	
DIRECTOR		Y

Request ID: 013725311
Transaction ID: 46014942
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/21
Time Report Produced: 12:45:31
Page: 4

000104

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2012241	2012241 ONTARIO LIMITED

Administrator: Name (Individual / Corporation)	Address
JAGDEN DHALIWAL	31 JEWEL CRES., BRAMPTON ONTARIO CANADA L6R 2P5

Date Began	First Director	
2002/06/04	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	PRESIDENT	

Administrator: Name (Individual / Corporation)	Address
JASDEW DHALIWAL	31 JEWEL CRES BRAMPTON ONTARIO CANADA L6K 2P5

Date Began	First Director	
2002/06/04	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
DIRECTOR		Y

Request ID: 013725311
Transaction ID: 46014942
Category ID: UNE

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/21
Time Report Produced: 12:45:31
Page: 5

000105

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2012241	2012241 ONTARIO LIMITED

Administrator: Name (Individual / Corporation)	Address
JASDEW DHALIWAL	31 JEWEL CRES BRAMPTON ONTARIO CANADA L6K 2P5

Date Began	First Director	Resident Canadian
2002/06/04	NOT APPLICABLE	
Designation	Officer Type	
OFFICER	PRESIDENT	

Administrator: Name (Individual / Corporation)	Address
JAGDEV DHALIWAL	31 JEWEL CRES, BRAMPTON ONTARIO CANADA L6R 2P5

Date Began	First Director	Resident Canadian
2002/06/04	NOT APPLICABLE	
Designation	Officer Type	
OFFICER	OTHER	

Request ID: 013725311
Transaction ID: 46014942
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/21
Time Report Produced: 12:45:31
Page: 6

000106

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2012241	2012241 ONTARIO LIMITED

Administrator: Name (Individual / Corporation)	Address
JAGDEV DHALIWAL	31 JEWEL CRES., BRAMPTON ONTARIO CANADA L6R 2P5

Date Began	First Director	Resident Canadian
2002/06/04	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
DIRECTOR		Y

Administrator: Name (Individual / Corporation)	Address
JAGDEV DHALIWAL	31 JEWEL CRES., BRAMPTON ONTARIO CANADA L6R 2P5

Date Began	First Director	Resident Canadian
2002/06/04	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	PRESIDENT	

Request ID: 013725311
Transaction ID: 46014942
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/21
Time Report Produced: 12:45:31
Page: 7

000107

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2012241	2012241 ONTARIO LIMITED

Administrator: Name (Individual / Corporation)	Address
JAGDEV DHALIWAL	31 JEWEL CRES. BRAMPTON ONTARIO CANADA L6R 2P5

Date Began	First Director	Resident Canadian
2006/06/04	NOT APPLICABLE	
Designation	Officer Type	
OFFICER	OTHER	

Administrator: Name (Individual / Corporation)	Address
JAGDEV S DHALIWAL	97 SUNFOREST DR BRAMPTON ONTARIO CANADA L6Z 3Y5

Date Began	First Director	Resident Canadian
2009/06/22	NOT APPLICABLE	
Designation	Officer Type	
DIRECTOR		Y

Request ID: 013725311
Transaction ID: 46014942
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/21
Time Report Produced: 12:45:31
Page: 8

000108

CORPORATION PROFILE REPORT

Ontario Corp Number

2012241

Corporation Name

2012241 ONTARIO LIMITED

Administrator:

Name (Individual / Corporation)

JAGDEV
S
DHALIWAL

Address

97 SUNFOREST DR

BRAMPTON
ONTARIO
CANADA L6Z 3Y5

Date Began

2009/06/22

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

PRESIDENT

Resident Canadian

Y

Administrator:

Name (Individual / Corporation)

JAGDEV
DHALIWAL

Address

97 SUNFOREST DR

BRAMPTON
ONTARIO
CANADA L6Z 3Y5

Date Began

2009/06/22

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type

Resident Canadian

Y

Request ID: 013725311
Transaction ID: 46014942
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/21
Time Report Produced: 12:45:31
Page: 9

000109

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2012241

2012241 ONTARIO LIMITED

**Administrator:
Name (Individual / Corporation)**

Address

JAGDEV
DHALIWAL

97 SUNFOREST DR

BRAMPTON
ONTARIO
CANADA L6Z 3Y5

Date Began

First Director

2009/06/22

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

PRESIDENT

Y

**Administrator:
Name (Individual / Corporation)**

Address

JASDEW
PHALIWAL

21 JEWEL CRES.

BRAMPTON
ONTARIO
CANADA L6R 2P5

Date Began

First Director

2002/06/04

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 013725311
Transaction ID: 46014942
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/21
Time Report Produced: 12:45:31
Page: 10

000110

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2012241	2012241 ONTARIO LIMITED

Administrator: Name (Individual / Corporation)	Address
JASDEW PHALIWAL	21 JEWEL CRES. BRAMPTON ONTARIO CANADA L6R 2P5

Date Began	First Director	Resident Canadian
2002/06/04	NOT APPLICABLE	
Designation	Officer Type	
OFFICER	OTHER	

Request ID: 013725311
Transaction ID: 46014942
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/21
Time Report Produced: 12:45:31
Page: 11

000111

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2012241

2012241 ONTARIO LIMITED

Last Document Recorded

Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2009	1C	2010/12/18

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

PLEASE NOTE THAT WHEN THE SAME INDIVIDUAL HOLDS MULTIPLE 'OTHER UNTITLED' OFFICER POSITIONS, AS INDICATED ON A FORM 1 UNDER THE *CORPORATIONS INFORMATION ACT*, ONLY ONE OF THESE 'OTHER UNTITLED' POSITIONS HELD BY THAT INDIVIDUAL WILL BE REFLECTED ON THIS REPORT.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

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

APPENDIX 6



Ontario ServiceOntario

LAND
REGISTRY
OFFICE #43

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

14223-0956 (LT)

PAGE 1 OF 3
PREPARED FOR GSRAND1
ON 2011/11/21 AT 13:09:41

SUBJECT TO RESERVATIONS IN CROWN GRANT

PROPERTY DESCRIPTION:

PT OF LT 11, CON 5 EAST OF HURONTARIO ST, DES AS PTS 6 AND 7, PL 43R21902. S/T A 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, PL 43R21902 AS IN LT1615145. SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3 & 4, 43R33711 AS IN PR2106992 CITY OF BRAMPTON

PROPERTY REMARKS:

CONSENT OF THE LAND DIVISION COMMITTEE OF THE REGIONAL MUNICIPALITY OF PEEL IS ENDORSED IN LT1699650. THE FOLLOWING REMARK HAS BEEN ADDED ON 2002/10/21 AT 09:41 BY ISOBEL STEWART : CONSENT OF THE LAND DIVISION COMMITTEE IS ATTACHED TO LT1699650.

ESTATE/QUALIFIER:

RECENTLY
DIVISION FROM 14223-0041

FEE SIMPLE

ABSOLUTE

OWNERS' NAMES

2012241 ONTARIO LIMITED

CAPACITY SHARE

NC

PIN CREATION DATE:
1997/03/05

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT./ CHKD
EFFECTIVE	2000/07/29	THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1996/05/07 ON THIS PIN				
WAS REPLACED WITH THE	"PIN CREATION DATE" OF 1997/03/05					
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
43R18419	1991/03/07	PLAN REFERENCE				C
43R21191	1995/09/11	PLAN REFERENCE				C
LT1615145	1996/02/01	TRANSFER EASEMENT			BRAMPTON HYDRO ELECTRIC COMMISSION THE CORPORATION OF THE CITY OF BRAMPTON	C
43R21902	1996/11/14	PLAN REFERENCE				C
LT2057426	2000/03/27	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF THE DEPARTMENT OF TRANSPORT CANADA		C
REMARKS: PEARSON AIRPORT ZONING REGULATION						
PR325702	2002/10/02	TRANSFER	\$850,000	CHURCH EXTENSION COUNCIL OF DUFFERIN AND PEEL PRESBYTERY OF THE UNITED CHURCH OF CANADA	2012241 ONTARIO LIMITED	C
PR1138739	2006/09/19	NOTICE	\$2	THE CORPORATION OF THE CITY OF BRAMPTON		C
PR418741	2008/02/21	CHARGE	\$400,000	2012241 ONTARIO LIMITED	1448037 ONTARIO LIMITED	C
PR418749	2008/02/21	NO ASSGN RENT GEN		2012241 ONTARIO LIMITED	1448037 ONTARIO LIMITED	C
REMARKS: PR418741						
PR4539845	2008/09/25	CHARGE	\$864,070	2012241 ONTARIO LIMITED	1448037 ONTARIO LIMITED	C

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

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14223-0956 (LT)

SUBJECT TO RESERVATIONS IN CROWN GRANT

REG. NDM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
PR1539924	2008/09/26	NO ASSIGN RENT GEN REMARKS: PR1539845		2012241 ONTARIO LIMITED	1448037 ONTARIO LIMITED	C
PR1554408	2008/10/20	CHARGE	\$12,500,000	2012241 ONTARIO LIMITED	THE TORONTO-DOMINION BANK	C
PR1569920	2008/11/18	POSTPONEMENT REMARKS: PR1418741 TO PR1554408		1448037 ONTARIO LIMITED	THE TORONTO-DOMINION BANK	C
PR1569921	2008/11/18	POSTPONEMENT REMARKS: PR1418749 TO PR1554408		1448037 ONTARIO LIMITED	THE TORONTO-DOMINION BANK	C
PR1569922	2008/11/18	POSTPONEMENT REMARKS: PR1539845 TO PR1554408		1448037 ONTARIO LIMITED	THE TORONTO-DOMINION BANK	C
PR1569923	2008/11/18	POSTPONEMENT REMARKS: PR1539924 TO PR1554408		1448037 ONTARIO LIMITED	THE TORONTO-DOMINION BANK	C
PR1591143	2009/01/08	NOTICE	\$2	THE CORPORATION OF THE CITY OF BRAMPTON	THE TORONTO-DOMINION BANK	C
PR1681378	2009/08/05	NOTICE REMARKS: PR1554408, PR1418741, PR1539845	\$2	THE TORONTO-DOMINION BANK	THE TORONTO-DOMINION BANK	C
PR1720150	2009/10/15	NOTICE REMARKS: PR1554408, PR1418741 AND PR1539845.	\$2	THE TORONTO-DOMINION BANK	THE TORONTO-DOMINION BANK	C
PR1720151	2009/10/15	TRANSFER OF CHARGE REMARKS: PR1418741.		1448037 ONTARIO LIMITED	THE TORONTO-DOMINION BANK	C
PR1720152	2009/10/15	TRANSFER OF CHARGE REMARKS: PR1539845.		1448037 ONTARIO LIMITED	THE TORONTO-DOMINION BANK	C
PR1785468	2010/03/03	APL (GENERAL) REMARKS: PENDING LITIGATION		H S G PROPERTIES INCORPORATED	THE TORONTO-DOMINION BANK	C
PR1803331	2010/04/12	POSTPONEMENT REMARKS: FROM PR1785468 TO PR1554408		H S G PROPERTIES INCORPORATED	THE TORONTO-DOMINION BANK	C
43R33711	2010/12/23	PLAN REFERENCE	\$70			C
PR1982084	2011/03/30	CONSTRUCTION LIEN	\$383,399	VERSA CONSTRUCTION LIMITED		C

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



LAND
REGISTRY
OFFICE #43

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 3 OF 3
PREPARED FOR G88ran01
ON 2011/11/21 AT 13:09:41

14223-0956 (LT)

SUBJECT TO RESERVATIONS IN CROWN GRANT

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
PR2003837	2011/05/16	CERTIFICATE REMARKS: PR1962084		VERSA CONSTRUCTION LIMITED		
PR2106932	2011/11/14	TRANSFER EASEMENT	\$2	2012241 ONTARIO LIMITED	HYDRO ONE BRAMPTON NETWORKS INC.	C
PR2110730	2011/11/21	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)	IRA SMITH TRUSTEE & RECEIVER INC.	C

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

000114

APPENDIX 7

000115

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 11/21/2011
File Currency Date: 11/20/2011
Family(ies): 4
Page(s): 7

SEARCH : Business Debtor : 2012241 ONTARIO LIMITED

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

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 11/21/2011
File Currency Date: 11/20/2011
Family(ies): 4
Page(s): 7

SEARCH : Business Debtor : 2012241 ONTARIO LIMITED

FAMILY : 1 OF 4 ENQUIRY PAGE : 1 OF 7
SEARCH : BD : 2012241 ONTARIO LIMITED

00 FILE NUMBER : 647532792 EXPIRY DATE : 07AUG 2013 STATUS :
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20080807 0938 1862 6843 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: 2012241 ONTARIO LIMITED

OCN : 2012241

04 ADDRESS : 470 CHRYSLER DRIVE, UNIT 20
CITY : BRAMPTON PROV: ON POSTAL CODE: L6S 0C1
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
THE TORONTO-DOMINION BANK

09 ADDRESS : 20 MILVERTON DRIVE & HWY. #10
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L5R 3G2
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15

16 AGENT: ROSE, PERSIKO, RAKOWSKY, MELVIN LLP (RBM / 2080223)
17 ADDRESS : 390 BAY STREET, SUITE 600
CITY : TORONTO PROV: ON POSTAL CODE: M5H 2Y2

FAMILY : 2 OF 4
 SEARCH : BD : 2012241 ONTARIO LIMITED

ENQUIRY PAGE : 2 OF 7

00 FILE NUMBER : 648058536 EXPIRY DATE : 27AUG 2012 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20080827 1451 1530 5685 REG TYP: P PPSA REG PERIOD: 4
 02 IND DOB : IND NAME:
 03 BUS NAME: MARIO'S FURNITURE & UPHOLSTERY LIMITED

OCN :

04 ADDRESS : 200 EDGELEY BLVD 29
 CITY : CONCORD PROV: ON POSTAL CODE: L4K 3Y8
 05 IND DOB : 11MAR1964 IND NAME: VITTORIO PAGNANI
 06 BUS NAME:

OCN :

07 ADDRESS : 70 HAMBLY AVE
 CITY : KING CITY PROV: ON POSTAL CODE: L7B 1J1

08 SECURED PARTY/LIEN CLAIMANT :
 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING COMPANY

09 ADDRESS : PO BOX 2400
 CITY : EDMONTON PROV: AB POSTAL CODE: T5J 5C7
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10	X	X	X	X					X
YEAR MAKE					MODEL		V.I.N.		
11	2008	LINCOLN			NAVIGATOR		5LMFU28568LJ02030		

12 GENERAL COLLATERAL DESCRIPTION
 13
 14
 15

16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 2 OF 4
 SEARCH : BD : 2012241 ONTARIO LIMITED

ENQUIRY PAGE : 3 OF 7

FILE NUMBER 648058536

PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20111109 1949 1531 7493
 21 REFERENCE FILE NUMBER : 648058536
 22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: MARIO'S FURNITURE & UPHOLSTERY LIMITED

25 OTHER CHANGE:
 26 REASON: ADDING 1 DELETING 2
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEEE:
 03/06 BUS NAME/TRFEE: 2012241 ONTARIO LIMITED

OCN:

04/07 ADDRESS: 17 ADIRONDACK CRESCENT
 CITY: BRAMPTON PROV: ON POSTAL CODE: L6R 1E5
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
 10 X X X X
 11
 12
 13
 14
 15

16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
 17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 3 OF 4 ENQUIRY PAGE : 4 OF 7
 SEARCH : BD : 2012241 ONTARIO LIMITED

00 FILE NUMBER : 648818028 EXPIRY DATE : 26SEP 2013 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20080926 1407 1462 1596 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : IND NAME:
 03 BUS NAME: 2012241 ONTARIO LIMITED

OCN : 2012241

04 ADDRESS : 7050A BRAMALEA ROAD, UNIT 11
 CITY : MISSISSAUGA PROV: ONT POSTAL CODE: L5S1T1
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 1448037 ONTARIO LIMITED

09 ADDRESS : 7050A BRAMALEA ROAD
 CITY : MISSISSAUGA

PROV: ONT POSTAL CODE: L5S1T1

10	GOODS INVTRY.	EQUIP	ACCTS	OTHER	INCL	AMOUNT	DATE OF MATURITY	OR NO FIXED MAT DATE
				X		864070		X
	YEAR MAKE			MODEL			V.I.N.	

11
 12

GENERAL COLLATERAL DESCRIPTION

13 CHARGE AND NOTICE OF ASSIGNMENT OF RENTS-GENERAL REGISTERED

14 SEPTEMBER 25, 2008

15

16 AGENT: RON E. FOLKES

17 ADDRESS : 14 NELSON STREET WEST, SUITE 1

CITY : BRAMPTON PROV: ON POSTAL CODE: L6X1B7

FAMILY : 4 OF 4 ENQUIRY PAGE : 5 OF 7
 SEARCH : BD : 2012241 ONTARIO LIMITED

00 FILE NUMBER : 652974381 EXPIRY DATE : 27APR 2012 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20090427 1002 1462 3058 REG TYP: P PPSA REG PERIOD: 1
 02 IND DOB : IND NAME:
 03 BUS NAME: 2012241 ONTARIO LIMITED

OCN : 2012241

04 ADDRESS : C/O 470 CHRYSLER DRIVE, UNIT 20
 CITY : BRAMPTON PROV: ONT POSTAL CODE: L6S0C1
 05 IND DOB : IND NAME: JAGDEV DHALIWAL
 06 BUS NAME:

OCN :

07 ADDRESS : C/O 470 CHRYSLER DRIVE, UNIT 20
 CITY : BRAMPTON PROV: ONT POSTAL CODE: L6S0C1

08 SECURED PARTY/LIEN CLAIMANT :
 1448037 ONTARIO LIMITED

09 ADDRESS : 7050 BRAMALEA ROAD, UNIT 11
 CITY : MISSISSAUGA PROV: ONT POSTAL CODE: L5S1T1
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X 400000 X
 YEAR MAKE MODEL V.I.N.

11
 12

GENERAL COLLATERAL DESCRIPTION

13 CHARGE AND ASSIGNMENT OF RENTS REGISTERED ON FEBRUARY 21, 2008

14
 15

16 AGENT: RON E. FOLKES

17 ADDRESS : 14 NELSON STREET WEST, SUITE 1
 CITY : BRAMPTON PROV: ON POSTAL CODE: L6X1B7

FAMILY : 4 OF 4 ENQUIRY PAGE : 6 OF 7
 SEARCH : BD : 2012241 ONTARIO LIMITED

FILE NUMBER 652974381
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 1 MV SCHED: 20100426 1517 1793 4907
 21 REFERENCE FILE NUMBER : 652974381
 22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 1 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: 2012241 ONTARIO LIMITED

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

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

10
 11
 12
 13
 14
 15

16 NAME : FOLKES LEGAL PROFESSIONAL CORPORATION
 17 ADDRESS : 14 NELSON STREET WEST, SUITE 1
 CITY : BRAMPTON PROV : ON POSTAL CODE : L6X1B7

000122

FAMILY : 4 OF 4 ENQUIRY PAGE : 7 OF 7
SEARCH : BD : 2012241 ONTARIO LIMITED

FILE NUMBER 652974381

PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20110426 0813 1793 8652
21 REFERENCE FILE NUMBER : 652974381
22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 1 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 2012241 ONTARIO LIMITED

25 OTHER CHANGE:

26 REASON:

27 /DESCR:

28 :

02/05 IND/TRANSFEE:

03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:

CITY:

PROV:

POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY :

PROV :

POSTAL CODE :

CONS.

MV

DATE OF

NO FIXED

GOODS INVTRY EQUIP ACCTS OTHER

INCL

AMOUNT

MATURITY OR

MAT DATE

10

11

12

13

14

15

16 NAME : FOLKES LEGAL PROFESSIONAL CORPORATION

17 ADDRESS : 14 NELSON STREET WEST, SUITE 1

CITY : BRAMPTON

PROV : ON

POSTAL CODE : L6X1B7

APPENDIX 8

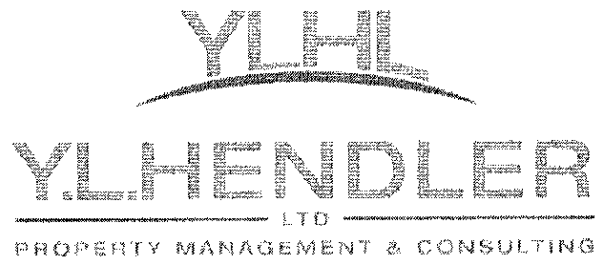
50 Sunny Meadow Blvd.
Unit Status Matrix

	Compliant	Non-compliant	Total	Occupied
Sold	10	20	30	4
Leased	2	4	6	6
Inventory	23		23	0
Other	5		5	3
	Total		64	13

Notes:

1. 2012241 Ontario Limited ("201") or 201 in trust appears to be the landlord for all leases.
2. All leased premises are believed to be occupied by the tenant regardless of their compliance.
3. All premises in inventory are neither sold nor leased and are not occupied.
4. Of the 30 sold units 4 are owner occupied, 2 are compliant 2 are not. 26 are unoccupied, 8 are compliant 18 are not.
5. Unit 314 (sold, non-compliant) it appears from the documentation we have on hand that a soft closing has not taken place and therefore it is possible that there is no requirement to pay occupancy.
6. The "other" units are as follows:
 - Units 104-105: Occupied, No APS, reservation contract only, investigation ongoing, not paying any occupancy.
 - Unit 303: We have no records that a sale of this unit occurred, however a party has advised they are a purchaser, we are awaiting receipt of documents, investigation re deposit w/ Sikdar is ongoing. Unit appears unoccupied.
 - Unit 312: the tenant of unit 313 (non-compliant) has advised 201 permitted them to also occupy this unit rent and utility free for 1 year, no documents and start date of free period undefined, unit contains furniture and in theory may be used at will, we do not regard this unit to be occupied.
 - Unit 315: we have no documentation for this unit, it is finished and furnished. We have spoken with employees of Centum Mortgage Broker who indicate that there is a lease, which is in the possession of their boss, who is in India until mid-February. No payments have been made to the receiver, employees of tenant believe there is 6 month rent free period and that they moved in early October 2011.

APPENDIX 9



&

**IRA SMITH TRUSTEE & RECEIVER INC.,
SOLELY IN ITS CAPACITY AS COURT
APPOINTED RECEIVER OF 2012241 ONTARIO
LIMITED**

**PROPERTY
MANAGEMENT
AGREEMENT**

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PROPERTY MANAGEMENT AGREEMENT

THIS AGREEMENT made as of the 8th Day of December, 2011.

BETWEEN:

***IRA SMITH TRUSTEE & RECEIVER INC., SOLELY IN ITS CAPACITY AS COURT APPOINTED
RECEIVER OF 2012241 ONTARIO LIMITED***

(hereinafter called the "Receiver")

OF THE FIRST PART

- and -

Y. L. HENDLER LTD.

(hereinafter called the "Manager")

OF THE SECOND PART

WHEREAS by Order of the Ontario Superior Court of Justice (Commercial List), dated November 15, 2011 (the "Order") Ira Smith Trustee & Receiver Inc. was appointed Receiver of the Assets, Properties and Undertakings of 2012241 Ontario Limited (the "Company");

AND WHEREAS one of the Company's Assets, Properties and Undertakings is a building, located at 50 Sunny Meadow Boulevard in the City of Brampton, in the Province of Ontario, inclusive of all fixtures, finishings and chattels that are not owned by the building's occupants (hereinafter called the "Property");

AND WHEREAS the Receiver desires the Manager to manage the Property, and the Manager desires to do so, in accordance with the terms and conditions of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements herein contained and other valuable consideration, the Receiver appoints the Manager and the Manager hereby accepts appointment as the exclusive Manager of the Property on the terms and conditions hereinafter set forth:

I. NOMENCLATURE

Unless a contrary intent is expressed in this Agreement, the terms used herein shall have ascribed to them the definitions contained in the Act and the regulations made there under. Any reference to the Declaration, the By-Laws, the Rules or the Reciprocal Agreement (if any) is a reference to the applicable document of the Receiver or the Company and any reference to any such document or to the Act shall be deemed to include, at any given time, reference to all amendments thereto and substitutions therefore up to that time. Headings are for convenience only and shall not affect the interpretation of this Agreement.

II. TERM

The term of this Agreement shall extend from and thereafter shall continue in full force and effect from year to year unless terminated in accordance with Article XVI hereof.

III. INDEPENDENT CONTRACTOR

Nothing contained in this Agreement shall be construed so as to constitute the Manager as either a partner or a joint venturer of the Receiver. The duties to be performed and obligations assumed by the Manager hereunder shall be performed and assumed by it only as an independent contractor and not as an employee or in any other way as a representative of the Receiver.

IV. COURT APPROVAL

The Receiver and Manager agree that the Receiver appointing the Manager in accordance with the Terms of this Agreement is subject to the approval of the Ontario Superior Court of Justice (Commercial List) (the "Court").

V. ROLE OF MANAGEMENT

The Manager fully accepts that its function is to assist the Receiver in the operation and administration of the Property and accepts the relationship of trust and confidence established between itself and the Receiver by virtue of entering into this Agreement. The terms of this Agreement express and constitute the entire agreement between the Receiver and the Manager with respect to the matters dealt with by this Agreement and no implied covenant or implied liability of any kind which is not expressly stated is created or shall arise by reason of anything contained in this Agreement.

The Manager agrees to furnish efficient business administration and supervision and to perform its responsibilities, administrative, financial and advisory, in the best manner, consistent with effective management techniques and in the most expeditious and economical manner consistent with the best interests of the Receiver. The Manager shall conduct its duties consistent with the requirements of the Act, the Agreement Documents and with Federal, Provincial and Municipal laws and regulations as they pertain to the operation and management of the Property.

VI. SPECIFIC DUTIES OF THE MANAGER

The Manager shall perform the following specific duties, subject to the direction of the Receiver:

(a) Maintenance and Repair of Property

Arrange, subject to Article XIV hereof, for the effective and economical operation, maintenance and repair of the Property in accordance with this Agreement, including, without limiting the generality of the foregoing:

- (i) arrange for the supply, as required, of natural gas, electricity, water and other public utilities services;
- (ii) comply with the requirements and regulations of Federal, Provincial and Municipal Authorities having jurisdiction (including, without limitation, Police and Fire Departments and the local Board of Health) which affect the Property and of which the Manager has been notified, including where applicable, litter and debris removal, waste disposal, snow and ice removal, landscaping and grounds maintenance, fire hydrant servicing, exterior and interior painting, alterations and any supervision and maintenance necessary in connection with the Property;
- (iii) maintain and repair, or cause to be maintained and repaired, those parts of the Property which require maintenance and repair in accordance with this Agreement;
- (iv) carry out the foregoing duties by means of employees of the Manager or the Receiver and/or independent contractors, in each instance, as may be more effective and economical for the Receiver; and
- (v) maintain, on behalf of and at the expense of the Receiver, such staff as may be required at all times to carry on, promptly and efficiently the foregoing duties and any requirements and instructions of the Receiver;

(b) Communication to the Owners, Occupants and Tenants

To maintain any and all liaisons with the owners, occupants/tenants at the Property as may be reasonable and proper in accordance with prudent management practice; and to give all notices and statements required to be sent to the tenants;

(c) Insurance and Claims

- (i) The Receiver shall ensure that the Property is insured with fire and all perils property damage insurance, rental income, boiler, machinery and pressure vessel insurance and with all such other coverages as would a reasonable and prudent owner. Such policies of insurance shall contain a provision whereby the insurer waives its rights of subrogation against the Manager, the employees of the Manager and those for whom the Manager is at law responsible. The Receiver shall ensure that insurance is maintained against all liability to third parties and employees that may arise in respect of the ownership, use and operation of the Property with such limits, exclusions and other terms as the Receiver may deem necessary. All of the aforesaid policies of insurance shall name the Manager, the employees of the Manager and those for whom the Manager is at law responsible as insureds thereunder;
- (ii) take prompt action to deal with any occurrence of personal injury (including death) or property damage of which the Manager or its on-site employees are made aware and which may result in:
 - (1) any claim by the Receiver under any of its insurance policies;
 - (2) any claim by the Receiver against any owner for damage resulting from any owner, occupant or tenant's default in the performance of an

- obligation to maintain and repair; or
- (3) any other claim by or against the Receiver;
(such action shall include, without limitation, taking steps appropriate in the circumstances to end the cause of the injury or damage and locating and preserving the evidence of the cause of the occurrence);
- (iii) monitor and report to the Receiver, developments in the processing of insurance or other claims by or against the Receiver, and see that the rights of the Receiver in respect of such claims are protected, including the filing of a notice of claim but excluding the adjusting of any loss;
- (iv) The Manager shall carry Professional Liability Insurance (Errors and Omissions), which, based on its experience believes to be adequate protection, and shall provide proof of such insurance to the Receiver upon the execution of this Agreement. The Receiver is to be added to the policy as an additional named insured (subject to the insurer's agreement). The Manager shall not either terminate, or allow the insurance coverage to be terminated, without the Receiver having received at least thirty (30) days prior written notice directly from the insurer.

All of the policies of insurance in this Section IV(c) shall provide that the insurer shall not materially amend any of the terms thereof or cancel them without at least thirty (30) days' prior written notice to the Receiver and the Manager. The Manager shall have the power and authority on behalf of the Receiver to comply to the extent that it is so empowered hereunder with all statutory conditions of such policies of insurance. The Receiver's insurance coverage shall be primary to that of the Manager's on any claim.

(d) Inadequate Performance by Contractors

use reasonable diligence, by direct inspection or giving direction to the respective suppliers, if any, to ensure that contracts and agreements between the Receiver and any supplier of materials, goods and/or services are performed in accordance with their terms; inform the Receiver and hold back, or advise the Receiver to hold back full payment to the contractor in the event performance is considered by the Manager and /or Receiver to be inadequate or contrary to the agreed terms; and take advantage of all trade discounts by prompt payment of trade invoices where services are properly performed and/or materials provided in accordance with the contract;

All Contractors shall be third party and at arms length from the Manager;

(e) Construction Liens

retain or advise the Receiver to retain holdbacks required by the Construction Lien Act, and use its best efforts to ensure that no claim or lien shall be filed against the title to the Property in respect of any work which may be carried out on behalf of the Receiver and, if a claim or lien shall be filed in respect of such work, inform the Receiver and forthwith take all necessary steps to have the same removed and discharged;

(f) Independent Contractors

- (i) at the option of the Receiver and on the basis of budget allocation and job description approved by the Receiver and observance of applicable legal requirements, advertise for, recruit, interview, investigate, evaluate and hire at the expense of the Receiver qualified and competent applicants as independent contractors (the "Contractors"), on-site employment required for the efficient operation and maintenance of the Property and the physical assets of the Receiver, including, without limitation, administration, supervision, security, repair and cleaning. For greater certainty, such suppliers of services shall not be retained as employees of either the Receiver or the Manager;
- (ii) review and approve the invoices of the Contractors and to arrange for payment by the Receiver, as part of its operating expenses, the fees of the respective Contractors;
- (iii) maintain proper records with respect to all Contractors of the Receiver; make reports and returns required by law; and remit promptly, or arrange for the Receiver to remit to the proper authorities, all exigible taxes to the respective government authorities;

(g) Materials, Equipment and Supplies

subject to Article XIV hereof, purchase on behalf of the Receiver such equipment, tools, appliances, materials and supplies as are necessary for the proper operation and maintenance of the Property; maintain a current list of all inventory, equipment and chattels of the Property as part of its records; and, in any such purchase or in any contract for services effected on behalf of the Receiver, ensure that the Receiver is given the benefit of any volume or other price or service advantage which the Manager has obtained from the supplier;

(h) Occurrence Report and Preventative Maintenance

- (i) promptly submit to the Receiver an occurrence report in respect of any significant accident, emergency, break-down or other situation or occurrence which in the opinion of the Manager, acting as a prudent property manager, ought to be brought to the attention of the Receiver; and follow up the occurrence so reported by informing the Receiver of the disposition of such occurrence or as the Receiver may require;
- (ii) prepare, amend from time to time as required by circumstances, and, in each case, submit to the Receiver for approval a detailed schedule of the work to be performed by each Contractor which the Receiver retains to supply services at the Property; assign to each such Contractor on a regular basis the work contemplated by the work schedule and provide any needed directions; and provide such supervision of such work as may be necessary; to conduct each week a complete walk through inspection of the common elements for the purpose of identifying items which presently require or in the near future will require maintenance or repair; make arrangements for any corrective action; if required to do so by the Receiver, prepare and submit to the Receiver the monthly written inspection report of items noted in the Manager's inspections; prepare a checklist setting out the status of maintenance or repair work in progress; and maintain a

record of contraventions of the Act, the Declaration, the By-Laws and the Rules by Owners, occupants, tenants and others which have come to the attention of the Property Manager and the steps taken to correct the situation;

(iii) except with respect to equipment the preventative maintenance of which is carried out by a third party pursuant to a contract with the Receiver, prepare a preventative maintenance program for each major piece of equipment on the Property; submit such program to the Receiver for approval; make such program available for inspection by the Receiver or its representative at all reasonable times, maintain with respect to each such piece of equipment a log book recording maintenance, repairs and related costs; and maintain all available working drawings, as built blueprints, maintenance and operating manuals for mechanical and electrical systems on the Property that have been delivered to the Manager;

(i) Information and Emergency Situation

(i) receive communications from Owners, occupants, tenants, mortgagees, Government agencies and other interested parties to the Receiver, which communications, when action is required by the Manager or the Receiver, shall be requested to be in writing except in case of emergency; to the extent that the subject matter of any such communication is within the scope of the responsibilities and duties of the Manager under this Agreement, deal with and dispose, or coordinate the disposition, of such matter, provided, however, that any matter involving a policy decision or an interpretation of the Agreement Documents shall be referred to the Receiver; and, refer to the Receiver any communications other than those which the Manager is required to receive and deal with;

(ii) keep the Receiver advised of the telephone number or numbers at which an agent or employee of the Manager may be reached, at any time during normal business hours in respect of any infraction of the Agreement Documents or at any time during the day or night, in respect of any emergency involving any part of the Property or any assets of the Receiver; make all arrangements to deal promptly with such infractions and immediately with any such emergency arising in connection with the maintenance and operation of the Property Receiver; deal in the first instance with minor emergencies and infractions and forthwith report to the Receiver any major emergency or persistent, flagrant or serious violation of the Agreement; it being understood that, if the Receiver informs the Manager of an occurrence which the Receiver considers to be an emergency of a major nature, the Manager shall take immediate steps to deal with such occurrence to the extent practicable, whether or not the Manager considers it to be correctly characterized as being of a major nature;

(iii) Fire and Safety Procedures

Record and put into practice a formal fire and safety plan, which shall at the minimum include:

- 1) total compliance with the Ontario Fire Code
- 2) identification of all occupants or tenant requiring assistance in the event of an emergency
- 3) the formation and introduction of response team(s)
- 4) identification and elimination on a planned basis of hazards to

safety;

(j) Notice of Meetings

at the request of the Receiver, schedule, arrange facilities and prepare all Notices and accompanying materials for all meetings of the Owners, occupants and tenants and deliver to the Owners, occupants, tenants as directed by the Receiver such notices and other information as are required in connection with the holding of such meetings; and at the expense of the Receiver, copy, distribute or post all notices, other information and other announcements to Owners, occupants and tenants and distribute or post them in adequate time prior to the applicable event; announcement of work to be performed in the common elements, and cause an authorized representative of the Manager to attend all meetings of the Receiver and the Owners, occupants and tenants unless otherwise directed by the Receiver;

(k) Manager's Report and Access to Records

- (i) present to the Receiver at each regularly scheduled meeting a written Manager's Report, to serve as a formal form of communication from the Manager to the Receiver, which Manager's Report shall reflect, without limitation the directives of the Receiver to the Manager and show the actions of the Manager with respect to these directives of the Receiver;
- (ii) make available, all books and records pertaining to the operation of the Property, at reasonable times, and upon reasonable notice, whenever requested, to the Receiver, any officer or employee of the Receiver, any representative of the Receiver duly authorized in writing;
- (iii) The Manager agrees to meet personally with the Receiver from time to time at the reasonable request of the Receiver to report on the operation of the Property.

(l) Fidelity Bond – Y. L. HENDLER LTD.

arrange, obtain and maintain a Fidelity Bond in the amount of \$500,000.00 covering the Manager's own employees for, in the name, and at the expense of the Manager which Fidelity Bond shall not be terminated by either the insurer or the Manager unless sufficient prior written notice of cancellation has been delivered by Registered Mail to the Receiver;

(m) Spending Restrictions

where the cost of performing work or services (other than utilities) and/or goods or materials to be furnished to the Receiver exceeds the sum of one thousand dollars (\$1,000), obtain and promptly submit at least two (2) written tenders, unless the Receiver is satisfied with one tender, for presentation to the Receiver and obtain the approval of the Receiver prior to entering into the contract;

(n) Filing of Returns

in connection with all contracts to perform work or services entered into by the

Manager, execute and file necessary documents and do and perform all acts required under the laws of any Federal, Provincial, Municipal or other Government body or authority, provided, however, that the Receiver is responsible for the filing of its own Tax Returns.

(o) Privacy

And monitor implementation of the Receiver's privacy policy and to ensure that the Receiver obtains confidentiality covenants from all third party service providers in which those providers covenant to comply with the Personal Information and Electronic Documents Act (PIPEDA) with respect to the personal information obtained about Owners, occupants, tenants and Contractors of or to either the Property or the Receiver.

VII. INDEMNIFICATION

The Manager shall and does hereby indemnify and save harmless the Receiver of and from all actions, causes of action, suits, claims, costs, damages, liabilities, losses and expenses paid, suffered or incurred by the Receiver and caused by actions or omissions of the Manager, and those for whom it is responsible in law, in breach of this Agreement and its duties hereunder or outside the scope of its authority hereunder, other than those caused by a peril or event against which the Receiver is required hereunder to insure. The Manager shall provide the Receiver with a certificate of insurance that the Manager has acquired liability and fidelity insurance in respect of the liability of the Manager hereunder (which certificate shall include an undertaking by the insurer to give the Receiver at least thirty (30) days' prior written notice of any cancellation or material change to such insurance).

The Receiver shall and does hereby indemnify and save harmless the Manager of and from all actions, causes of action, suits, claims, costs, damages, liabilities, losses and expenses paid, suffered or incurred by the Manager in respect of the Property (and including, without limitation, the exercise of its powers and authority hereunder), other than those caused by the breach of this Agreement by the Manager, and those for whom it is responsible in law, or by any action taken by the Manager, and those for whom it is responsible in law, outside the scope of authority set out in this Agreement.

VIII. LEGAL SERVICES

The services of the Manager shall not include the provision of legal services of any kind but shall include the procuring of such services only upon the express prior written instructions of the Receiver.

IX. ACCESS TO UNITS

The Manager, its employees and agents may enter into any unit or exclusive use area of the common elements for the purpose of carrying out the Manager's duties and responsibilities under this Agreement.

X. MANAGER'S COMPENSATION

The Manager shall be compensated according to the following schedule, the current fees

being due and payable by the Receiver:

Unless terminated in accordance with the provisions of Article XVIII, a fee, of One Thousand Four Hundred and Twenty Five Dollars plus HST (\$1,425.00 plus HST) per month during the term hereof, is payable monthly in advance, on the first day of each and every month. The Manager's fee includes all management staff salaries and all office expenses directly related to the business of the Manager with respect to the performance of the duties of the Manager hereunder, but do not include any expenses directly related to the business offices of the Receiver.

Notwithstanding any other provision of this agreement to the contrary, in addition to the management fees, and at the Receiver's request to perform any services relating to the Property other than those contemplated pursuant to this agreement, the Manager will provide such services only if the parties reach agreement upon the additional remuneration to the Manager for such services.

Notwithstanding any other provision of this Agreement to the contrary, in addition to the Management fees, the Receiver shall pay to the Manager an amount equal to any and all harmonized sales taxes, value added taxes or any other taxes imposed on the Manager with respect to the Management fees or any other amounts payable by the Receiver to the Manager under this Agreement, whether characterized as harmonized sales tax, value added tax or otherwise, (herein called "value taxes"), it being the intention of the parties that the Manager shall be fully compensated or reimbursed by the Receiver with respect to any and all value taxes payable by the Manager. The amount of such value taxes so payable by the Receiver shall be calculated by the Manager in accordance with the applicable legislation and shall be paid at the same time as the amounts to which the value taxes apply are payable to the Manager under the terms of this Management Agreement or upon demand at such other time or times as the Manager may determine from time to time. Notwithstanding any other provision in this Agreement to the contrary, the Manager will have all the same remedies for the rights and recovery of such amount as it has for the recovery of the Management fees under the Agreement.

Subject to Article XVIII, the parties agree that at the expiration of the term of the Agreement resulting in a renewal, the Manager's fee will be renegotiated with the Receiver within sixty (60) days of the expiration of the original term and the revised and agreed upon fee shall be acknowledged in writing by both parties and such acknowledgement shall be deemed to amend accordingly the second paragraph of this Article VII for such renewal term and shall be appended to this Agreement.

XI. UNIT REPAIRS PLANS AND SPECIFICATIONS

- (a) notwithstanding any other provisions of this Agreement, the Manager is given no authority or responsibility for maintenance of or repairs to the units which shall be the sole responsibility of the Owners individually save and except in those circumstances where the Receiver has a statutory obligation to repair the unit after damage or the unit is unsold and leased by a tenant or in accordance with the Agreement upon the express written direction of the Receiver.
- (b) Any plans, drawings, specifications and architectural or engineering assistance which may be necessary or desirable to enable the Manager to discharge its duties pursuant to this Agreement, shall be provided at the

expense of the Receiver, provided, however, that the Receiver or its designated representative from time to time shall authorize the retaining of any such assistance in writing before any such expense is incurred.

XII. CO-OPERATION OF THE RECEIVER

The Receiver acknowledges that the Receiver must cooperate with the Manager to the extent required to enable the Manager to perform expeditiously, efficiently and economically the management services required under this Agreement and must provide such evidence of authority and such specific directions as the Manager may reasonably require. In particular, the Receiver may designate, from time to time, the person who, with respect to any specific matter, or category of matters, relating to the management of the Property, is authorized to represent the Receiver when the Manager wishes to consult with, or obtain the approval of, the Receiver before proceeding with any work, act or action; or for the purpose of giving directions or instructions to, or otherwise dealing with, the Manager; with respect to such matters. If such designation is made, the Manager is directed not to consult with, obtain approval of, or accept directions or instructions with respect to such matter or matters from any other person. In the absence of designation, or if a designation is revoked, the President shall be deemed to be the person who has such authority.

XIII. COMPREHENSIVE LIABILITY INSURANCE

The Receiver shall obtain, or authorize the Manager to arrange for, comprehensive liability insurance on the Property to a limit of not less than five million dollars (\$5,000,000) inclusive, under the terms of which:

- (i) the Manager shall be named as an insured together with the Receiver, in each policy providing protection against any claims for personal injury, death, property damage or loss for which either the Receiver or the Manager might be held liable as a result of their respective obligations; and
- (ii) the Receiver undertakes to provide the Manager with written notice of any notice received from the insurer of notice of cancellation or of any material change in the provisions of any such policy, within five (5) days of receiving such notice from the insurer.

The Receiver, upon request, will provide to the Manager a certificate of insurance in respect of any such policy.

XIV. SPENDING AUTHORITY AND DEFICIT FINANCING

The annual budget shall constitute the major control, under which the Manager shall operate, and there shall be no substantial deviations therefrom, excluding such expenses as utilities, insurance and other expenses not within the control of the Manager, except as may be approved in writing by the Receiver. No expenses may be incurred for commitments made by the Manager in the name of the

Receiver in connection with the maintenance and operation of the Property in excess of the amounts allocated to the various classifications of expense in the approved budget; provided, however, that emergency repairs involving manifest danger to life or property, or immediately necessary for the preservation and safety of the Owners, occupants and tenants, or required to avoid the suspension of any necessary services to the Property, may be made by the Manager irrespective of the cost limitation imposed by this paragraph. Notwithstanding this authority as to emergency repairs, the Manager shall, if at all possible, confer immediately with the Receiver regarding every such expenditure.

Unless the Receiver has specifically authorized such procedure, under no circumstances shall the Manager advance funds to any party on a temporary loan basis whether interest is charged or not in the event of a cash deficit occurring in the Receiver's current account. The Manager shall notify the Receiver of any anticipated cash deficit and the Receiver shall take immediate steps to obtain the necessary funds to cover any such deficit either by the delivery of a revised budget, or the exercise of its borrowing authority.

XV. COLLECTION OF RENTS

The Manager, shall actively pursue the collection of unpaid rents from the Owners, occupants and tenants with a view to reducing these receivables to the minimum monthly balance and without incurring additional cost save in those instances where legal action is required. It is understood that the Manager shall instruct the Receiver when, in the Manager's opinion, such legal action is required to be taken.

XVI. FIDUCIARY RELATIONSHIPS

The Manager (if required) may engage any parent or subsidiary Company or any persons, firm or Company associated, affiliated or otherwise connected with the Manager (hereinafter called the "Affiliate") to perform any work or services for the Receiver within the scope of the Manager's duties under the provisions of this Agreement, without being in breach of any fiduciary relationship with the Receiver, subject, however, to advising the Receiver prior to the use of such Affiliate and obtaining the prior written approval of the Receiver in each and any such instance and subject further to the provisions of Article XVI hereof.

XVII. RELATIONS WITH OWNERS AND OCCUPANTS

(a) The Manager shall promptly and courteously deal with all reasonable requests or complaints by the Receiver, any Owner, occupant or tenant or any mortgagee of a unit relating to the management of the Property or the duties or obligations of the Manager pursuant hereto, and record in writing any such requests or complaints and the eventual disposition thereof;

(b) The Manager shall maintain businesslike relations with Owners occupants and tenants whose service requests relating to the common elements, or in the case of a tenant, shall also include its leased premises, shall be received, considered and recorded in systematic fashion in order to show the action taken

with respect to each request. Complaints relating to such common elements or a leased unit, the maintenance and repair of which is the responsibility of the Receiver, shall be attended to by the Manager in as prompt and diligent a manner as possible.

XVIII. TERMINATION

- (a) Either party may terminate this Agreement, without cause, with effect as at the last day of a calendar month, upon giving to the other party written notice specifying the termination date. Such notice shall be given to such other party prior to the commencement of the period of thirty (30) calendar days ending on the date of termination. Upon expiration of such notice period, the Manager shall surrender to the Receiver all contracts, records, files and other documents, property or information which may be pertinent to the continuing operation of the Property and the Receiver shall pay to the Manager any monies due to it as of the date of termination. For a period of twelve (12) months after such termination and for the purpose of settling any dispute or defending any claim, the Receiver shall provide to the Manager at all reasonable times and upon reasonable notice access to all such contracts, records, files and other documents or information. During this time period, the Manager shall also provide such assistance as may be necessary for the Receiver to properly defend any claim being made in relation to the management of the Property.
- (b) In addition to the rights of the parties described in paragraph (a), this Agreement shall terminate immediately upon the happening of any of the following events:
- (i) the insolvency or bankruptcy of the Manager, or upon the Manager taking steps to wind up its business voluntarily or otherwise (including but without limiting the generality of the foregoing, if the Manager has an application for a bankruptcy order filed against it; if the Manager makes a proposal in bankruptcy or any other statute designed to facilitate a restructuring of its affairs and/or a compromise of its obligations to its creditors; if the Manager makes an assignment of its property for the benefit of its creditors generally; or if a receiver, receiver and manager or a trustee is appointed to manage or investigate the affairs of the Manager);
 - (ii) the Manager is insubordinate, or reckless in performing its duties hereunder; or
 - (iii) the appointment of the Receiver is terminated by Order of the Court.
- (c) Upon the termination of this Agreement and in addition to the Manager's obligations described in paragraph (a) above,

(i) the Manager shall as soon as possible thereafter and within thirty (30) days after the date of effective termination hand over all post-dated cheques or other information, records and documents relating to the Property, and shall as soon as possible thereafter render a final accounting to the Receiver;

(ii) the Manager shall forthwith surrender to the Receiver or to the Receiver's representative designated in writing all the keys to the Property or any part thereof held by the Manager or any of its employees and all the books and records, other than accounting books and records, kept by the Manager in relation to the management of the Property which are the property of the Receiver, or that are in the possession of any employees of the Manager, including, without limitation, post-dated common expense assessment cheques, contracts, files, plans, drawings, specifications, architectural or engineering documents, manuals, maintenance and repair logbooks, and correspondence, provided, however that the Manager's own files relating to the Receiver shall be excluded;

(iii) all computer hardware and software, accounting books and records kept by the Manager in relation to the Management of the Property which are the property of the Receiver, or that are in the possession of any employees of the Manager, will be surrendered within five (5) full calendar days after the termination date, or as otherwise may be agreed to between the Manager and the Receiver;

(iv) the Receiver shall assume the obligations under any and all contracts, which the Manager has properly made for the purpose of arranging the services to be provided pursuant to this Agreement;

(v) any liability incurred under this Agreement by either party to the other up to and including the date of termination of this Agreement or which arises from a claim made after such termination with respect to any occurrence prior to the termination, as well as all obligations of each party hereto to the other under this Article XVI, shall survive the termination of this Agreement.

XIX. PIPEDA

The Manager represents and warrants to the Receiver that it will fully comply with its obligations under all applicable privacy laws including the Personal Information and Electronic Documents Act (PIPEDA) with respect to the collection and disclosure of personal information relating to the Owners, occupants, tenants and Contractors.

XX. NOTICE

Any notice required to be given by either party to the other shall be sufficiently given if delivered or mailed by prepaid registered post addressed to the Receiver, c/o the President at his address from time to time, and to the Manager, at 271 Ridley Blvd. Suite 1511, Toronto, Ontario M5M 4N3 and any such notice shall be conclusively deemed to have been given and

received at the time of its personal delivery by one party to an Officer or Director of the other or in the case of the Manager to any person at the Manager's address, or in the event of service by mail, on the fifth (5th) working day after the day of such mailing, provided that if normal mail service is disrupted by reason of strikes, walkouts, slowdowns or other irregularities then so long as such disruptions exist, any notice required or permitted to be given hereunder shall be delivered personally or otherwise shall be deemed to be ineffective for all purposes hereof. Either party may by notice in writing to the other designate another address to which notices mailed more than ten (10) days after the giving of such notice of change of address shall be addressed.

XXI. PARTIAL INVALIDITY

If any portion of this Agreement shall be for any reason declared invalid or unenforceable, the validity of any of the remaining portions of this Agreement shall not be thereby affected, and such remaining portions shall remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated, and it is hereby declared the intention of the parties hereto that they would have executed the remaining portion of this Agreement without including therein any such portions thereof that might be declared invalid.

XXII. GENDER AND NUMBER

Where applicable, or where required by the context, all references herein in the singular shall be construed to include the plural and references to masculine shall be construed to include the feminine and neuter genders.

XXIII. PROHIBITION ON ASSIGNMENT BY MANAGER

The Manager shall not assign or otherwise transfer (including by a change of control of the Manager) its interest in this Agreement or delegate its duties hereunder without the consent of the Receiver, not to be unreasonably withheld. Where a proposed assignment has been consented to, no such assignment shall be effective unless and until the proposed assignee executes a counterpart of this Agreement and annexes thereto a memorandum acknowledging that such assignee is bound by the terms and conditions hereof and covenants to comply herewith, in which event the Manager shall cease from and after such assignment to be liable hereunder.

XXIV. FURTHER ASSURANCES

The parties shall from time to time do all such further acts and execute all such further deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.

XXV. ENTIRE AGREEMENT

The terms of this Agreement express and constitute the entire agreement between the Receiver and the Manager with respect to the matters dealt with by this Agreement and no implied covenant or implied liability of any kind which is not expressly stated is created or shall arise by reason of anything contained in this Agreement.

XXVI. ENUREMENT

This Agreement shall enure to the benefit of and be binding upon the Receiver and its successors and assigns and the Manager and its successors and permitted assigns.

XXVII. GOVERNING LAW

This Agreement shall be construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

XXVIII. FORCE MAJEURE

Neither party shall be liable to the other for loss or damages, or have any right to terminate this Agreement, for any default or delay attributable to force majeure if such party shall have used reasonable efforts to avoid the effect of such event. For the purposes of this Agreement, force majeure means any of the following: acts of God, earthquakes, hurricanes, storms, lightning, floods, explosions, fires, vandalism, wars, riots, strikes, lockouts, material shortages and all other causes beyond the control and not resulting from the negligence, actions or omissions of the party asserting force majeure from which such party could not reasonably have protected itself (financial inability excepted), and which prevents such party from performing the relevant obligation.

XXIX. SIGN

During the term of this Agreement, the Manager, at its own expense, shall be entitled to place a sign of reasonable size at or on the Property indicating that it is managed by the Manager.

XXX. CONFIDENTIALITY

Each party agrees not to disclose the terms of this Agreement to any person, firm or corporation without the consent of the other party, except that disclosure may be made to advisors, investors and lenders of a party, potential direct or indirect purchasers of a party or of the interest of a party herein, and wherever required by law.

[Signing page follows]

IN WITNESS WHEREOF the parties hereto have hereunto affixed their respective corporate seals, attested by the hands of their respective Officers duly authorized in that behalf, this 20th day of January 2012.

IRA SMITH TRUSTEE & RECEIVER INC., SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF 2012242 ONTARIO LIMITED


Per: _____
Name: Ira Smith
Title: President

I have authority to bind the Corporation

Y. L. HENDLER LTD.


Per: _____
Name: Yehudi L. Hendler
Title: President

I have authority to bind the Corporation

APPENDIX 10



STARTING OVER, STARTING NOW

167 Applewood Cres. Suite 6, Concord, ON L4K 4K7

Phone: 905.738.4167

Fax: 905.738.9848

irasmithinc.com

Brandon Smith

Phone: 905.738.4167 ext. 113

Email: brandon@irasmithinc.com

MEMO

TO: Sunny Meadow operating issues file
Date: January 10, 2012
Re: Building possession and occupation issues to date

1. Y. L. Hendler Ltd. has been engaged as the Property Manager at a monthly fee of \$1,425.00 plus HST.
2. Safety and Security
 - Locks to maintenance and building system areas have been changed except where not feasible due to authorized 3rd parties requiring access (elevator tech, fire department, hydro).
 - Hired Condor Security to patrol the building nightly from 10PM to 6AM, which has been requested to be increased to 5:30PM to 6:30AM in response to recent incidents involving loitering and minor property damage.
 - Arranged with Peel Regional Police to regularly patrol the property.
 - The property manager is in the process of posting signage that will enable the police to enforce the *Trespass to Property Act*.
 - Obtained quotation from BondSecurcom to install hardware to remotely monitor surveillance cameras, complete the building's access control systems and have the fire alarm monitored. The quote totalled \$17,400 and requires additional items to be supplied by 3rd parties. We have requested further clarity on the costs and

requirements to be supplied by 3rd parties. We had sought a second quote however the contractor declined to bid as they did not believe they could deliver the same scope of work.

- A defect in the fire alarm system has been repaired and the property manager has arranged for an inspection of the fire and life safety systems to ensure functionality and code compliance.

3. Insurance

The insurance on the building expires on Jan 22, 2012. We have received several quotes in the \$10K – \$12K a month range. Our agents are still shopping the market. A reason given for the high premium is the low occupancy of the building. The amount of \$895.71 is owing on the existing premium.

4. Maintenance

- Property manager has hired a cleaning company and a snow removal contractor.
- Property manager arranged for an inspection of the building's mechanical systems. Several deficiencies have been noted, certain repairs have been ordered, while other defects require further investigation which is ongoing. The mechanical contractor noted that there are several cracks in the chiller due to neglect as the cold weather approached. We have requested a quotation to repair. Tests must be conducted in warmer weather before a quote can be obtained, however we have been advised that a repair will be costly. We are considering potential recourse against the former property manager for failing to properly maintain the building and its systems.
- Washrooms and common areas of the building are being cleaned 5 days a week, trash is being picked up once a week.
- Floor mats have been ordered for main floor hallways.

APPENDIX 11

Victoria Gifford

From: Ira Smith <ira@irasmithinc.com>
Sent: January 12, 2012 5:17 PM
To: Lois Hicks
Cc: Jason Lee; Marty Wolfe
Subject: RE: Sunny Meadow Blvd. 50 Brampton - Appraisal Engagement

Lois, it was a pleasure speaking with you today. I agree with your understanding except that I would say that in the first option, rather than valuation of the property as a medical rental property, I would say as a rental property, and your analysis based on the current tenant/occupant mix along with other market driven factors should lead you to a conclusion as to whether it is only a medical rental property or if in general as a commercial rental property is appropriate.

As I mentioned to you on the phone, most of the documents you would expect to find in a developer corporation are missing and we are having to reconstruct the information. Every day new information is coming to our attention. We have developed a rent roll as well as an analysis of presumed sold units waiting for registration for the closings to take place. We have not found or commissioned an environmental report. We have various reports regarding the construction and its costs.

We wish to proceed with your firm doing the appraisal for us. I recommend that next week while you are away, Jason should contact Martin Wolfe of my office and attend at our office to go through with Martin the information we do have and he can determine what, if any, you require to do your work. Martin's email address is above and he can be reached by phone through our main office number, extension 127. Although the Receiver does not normally need to provide deposits to its service providers, and we contacted you as you are on the TD Bank's approved supplier list (amongst others), if you insist, we will provide Jason with the deposit funds when he attends at our office. Please advise.

We wish to retain your firm. However, please note that your retainer must also be approved by the Court. I would suggest, so that we do not lose time, that, you proceed and in the unlikely event that your retainer is not approved by the Court, solely in our capacity as Court-appointed Receiver, we will guarantee your fee and costs incurred as of that date.

We look forward to working with you.

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



IRA SMITH MBA, CA-CIRP
 President

167 Applewood Cres. Suite 6, Concord, ON L4K 4K7

P: 905.738.4167 ext.111 | C: 905.738.4167 ext. 211
 F: 905.738.9848 | E: ira@irasmithinc.com
www.irasmithinc.com

This e-mail is intended only for the person to whom it is addressed (the "addressee") and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use that a person other than the addressee makes of this communication is prohibited and any reliance or decisions made based on it, are the responsibility of such person. We accept no responsibility for any loss or damages suffered by any person other than the addressee as a result of decisions made or actions taken based on this communication or otherwise. If you received this in error, please contact the sender and destroy all copies of this e-mail.

From: Lois Hicks [mailto:lois@lebow.ca]
Sent: December-20-11 6:09 PM
To: Ira Smith

Cc: Jason Lee'
Subject: Sunny Meadow Blvd. 50 Brampton - Appraisal Engagement

000146

Hi Ira,

I have had a chance to review the appraisal assignment. My understanding is that the subject property is a newly constructed, three-storey, design-built medical building with one level of underground parking. Further, I understand that the property had been proposed to become a condominium but, that this has not occurred. The fees for the appraisal will be as follows:

Item	Appraisal	Fee
50 Sunny Meadow Blvd., Brampton	Current valuation of the property as a medical rental property (not condominium)	\$4,500
50 Sunny Meadow Blvd., Brampton	Current valuation of the property as a completed condominium property (not a rental property)	\$5,500
Total		\$10,000

The appraisal will be prepared to assist with the receivership of the property on behalf of TD Bank.

The appraisal will require some five weeks to complete. Commencement is from the date that we receive the deposit and the documentation.

We will require the following documentation (if available/applicable):

- Presale information (contracted amounts)
- Tax bills
- Income and expenses
- Lease information
- Any cost information (i.e., hard and soft costs of construction)
- Environmental Site Assessment

In addition to the appraisal fees above, disbursements will be charged at 10%. Disbursements are for recovery of such items as mileage, administration fees, document acquisition, etc. HST is charged as well.

Prior to commencement we will require a deposit of \$5,000. The balance of the account is payable prior to the release of the appraised value(s).

The appraisal will be supplied to you in a secure electronic format (Adobe pdf). No paper copies are supplied.

I look forward to working with you on this interesting assignment.

My regards,

Lois Hicks, AACI, P.App., AIMA
President & Senior Commercial Appraiser
Lebow, Hicks Appraisal Inc.
1 Green Meadows Circle
Toronto, ON M2J 5G6
t: (416) 781-5504
f: (416) 642-2534
c: (416) 399-7907

APPENDIX 12



IRA SMITH
TRUSTEE & RECEIVER INC.

STARTING OVER, STARTING NOW

167 Applewood Cres. Suite 6, Concord, ON L4K 4K7
Phone: 905.738.4167
Fax: 905.738.9848
irasmithinc.com

NOTICE OF MEETING

To: Owners and Tenants of Condominium Units located at 50 Sunny Meadow Blvd; Brampton, Ontario (the "**Condominium Complex**")

From: Ira Smith Trustee & Receiver Inc.

Re: Receivership of 2012241 Ontario Limited ("**201**")

Re: Condominium Meeting with Receiver of 201

On November 15, 2011 the Honourable Mr. Justice Campbell of the Ontario Superior Court of Justice appointed Ira Smith Trustee & Receiver Inc. as receiver of the property, assets and undertaking of 201 (the "**Receiver**"). A copy of the Court Order appointing the Receiver has already been provided to you. If you wish to receive another copy, you may do so by emailing your request to Ms. Cheryl Deshane of the Receiver at cheryl@irasmithinc.com.

Pursuant to the Receivership Order the Receiver has arranged management and operation of the Condominium Complex while addressing comments and concerns raised by various stakeholders of 201.

As part of the Receiver's ongoing efforts to provide information to stakeholders of 201, the Receiver has called a meeting of all owners and tenants of condominium units located at the Condominium Complex. This meeting will be on **January 31, 2012 at 10AM**. The location of the meeting will be **50 Sunny Meadow Blvd, Unit 312, Brampton, Ontario**.

At this meeting the Receiver will provide an update on operations at the Condominium Complex, its review of the books and records received from 201 relating to the ownership and/or occupation of units in the Condominium Complex and will entertain questions from those in attendance.

In an effort to ensure sufficient space for this meeting please RSVP to Mr. Brandon Smith at the Receiver by no later than January 27, 2012. Mr. Smith can be reached by e-mail at brandon@irasmithinc.com or by facsimile at **905.738.9848**. When confirming your attendance to the meeting please provide the following information so that the Receiver may update its records:

1. your name;
2. corporation name (if applicable);
3. unit number at the Condominium Complex;
4. e-mail address; and
5. fax number

Continues on reverse

The Receiver will entertain questions at the meeting. The Receiver's legal counsel will also be in attendance at the meeting. If you wish to bring your lawyer to the meeting you may do so. If you are, please advise when RSVP'ing, including the name of your lawyer.

We look forward to seeing you at the meeting on January 31.

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

Per:



Brandon Smith, CIRP
Senior Vice-President

APPENDIX 13

SIKDER PROFESSIONAL CORPORATION
Barristers & Solicitors

Paltu Kumar Sikder, LL.M

Harjinder Chahal, B.A, JD

1620 Albion Road
Suite 306
Toronto, Ontario
M9V 4B4

Tel: (416) 740-2957
Fax: (416) 740-2642
Email: sikder@sikderlaw.ca
Website: www.sikderlaw.ca

November 28, 2011

Blaney McMurtry LLP
Barristers & Solicitors
2 Queen Street East
Suite 1500
Toronto, Ontario
M5C 3G5

Attention: Lou Brzeziński

Dear Sir / Madam:

Re: Receivership of 2012241 Ontario Limited ("2012241")

Please be advised that my accountant reconciled the detailed Trust Ledger in respect of all deposits and releases of deposits. He has query about six files in the amount of \$79,568.00 which I will let you know in the future. In the meantime, I am sending the money to you and the documents to follow by tomorrow to your office.

Yours truly,

SIKDER PROFESSIONAL CORPORATION


Paltu Kumar Sikder

Client: Sunny Meadow Boulevard, Brampton

**SUMMARY OF TRUST LEDGER BALANCES AS
ON NOVEMBER 25, 2011**

UNIT	Purchaser	Deposit to Builder	Occupancy fee	Interest on GIC	TOTAL	PC Law ledger
213	1253237 Ontario Inc	\$48,018.75	\$2,813.58	\$403.94	\$51,236.27	3430
200	Arnarjit Masuola	\$32,633.70	\$1,214.47	\$0.00	\$33,848.17	2333-2
314	Tert-OTF Consulting Corp	\$42,918.75	\$0.00	\$385.54	\$43,304.29	2333-003
318, 319	ANAD Investment Inc	\$53,616.75	\$2,708.14	\$481.27	\$56,806.16	2333-002
206, 207	2262248 Ontario Inc	\$68,835.00	\$3,389.69	\$171.56	\$72,376.25	3541
220, 221	DR. Surrinder Singh Siddhu Prof Corp	\$54,570.00	\$0.00	\$314.04	\$54,884.04	3791
214	Taranjit Alwal	\$46,500.00	\$1,488.32	\$76.00	\$48,064.32	3547
110	2238104 Ontario Inc	\$47,200.00	\$2,177.69	\$379.97	\$49,757.66	3873
109	2140822 Ontario Inc	\$79,050.00	\$4,426.00	\$436.27	\$83,912.27	2333-022
211	2231772 Ontario Ltd	\$34,466.25	\$896.49	\$143.04	\$35,505.78	2333-006
205	Navdeep Singh Jahal	\$35,685.00	\$95.55	\$262.99	\$36,043.54	2333-019
208, 209	Harvinder Singh Gill	\$61,083.75	\$1,954.97	\$326.45	\$63,365.17	2333-017
202	2263105 Ontario Inc	\$35,997.00	\$1,746.84	\$221.27	\$37,965.11	3540
201	Balwant Singh Brar	\$41,338.50	\$106.33	\$257.86	\$41,702.69	2333-013
218, 219	1827107 Ontario Inc	\$65,135.08	\$2,052.39	\$291.93	\$67,479.40	2333-011
308, 309	Sumit Kaur Hansra & Harmanjot Dhillon	\$36,091.00	\$0.00	\$315.65	\$36,406.65	2333-08
216, 217	Gurdev Singh Dhallwal	\$53,418.42	\$1,988.66	\$273.10	\$55,680.18	2333-005
320, 321	Taranjit Basra & Narinder Basra	\$55,590.00	\$1,035.45	\$504.39	\$57,129.84	4115
112	1497059 Ontario Inc	\$86,340.00	\$4,039.16	\$430.48	\$90,809.66	2333-021
323 and 324	Jasbir Singh Chahal	\$30,514.00	\$459.83	\$60.89	\$31,034.72	3425
302 and 303	Brar Group	\$116,104.00	\$0.00	\$0.00	\$116,104.00	2333-28
		\$1,115,105.95	\$32,572.58	\$5,736.64	\$1,153,415.17	

000151

SIKDER PROFESSIONAL CORPORATION
 BARRISTERS & SOLICITORS
 1670 ALBION ROAD, SUITE 306
 TORONTO, ONTARIO M9V 4B4
 TEL: 416-740-2987 FAX: 416-740-2842

PAY TO THE ORDER OF: **Blaney-McMurry LLP, TRUST**
 Sunnymeadow

One Million One Hundred Fifty Three Thousand Four Hundred Fifteen *** 177/100

NOV 28 2011
 NOV 28/2011 AMOUNT \$1,158,415.14

SIKDER PROFESSIONAL CORPORATION
 BARRISTERS & SOLICITORS, TRUST ACCOUNT

T21910
 T21910

⑆021910⑆ ⑆0474⑆30001

1029048

Received: NOV/28/2011/MON 03:31 PM

PAX No. NOV 28 2011 03:29pm

P. 004

APPENDIX 14



EXPECT THE BEST

December 15, 2011

VIA EMAIL

Mr. J. Dhaliwal
97 Sunforest Drive
Brampton, ON L6Z 3Y5

Mr. R. Chahal
c/o Henry Grant Kerr
Kerr Waid & Associates
200-39 Lakeshore Road East
Mississauga, ON L5G 1C9

2 Queen Street East
Suite 1500
Toronto, Canada M5C 3G5
416.593.1221 TEL
416.593.5437 FAX
www.blaney.com

Dear Sirs,

**Re: Receivership of 2012241 Ontario Limited (the "Debtor")
Court File Number CV-11-9456-00CL**

Domenico Magisano
416.593.2996
dmagisan@blaney.com

As you are aware, we are counsel to Ira Smith Trustee & Receiver Inc. in its capacity as receiver of the Debtor (the "Receiver")

On November 16, 2011 the Receiver wrote to each of you seeking, among other things, production of documents and information relating to the Debtor's assets. In particular, the Receiver provided an enumerated list of documents and information which it sought. You failed to provide said information which resulted in the Receiver obtaining an Order requiring you to provide said information by no later than the close of business on November 29, 2011 failing which the Receiver would be in a position to seek a contempt order (the "Production Order"). A copy of the Production Order is attached to this letter for your convenience. I note that the Receiver's November 16, 2011 letter referenced above is at schedule "A" to the Production Order.

While the Receiver has met with both Mr. Dahliwal and the Debtor's external accountants (Batemay MacKay LLP), much of the information requested in the November 16, 2011 remains outstanding. In particular you have failed to provide any information or documentation relating to points 4 (TD Bank statements with cancelled cheques from July 2009-October 2010), 7 (minute books and corporate seal of the debtor), 10 (extension agreements for agreements of purchase and sale), 12 (location of security deposits and last month's rent for tenants at Debtor's premises), 14 (rent roll for the Debtor's premises), 16 (licenses required for operation of the building, machinery and equipment at the premises), 17 (occupancy certificates for the premises), 20 (billings for the supply of goods and services at the premises), and 21 (documents and information relating to all of the Debtor's assets in addition to the building at the premises).

While you have provided some information relating to the balance of the points in the November 16, 2011 letter, the information provided is either incomplete and/or inaccurate.

As you are aware you have been ordered by the court to provide your cooperation to the Receiver in its attempts to secure the Debtor's assets. It is imperative that you do so. If you do not deliver the remaining information and documentation to the Receiver (or make arrangements to do so that are satisfactory to the Receiver) by December 21, 2011, we are instructed to proceed with contempt proceedings against both of you.

We look forward to your prompt cooperation with the Receiver.

Yours very truly,


Blaney McMuntry LLP

Domenico Magisano

DM/vg

Enclosure

cc: Ira Smith
Marty Wolfe
Lou Brzezinski

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE

)
)
)

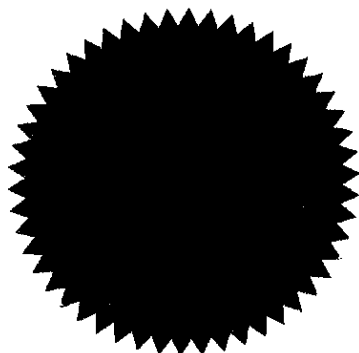
FRIDAY, THE 25TH DAY

JUSTICE

MESKUK

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} ~~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 Rew*
- (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.

Mesheri

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

NOV 25 2011

PER/FAB



167 Applewood Cres. Suite 6, Concord, ON L4K 4K7
Phone: 905.738.4167
Fax: 905.738.9848
irasmithinc.com

Ira Smith
Phone: 905.738.4167 ext. 111
Email: ira@irasmithinc.com

November 16, 2011

VIA EMAIL ravi@chahalwilshire.com

VIA EMAIL dhaliwalj10@hotmail.com

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

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.

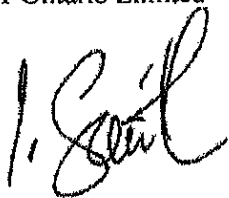
We look forward to your immediate cooperation. Please contact us immediately to make satisfactory arrangements.

000160

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

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

Lou Brzezinski LSUC #19794M
Domenico Magisano LSUC# 45725E
Tel: (416) 593-1221
Fax: (416) 593-5437

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

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APPENDIX 15

000162



CAPO SGRO LLP
Barristers. Solicitors

Frank C. Sgro*
John A. Capo (1948-2008)
Alistair T.M. Riswick*
Frank A. Mendicino
**Operating as Professional Corporations*

7050 Weston Road, Ste 400
Woodbridge, ON L4L 8G7
Telephone: 905 850 7000
Toronto Line: 416 798 4838
Facsimile: 905 850 7050

Erica D. Cappello
Nancy Cellucci
Diana A. Foggia
Marc De Vuono
Domenic M. Jannetta
Venessa G. Capo
Thomas B. Clark
Michael D. Verrilli
Joseph J.C. Sgro

Counsel:

Gregory N. Hensworth

FAX LETTER

REFER TO:

Date: December 22, 2011

E-mail: ariswick@csllp.ca

To: Domenico Maggisano
Blaney McMurtry LLP

Fax No: 416-593-5437

Pages: 2

From: Alistair Riswick

Re: Receivership of 2012241 Ontario Limited

Delivery Fax Only

In case of difficulty receiving this entire fax, please call and ask for:

Wenda Montgomery Ext. 237

This fax is solicitor-client privileged and contains confidential information intended only for the person(s) named above. Any other distribution, copying, use or disclosure is strictly prohibited. If you have received this fax in error, please notify us immediately by telephone and return the original transmission to us by mail without making a copy.

I have been consulted by Ravi Chahal and asked to respond on his behalf to your letter of December 15.

Mr. Chahal was generally involved in the construction side of the business. Mr. Dhaliwal may have more information with respect to the items referenced in your letter.

Mr. Chahal does not have any of the missing documentation, which he assumed was located in the office at the time that the receiver took possession.

He thought that the external accountant may have a copy of the rent roll and will make an inquiry in that regard. Mr. Dhaliwal may have the minute book.

I am advised that there were no licences as such in the possession of the company at the time of the receivership. The elevator company (Schindler) may be in a position to provide a licence for the operation of the elevator.

22/12/2011 14:30

Received: Capo Sgro LLP

Dec 22 2011 02:33pm
Alistair Riswick → Domenico Maggisano

2/2

000163



2

The occupancy certificates (Item 17) were apparently located in the bottom drawer of the desk in the office at the time of the receivership.

Mr. Chahal has been contacted by certain suppliers and has instructed them to contact the receiver.

As far as other assets are concerned, the only asset of value is the building. Mr. Chahal is driving a vehicle which was leased in the name of the company. It is a 2008 Lincoln Navigator. He is paying the monthly lease payments from his own resources. There is no equity in the lease.

I trust that the foregoing is satisfactory.

Yours truly,

CAPO SGRO LLP

Per:

Alistair Riswick

AR:wm

c.c. Client

APPENDIX 16



EXPECT THE BEST

January 6, 2012

Ford Credit Canada Leasing, a division of Canadian Road Leasing Company
P.O. Box 2400
Edmonton, Alberta
T5J 5C7

Ravinder Chahal
17 Adirondack Crescent
Brampton, Ontario
L6R 2P5

2 Queen Street East
Suite 1500
Toronto, Canada M5C 3G5
416.593.1221 TEL
416.593.5437 FAX
www.blaney.com

Dear Sirs/Madam:

**Re: Lease agreement between Ford Credit Canada Leasing and Mario's
Furniture & Upholstery Limited for the 2008 Lincoln Navigator, VIN
5LMFU28568LJ02030**

Domenico Magisano
416.593.2996
dmagisan@blaney.com

As you are aware, Ford Credit Canada Leasing entered into a lease agreement (the "Lease") with Mario's Furniture & Upholstery Limited (the "Lessee") in respect of the 2008 Lincoln Navigator, VIN 5LMFU28568LJ02030 (the "Lincoln Navigator"). The Lease was subsequently assigned to 2012241 Ontario Limited (the "Assignee") by the Lessee.

On November 15, 2011, the Honourable Mr. Justice Campbell of the Ontario Superior Court of Justice made an Order appointing Ira Smith Trustee & Receiver Inc. as Receiver (the "Receiver") of the assets, undertakings and properties of the Assignee. We are counsel for the Receiver.

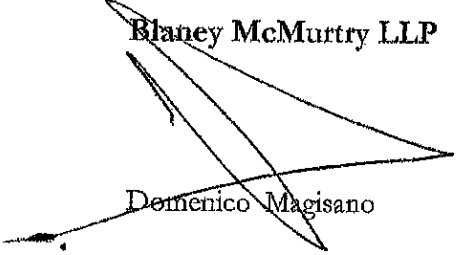
We write to advise you that the Receiver is not in possession of the Lincoln Navigator in question and believe that Mr. Ravinder Chahal may have possession of said vehicle. Accordingly, we ask that arrangements be made for a further assignment of the Lease to reflect Mr. Chahal as the new assignee within ten (10) days of the date of this letter. Alternatively, we ask that Mr. Chahal return the vehicle forthwith to either the Receiver or Ford Credit Canada Leasing within ten (10) days of the date of this letter. Please be advised that if you fail to comply with the demands set out herein within the specified time period, our client reserves its rights to pursue all available legal remedies and seek costs of any such proceedings.

We trust you will take whatever steps you deem appropriate with respect to the Lincoln Navigator. In the interim we ask that you provide us with: (i) a copy of the Lease; and (ii) the balance outstanding on the Lease which we request pursuant to section 18 of the *Personal Property Security Act* (Ontario).

If you have any questions, please do not hesitate to contact the undersigned.

Yours very truly,

Blaney McMurtry LLP



Domenico Magisano

DM/vg

cc Client
Lou Brzezinski
Grace Kim

APPENDIX 17

Victoria Gifford

From: Domenico Magisano
Sent: January 11, 2012 11:01 AM
To: 'ravi chahal'; Victoria Gifford
Cc: Grace J. Kim; Lou Brzezinski; 'Ira Smith'; 'Brandon Smith'; 'Marty Wolfe (martin@irasmithinc.com)'; 'ariswick@cslp.ca'
Subject: RE: Lease agreement between Ford Credit Canada and Mario's Furniture & Upholstery

Mr. Chahal,

We are required to provide our client with all correspondence received from you (or anyone else). Accordingly my client is copied on this e-mail.

Furthermore, last month we received a letter from Mr. Riswick advising that he had consulted with you on the receivership. Accordingly we have copied him on this correspondence.

If you are making arrangements regarding an assignment of this lease you should provide us with the details forthwith.

As you appear to be represented by counsel I suggest that you contact the Receiver directly about any arrangements. I suggest beginning with a call to Mr. Wolfe at 905-738-4167 ext. 127. Alternatively, I can speak to your counsel about the matter.

Yours truly,

Domenico Magisano

EXPECT THE BEST

Direct TEL 416.593.2996
 Direct FAX 416.593.2977
dmagisano@blaney.com



Blaney McMurtry LLP
 2 Queen Street East, Suite 1500
 Toronto, Canada M5C 3G5
 416.593.1221 TEL
 416.593.5437 FAX
www.blaney.com

**Blaney
 McMurtry**
BANEFYERS & SOLICITORS LLP

This communication is intended only for the party to whom it is addressed, and may contain information which is privileged or confidential. Any other delivery, distribution, copying or disclosure is strictly prohibited and is not a waiver of privilege or confidentiality. If you have received this telecommunication in error, please notify the sender immediately by return electronic mail and destroy the message.

Consider the environment. Please don't print this email unless you really need to.

From: ravi chahal [<mailto:ravi@chahalwilshire.com>]
Sent: January 11, 2012 10:10 AM
To: Victoria Gifford
Cc: Domenico Magisano; Grace J. Kim; Lou Brzezinski
Subject: Re: Lease agreement between Ford Credit Canada and Mario's Furniture & Upholstery

Please be advised that we in are in a process of restructuring financing which will be inplace soon. This information is for your reference only and not to be forwarded to anybody else. Can we have a phone meeting tomorrow so we can discuss it in detail.

000167

On Friday, January 6, 2012, Victoria Gifford <VGifford@blaney.com> wrote:

> Mr. Chahal,

>

>

>

> Please see the attached letter from Mr. Magisano of today's date.

>

>

>

> Regards,

>

>

>

> Victoria Gifford

> Assistant to Domenico Magisano and Grace Kim

> TEL 416.593.7221 ext. 3700

> VGifford@blaney.com

>

>

>

> Blaney McMurtry LLP

>

> 2 Queen Street East, Suite 1500

> Toronto, Canada M5C 3G5

> 416.593.1221 TEL

> 416.593.5437 FAX

> www.blaney.com

>

> </mail/u/0/s/?view=att&th=134b4beebb3f665c&attid=0.0.1&disp=emb&zw>

>

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>

> </mail/u/0/s/?view=att&th=134b4beebb3f665c&attid=0.0.2&disp=emb&zw> Consider the environment. Please don't print this email unless you really need to.

>

>

Respectfully!!!

Ravinder Singh Chahal

Ceo.

The Chahal Wilshire Group Inc.

Business Developments and Investments.

Tel# 416.823.6684

E-mail: ravi@chahalwilshire.com

www.chahalwilshire.com

APPENDIX 18

2012241 Ontario Limited
Transactions by Account
As of November 30, 2011

Type	Date	Num	Adj	Name	Memo	Clr	Split	Debit	Credit	Balance
2224 - 1730237 Ont loan for Orang										
Cheque	8/22/2007	104		1730232 Ontario Inc.	for orangevill...		1100 · DUCA f...	10,000.00		0.00
Cheque	9/28/2007	115		1730237 Ontario Inc.	No informatio...		1100 · DUCA f...	10,000.00		-10,000.00
General Journal	9/30/2007		*		To record y/e...		1280 · Const...	8,592.00		-20,000.00
Cheque	10/4/2007	117		Strybos Barron King	Entry change...		1100 · DUCA f...	3,305.44		-28,592.00
Cheque	10/15/2007	121		Soil Probe Ltd	Changed entr...		1100 · DUCA f...	1,855.00		-31,897.44
Cheque	2/27/2008	158		Nacora Insurance B...	insurance ex...		1100 · DUCA f...	810.00		-33,752.44
General Journal	2/29/2008	14			-MULTIPLE-			12,190.00		-34,562.44
Cheque	3/6/2008	169		Capo Sgro LLP	cheque is mi...		1100 · DUCA f...	10,510.50		-46,752.44
Cheque	3/12/2008	171		Nick Ciarelli & Anna...	cheque is mi...		1100 · DUCA f...	1,679.17		-57,262.94
Cheque	3/13/2008	172		Spirito Dino	Inv is missing...		1100 · DUCA f...	1,408.33		-58,942.11
Cheque	3/17/2008	170		Ciarelli & Gareri Ent...	no Inv and no...		1100 · DUCA f...	2,329.15		-60,350.44
Cheque	5/6/2008	204		Ciarelli & Gareri Ent...	memo on ch...		1100 · DUCA f...	2,529.17		-62,679.59
Cheque	5/6/2008	205		Nick Ciarelli & Anna...	memo on ch...		1100 · DUCA f...	1,679.17		-65,208.76
Cheque	5/6/2008	206		Spirito Dino	memo on ch...		1100 · DUCA f...	1,408.33		-66,887.93
Cheque	5/14/2008	207		Ciarelli & Gareri Ent...	memo on ch...		1100 · DUCA f...	2,329.17		-68,296.26
Cheque	5/14/2008	208		Nick Ciarelli & Anna...	MTG Orange...		1100 · DUCA f...	1,679.17		-70,625.43
Cheque	5/14/2008	209		Spirito Dino	memo on ch...		1100 · DUCA f...	1,408.33		-72,304.60
Cheque	6/12/2008	212		Spirito Dino	memo on ch...		1100 · DUCA f...	1,408.33		-73,712.93
Cheque	6/16/2008	211		Nick Ciarelli & Anna...	MTG Orange...		1100 · DUCA f...	1,679.17		-75,121.26
Cheque	6/17/2008	210		Ciarelli & Gareri Ent...	memo on ch...		1100 · DUCA f...	2,329.17		-76,800.43
Cheque	7/14/2008	220		Ciarelli & Gareri Ent...	memo on ch...		1100 · DUCA f...	2,329.17		-79,129.60
Cheque	7/16/2008	222		Nick Ciarelli & Anna...	MTG Orange...		1100 · DUCA f...	1,679.17		-81,458.77
Cheque	7/16/2008	225		Spirito Dino	memo on ch...		1100 · DUCA f...	1,408.33		-84,546.27
Cheque	8/11/2008	221		Spirito Dino	memo on ch...		1100 · DUCA f...	1,408.33		-85,954.60
Cheque	8/12/2008	223		Nick Ciarelli & Anna...	MTG Orange...		1100 · DUCA f...	1,679.17		-87,633.77
Cheque	8/12/2008	224		Ciarelli & Gareri Ent...	memo on ch...		1100 · DUCA f...	2,329.17		-89,962.94
Credit Card Charge	10/6/2008	V		Economical Mutual ...			2220 · TD Vis...	3,220.00		-93,182.94
Credit Card Charge	5/7/2009	V		Greystones Inn, Or...			2220 · TD Vis...	107.83		-93,290.77
Credit Card Charge	5/7/2009	V		Broadway Conv, or...			2220 · TD Vis...	8.90		-93,299.67
Cheque	7/13/2009	3		Strybos Barron King	Entry change...		1140 · TD - 06...	1,680.00		-94,979.67
General Journal	9/30/2009		*		To record y/e...		General and a...	14,918.22		-109,897.89
Total 2224 - 1730237 Ont loan for Orang								109,897.89	0.00	-109,897.89
TOTAL								109,897.89	0.00	-109,897.89

APPENDIX 19

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Interco Orangeville

<u>Date</u>	<u>cheque #</u>	<u>Payee</u>	<u>Amount</u>	<u>Reference</u>
09-26-2011	265	Antrix Architects	2,260.00	First instalment of fee for Orangeville
10-06-2011	270	Sikder Professional Corporation	2,500.00	For Orangeville
10-17-2011	0 273	Antrix Architects	2,260.00	For Orangeville
			<u>7,020.00</u>	
		Balance fwd	<u>109,897.89</u>	
		TOTAL	<u>116,917.89</u>	

Note: Cheques paid from DUCA Financial Services Credit Union Ltd.
5290 Yonge St. Willowdale, ON M2N5P9

Account is in the name of 2012241 Ontario Limited
Account Number 2124712
Transit # 10252-806

APPENDIX 20

Request ID: 013775829
Transaction ID: 46175630
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/12/07
Time Report Produced: 10:40:11
Page: 1

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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
1730237	1730237 ONTARIO INC.	2007/03/23
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
JAGDEV DHALIWAL 97 SUNFOREST DR	NOT APPLICABLE	NOT APPLICABLE
	New Amal. Number	Notice Date
BRAMPTON ONTARIO CANADA L6Z 3Y5	NOT APPLICABLE	NOT APPLICABLE
		Letter Date
Mailing Address		NOT APPLICABLE
JAGDEV DHALIWAL 97 SUNFOREST DR	Revival Date	Continuation Date
	NOT APPLICABLE	NOT APPLICABLE
BRAMPTON ONTARIO CANADA L6Z 3Y5	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	NOT APPLICABLE
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors	Date Commenced
	Minimum Maximum	in Ontario
	00001 00005	NOT APPLICABLE
Activity Classification		Date Ceased
NOT AVAILABLE		in Ontario
		NOT APPLICABLE

Request ID: 013775829
Transaction ID: 46175630
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/12/07
Time Report Produced: 10:40:11
Page: 2

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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1730237	1730237 ONTARIO INC.

Corporate Name History	Effective Date
1730237 ONTARIO INC.	2007/03/23

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)	Address
RAVINDER SINGH CHAHAL	17 ADIRONDACK CRES BRAMPTON ONTARIO CANADA L6R 1E5

Date Began	First Director	Resident Canadian
2007/03/23	NOT APPLICABLE	
Designation	Officer Type	
DIRECTOR		Y

Request ID: 013775829
Transaction ID: 46175630
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/12/07
Time Report Produced: 10:40:11
Page: 3

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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1730237	1730237 ONTARIO INC.

Administrator: Name (Individual / Corporation)	Address
RAVINDER SINGH CHAHAL	17 ADIRONDACK CRES BRAMPTON ONTARIO CANADA L6R 1E5

Date Began	First Director	Resident Canadian
2007/03/23	NOT APPLICABLE	
Designation	Officer Type	
OFFICER	PRESIDENT	Y

Administrator: Name (Individual / Corporation)	Address
JAGDEV S DHALIWAL	97 SUNFOREST DR BRAMPTON ONTARIO CANADA L6Z 3Y5

Date Began	First Director	Resident Canadian
2009/06/22	NOT APPLICABLE	
Designation	Officer Type	
DIRECTOR		Y

Request ID: 013775829
Transaction ID: 46175630
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/12/07
Time Report Produced: 10:40:11
Page: 4

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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1730237	1730237 ONTARIO INC.

Administrator: Name (Individual / Corporation)	Address
JAGDEV S DHALIWAL	97 SUNFOREST DR BRAMPTON ONTARIO CANADA L6Z 3Y5

Date Began	First Director	Resident Canadian
2009/06/22	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	SECRETARY	Y

Administrator: Name (Individual / Corporation)	Address
JAGDEV DHALIWAL	97 SUNFOREST DR BRAMPTON ONTARIO CANADA L6Z 3Y5

Date Began	First Director	Resident Canadian
2009/06/22	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
DIRECTOR		Y

Request ID: 013775829
Transaction ID: 46175630
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/12/07
Time Report Produced: 10:40:11
Page: 5

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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1730237	1730237 ONTARIO INC.

Administrator: Name (Individual / Corporation)	Address
JAGDEV DHALIWAL	97 SUNFOREST DR BRAMPTON ONTARIO CANADA L6Z 3Y5

Date Began	First Director	Resident Canadian
2009/06/22	NOT APPLICABLE	
Designation	Officer Type	
OFFICER	SECRETARY	Y

Request ID: 013775829
Transaction ID: 46175630
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/12/07
Time Report Produced: 10:40:11
Page: 6

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CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

1730237

1730237 ONTARIO INC.

Last Document Recorded

Act/Code Description

Form

Date

CIA CHANGE NOTICE

1

2009/08/21

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

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

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

APPENDIX 21



ServiceOntario

LAND
REGISTRY
OFFICE #7

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 1 OF 3

PREPARED FOR GSaran01
ON 2011/12/23 AT 13:16:56

34018-0003 (LT)

SUBJECT TO RESERVATIONS IN CROWN GRANT

PROPERTY DESCRIPTION: PCL BLK 106-1 SEC 43M1120; BLK 106, PL 43M1120, EXCEPT PTS 1 & 2, 43R21032 ; S/T LTL1486454, LTL1576532 ORANGEVILLE

PROPERTY REMARKS: CORRECTION: INSTRUMENT NUMBER LTI441797 WAS OMITTED FROM THIS PROPERTY IN ERROR AND WAS ADDED AND CERTIFIED ON 1997/01/13 BY JOAN CRAWFORD.

ESTATE QUALIFIER:

FEE SIMPLE

ABSOLUTE

OWNERS' NAMES

1730237 ONTARIO INC.

REVENUE:

FIRST CONVERSION FROM BOOK

CAPACITY SHARE

FIN CREATION DATE:

1996/11/25

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CERD
EFFECTIVE 2000/07/29		THE NOTATION OF THE 'BLOCK IMPLEMENTATION DATE' OF 1996/11/25				
WAS REPLACED WITH THE 'FIN CREATION DATE' OF 1996/11/25						
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE: 1996/11/22 **						
LTI1347608	1992/09/03	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***		
CORRECTIONS: 'THIS INSTRUMENT' WAS DELETED FROM PROPERTY 34019-0244 IN ERROR AND WAS RE-INSTATED ON 1998/03/09 BY LEE TREVORS.						
LTI1360098	1992/10/27	ADL ANNEX REST COV		*** DELETED AGAINST THIS PROPERTY ***		C
LTI1441797	1993/10/07	CHARGE		THE TORONTO-DOMINION BANK COUNTRY MEADOW ESTATES (NO.2) INC.		
CORRECTIONS: 'DATE OF REGN.' CHANGED FROM '1993/10/27' TO '1993/10/07' ON 1997/01/14 BY JOAN CRAWFORD. 'CHARGOR' CHANGED FROM 'JOHNSTON, JOHN GERARD' TO 'COUNTRY MEADOW ESTATES (NO.2) INC.' ON 1997/02/11 BY JOAN CRAWFORD. 'CHARGOR: JOHNSTON, SHERI NICOLE' DELETED ON 1997/02/11 BY JOAN CRAWFORD. 'THIS INSTRUMENT' WAS DELETED FROM PROPERTY 34018-0064 IN ERROR AND WAS RE-INSTATED ON 1998/01/29 BY KAREN PERRYMAN. 'THIS INSTRUMENT' WAS DELETED FROM PROPERTY 34018-0103 IN ERROR AND WAS RE-INSTATED ON 1999/07/20 BY KAREN PERRYMAN.						
LTIERR1797	1993/10/07	CHARGE		*** DELETED AGAINST THIS PROPERTY ***		
REMARKS: LTI441797 -ERROR ENTRY, CANCELLED BY JOAN CRAWFORD ON 1997/01/13 DELETED UNDER LTD893 DELETED ON NOV. 19/02, 2010/06/10 K. PERRYMAN THE TORONTO-DOMINION BANK KAREN PERRYMAN DELETED						
LTI1467942	1994/02/11	NOTICE		*** DELETED AGAINST THIS PROPERTY ***		C
CORRECTIONS: 'THIS INSTRUMENT' WAS DELETED FROM PROPERTY 34018-0147 IN ERROR AND WAS RE-INSTATED ON 2005/03/04 BY GAIL NOVAK.						
LTI1478740	1994/04/08	NOTICE		*** COMPLETELY DELETED ***		
LTI1478743	1994/04/08	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY ***		
REMARKS: LTI441797, LTI1478740 THE CORPORATION OF THE TOWN OF ORANGEVILLE						
43R20352	1994/04/28	PLAN REFERENCE				C

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

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Ontario ServiceOntario

LAND
REGISTRY
OFFICE #7

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 2 OF 3

PREPARED FOR GS&ar01
ON 2011/12/23 AT 13:16:56

34018-0003 (LIT)

SUBJECT TO RESERVATIONS IN CROWN GRANT

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
LTI486454	1994/05/11	TRANSFER EASEMENT			THE CORPORATION OF THE TOWN OF ORANGEVILLE	C
LTI486458	1994/05/11	POSTPONEMENT		*** COMPLETELY DELETED ***		
		REMARKS: LTI441797, LTI486454				
LTI486577	1994/05/11	NOTICE		*** DELETED AGAINST THIS PROPERTY ***		C
LTI486580	1994/05/11	POSTPONEMENT			THE CORPORATION OF THE TOWN OF ORANGEVILLE	
		REMARKS: LTI441797, LTI486577				
43R21032	1985/06/07	PLAN REFERENCE				C
LTI576532	1985/07/21	TRANSFER EASEMENT			THE CORPORATION OF THE TOWN OF ORANGEVILLE	C
LTI576534	1985/07/21	POSTPONEMENT		*** COMPLETELY DELETED ***		
		REMARKS: LTI441797, LTI576532, LTI576531				
DC4887	2001/09/05	NOTICE AGREEMENT		THE CORPORATION OF THE TOWN OF ORANGEVILLE		C
		REMARKS: SITE PLAN AGREEMENT				
DC41492	2004/11/24	NO COMPL SUB AGR		*** COMPLETELY DELETED ***		
		REMARKS: RE: LTI478740			THE CORPORATION OF THE TOWN OF ORANGEVILLE	
DC42377	2004/12/16	BYLAW		THE CORPORATION OF THE TOWN OF ORANGEVILLE		C
		REMARKS: BY-LAW #55-2004 - THE CORPORATION OF THE TOWN OF ORANGEVILLE HEREBY ASSUMES RESPONSIBILITY FOR THE ROADS, WORKS AND MUNICIPAL SERVICES CONSTRUCTED BY THE DEVELOPER.				
DC51640	2005/09/16	NOTICE	\$2	THE CORPORATION OF THE TOWN OF ORANGEVILLE		C
DC51645	2005/09/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
		REMARKS: RE: LTI441797				
DC74289	2007/06/01	TRANSFER		*** COMPLETELY DELETED *** COUNTRY MEADOW ESTATES (NO. 2) INC.	GOLDMAN 105106 HOLDINGS LTD.	

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

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34018-0003 (LT)

SUBJECT TO RESERVATIONS IN CROWN GRANT

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CHGT/ CRCD
DC77405	2007/08/15	TRANSFER	\$875,000	GOLDMAN 105106 HOLDINGS LTD.	1730237 ONTARIO INC.	C
DC77406	2007/08/15	CHARGE		*** COMPLETELY DELETED *** 1730237 ONTARIO INC.	CIARELLI & GARERI ENTERPRISES INC. SPIRITO, DINO CIARELLI, ANNA MARIA CIARELLI, NICK	
DC77407	2007/08/15	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1730237 ONTARIO INC.	CIARELLI & GARERI ENTERPRISES INC. CIARELLI, NICK SPIRITO, DINO CIARELLI, ANNA MARIA	
DC100790	2009/07/28	CONSTRUCTION LIEN	\$288,610	ENGLISH PRESTIGE CONTRACTING INC.		C
DC102335	2009/09/11	CERTIFICATE		ENGLISH PRESTIGE CONTRACTING INC.		C
DC124328	2011/09/20	DISCH OF CHARGE		*** COMPLETELY DELETED *** CIARELLI & GARERI ENTERPRISES INC. SPIRITO, DINO CIARELLI, ANNA MARIA CIARELLI, NICK		
DC125404	2011/10/26	CHARGE	\$759,500	1730237 ONTARIO INC.	1662850 ONTARIO INC. 1616292 ONTARIO LIMITED	C
DC125497	2011/10/28	NOTICE	\$2	THE CORPORATION OF THE TOWN OF ORANGEVILLE	1730237 ONTARIO INC.	C

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

APPENDIX 22

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
1662850	1662850 ONTARIO INC.	2005/06/14
		Jurisdiction
		ONTARIO
		Former Jurisdiction
		NOT APPLICABLE
Corporation Type	Corporation Status	
ONTARIO BUSINESS CORP.	ACTIVE	
Registered Office Address		Date Amalgamated
75 FOX HOUND TRAIL		NOT APPLICABLE
		Amalgamation Ind.
		NOT APPLICABLE
		New Amal. Number
		NOT APPLICABLE
		Notice Date
		NOT APPLICABLE
		Letter Date
		NOT APPLICABLE
Mailing Address		Revival Date
75 FOX HOUND CRESCENT		NOT APPLICABLE
		Continuation Date
		NOT APPLICABLE
		Transferred Out Date
		NOT APPLICABLE
		Cancel/Inactive Date
		NOT APPLICABLE
		EP Licence Eff.Date
		NOT APPLICABLE
		EP Licence Term.Date
		NOT APPLICABLE
		Date Commenced in Ontario
		NOT APPLICABLE
		Date Ceased in Ontario
		NOT APPLICABLE
		Activity Classification
		NOT AVAILABLE
		Number of Directors
		Minimum Maximum
		00001 00005

Request ID: 013778954
Transaction ID: 46185283
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/12/07
Time Report Produced: 16:26:10
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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1662850	1662850 ONTARIO INC.

Corporate Name History	Effective Date
1662850 ONTARIO INC.	2005/06/14

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)	Address
ONKAR SINGH MANN	75 FOX HOUND CRES WOODBIDGE ONTARIO CANADA L4H 2H5

Date Began	First Director	Resident Canadian
2005/06/14	NOT APPLICABLE	Y
Designation	Officer Type	
DIRECTOR		

Request ID: 013778954
Transaction ID: 46185283
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/12/07
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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1662850	1662850 ONTARIO INC.

Last Document Recorded		Form	Date
Act/Code	Description		
CIA	ANNUAL RETURN 2011	1C	2011/12/03

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

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

APPENDIX 23

Request ID: 013778956
Transaction ID: 46185287
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/12/07
Time Report Produced: 16:26:28
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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
1616292	1616292 ONTARIO LIMITED	2004/04/28
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
31 JEWEL CRESENT	NOT APPLICABLE	NOT APPLICABLE
BRAMPTON	New Amal. Number	Notice Date
ONTARIO	NOT APPLICABLE	NOT APPLICABLE
CANADA L6R 2P5		Letter Date
Mailing Address		NOT APPLICABLE
NOT AVAILABLE	Revival Date	Continuation Date
	NOT APPLICABLE	NOT APPLICABLE
	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	NOT APPLICABLE
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors	Date Commenced
	Minimum Maximum	in Ontario
	00002 00002	NOT APPLICABLE
Activity Classification		Date Ceased
NOT AVAILABLE		In Ontario
		NOT APPLICABLE

Request ID: 013778956
Transaction ID: 46185287
Category ID: UN/E

Province of Ontario
Ministry of Government Services

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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1616292	1616292 ONTARIO LIMITED

Corporate Name History	Effective Date
1616292 ONTARIO LIMITED	2004/04/28

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)	Address
SANDEEP CHAHAL	59 MARBLE SEED BRAMPTON ONTARIO CANADA L6R 2J8

Date Began	2004/04/28	First Director	YES
Designation	DIRECTOR	Officer Type	Resident Canadian
			Y

Request ID: 013778956
Transaction ID: 46185287
Category ID: UN/E

Province of Ontario
Ministry of Government Services

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CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

1616292

1616292 ONTARIO LIMITED

Administrator:

Name (Individual / Corporation)

Address

JAGDEN

31 JEWEL CRES

DHALIWAL

BRAMPTON
ONTARIO
CANADA L6R 2P5

Date Began

First Director

2004/04/28

YES

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 013778956
Transaction ID: 46185287
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/12/07
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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1616292	1616292 ONTARIO LIMITED

Last Document Recorded		Form	Date
Act/Code	Description		
BCA	ARTICLES OF INCORPORATION	1	2004/04/28

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

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

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

APPENDIX 24

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

Properties

PIN 34018 - 0003 LT
Description PCL BLK 106-1 SEC 43M1120; BLK 106, PL 43M1120, EXCEPT PTS 1 & 2,
 43R21032 ; S/T LT1486454,LT1576532 ORANGEVILLE
Address ORANGEVILLE

Consideration

Consideration \$2.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name THE CORPORATION OF THE TOWN OF ORANGEVILLE
Address for Service Chief Administrative Officer
 The Corporation of the Town of
 Orangeville
 87 Broadway
 Orangeville, ON L9W 1K1

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

This document is being authorized by a municipal corporation Rob Adams, Mayor and Cheryl Johns, Clerk..

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

Name 1730237 ONTARIO INC.
Address for Service 50 Sunny Meadow Avenue
 Unit 103
 Brampton, ON L6R 0Y7

I, Ravinder Chahal, Owner, have the authority to bind the corporation

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

Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice is for an indeterminate period

Schedule: See Schedules

Signed By

Karen Anne Veri 1 Eva Road, Suite 206 acting for Signed 2011 10 28
 Toronto Applicant(s)
 M9C 2Z5

Tel 4166226601239

Fax 4166224713

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

Submitted By

GISELLA MORETTI 1 Eva Road, Suite 206 2011 10 28
 Toronto
 M9C 2Z5

Tel 4166226601239

Fax 4166224713

Fees/Taxes/Payment

Statutory Registration Fee \$60.00

Total Paid \$60.00

This agreement is entered into

BETWEEN

1730237 ONTARIO INC.

hereinafter referred to as "the Owner"

- and -

THE CORPORATION OF THE TOWN OF ORANGEVILLE

hereinafter referred to as "the Town"

Background

1. The following are some of the facts upon which this agreement is based.
 - (a) The Owner is the registered and beneficial Owner of property described as PCL Block 106-1 SEC 43M-1120; Block 106, Registered Plan 43M-1120, except Parts 1 & 2, Reference Plan 43R-21032; subject to LT1486454, LT1576532, Town of Orangeville, County of Dufferin, which is hereinafter referred to as "the property" (P.I.N. 34018-0003 (LT)).
 - (b) The Owner proposes to construct a 1,312 square metre multi-tenant commercial building on the property.
 - (c) The by-laws of the Town require that the proposed project receive site plan approval pursuant to Section 41 of the Planning Act.
 - (d) Pursuant to By-law 61-2004, as amended, the Director of Planning approved the site plan application on February 24, 2009.
 - (e) This agreement is being entered into in accordance with Sections 41(7)(c) and 41(10) of the Planning Act and to satisfy the requirements of the by-laws of the Town.

Approval of Site Plan

2. The Town approves the plan or plans to develop the property submitted to it by the Owner. The plans form Schedule "A" to this agreement, but due to their bulky nature are not attached to this agreement. For details and notes on the respective plans, refer to the approved drawings deposited with the Town of Orangeville Planning Department. The following plans comprise Schedule "A":
 - Drawing A-1 entitled "Site Plan" prepared by Global Architect Inc. dated March 2007 revised September 2, 2008 (Schedule "A")
 - Drawing L1 entitled "Landscape Plan" prepared by Strybos Barron King Landscape Architecture dated June 25, 2007 revised September 2, 2008 (Schedule "B")
 - Drawing L2 entitled "Details" prepared by Strybos Barron King Landscape Architecture dated June 25, 2007 (Schedule "C")
 - Drawing A-3 entitled "Elevations" prepared by Global Architect Inc. dated March 2007 revised September 2, 2008 (Schedule "D")
 - Drawing D-1 entitled "Site Grading Plan" prepared by Urban Watershed Group Ltd. dated June 26, 2007 revised to November 13, 2008 (Schedule "E")
 - Drawing D-2 entitled "Site Servicing Plan" prepared by Urban Watershed Group Ltd. dated June 26, 2007 revised to November 13, 2008 (Schedule "F")

The above drawings are hereinafter referred to as "the plans" or "the site plans".
3. The Owner agrees to develop the property in conformity to both the plans and the text contained in this agreement.
4. The Owner agrees to provide and maintain the following facilities or works at the sole risk and expense of the Owner:
 - (a) curbing, traffic direction signs, loading spaces and parking facilities;
 - (b) access ramps and driveways;

- (c) walkways and walkway ramps;
 - (d) lighting;
 - (e) walls, fences, hedges, trees, shrubs or other groundcover or facilities for the landscaping of the property or the protection of adjoining lands;
 - (f) vaults, central storage and collection areas and other facilities and enclosures for the storage of garbage and other waste material;
 - (g) easements conveyed to the municipality for the construction, maintenance or improvement of watercourses, ditches, land drainage works, sanitary sewage facilities and other public utilities of the Town or local board thereof on the property; and
 - (h) grading or alteration in elevation or contour of the land and provision for the disposal of storm, surface and waste water from the property and from any buildings or structures thereon.
5. The Owner agrees to remove snow from access ramps and driveways, loading spaces, parking areas, walkways and walkway ramps.
6. The Owner agrees not to plough, place or otherwise store snow from the property on the municipal road allowance, which includes the roadway, roadside ditches, sidewalks and other boulevard areas.
7. The Owner agrees to provide and maintain appropriate and sufficient on-site signage, at its expense, including but not necessarily limited to: stop sign(s) for the entrance(s); Fire Route signs in the locations approved by the Fire Department, immediately after the enactment of a by-law by the Town designating a fire route on the property; a sign beside each handicapped person's parking space to indicate that the space is reserved for that use; anti-idling signage; and, any other signage deemed appropriate by the Town.
8. The Owner acknowledges its responsibility to maintain the entrances into the property, and that the Town will not maintain the entrances.
9. The Owner acknowledges that the Town, by approving the site plans, and entering into this agreement, does not relieve the Owner from the requirement of obtaining:
- (a) any permit that may be required from Credit Valley Conservation;
 - (b) any building permit that may be required by the Chief Building Official of the Town; or
 - (c) any permit or licence that may be required by any other agency including a provincially appointed regulatory body;
- before the proposed development can proceed.
10. The Owner agrees that construction of any building shall not proceed beyond the footings and foundation stage until it has delivered, to the Chief Building Official, certification of the following:
- (a) that the elevation of the top of the foundation is in conformity with the approved grading plan; and
 - (b) the shortest distance between the foundation and each property line or street line.
- such certification to be provided by an Ontario Land Surveyor.
11. The Owner acknowledges that all sanitary sewer discharges will be regulated through the Town's Sewer Use By-law 75-96 or any amending or successor by-law as may be passed from time to time. Further, the Owner agrees to pay any capital costs the Town may incur for modifications made at its sewage treatment plant at 16 Town Line as a result of sewage being discharged from the facilities on the property to the Town's

sanitary sewer collection system which does not comply with the applicable sewer use by-law.

12. Any release given by the Town from the terms of this agreement is a release from the matters that are of interest to the Town and is not to be construed as a release from matters that are of interest to any other authority, officer or agency.

Site-Specific Provisions

13. Any and all signage on the building(s) or property shall be in accordance with the Town's Sign By-law 42-2006 or any amending or successor by-law as may be passed from time to time. All wall signage shall be limited to the designated sign band area of the building(s) as shown on the approved elevation drawings.
14. Any and all exterior lighting introduced on the building(s) or property, and any and all lighting from signage, shall be of the full cut-off variety; i.e. no light will be permitted to leave the property and spill onto neighbouring properties or roadways.
15. The Owner will provide to the Town, prior to the issuance of a building permit, an irrevocable Letter of Credit or cash in the amount of **One hundred Thousand Dollars (\$100,000.00)** to guarantee and secure the due performance of the obligations imposed upon it by this Agreement, including site grading, drainage, paving, landscaping works and reinstatement of areas of the municipal right-of-way disturbed by the installation of service connections. This amount is the sum of the estimated values of the paving (\$30,000), landscaping (\$30,000) and the road allowance reinstatement works (\$40,000) but may be retained by the Town to guarantee performance of any of the Owner's obligations.
16. The Owner agrees that, if a letter of credit is used as the security, it will be in the format shown in Schedule "D" hereto, and will be issued only by a Canadian Schedule 1 financial institution, as defined by the Bank Act, 1991, c. 46.
17. Following the completion of the works required by this agreement, the Owner agrees to so notify the Director of Planning in writing. This notification will be accompanied by:
- a certification prepared by the Owner's consulting engineer that all site grading and servicing works have been completed in accordance with the approved plans. This certification will be prepared in the format shown in Schedule "B" to this agreement, and shall include hard copies and an electronic copy (disc) of the as-constructed servicing and grading plans acceptable to the Director of Public Works.
 - a certification prepared by the Owner's landscape architect that all landscaping works have been completed in accordance with the approved plans. This certification will be prepared in the format shown in Schedule "C" to this agreement.
 - a certification prepared by the Owner's architect that all walkways, curbs, garbage enclosures, lighting devices and paving works have been installed in accordance with the approved plans. This certification will be prepared in the format shown in Schedule "C" to this agreement.
18. Upon receipt of the notice of completion and the required certifications, the Director of Planning and the Director of Public Works, or their respective designates, will inspect the works. When found to be satisfactory by both Town departments, the Director of Planning will request the Town Treasurer to reduce or return the Letter of Credit or cash deposit to the Owner, but the Town will hold at least \$20,000 for a minimum period of twelve (12) months after the completion of the work within the road allowance. During the period of October to April of any given year, the Town may, at its discretion, postpone the inspections due to weather conditions.
19. The Owner acknowledges that Development Charges are payable to the Town, the County and the Boards of Education prior to the issuance of any building permit. The actual amount due will be based on the prevailing Development Charge rates at the time of the issuance of building permit.

The Town acknowledges that the Development Charges may be paid by a deferral arrangement. Such payment of the Development Charges shall be in accordance with the terms of the Development Charge Deferral Policy.

20. The Owner agrees to purchase a water meter from the Town, and that the Owner's plumber will install the meter in the building, in a manner and location acceptable to the Director of Public Works. The Owner further agrees to provide an approved backflow prevention device on the water service in a manner acceptable to Public Works. The backflow prevention device is to be a WATTS 900 series reduced pressure principle back flow type or equivalent and the Owner agrees that it shall be installed on all incoming services into the building and in a location or locations acceptable to Public Works.
21. The Owner agrees to flush, clean, and remove any debris from the storm water and sanitary sewers abutting the property that may have washed into these systems as a result of construction, as directed by the Town.
22. The Owner agrees to ensure that, during construction, mud and other debris will not be tracked from the property onto the abutting public streets. The Owner further agrees to ensure that the abutting public streets are swept and cleaned at least once per week, or more often if directed by the Town.

Minor Alterations

23. The Town may permit minor alterations in the plans at its discretion and any work done in conformity with any such alterations shall be deemed to be in compliance with the agreement.

Municipal Services

24. If the work shown in the plans contemplates the Owner either:
 - (a) constructing municipal services, including sanitary sewers, storm sewers, watermains, roads and sidewalks on municipally owned property, or
 - (b) making connections to existing municipal services, or
 - (c) both of the above,

the design and construction of such services shall be to a standard that is at least as good as that required by the Town's minimum standards for such services. The Owner must obtain approval for the design of any such services from the Director of Public Works of the Town before they are constructed or installed. The examination and acceptance of the plans does not constitute an acceptance by the Town of the correctness and adequacy of the plans. The Town neither warrants nor makes any claims as to the sufficiency of its standards. It is the sole responsibility of the Owner and their engineers to provide proper engineering plans for any such work.

Termination of Agreement

25. The Owner must commence construction within one (1) year of the signing of this agreement by all parties. If the Owner fails to do so, the Town may grant an extension of the period, at its discretion, should circumstances warrant. Should the Town not extend the period at any time, this agreement shall be deemed null and void.
26. If the Owner has taken out a building permit but has not completed construction within two (2) years of the date of the permit, this agreement is automatically terminated and is null and void.
27. If the Owner fails to sign this agreement and fails to cause all persons and/or corporations having mortgages, charges or other encumbrances on the property to sign this agreement within six (6) weeks of the mailing of this agreement to the Owner or to the Owner's Agent at the address disclosed in the site plan application, this agreement shall, at the option of the Town, become null and void.
28. If the agreement is automatically terminated, the Town is deemed to have withdrawn its consent to the proposed development and no further work shall be done on the property until the Owner has entered into a further site plan agreement. No liability or other duty of any kind shall be imposed on the Town requiring it to carry out any part of this agreement that it is required to carry out herein that has not been completed at the time of termination. The Town is under no obligation to return any money paid under this agreement. All money owing to the Town by the Owner to the date of termination will be

paid forthwith on demand.

29. Notwithstanding anything contained herein to the contrary, if the Owner has delayed in substantially completing the construction of any work or facility required by this agreement by any act beyond the Owner's reasonable control, and without limiting the generality of the foregoing, including unavailability of a building permit, adverse weather conditions, labour disputes, strikes and lockouts, national shortages, acts of God or the Queen's enemies, riots, insurrection or damage by fire, lightning or tempest, the time for completion shall be extended by a period of time equal to such delay.

Stop Work Orders

30. Upon any breach of the agreement, the determination of which shall be within the sole discretion of the Town, the Town may, upon giving four (4) days' notice in writing to the Owner, stop all work in progress until such breach has been rectified.

Municipal Expenses

31. The Owner agrees to pay to the Town any reasonable costs that it incurs for all outside technical and professional expenses that it has incurred to date and which it will incur in the future arising out of the proposed development. These expenses do not include internal administrative technical or professional services rendered by full time employed staff.

Municipal Real Estate Taxes

32. The Owner agrees to pay the current year's taxes in full on or before the signing of this agreement, but only in circumstances where it is proposed to convey a portion of the property to another party. If the final bill for the current year's taxes has not been issued, the Owner agrees to pay all installments thereon. The Owner also agrees to pay all arrears of taxes outstanding against the property on or before the signing of this agreement. If local improvements are outstanding, a cash payment sufficient to commute the balance shall also be paid by the Owner.

Registration of Agreement

33. The Owner agrees that this agreement with its schedules and any amendments may be registered upon the title to the land and to pay the cost of such registration as well as any further costs incurred by the Town as a result of the registration of any other document pertaining to this agreement.

Arbitration

34. If a dispute develops between the Town and the Owner as to whether an item is or is not a deficiency, such dispute or disputes shall be resolved by arbitration.
35. For the purpose of this part of the agreement, the Owner and the Town are collectively called "the Parties". Each of them is called "the Party" as the context requires.
36. Any arbitration shall be resolved in the following manner.
- (a) If the parties can agree upon a single arbitrator, such arbitrator shall conduct the arbitration alone. If they cannot agree on a single arbitrator, then each will appoint an arbitrator and the two so appointed will appoint a third arbitrator who shall be chairman. If either party appoints an arbitrator and gives notice of the appointment to the other, the other must appoint an arbitrator within five (5) business days. If such appointment is not made within such period, the arbitrator appointed by the first party will be deemed to be a single arbitrator approved by both of them. The two arbitrators will appoint a third arbitrator within five (5) business days of the appointment of the second arbitrator.
 - (b) The arbitrator or arbitrators shall set a date for the hearing of the matters in dispute not later than eight (8) weeks from the date of appointment of the last arbitrators to be appointed.
 - (c) The party seeking the arbitration shall deliver to the arbitrator or arbitrators and the other party, at least four (4) weeks before the hearing, a statement of the matters the party is complaining about.

- (d) The other party to the arbitration shall deliver a statement to the arbitrators and the party seeking the arbitration its position with respect to the matters complained about, at least two (2) weeks before the hearing.
- (e) The time limits referred to above may be waived by the party who has not received any documents he should have received and the arbitration may proceed in the absence of any document if failure to deliver it is waived. If a document is not delivered and any party is taken by surprise as a result, the arbitration may be adjourned at any stage and the unnecessary costs incurred may be assessed against the party failing to deliver it.
- (f) At the hearing each party may adduce whatever evidence it deems advisable. In addition, the arbitrator or arbitrators shall view the site of the matters complained about.
- (g) The arbitrator or arbitrators shall make their decision as soon as possible after completion of the hearing and viewing the site. The decision (or the majority decision as the case may be) is final and is not to be subject to review by any Court or other body.
- (h) If the result of the arbitration is in favour or largely in favour of one party, the cost of arbitration, including the expenses of that party, will be paid by the other. If the result is mixed, each party will pay its own expenses and the fees of the arbitrators will be divided equally between them. The arbitrator or arbitrators shall make the decision as to whether the result is in favour or largely in favour of one party, or if the result is mixed.

General

Default

37. If there is default in any of the terms of this agreement, the provisions of Section 427 of the Municipal Act, 2001, S.O. 2001, c.25 as it was written on the date of the signing of this agreement shall apply with respect to such default.

Notices

38. Any notice required or permitted to be given under this agreement shall be in writing and may be served either personally or by mailing such notice by registered mail, postage prepaid, or if the postal service has been disrupted for any reason, by delivering such notice by a prepaid courier service as follows:

1730237 Ontario Inc.
50 Sunny Meadow Avenue
Unit 103
Brampton, Ontario
L6R 0Y7

Chief Administrative Officer
The Corporation of the Town of Orangeville
87 Broadway
Orangeville, Ontario
L9W 1K1

39. If any notice is mailed by registered mail, postage prepaid or sent by prepaid courier service as aforesaid, it shall be deemed to have been received by the Party to whom it was mailed or sent on the second day following the day upon which it was received by one of Her Majesty's post offices or delivered to the courier service unless the second day ends on a Saturday, Sunday or legal holiday, in which case those days are not included in computing the two day period. Either Party may, by notice to the other, designate another address in Canada to which notices mailed or delivered more than ten (10) days thereafter shall be addressed.

Agreement Runs with Land

40. This agreement shall enure to the benefit of the Town, its successors and assigns. The benefits and the burden of the covenants, agreements, conditions and undertakings herein contained shall run with the land and are binding upon the land and upon the Owner and its successors and assigns.

Chargees

41. The chargee hereby postpones any rights or interests which it has in the property with the intent that this agreement shall take effect as though executed and registered prior to the creation of such right or interest and prior to the execution and registration of any mortgage, agreement or other document creating or defining such rights or interest.

Gender and Number

42. In this agreement, words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders.

In Witness whereof the Parties have signed this agreement.

in the presence of

1730237 ONTARIO INC.

Per: _____

Print Name: Ravinder Chahal

Position: Owner

Date: 27/9/2011

Per: _____

Print Name: _____

Position: _____

Date: _____

I/we have the authority to bind the corporation

**THE CORPORATION OF THE TOWN OF
ORANGEVILLE**

W Maycock
Rob Adams, Mayor
WARREN MAYCOCK, DEPUTY MAYOR
Date: OCTOBER 4, 2011

Susan Lankheit
Cheryl Johns, Clerk
SUSAN LANKHEIT, DEPUTY CLERK
Date: OCTOBER 4, 2011

APPENDIX 25

Map These Properties

Prepared by JAGDEV DHALIWAL, Broker
 HOMELIFE/MIRACLE REALTY LTD, BROKERAGE
 11A-5010 Steeles Ave. West, Toronto, ON M9V5C6
 416-747-9777
 1/3/2012

		50 Rolling Hills Dr Orangeville, Ontario N/A Orangeville Dir/Cross St: Hwy 10/Hwy 9		List: \$1,650,000 For Sale Sale DOM: 122 Last Status: Exp Taxes: \$0/2011/Annual	
		Commercial/Retail Retail		Lease Term: Holdover: 60	
		Freestanding: N		SPIS: N Map:	
		Retail Store Related Occup: Vacant		Franchise: N	
		Possession: Immediately Commercial Condo Fees:			
MLS#: W2072866		PIN#:		Seller: 1730237 Ontario Inc Contact After Exp: N	
Leased Price 1st Yr:		2nd Yr:		3rd Yr:	
				4th Yr:	
				5th Yr:	
Total Area: 1.24 Acres		Survey:			
Ofc/Apt Area: 0 Sq Ft		Lot/Bldg/ Unit/Dim:		BX0 Acres Lot	
Indust Area: 0 Sq Ft		Lot Irreg:		1.24	
Retail Area: 0 Sq Ft		Crane:			
Apx Age:		Bay Size:			
Volts:		%Bldg:			
Amps:		Washrooms:			
Zoning: Commercial		Water: Municipal		Soil Test:	
Truck Level:		Water Supply:		Outside Storage:	
Grade Level:		Sewers:		Rail:	
Drive-In:		A/C: N		Basement: N	
Double Man:		Utilities: N		Elevator:	
Clear Height:		Garage Type: None		UPFI: No	
Sprinklers: N		Park Spaces: #Tri Spc:		Assessment:	
Heat: None		Energy Cert:		Chattels: N	
Phys Hdcap-Equip:		Cert Level:		LLBO:	
		GreenPIS:		Days Open:	
				Hours Open:	
				Employees:	
				Seats:	
Bus/Bldg Name:		For Year:		Financial Statement: N	
Actual/Estimated:					
Taxes:		Heat:		Gross Inc/Sales:	
Insur:		Hydro:		- Vacancy Allow:	
Mgmt:		Water:		- Operating Exp:	
Maint:		Other:		= Net Income B4 Debt:	
				Est Value Inv At Cost:	
				Com Area Upcharge:	
				Percentage Rent:	
Remarks For Clients: 14196 Sqft Commercial/Retail Plaza Approved Land Approximately 1.24Acres Site Plan Is Approved.Built Your Own Rental Or Condo.Great Location,Next ToHospital.Contract Already In Place Approximately Over \$250,000 Spent On Property Cost.Permits Sewer Work Already Done.This Project Bring You Excellent Return On Your Investment.Buyer To Do This Own Due Diligence.					
Remarks for Brokerages: Pls Attach Sch'g To All Offers.Must See .Bring Disclosure Seller Is Real Estate Agent.Pls Show And Sell.Thanks For Showings.					
Mortgage Comments:					
List: HOMELIFE/MIRACLE REALTY LTD, BROKERAGE 905-454-4000 Fax: 905-463-0811					
JAGDEV DHALIWAL, Broker 416-482-0790					
Co-Op: CB Comm: 2%-\$ 50Mkt Fees					
Contract Date: 4/2/2011		Sold Date:		Leased Terms:	
Expiry Date: 8/2/2011		Closing Date:		Original Price: \$1,650,000	
Last Update: 8/3/2011		Comments:			

APPENDIX 26



EXPECT THE BEST

December 19, 2011

VIA COURIER AND REGISTERED MAIL

1730237 Ontario Inc.
97 Sunforest Drive
Brampton, ON L6Z 3Y5

Attention: Jagdev Dhaliwal, Ravinder Singh Chahal

Dear Sirs,

**Re: 2012241 Ontario Limited ats. The Toronto-Dominion Bank
Court File Number: CV-11-6456-00CL**

2 Queen Street East
Suite 1500
Toronto, Canada M5C 3G5
416.593.1221 TEL
416.593.5437 FAX
www.blaney.com

Lou Brzezinski
416.593.2952
lbrzez@blaney.com

Attached is the Order of the Honourable Mr. Justice Campbell dated November 15, 2011, appointing Ira Smith Trustee & Receiver Inc. (the "Receiver") as receiver over the assets of 2012241 Ontario Limited (the "Debtor"). We are the lawyers for the Receiver.


The Receiver has determined through its investigation that at least \$116,917.89 (the "Amount Owing") was transferred by the Debtor to 1730237 Ontario Inc. on account of the "Orangeville Project" located at 50 Rolling Hills Drive, in Oakville, Ontario. We hereby demand that you pay to the Receiver the Amount Owing within ten (10) days of the date of this letter. We attach a calculation spread sheet prepared by the Receiver.

Please be advised that if you fail to comply with the demands set out herein within the specified time period, our client shall commence legal proceedings against 1730237 Ontario Inc., and all other proper persons, for collection of the amount owing without further notice.

Govern yourself accordingly.

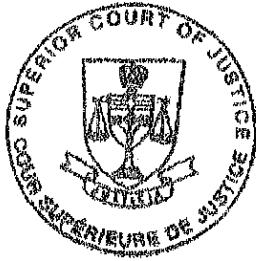
Yours very truly,

Blaney McMurtry LLP


Lou Brzezinski
LB/GK/vg

Enclosure

cc: Ira Smith



Court File No. CV-11-9456-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE *md*) TUESDAY, THE 15TH
JUSTICE *Cr Coulson*) 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 APPLICATION made by the Applicant, *ex parte*, for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Ira Smith Trustee and Receiver Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 2012241 Ontario Limited (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Kenneth Malcolm sworn November 10, 2011 and the exhibits thereto, and the affidavit of Theresa Kellen sworn November 15, 2011 and the exhibits attached thereto and on hearing the submissions of counsel for Applicant and on reading the consent of Ira Smith Trustee and Receiver Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, and protect of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of Independent security personnel, the taking of physical Inventories and the placement of such Insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$150,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act, [or section 31 of the Ontario Mortgages Act, as the case may be,] shall not be required, and in each case the Ontario Bulk Sales Act shall not apply.

- (m) 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;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of

the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering,

interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

13. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the Wage Earner Protection Program Act.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the

Canadian Environmental Protection Act, the Ontario Environmental Protection Act, the Ontario Water Resources Act, or the Ontario Occupational Health and Safety Act and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

GENERAL

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

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

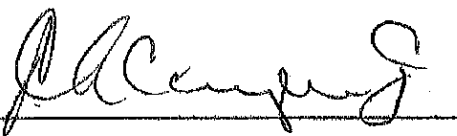
26. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals,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

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

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

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

29. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than ^{Two (2) Chl} ~~seven (7)~~ days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



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

NOV 15 2011

REC'D BY 

Schedule "A"

RECEIVER CERTIFICATE

CERTIFICATE NO.

AMOUNT \$

1. THIS IS TO CERTIFY that Ira Smith Trustee and Receiver Inc., the receiver (the "Receiver") of the assets, undertakings and properties 2012241 Ontario Limited acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the _____ of MONTH, 20YR (the "Order") made in an action having Court file number -CL- _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the Bankruptcy and Insolvency Act, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the day of MONTH, 20YR.

Ira Smith Trustee and Receiver Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:
Title:

THE TORONTO-DOMINION BANK

and

2012241 ONTARIO LIMITED

Applicant

Respondent

Court File No. CV-11-9456-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
Suite 1800, Box 754
181 Bay Street
Toronto, ON M5J 2T9
Tel: (416) 863-1500
Fax: (416) 863-1515

Sanj Sood – LSUC No. 42137R

Lawyers for the Applicant

11404915.1

000212

2012241 Ontario Limited
 Transactions by Account
 As of November 30, 2011

6:25 PM
 12/07/11
 Accrual Basis

Type	Date	Num	Adj	Name	Memo	Cir	Split	Debit	Credit	Balance
2224 - 1730237 Ont loan for Orang										
Cheque	8/22/2007	104		1730232 Ontario Inc.	for orangevill...		1100 - DUCA f...	10,000.00		0.00
Cheque	9/29/2007	115		1730237 Ontario Inc.	No informatio...		1100 - DUCA f...	10,000.00		-10,000.00
General Journal	9/30/2007		*		To record y/e...		1280 - Constr...	8,592.00		-28,592.00
Cheque	10/4/2007	117		Strybos Barron King	Entry change...		1100 - DUCA f...	3,305.44		-31,897.44
Cheque	10/15/2007	121		Soft Probe Ltd	Changed entri...		1100 - DUCA f...	1,855.00		-33,752.44
Cheque	2/27/2008	158		Nacora Insurance B...	insurance ex...		1100 - DUCA f...	810.00		-34,562.44
General Journal	2/29/2008	14			-MULTIPLE-			12,190.00		-46,752.44
Cheque	3/6/2008	169		Capo Segro LLP	cheque is m...		1100 - DUCA f...	10,510.50		-57,262.94
Cheque	3/12/2008	171		Nick Ciarelli & Anna...	cheque is m...		1100 - DUCA f...	1,679.17		-58,942.11
Cheque	3/13/2008	172		Spirito Dino	inv is missing...		1100 - DUCA f...	1,408.33		-60,350.44
Cheque	3/17/2008	170		Ciarelli & Gareri Ent...	no inv and no...		1100 - DUCA f...	2,329.15		-62,679.59
Cheque	5/6/2008	204		Ciarelli & Gareri Ent...	memo on ch...		1100 - DUCA f...	1,679.17		-64,358.76
Cheque	5/6/2008	205		Nick Ciarelli & Anna...	memo on ch...		1100 - DUCA f...	1,679.17		-66,037.93
Cheque	5/6/2008	206		Spirito Dino	memo on ch...		1100 - DUCA f...	1,408.33		-67,446.26
Cheque	5/14/2008	207		Ciarelli & Gareri Ent...	memo on ch...		1100 - DUCA f...	2,329.17		-70,025.43
Cheque	5/14/2008	208		Nick Ciarelli & Anna...	MTG Orange...		1100 - DUCA f...	1,679.17		-71,704.60
Cheque	5/14/2008	209		Spirito Dino	memo on ch...		1100 - DUCA f...	1,408.33		-73,112.93
Cheque	6/12/2008	212		Spirito Dino	memo on ch...		1100 - DUCA f...	1,408.33		-74,521.26
Cheque	6/16/2008	211		Nick Ciarelli & Anna...	MTG Orange...		1100 - DUCA f...	1,679.17		-76,200.43
Cheque	6/17/2008	210		Ciarelli & Gareri Ent...	memo on ch...		1100 - DUCA f...	2,329.17		-78,529.60
Cheque	7/14/2008	220		Ciarelli & Gareri Ent...	memo on ch...		1100 - DUCA f...	2,329.17		-80,858.77
Cheque	7/16/2008	222		Nick Ciarelli & Anna...	MTG Orange...		1100 - DUCA f...	1,679.17		-82,537.94
Cheque	7/16/2008	225		Spirito Dino	memo on ch...		1100 - DUCA f...	1,408.33		-83,946.27
Cheque	8/11/2008	221		Spirito Dino	memo on ch...		1100 - DUCA f...	1,408.33		-85,354.60
Cheque	8/12/2008	223		Nick Ciarelli & Anna...	MTG Orange...		1100 - DUCA f...	1,679.17		-87,033.77
Cheque	8/12/2008	224		Ciarelli & Gareri Ent...	memo on ch...		1100 - DUCA f...	2,329.17		-89,362.94
Credit Card Charge	10/6/2008	V		Economical Mutual ...			2220 - TD Vis...	3,220.00		-92,582.94
Credit Card Charge	5/7/2009	V		Greystones Inv, Cr...			2220 - TD Vis...	107.83		-92,690.77
Credit Card Charge	5/7/2009	V		Broadway Conv, or...			2220 - TD Vis...	8.90		-92,699.67
Cheque	7/13/2009	3		Strybos Barron King	Entry change...		1140 - TD - 06...	1,680.00		-94,379.67
General Journal	9/30/2009		*		To record y/e...		General and a...	14,918.22		-109,297.89
Total 2224 - 1730237 Ont loan for Orang								109,897.89	0.00	-109,897.89
TOTAL								109,897.89	0.00	-109,897.89

000214

Interco Orangeville

<u>Date</u>	<u>cheque #</u>	<u>Payee</u>	<u>Amount</u>	<u>Reference</u>
09-26-2011.	265	Antrix Architects	2,260.00	First instalment of fee for Orangeville
10-06-2011	270	Sikder Professional Corporation	2,500.00	For Orangeville
10-17-2011	0273	Antrix Architects	2,260.00	For Orangeville
			<u>7,020.00</u>	
		Balance fwd	<u>109,897.89</u>	
		TOTAL	<u>116,917.89</u>	

*Note: Cheques paid from DUCA Financial Services Credit Union Ltd.
5290 Yonge St. Willowdale, ON M2N5P9*

*Account is in the name of 2012241 Ontario Limited
Account Number 2124712
Transit # 10252-806*

APPENDIX 27

Victoria Gifford

From: Charles Chang [<mailto:cchang@changadvocacy.com>]
Sent: December 22, 2011 6:01 PM
To: Lou Brzezinski
Subject: 1730237 Ontario Inc. ats. 2012241 Ontario Limited

Lou:

I am in the process of being retained by 1730237 Ontario Inc. ("173") and Jagdev Dhallwal in respect of this matter.

I have been provided a copy of your letter to 173 dated December 19, 2011.

Once I have been retained and had a reasonable opportunity to review the matter with my clients, I will provide you with a response to your said letter.

I trust that the receiver shall not take any precipitous action in the interim.

Should you have any questions in respect of the above or would like to discuss same, please do not hesitate to contact me.

Yours very truly,

Charles C. Chang

Barrister

*Certified as a Specialist in Civil Litigation
by the Law Society of Upper Canada*

CHANG ADVOCACY PROFESSIONAL CORPORATION

Suite 102, 4255 Sherwoodtowne Boulevard

Mississauga, Ontario L4Z 1Y5

Direct: 905.276.4122 Fax: 905.276.6432

This message, including any and all attachments, is confidential and subject to privilege. It is intended for the exclusive use of the person(s) to whom it is addressed. If you are

000216

neither the intended recipient nor the person responsible for delivering this message to the intended recipient, please notify us immediately and permanently delete this message, any attachment(s) and any and all copies thereof. Thank you.

APPENDIX 28

Victoria Gifford

From: Charles Chang <cchang@changadvocacy.com>
Sent: December 23, 2011 1:06 PM
To: Lou Brzezinski
Cc: Domenico Magisano; Grace J. Kim
Subject: Re: 1730237 Ontario Inc. ats. 2012241 Ontario Limited

Lou:

As I understand it, the Orangeville project is an on-going development – albeit possibly a temporarily delayed one – and, as such, I am not sure that my client would be agreeable to the requested undertaking; particularly if financing for the project is in process. Quite frankly, however, given that I first met with my clients yesterday evening, I have no idea.

I will forward your request on to my client and advise you of my instructions once I have them.

Yours very truly,

Charles C. Chang

Barrister

*Certified as a Specialist in Civil Litigation
 by the Law Society of Upper Canada*

CHANG ADVOCACY PROFESSIONAL CORPORATION

Suite 102, 4255 Sherwoodtowne Boulevard

Mississauga, Ontario L4Z 1Y5

Direct: 905.276.4122 Fax: 905.276.6432

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From: Lou Brzezinski <lbrzezinski@blaney.com>
Date: Fri, 23 Dec 2011 07:42:29 -0800
To: "Charles C. Chang" <cchang@changadvocacy.com>
Cc: Domenico Magisano <dmagisano@blaney.com>, 'Ira Smith' <ira@irasmithinc.com>, "Grace J. Kim" <GKim@blaney.com>
Subject: RE: 1730237 Ontario Inc. ats. 2012241 Ontario Limited

Hello Charles,

It was nice to speak to you yesterday.

The receiver is concerned that funds were transferred to 1730237 from 2012241 and that 1730237 has recently mortgaged the land in favour of what appears to related companies. Would you be able to provide an undertaking on behalf of 1730237 that it will not take any steps to transfer or encumber the property owned by it in Orangeville? That should provide the Receiver with some comfort and I would then be able to seek instructions.

Thanks

Lou

From: Charles Chang [mailto:cchang@changadvocacy.com]
Sent: December 22, 2011 6:01 PM
To: Lou Brzezinski
Subject: 1730237 Ontario Inc. ats. 2012241 Ontario Limited

Lou:

I am in the process of being retained by 1730237 Ontario Inc. ("173") and Jagdev Dhaliwal in respect of this matter.

I have been provided a copy of your letter to 173 dated December 19, 2011.

Once I have been retained and had a reasonable opportunity to review the matter with my clients, I will provide you with a response to your said letter.

I trust that the receiver shall not take any precipitous action in the interim.

Should you have any questions in respect of the above or would like to discuss same, please do not hesitate to contact me.

Yours very truly,

Charles C. Chang

Barrister

*Certified as a Specialist in Civil Litigation
by the Law Society of Upper Canada*

CHANG ADVOCACY PROFESSIONAL CORPORATION

Suite 102, 4255 Sherwoodtowne Boulevard

Mississauga, Ontario L4Z 1Y5

Direct: 905.276.4122 Fax: 905.276.6432

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APPENDIX 29

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

Properties

PIN 34018 -- 0003 LT
 Description PCL BLK 106-1 SEC 43M1120; BLK 106, PL 43M1120, EXCEPT PTS 1 & 2,
 43R21032 ; S/T LT1486454,LT1576532 ORANGEVILLE
 Address 50 ROLLING HILLS DRIVE
 ORANGEVILLE

Consideration

Consideration \$288,609.92

Claimant(s)

Name ENGLISH PRESTIGE CONTRACTING INC.
 Address for Service 8 Automatic Road
 Building B, Unit 2
 Brampton, ON L6S 5N4

I, PARM CHAHAL, am the agent of the lien claimant and have informed myself of the facts stated in the claim for lien and believe them to be true.

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

Statements

Name and Address of Owner 1730237 Ontario Inc., 470 Chrysler Drive, Unit 20, Brampton, Ontario Name and address of person to whom lien claimant supplied services or materials 1732037 Ontario Inc., 50 Rolling Hills Drive, Orangeville, Ontario Time within which services or materials were supplied from 2208/11/30 to 2009/07/20 Short description of services or materials that have been supplied Construction of commercial retail building Contract price or subcontract price \$1,655,000.00 Amount claimed as owing in respect of services or materials that have been supplied \$288,609.92

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

Signed By

Richard Douglas Arthur Prouse 50 Queen St. West acting for Signed 2009 07 28
 Brampton Applicant(s)
 L6X 4H3
 Tel 9054516610
 Fax 9054511549

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

Submitted By

PROUSE DASH & CROUCH LLP 50 Queen St. West 2009 07 28
 Brampton
 L6X 4H3
 Tel 9054516610
 Fax 9054511549

Fees/Taxes/Payment

Statutory Registration Fee \$60.00
 Total Paid \$60.00

File Number

Claimant Client File Number : 091127 (C. TONKS)

APPENDIX 30

000220

Properties

PIN 34018 -- 0003 LT
Description PCL BLK 106-1 SEC 43M1120; BLK 106, PL 43M1120, EXCEPT PTS 1 & 2, 43R21032 ; S/T LT1486454,LT1576532 ORANGEVILLE
Address 50 ROLLING HILLS DRIVE
ORANGEVILLE

Party From(s)

Name ENGLISH PRESTIGE CONTRACTING INC.
Address for Service c/o Prouse, Dash & Crouch, LLP
50 Queen Street West
Brampton, ON L6X 4H3

I, PARM CHAHAL, A.S.O., have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Statements

This document relates to registration no.(s)DC100790
Schedule: See Schedules

Signed By

Sandra Darlene Gill 50 Queen St. West acting for Party First 2009 09 11
Brampton From(s) Signed
L6X 4H3

Tel 9054516610
Fax 9054511549

Sandra Darlene Gill 50 Queen St. West acting for Party Last 2009 09 15
Brampton From(s) Signed
L6X 4H3

Tel 9054516610
Fax 9054511549

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

Submitted By

PROUSE DASH & CROUCH LLP 50 Queen St. West 2009 09 15
Brampton
L6X 4H3

Tel 9054516610
Fax 9054511549

Fees/Taxes/Payment

Statutory Registration Fee \$60.00
Total Paid \$60.00

File Number

Party From Client File Number : 091127

Court File No. 825/09

**ONTARIO
SUPERIOR COURT OF JUSTICE**

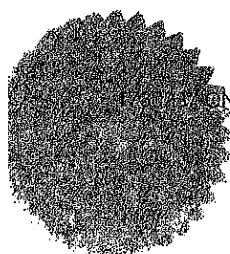
IN THE MATTER OF THE *CONSTRUCTION LIEN ACT*, R.S.O. 1990 c. C.30

BETWEEN:

ENGLISH PRESTIGE PROJECT MANAGEMENT INC.

Plaintiff

and



ONTARIO INC., CIARELLI & GARERI ENTERPRISES INC., DINO SPIRITO,
NICK CIARELLI, and ANNA MARIA CIARELLI

Defendants

CERTIFICATE OF ACTION

I CERTIFY that an action has been commenced in the Ontario Superior Court of Justice under the *Construction Lien Act*, R.S.O. 1990, as amended, between the above parties in respect of the premises described in Schedule "A" to this certificate, and relating to the claim for lien bearing the following registration number:

DC100790

Date: September 10, 2009

Local registrar

Address of
court office : 10 Louisa Street
Orangeville, Ontario

000222

- 2 -

CONSTRUCTION LIEN ACT

SCHEDULE A

Description of Premises:

LEGAL DESCRIPTION: PCL BLK 106-1 SEC 43M1120; BLK 106, PL 43M1120, EXCEPT
PTS 1 & 2, 43R21032; S/T LT1486454, LT1576532 ORANGEVILLE

Municipal Address: 50 Rolling Hills Drive, Orangeville, Ontario

PIN 34018-003 (LT)

ENGLISH PRESTIGE CONTRACTING INC.
Plaintiff

v.

1730237 ONARIO INC. et al.
Defendants

Court File No. 825/09

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT ORANGEVILLE

CERTIFICATE OF ACTION

PROUSE, DASH & CROUCH, LLP
Barristers and Solicitors
50 Queen Street West
Brampton, Ontario L6X 4H3

CHRIS TONKS (53159J)
Tel: 905-451-6610
Fax: 905-461-1549

Lawyers for the Plaintiff

000223

APPENDIX 31

Request ID: 013875847
 Transaction ID: 46478688
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2012/01/13
 Time Report Produced: 13:25:34
 Page: 1

000224

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2108152	ENGLISH PRESTIGE PROPERTY MANAGEMENT INC.	2006/07/14
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
8 BUILDING B AUTOMATIC ROAD	NOT APPLICABLE	NOT APPLICABLE
Suite # UNIT 2, BRAMPTON ONTARIO CANADA L6S 5N4	New Amal. Number	Notice Date
	NOT APPLICABLE	NOT APPLICABLE
Mailing Address		Letter Date
8 BUILDING B AUTOMATIC ROAD		NOT APPLICABLE
Suite # UNIT 2, BRAMPTON ONTARIO CANADA L6S 5N4	Revival Date	Continuation Date
	NOT APPLICABLE	NOT APPLICABLE
	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	NOT APPLICABLE
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors Minimum Maximum	Date Commenced In Ontario
	00001 00010	NOT APPLICABLE
Activity Classification		Date Ceased in Ontario
NOT AVAILABLE		NOT APPLICABLE

Request ID: 013875847
Transaction ID: 46478688
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2012/01/13
Time Report Produced: 13:25:34
Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2108152

ENGLISH PRESTIGE PROPERTY MANAGEMENT INC.

Corporate Name History

Effective Date

ENGLISH PRESTIGE PROPERTY MANAGEMENT INC.

2006/07/14

Current Business Name(s) Exist:

NO

Expired Business Name(s) Exist:

NO

Administrator:
Name (Individual / Corporation)

Address

PARMINDER
SINGH
CHAHAL

100 WESTMORE DRIVE

Suite # 12F
ETOBICOKE
ONTARIO
CANADA M9V 5C3

Date Began

First Director

2006/07/14

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 013875847
Transaction ID: 46478688
Category ID: UN/E

Province of Ontario
Ministry of Government Services

000226
Date Report Produced: 2012/01/13
Time Report Produced: 13:25:34
Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2108152

ENGLISH PRESTIGE PROPERTY MANAGEMENT INC.

Administrator:
Name (Individual / Corporation)

Address

PARMINDER
SINGH
CHAHAL

100 WESTMORE DRIVE

Suite # 12F
ETOBICOKE
ONTARIO
CANADA M9V 5C3

Date Began

First Director

2006/07/14

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

PRESIDENT

Y

Request ID: 013875847
Transaction ID: 46478688
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2012/01/13
Time Report Produced: 13:25:34
Page: 4

000227

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2108152

ENGLISH PRESTIGE PROPERTY MANAGEMENT INC.

Last Document Recorded

Act/Code Description

Form

Date

CIA ANNUAL RETURN 2007

1C

2008/07/19

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

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

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

APPENDIX 32

Request ID: 013875314
 Transaction ID: 46477275
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2012/01/13
 Time Report Produced: 12:17:15
 Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2181411	ENGLISH PRESTIGE CONTRACTING INC.	2008/08/08
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address		Date Amalgamated
8 AUTOMATIC ROAD		NOT APPLICABLE
Suite # B-2 BRAMPTON ONTARIO CANADA L6S 5N4		Amalgamation Ind.
		NOT APPLICABLE
Mailing Address		New Amal. Number
8 AUTOMATIC ROAD		NOT APPLICABLE
Suite # B-2 BRAMPTON ONTARIO CANADA L6S 5N4		Notice Date
		NOT APPLICABLE
		Letter Date
		NOT APPLICABLE
		Revival Date
		NOT APPLICABLE
		Continuation Date
		NOT APPLICABLE
		Transferred Out Date
		NOT APPLICABLE
		Cancel/Inactive Date
		NOT APPLICABLE
		EP Licence Eff.Date
		NOT APPLICABLE
		EP Licence Term.Date
		NOT APPLICABLE
	Number of Directors	Date Commenced
	Minimum Maximum	In Ontario
	00001 00010	NOT APPLICABLE
Activity Classification		Date Ceased
NOT AVAILABLE		In Ontario
		NOT APPLICABLE

Request ID: 013875314
Transaction ID: 46477275
Category ID: UN/E

Province of Ontario
Ministry of Government Services

000229
Date Report Produced: 2012/01/13
Time Report Produced: 12:17:15
Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2181411	ENGLISH PRESTIGE CONTRACTING INC.

Corporate Name History	Effective Date
ENGLISH PRESTIGE CONTRACTING INC.	2008/08/08

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)	Address
PARM SINGH CHAHAL	8 AUTOMATIC ROAD Suite # B-2 BRAMPTON ONTARIO CANADA L6S 5N4

Date Began	First Director	
2008/08/08	YES	
Designation	Officer Type	Resident Canadian
DIRECTOR		Y

Request ID: 013875314
Transaction ID: 46477275
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2012/01/13
Time Report Produced: 12:17:15
Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

2181411

Corporation Name

ENGLISH PRESTIGE CONTRACTING INC.

**Administrator:
Name (Individual / Corporation)**

PARM
CHAHAL

Address

8 AUTOMATIC ROAD
Suite # B-2
BRAMPTON
ONTARIO
CANADA L6S 5N4

Date Began

2008/08/08

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type

Resident Canadian

Y

000231

Request ID: 013875314
Transaction ID: 46477275
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2012/01/13
Time Report Produced: 12:17:15
Page: 4

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2181411

ENGLISH PRESTIGE CONTRACTING INC.

Last Document Recorded

Act/Code Description

Form

Date

CIA ANNUAL RETURN 2010

1C

2011/11/19 (ELECTRONIC FILING)

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

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

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

APPENDIX 33



Canada

Corporate Name Pre-Search Results

Proposed corporate name: HOMELIFE REALTY

- Compare the proposed corporate name you entered with the search results found below.
- If you have determined that your name is **unacceptable** and wish to change it, **select a new corporate name**.
- Otherwise, if no exact or confusingly similar name match is found, please **continue**.

- Exact or similar terms found for search: HOMELIFE REALTY
- Displaying **101-200** of exactly **374** name(s)

[Help](#)

Limitations of a NUANS Pre-Search:

- To be approved for a federal incorporation, your new proposed corporate name must not cause confusion with any existing name or Trade-mark.
- "No exact names found!" does not guarantee an approval of your name. You may wish to verify other names that are phonetically or visually similar to your proposed name.
- Corporations Canada is responsible to return the final decision concerning the company name.

Name	Jurisdiction & Number	Date	Additional Information
HOMELIFE GOLDEN TIME REALTY INC	ON-0000541821	1983Fe23	1998AI29 Bus_Corp CorpNmChg TORONTO
HOMELIFE GRANDVIEW REALTY INC	ON-0001494706	2001Oc04	Bus_Corp Active TORONTO
HOMELIFE GREEN TEAM REALTY INC	ON-0001732949	2008Ja24	Bus_Corp Active SUDBURY
HOMELIFE GUARANTEED REALTY	AB-0TN8479743	1999Se29	TradeName Active
HOMELIFE HABITAT REALTY	BC-0940167680	1994Se28	Pt_PrpsHp Active
HOMELIFE HALLMARK REALTY INC	ON-0001616662	2004Ma03	2006AI22 Bus_Corp Vol_Dsltn THORNHILL
HOMELIFE HALLMARK REALTY	AB-0TN7848021	1998Ma12	TradeName Active
HOMELIFE HAYES REALTY	NB-0000353387	2002Fe13	2008Mr03 Rgstrn_Act DslvdCncl MONCTON
HOMELIFE HAYES REALTY	NB-0000636933	2008Mr03	Rgstrn_Act Current MONCTON
HOMELIFE HEARTLAND REALTY LIMITED	ON-0000902281	1990Jn27	2006JI22 Bus_Corp Cncl_CT HANOVER
HOMELIFE HEARTS REALTY INC	ON-0001806842	2009Se18	Bus_Corp Active MISSISSAUGA
HOMELIFE HEARTS REALTY	ON-0190903849	2009Se04	2009Oc02 Sl_PrpsHp Cancelled BRAMPTON

000233

HOMELIFE HEARTS REALTY	ON-0190904490	2009Se04	AsmdBusNm Active BRAMPTON
HOMELIFE HERITAGE REALTY INC	ON-0002190294	2008No13	2009Mr20 Bus_Corp Vol_Dsltn WOODBIDGE
HOMELIFE HI-TECH REALTY INC	AB-0206134017	1994Jn02	2001Se20 Bus_Corp Historic FORT MCMURRAY
HOMELIFE HIGHER STANDARDS REALTY	AB-0TN6012413	1994Mr03	1997Se18 TradeName Dissolved
HOMELIFE HILLCREST REALTY INC	ON-0001683953	2005De30	2008Se25 Bus_Corp CorpNmChg RICHMOND HILL
HOMELIFE HOME PROFESSIONAL REALTY INC	MB-0004160380	2000Fe22	Shr_ND Active Real Estate Agent BRANDON
HOMELIFE HURONIA REALTY LTD	ON-0000796440	1988Oc14	2006Oc27 Bus_Corp CorpNmChg PERKINSFIELD
HOMELIFE HUSKY REALTY INC	ON-0000823439	1989Mr02	1992Al24 CorpNmChg
HOMELIFE IDEAL REALTY INC	ON-0001632833	2004Se27	2010Mr02 Bus_Corp CorpNmChg MISSISSAUGA
HOMELIFE INTEGRITY REALTY INC	ON-0002129858	2007Mr08	Bus_Corp Active ALLISTON
HOMELIFE INTERIOR REALTY	BC-0040386368	2004De13	Pt_PrpsHp Active
HOMELIFE JENSTAR REALTY	AB-0TN8217176	1999Mr09	TradeName Active
HOMELIFE K.I.S. REALTY INC	ON-0001295280	1998Jn11	2002Au29 Bus_Corp CorpNmChg CAMBRIDGE
HOMELIFE KAWARtha REALTY SERVICES LTD	ON-0000755083	1988Al06	1997Se12 Bus_Corp CorpNmChg LINDSAY
HOMELIFE KEY REALTY (1986) LTD	NB-0000009226	1980Ma28	2004No25 Cntd_Rvd DslvdCnd MONCTON
HOMELIFE KEY REALTY LTD	NB-0000036883	1986Mr12	1989Mr17 CrpBusAct Old_Name
HOMELIFE KINCADE REALTY LTD	NB-0000021804	1983Mr09	1989De31 Dmd_Cntd Amlgmt SAINT JOHN
HOMELIFE KINCADE REALTY	NB-0000322327	1989De31	2004Oc18 Rgstrn_Act DslvdCnd SAINT JOHN
HOMELIFE LAKELAND REALTY KELOWNA	BC-0940167801	1994Se30	Pt_PrpsHp Active
HOMELIFE LANDMARK REALTY INC	ON-0001620573	2004Jn04	2009Jn29 Bus_Corp Active MARKHAM
HOMELIFE LONDON REALTY INC	ON-0000710801	1987Al03	1992Jn27 Bus_Corp Active LONDON
HOMELIFE LOYALTY REALTY INC	ON-0000803441	1988No04	1989No03 CorpNmChg
HOMELIFE MACRO REALTY INC	ON-0001592929	2004Fe04	2004Ma17 Bus_Corp Active HAMILTON
HOMELIFE MAIN STREET REALTY INC	ON-0002187712	2008Oc16	Bus_Corp Active NEWMARKET

000234

HOMELIFE MAPLE LEAF REALTY LTD	ON-0002221445	2009Oc21	Bus_Corp Active BRAMPTON
HOMELIFE MARSH LAND REALTY	NB-0000336535	1995Jn05	2004Oc18 Rgstn_Act DslvdCncl SACKVILLE
HOMELIFE METRO REALTY INC	ON-0000955902	1991Se11	1992Jn27 Bus_Corp Active MARKHAM
HOMELIFE MIRACLE REALTY LTD	ON-0000628862	1985Jn19	1992Jn27 Bus_Corp Active ETOBICOKE
HOMELIFE MISSISSAUGA REALTY INC	ON-0000676285	1986Jl25	1987Ma12 CorpNmChg
HOMELIFE MONCTON REALTY	NB-0000312800	1986Mr25	2004Oc18 Rgstn_Act DslvdCncl MONCTON
HOMELIFE NEIGHBOURHOOD REALTY INC	ON-0002049224	2004Jn23	Bus_Corp Active CAMBRIDGE
HOMELIFE NEW HORIZONS REALTY	BC-0930146231	1993Jn29	Pt_PrpsHp Active
HOMELIFE NEW WORLD REALTY INC	ON-0000806780	1988No25	1994Mr31 Bus_Corp Active TORONTO
HOMELIFE NORTH REALTY INC	ON-0002093715	2006Fe09	Bus_Corp Active AURORA
HOMELIFE NORTHERN LIGHTS REALTY	AB-0TN6721948	1995Oc24	TradeName Active
HOMELIFE NORTHERN REALTY LTD	YT-0000021827	1987Mr27	1997No20 Corp Struck WHITEHORSE
HOMELIFE NU-KEY REALTY LTD	ON-0001267849	1998Fe19	2006Se20 Bus_Corp Active BARRIE
HOMELIFE OLYMPIA REALTY INC	ON-0001208958	1996No15	Bus_Corp Active TORONTO
HOMELIFE P.E.I. REALTY, INC	PE-0000011471	2000Jn22	Bus_Corp Active
HOMELIFE PARTNERS REALTY CORP	ON-0001258585	1997Oc02	2007Se06 Bus_Corp Active WOODBRIDGE
HOMELIFE PEMBROKE PETAWAWA DONNELLY REALTY INC	ON-0001228762	1997Mr21	1997Jn23 Bus_Corp CorpNmChg PEMBROKE
HOMELIFE PEOPLE FIRST REALTY	AB-0TN6106108	1994Ma06	TradeName Active
HOMELIFE PEOPLES CHOICE REALTY INC	ON-0000653068	1986Ja30	1990Fe08 CorpNmChg
HOMELIFE PERFORMANCE REALTY INC	ON-0001357441	1999Jn16	2003Fe07 Bus_Corp CorpNmChg CAMBRIDGE
HOMELIFE PETER SUKKAU REALTY INC	ON-0000703295	1987Mr05	1996De04 Bus_Corp CorpNmChg ST CATHARINES
HOMELIFE PINE-WEST REALTY INC	ON-0001272435	1997De17	2010Al09 Bus_Corp CorpNmChg WOODBRIDGE
HOMELIFE PIONEERS REALTY INC	ON-0001730388	2007Mr27	Bus_Corp Active OAKVILLE

000235

HOMELIFE POWER REALTY INC	ON-0002140110	2007Jn21	2008Ja10 Bus_Corp Active WATERLOO
HOMELIFE PRAIRIES REALTY INC	SK-0101112987	2007De19	2011Ja28 Bus_Corp Active Management of Companies and Enterpr REGINA
HOMELIFE PREFERENCE REALTY INC	ON-0000850107	1989Au22	2001Ma02 Bus_Corp CorpNmChg WINDSOR
HOMELIFE PREFERRED REALTY INC	ON-0001799812	2009Se01	Bus_Corp Active LAKEFIELD
HOMELIFE PREFERRED REALTY INC	AB-0208471565	1999Se23	2007Mr02 Bus_Corp Struck SPRUCE GROVE
HOMELIFE PREFERRED REALTY LTD	AB-0206232761	1994Au31	2003Fe02 Bus_Corp Struck EDMONTON
HOMELIFE PRESTIGE REALTY INC	ON-0002098887	2006Al04	2007Jn20 Bus_Corp CorpNmChg TORONTO
HOMELIFE PRESTIGE REALTY INC	ON-0002140639	2007Jn27	Bus_Corp Active TORONTO
HOMELIFE PRIME REALTY INC	ON-0000751047	1987De22	1988Fe11 CorpNmChg
HOMELIFE PRINCIPAL REALTY INC	ON-0000868484	1989No21	1990Ja11 CorpNmChg
HOMELIFE PRO REALTY INC	NB-0000045547	1989Au14	2003Au15 CrpBusAct Old_Name
HOMELIFE PROFESSIONALS REALTY INC	ON-0001374396	1999De23	Bus_Corp Active HAMILTON
HOMELIFE PROGRESSIVE REALTY INC	MB-0005427895	2007Fe09	Shr_ND Active Broker STEINBACH
HOMELIFE REALTY (CANADA) LTD	ON-0002232136	2010Ja28	Bus_Corp Active TORONTO
HOMELIFE REALTY (GUELPH) LIMITED	ON-0000848987	1989Se05	1992Jn27 Bus_Corp Active GUELPH
HOMELIFE REALTY (WINDSOR) LTD	ON-0000792725	1988Oc17	1994Se03 Bus_Corp CnclCPPSB ST. CLAIR BEACH
HOMELIFE REALTY 3000 LIMITED	ON-0000860170	1989Oc03	1995Ma20 Bus_Corp CnclCPPSB BELLEVILLE
HOMELIFE REALTY ADVISORS	AB-0TN8842387	2000Jn09	TradeName Active
HOMELIFE REALTY ALLIANCE INC	ON-0001693487	2006Mr24	2010Se11 Bus_Corp Cncl_CT VAUGHAN
HOMELIFE REALTY ASSOCIATES INC	ON-0000744807	1987No13	1988Fe12 CorpNmChg
HOMELIFE REALTY CENTRE CORP	ON-0001080270	1994Ma04	2008Se22 Bus_Corp CorpNmChg MISSISSAUGA
HOMELIFE REALTY CENTRE INC	ON-0000793169	1988Au31	1989Fe07 CorpNmChg
HOMELIFE REALTY CENTRE LTD	ON-0000275886	1973Se10	1992Ja20 CorpNmChg

000236

HOMELIFE REALTY CENTRE	AB-0TN4600177	1990Ma03	TradeName Active
HOMELIFE REALTY KINDERSLEY LTD	SK-0000314555	1994No07	2000Al28 Bus_Corp StruckOff KINDERSLEY
HOMELIFE REALTY OKANAGAN	BC-0060418465	2006Mr02	Pt_Prpsph Active
HOMELIFE REALTY PLUS CORP	ON-0001807048	2009Se24	Bus_Corp Active TORONTO
HOMELIFE REALTY PLUS LTD	ON-0001453622	2000De08	2007Mr10 Bus_Corp Cncl_CT TORONTO
HOMELIFE REALTY PROFESSIONALS INC	ON-0000710437	1987Mr27	1992Jn27 Bus_Corp Cncl_CT
HOMELIFE REALTY SERVICES (ALBERTA) INC	AB-0205511371	1993Ja07	2003Jl02 Bus_Corp Struck EDMONTON
HOMELIFE REALTY SERVICES ;	TM-600038	1985Mr28	TMA 408607 36, Real estate and mortgage brokerage servi CertnMark TM1985Mr28 1988Fe01 1993Fe26 HOMELIFE REALTY SERV
HOMELIFE REALTY SERVICES INC	ON-0000620049 CA	1985Mr28	1992Jn27 FD_Share Active WILLOWDALE
HOMELIFE REALTY SERVICES INC	CD-0001878883	1985Mr28	CBCA Active WOLLOWDALE
HOMELIFE REALTY SERVICES INC	AB-0213367253 CD	1985No12	1999Mr12 EP_Corp Active TORONTO
HOMELIFE REALTY SERVICES	PE-0000115257	1985Oc17	1993No15 SI_Prpsph Dissolved
HOMELIFE REALTY SERVICES, INC	PE-0000021924 ON	1985De05	EP Active
HOMELIFE REALTY SERVICES;	TM-540854	1985Al25	Abandoned 36, Real estate brokerage services. 2502 Prop.use 1985Al25 HOMELIFE REALTY SERV
HOMELIFE REALTY	TM-540852	1985Al25	Abandoned 36, Real estate brokerage services. 2502 Prop.use 1985Al25 HOMELIFE REALTY SERV
HOMELIFE REALTY	TM-600005	1985Mr28	TMA 359988 36, Real estate and mortgage brokerage servi CertnMark TM1985Mr28 1988Fe01 1989Se01 HOMELIFE REALTY SERV
HOMELIFE REALTY/A DIVISION OF CAMPBELL RIVER REALTY INC	BC-0900104456	1990Fa01	Pt_Prpsph Active
HOMELIFE REGAL REALTY INC	NB-0000512119	2000Jn19	2011Ma03 CrpBusAct. Old_Name

|<<< << 1 2 3 4 >>

Results Page Navigator

000237

Database Update Dates:

Alberta Business 2011-12-26 | Alberta Corporate 2011-12-26 | British Columbia Business 2011-12-28 |
British Columbia Corporate 2011-12-23 | Federal Corporate 2011-12-28 | Manitoba 2011-12-16 | New
Brunswick 2011-12-01 | Newfoundland and Labrador 2011-12-23 | Northwest Territories 2011-12-20 | Nova
Scotia 2011-12-28 | Nunavut Business 2011-12-28 | Nunavut Corporate 2011-12-28 | Office of the
Superintendent of Financial Institutions 2011-10-21 | Ontario Business 2011-12-24 | Ontario Corporate 2011-
12-24 | Prince Edward Island 2011-12-23 | Quebec N/A | Saskatchewan 2011-12-28 | Trade-marks 2011-12-
27 | Yukon 2011-12-02 | Proposed Names current to: 2011-12-28 14:53

Date Modified: 2011-05-06

000238



Canada

Corporate Name Pre-Search Results

Proposed corporate name: HOMELIFE REALTY INVESTMENTS

- Compare the proposed corporate name you entered with the search results found below.
- If you have determined that your name is **unacceptable** and wish to change it, **select a new corporate name**.
- Otherwise, if no exact or confusingly similar name match is found, please **continue**.

- Exact or similar terms found for search: HOMELIFE REALTY INVESTMENTS
- Displaying **1-1** of exactly **1** name(s)

[Help](#)

Limitations of a NUANS Pre-Search:

- To be approved for a federal incorporation, your new proposed corporate name must not cause confusion with any existing name or Trade-mark.
- "No exact names found!" does not guarantee an approval of your name. You may wish to verify other names that are phonetically or visually similar to your proposed name.
- Corporations Canada is responsible to return the final decision concerning the company name.

Name	Jurisdiction & Number	Date	Additional Information
HOMELIFE SABOURIN REALTY & INVESTMENTS LTD	AB-2011081193	2004Ma14	2010Oc29 Bus_Corp Active

1

Results Page Navigator

Database Update Dates:

Alberta Business 2011-12-26 | Alberta Corporate 2011-12-26 | British Columbia Business 2011-12-28 | British Columbia Corporate 2011-12-23 | Federal Corporate 2011-12-28 | Manitoba 2011-12-16 | New Brunswick 2011-12-01 | Newfoundland and Labrador 2011-12-23 | Northwest Territories 2011-12-20 | Nova Scotia 2011-12-28 | Nunavut Business 2011-12-28 | Nunavut Corporate 2011-12-28 | Office of the Superintendent of Financial Institutions 2011-10-21 | Ontario Business 2011-12-24 | Ontario Corporate 2011-12-24 | Prince Edward Island 2011-12-23 | Quebec N/A | Saskatchewan 2011-12-28 | Trade-marks 2011-12-27 | Yukon 2011-12-02 | Proposed Names current to: 2011-12-28 14:53

Date Modified: 2011-05-06

000239



Canada

Corporate Name Pre-Search Results

Proposed corporate name: HOME LIFE REALTY

- Compare the proposed corporate name you entered with the search results found below.
- If you have determined that your name is **unacceptable** and wish to change it, **select a new corporate name.**
- Otherwise, if no exact or confusingly similar name match is found, please **continue.**

- Exact or similar terms found for search: HOME LIFE REALTY
- Displaying **1-8** of exactly **8** name(s)

[Help](#)

Limitations of a NUANS Pre-Search:

- To be approved for a federal Incorporation, your new proposed corporate name must not cause confusion with any existing name or Trade-mark.
- "No exact names found!" does not guarantee an approval of your name. You may wish to verify other names that are phonetically or visually similar to your proposed name.
- Corporations Canada is responsible to return the final decision concerning the company name.

Name	Jurisdiction & Number	Date	Additional Information
HOME LIFE FORD REALTY LTD	ON-0000653595	1986Mr10	1993Oc25 Bus_Corp CorpNmChg LONDON
HOME LIFE PARTNERS REALTY INC	ON-0000888015	1990Mr20	1990Al05 CorpNmChg
HOME LIFE PINNACLE REALTY	AB-0TN4354809	1989Ja12	TradeName Active
HOME LIFE STAR REALTY	AB-0TN4532313	1989De20	TradeName Active
HOME LIFE/APPLE PARK REALTY INC	ON-0000646042	1985No27	1992Jn27 Bus_Corp Active BURLINGTON
HOME LIFE/GOLD TRADE REALTY LTD	ON-0000745681	1987No18	1988Jl13 CorpNmChg
HOME LIFE/REALTY PLUS INC	ON-0000828330	1989Ma16	1989Ma18 CorpNmChg
HOME LIFE/RIVER OAKS REALTY INC	ON-0000650756	1986Ja14	1994Au23 Bus_Corp CorpNmChg OAKVILLE

1

Results Page Navigator

Database Update Dates:

Alberta Business 2011-12-26 | Alberta Corporate 2011-12-26 | British Columbia Business 2011-12-28 | British Columbia Corporate 2011-12-23 | Federal Corporate 2011-12-28 | Manitoba 2011-12-16 | New

Brunswick 2011-12-01 | Newfoundland and Labrador 2011-12-23 | Northwest Territories 2011-12-20 | Nova Scotia 2011-12-28 | Nunavut Business 2011-12-28 | Nunavut Corporate 2011-12-28 | Office of the Superintendent of Financial Institutions 2011-10-21 | Ontario Business 2011-12-24 | Ontario Corporate 2011-12-24 | Prince Edward Island 2011-12-23 | Quebec N/A | Saskatchewan 2011-12-28 | Trade-marks 2011-12-27 | Yukon 2011-12-02 | Proposed Names current to: 2011-12-28 14:53

Date Modified: 2011-05-06

APPENDIX 34



HOMELIFE MIRACLE REALTY LTD. Brokerage

Independently Owned and Operated

5010 STEELES AVE WEST #11A,
TORONTO, ONTARIO
TEL: 416-747-9777 FAX: 416-747-7135

470 CHRYSLER DR, UNIT #20,
BRAMPTON, ONTARIO
TEL: 905-454-4000 FAX: 905-463-0811

Fax

To: Carlos

Company Name:

From: Head Office

Fax: 416-204-1200 Phone:

Total Pages (included cover sheet):

Date: Dec 2nd 08.

Re: Sunny Meadow Blvd

Purchase and Sale Agreement Waiver Amendment Other

Total commission \$1,051,210.99
Paid 28/01/09 \$420,000

If you did not receive all pages please call us.



Canada Trust

MISSISSAUGA CENTRE
20 MILVERTON DR
MISSISSAUGA, ON L5R 3G2

000242

Tel: 1-866-222-3456
TTY: 1-800-361-1180

TDCDA11100_6726105_007 E D 01275 00069

2012241 ONTARIO LIMITED
470 CHRYSLER DRIVE UNIT 20
BRAMPTON ON L6S 0C1



Statement of Account	
Branch No.	Account No.
1275	0646-5274038

Account Type
CURRENT ACCOUNT

Statement From - To
DEC 31/08 - JAN 30/09
Page 1 of 1

DESCRIPTION	CHEQUE/DEBIT	DEPOSIT/CREDIT	DATE	BALANCE
BALANCE FORWARD			DEC31	981.93
WEB BUSINESS FEE	✓ 10.00		JAN02	971.93
LN PROCEED 527403804		✓ 535,142.00	JAN08	
GC 2116-LOAN FEE	✓ 150.00		JAN08	535,963.93
CAD DRAFT 46831226	✓ 535,007.50		JAN14	
UPS CHARGES	✓ 17.90		JAN14	
DEPOSIT		✓ 508,187.53	JAN14	
GC 1185-TRANSFER	✓ 76,000.00		JAN14	453,126.06
LC/LG FEE 527403805	86.12		JAN19	453,039.94
D/L INT 527403804	✓ 8,831.78		JAN21	424,208.16
CAD DRAFT 46831506	✓ 420,007.50		JAN28	4,200.66
SERVICE CHARGE	4.15		JAN30	
ITEMS DEP FEE	✓ 0.18		JAN30	4,196.33
0 CHQS ENCLOSED. NEXT STATEMENT DATE IS FEB 27/09				
MONTHLY AVER. CR. BAL.		\$298,082.52		
MONTHLY MIN. BAL.		\$971.93		
DEP CONTENT- CASH 0	ITEMS 1	UNC BATCH 0		
			Credits	2
			Debits	10
				1043,329.53
				1040,115.13

THROUGH TD CANADA TRUST, YOU CAN SAVE 20% ON QUICKTAX, THE COMPLETE ONLINE TAX SOLUTION. YOU CAN EVEN CHOOSE THE QUICKTAX VERSION THAT BEST SUITS YOU. VISIT WWW.TDCANADATRUST.COM/QUICKTAX TO LEARN MORE.

Please ensure that you report in writing any errors or irregularities found within this statement within 30 days of the statement date. If you do not, the statement of account shall be conclusively deemed correct except for any amount credited to the account in error.

Accounts Issued by: THE TORONTO-DOMINION BANK

TDCDA11100_6726105_007 - 0100518
HRI - 00 - 1 - 1 - 3 - 000199



- Main Menu
- Travelers Cheques**
 - Inquiry/Update
 - Reports
 - Serial No. Correction
- Drafts**
 - Inquiry/Update
 - Draft Status/Copy Request
 - Draft Copy Inquiry/Update
 - Reports
 - Serial No. Correction
- Foreign Currency Cash**
 - Cash Holding Inquiry
- Administration**

Detail Information for Drafts

Serial No.: 46831506
 Form No.: 10358
 Currency: CAD
 Amount: 420,000.00
 Branch: 1185
 Payee Name: HOME LIFE REALTY INVESTMENTS INC.
 Logon ID: BUTTN4
 Supervisor ID:
 Inventory Status: Sold
 Last Activity Date: 2009/01/28
 Post Dated Date: 20090128
 Payment Option: CASH

[History](#)

TD 28/01/09

000244

DATE 0 1 2 8 2 0 0 9
M M D D Y Y Y Y

*****Four Hundred Twenty Thousand Seven and 50/100

**420,007.50

Home Life Realty Investments Inc.

MEMO partial pmt

Home Life Realty Investments Inc.

1/28/2009

comiss on sale of units of Sunny Meadow	400,000.00
	7.50
GST on purchases (Input Tax Credit)	20,000.00

TD - 0646-5274038 partial pmt

420,007.50

Home Life Realty Investments Inc.

1/28/2009

comiss on sale of units of Sunny Meadow	400,000.00
	7.50
GST on purchases (Input Tax Credit)	20,000.00

TD - 0646-5274038 partial pmt

420,007.50

000245

10358 (0207)

THE BACK OF THIS DOCUMENT CONTAINS A TD LOGO WATERMARK - DOCUMENT VOID IF MISSING

The Toronto-Dominion Bank

Springdale Square Shopping Centre
55 Mountbush Road
Brampton, ON L6R 1W3

46831506

DATE 2009-01-28
YYMMDD

Transit-Serial No. 185-46831506

Pay to the
Order of HOME LIFE REALTY INVESTMENTS INC.

\$****420,000.00

TORONTO
M5T 1A2

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

1 1 2009000000

Canadian Dollars

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

Authorized Officer

Countersigned

Number M2291

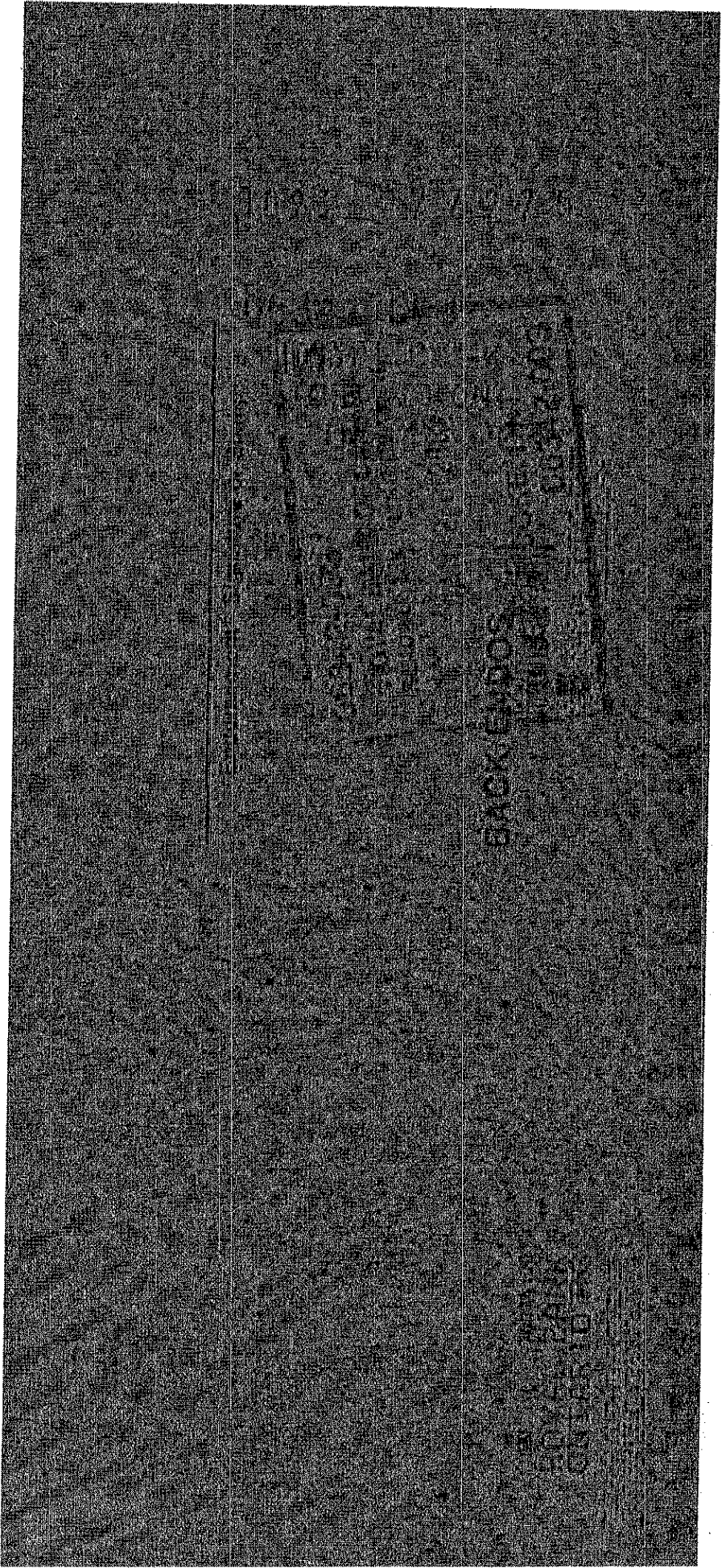
OUTSIDE CANADA NEGOTIABLE BY CORRESPONDENTS AT THEIR BUYING RATE FOR DEMAND DRAFTS ON CANADA

⑆46831506⑆ ⑆09012000⑆

⑆3808⑆

⑆0042000000⑆

000246



APPENDIX 35

**Blaney
McMurtry**
BARRISTERS & SOLICITORS LLP

000247



EXPECT THE BEST

December 15, 2011

VIA COURIER

HomeLife / Miracle Realty Ltd.
470 Chrysler Drive, Unit #20
Brampton, ON L6S 0C1

Attention: Ajay Shah, Broker of Record

and to

HomeLife / Miracle Realty Ltd.
5010 Steeles Avenue West
Rexdale, Ontario M9V 5C6

Attention: Ajay Shah, Broker of Record

and to

HomeLife / Miracle Realty Ltd.
22 Slan Avenue
Toronto, Ontario M1G 3B2

Attention: Ajay Shah, Broker of Record

Dear Mr. Shah,

**Re: Receivership of 2012241 Ontario Limited (the "Debtor")
Court File Number CV-11-9456-00CL**

We are counsel to Ira Smith Trustee & Receiver Inc. in its capacity as court appointed receiver of the Debtor (the "**Receiver**"). For your reference we attach a copy of the Court Order appointing the Receiver (the "**Appointment Order**"). You will note that paragraphs 4 and 5 of the Appointment Order require you to cooperate with the Receiver in its efforts related to the Debtor.

As you are aware, the Debtor has built a commercial condominium building at 50 Sunny Meadow Blvd, Brampton, Ontario (the "**Premises**"). In analyzing the Debtor's records it has come to our attention that your firm has been paid \$420,000.00 on account of commissions for the sale of condominium units at the Premises. As part of the Receiver's obligation to investigate the Debtor's business and affairs we require you to provide the following:

2 Queen Street East
Suite 1500
Toronto, Canada M5C 3G5
416.593.1221 TEL
416.593.5437 FAX
www.blaney.com

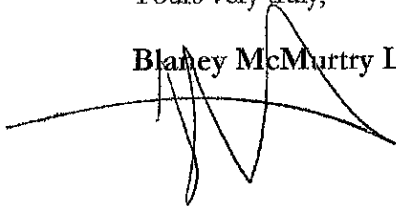
Domenico Magisano
416.593.2996
dmagisan@blaney.com

1. An accounting of all commissions paid by the Debtor to your firm (including amount received per unit and date on which payment was made);
2. Copies of all agency agreements, commission agreements or any other agreement relating to the Debtor retaining your brokerage as listing agent for the condominium units at the Premises; and
3. All information in your possession relating to the sale of any condominium units at the Premises, including, but not limited to, agreements of purchase and sale, extension agreements, closing documents and any correspondence related thereto.

We require this information by no later than the close of business on December 21, 2011. If we do not receive the information requested above by that time we will investigate all legal options available to the Receiver, including, but not limited to, obtaining a court order compelling production of the information requested and, if necessary, a contempt order. We are hopeful that this will not be necessary and that we can expect your full cooperation with the Receiver in its investigation of the Debtor's affairs.

Yours very truly,

Blaney McMurtry LLP

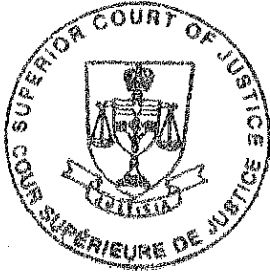


Domenico Magisano

DM/vg

Enclosure

cc: Ira Smith
Marty Wolfe
Lou Brzezinski



000249

Court File No. CV-11-9456-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE *md*) TUESDAY, THE 15TH
JUSTICE *Cr Andersen*) 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 APPLICATION made by the Applicant, *ex parte*, for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Ira Smith Trustee and Receiver Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 2012241 Ontario Limited (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Kenneth Malcolm sworn November 10, 2011 and the exhibits thereto, and the affidavit of Theresa Kellen sworn November 15, 2011 and the exhibits attached thereto and on hearing the submissions of counsel for Applicant and on reading the consent of Ira Smith Trustee and Receiver Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, and protect of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$150,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act, [or section 31 of the Ontario Mortgages Act, as the case may be,] shall not be required, and in each case the Ontario Bulk Sales Act shall not apply.

- (m) 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;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of

the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering,

interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

13. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the Wage Earner Protection Program Act.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the

Canadian Environmental Protection Act, the Ontario Environmental Protection Act, the Ontario Water Resources Act, or the Ontario Occupational Health and Safety Act and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

GENERAL

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

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

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

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

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

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

29. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than ^{TWO (2) days} ~~seven (7)~~ days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



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

NOV 15 2011

REGISTRAR 

Schedule "A"

RECEIVER CERTIFICATE

CERTIFICATE NO.

AMOUNT \$

1. THIS IS TO CERTIFY that Ira Smith Trustee and Receiver Inc., the receiver (the "Receiver") of the assets, undertakings and properties 2012241 Ontario Limited acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the _____ of MONTH, 20YR (the "Order") made in an action having Court file number -CL- _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [~~daily~~][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the Bankruptcy and Insolvency Act, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the day of MONTH, 20YR.

Ira Smith Trustee and Receiver Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

THE TORONTO-DOMINION BANK

and

2012241 ONTARIO LIMITED

Applicant

Respondent

Court File No. CV-11-9456-00CL

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

PROCEEDING COMMENCED AT TORONTO

ORDER

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
Suite 1800, Box 754
181 Bay Street
Toronto, ON M5J 2T9
Tel: (416) 863-1500
Fax: (416) 863-1515

Sanj Sood – LSUC No. 42137R

Lawyers for the Applicant

000265

APPENDIX 36

HOMELIFE MIRACLE REALTY LTD

Brokerage
Independently Owned and Operated.



5010 STEELES AVE WEST #11A,
TORONTO, ONTARIO
TEL: 416-747-9777 FAX: 416-747-7135

470 CHRYSLER DR, UNIT #20,
BRAMPTON, ONTARIO
TEL: 905-454-4000 FAX: 905-463-0811

22 SLAN AVE.,
SCARBOROUGH, ONTARIO
TEL: 416-289-3000 FAX: 416-289-3008

Fax

To: *Domenica Magisano*

Company Name:

From: *Ajay Shah*

Fax: *416-593-5437* Phone:

Total Pages (included cover sheet): Date: *December 23/2011*

Re: *court file number (CV-11-9456-00CL)*

- Purchase and Sale Agreement
 Waiver
 Amendment
 Other



December 23rd 2011

Blaney Mcmurtry
2 Queen Street East
Suite 1500
Toronto, Ontario
M5C 3G5

Attention: Domenico Magisano

Re: Receivership of 2012241 Ontario Limited (the "Debtor") Court File Number CV-11-9456-00CL

We acknowledge receipt of your letter dated December 15th 2011 and we would like to inform you that we have not received any payments in regards of 50 Sunny Meadow Blvd as stated in your letter.

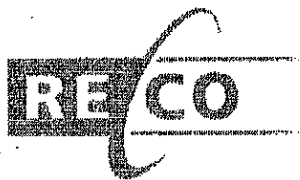
In addition we would like to state that the total commission we are anticipating is \$1,088,362.99.

Yours truly,

A handwritten signature in black ink, appearing to read 'Ajay Shah', is written over a horizontal line.

Ajay Shah
Broker of Record

APPENDIX 37



Registrant: JAGDEV SINGH DHALIWAL

Registrant: JAGDEV SINGH DHALIWAL

THIS REGISTRANT IS A Broker
Registration Registered
Registration Expiry 2012/05/30

Proposal Information
Suspension Information
Conditions

Charges
Convictions
Discipline Decision

Company Name HOMELIFE MIRACLE REALTY LTD.

Business Address 5010 Steeles Avenue West
 Rexdale, ON
 M9V 5C6
 CANADA

Business Phone 416-747-9777
Business Fax 416-747-7135

APPENDIX 38

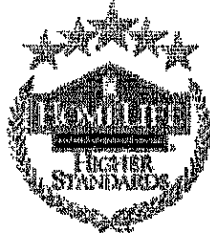
000269

OUR SERVICES LISTINGS BUYING SELLING CONTACT HOME



Ajay Shah
Broker of Record /
Owner

HomeLife/Miracle Realty
Ltd.



Head Office
Office

5010 Steeles Ave W., #11A
Toronto, On.,
M9V 5C6
Tel : 416-747-9777
3000
Fax : 416-747-7135
3008

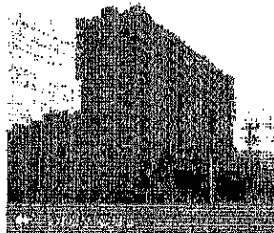
Brampton Office

470 Chrysler Dr. # 20,
Brampton, On.,
L6S 0C1
Tel : 905-454-4000
Fax : 905-463-0811

Scarborou

22 Slan Av
Scarborou
M1G 3B.
Tel: 416-28
Fax : 416-2

Higher Standards...Higher Results!



- FIND AN AGENT
- PERSONAL INFORMATION
- SEARCH FOR PROPERTY
- BUYING HOME
- SELLING HOME
- INFORMATION CENTER
- IMPORTANT RESOURCES



Property Search

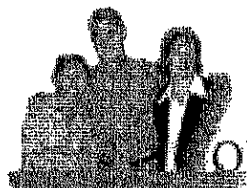
price from/to: any any

beds/baths: any any

property type: any

province: Ontario

city: choose



JOIN
OUR TEAM



REAL ESTA
CAREER INI

000270



If the time has come for You to "Find Your Dream Home", then we would love to help. New properties are listed every day. By filling out the form, we can have new Listings emailed to You as soon as they become available.

more

The Equity in your home is like any c Investment - it needs to be monitore Homeowners should have their Equit once a year. Now might be the perfect time...

more

Did you know?

IS A HOME A GOOD INVESTMENT?

For those wanting a steady return on their money, houses can be a sure bet. When the baby boomers started madly buying houses

more

8 COMMON MISTAKES MOST HOME SELLERS MAKE

1. Failure to effectively market the property. Good marketing distinguishes your home from hundreds

more

RENTING VS. BI WHICH IS BETT

One thing is for s know that we nee our head.

more

7 HELPFUL TIPS THAT ENSURE YOUR LOAN PROCESS GOES SMOOTHLY

The loan and mortgage process is a stressful and sometimes frust

more

10 BEST REASONS TO MOVE

To make the best remodel or move decision, it is important to understand all the reasons that you have to remodel and all the reasons that you have to move. This article reviews common reasons to move.

more

SHOULD I BUY I AT THE TOP OF MARKET?

How will you kno house when you i you buy a house the one you owni

more

SELLING YOUR HOME WITH A REALTOR OR SELLING PRIVATELY

If you have decided that now is the time to sell your home, you might be thinking: Should I hire a Real Estate Agent or do it by m

more

CONDOMINIUM

How do I know if a Condominium is In Good Financial Condition? The financial security of the condominium corporation is an Imp

more

SECOND SUITES (apartments) I.E TORONTO?


Where are secon permitted in the (by-law permits se all single-detache detached home

more

000271


**BEFORE YOU START
RENOVATING YOUR
BASEMENT - STRUCTURAL
ISSUES AND SOIL
CONDITIONS**

Renovating a full height basement can add value and extra living space to your house. Even if you don't have a full basement or ar

 [more](#)


WHAT IS A CREDIT REPORT?

A Credit report is a history of how consistently you pay your financial obligations. A credit report is created when you first bor

 [more](#)

**THE IMPORTANT
BATHROOM & K
FANS**

Bathroom and kit an important part home's ventilation. They remove odor house, which imp

 [more](#)

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APPENDIX 39

Request ID: 013875487
Transaction ID: 46477712
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2012/01/13
Time Report Produced: 12:36:12
Page: 1

000272

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
1554867	THE CHAHAL WILSHIRE GROUP INC.	2002/12/20
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	CANC. BY C.T.	NOT AVAILABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
59 MARBLESEED CRES	NOT APPLICABLE	NOT APPLICABLE
BRAMPTON ONTARIO CANADA L6R 1E5	New Amal. Number	Notice Date
	NOT APPLICABLE	NOT APPLICABLE
Mailing Address		Letter Date
NOT AVAILABLE		NOT APPLICABLE
	Revival Date	Continuation Date
	NOT APPLICABLE	NOT AVAILABLE
	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	2008/12/22
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Date Commenced in Ontario	Date Ceased in Ontario
	NOT APPLICABLE	NOT APPLICABLE
Activity Classification	Number of Directors	
NOT AVAILABLE	Minimum Maximum	
	00001 00005	

Request ID: 013875487
Transaction ID: 46477712
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2012/01/13
Time Report Produced: 12:36:12
Page: 2

000273

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

1554867

THE CHAHAL WILSHIRE GROUP INC.

Corporate Name History

Effective Date

THE CHAHAL WILSHIRE GROUP INC.

2002/12/20

Current Business Name(s) Exist:

NO

Expired Business Name(s) Exist:

NO

**Administrator:
Name (Individual / Corporation)**

Address

HARJINDER
CHAHAL

59 MARBLESEED CRES

BRAMPTON
ONTARIO
CANADA L6R 1E5

Date Began

First Director

2002/12/20

YES

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 013875487
Transaction ID: 46477712
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2012/01/13
Time Report Produced: 12:36:12
Page: 3

000274

CORPORATION PROFILE REPORT

Ontario Corp Number

1554867

Corporation Name

THE CHAHAL WILSHIRE GROUP INC.

Last Document Recorded

Act/Code Description

Form

Date

BCAC CANCELLED REQUEST CT

241-4

2009/01/03

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

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

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

APPENDIX 40

Sunny Meadow Medical

Search this site

Navigation

[Documents](#)

[Contact Information](#)

Contact Information

Jagdev Dhaliwal 7420 Airport Road Unit 105 Mississauga, Ontario L4T 1E5 Cell: 416-432-0790 Fax: 905-672-0672	Ravi Chahal CEO 470 Chrysler Drive Unit 20. Brampton, Ontario L6S OC1 Cell: 416-823-6684 Email: ravi@chahalwilshire.com	Randy Tillekeratna Project Manager 470 Chrysler Drive Unit 20. Brampton, Ontario L6S OC1 Cell: 647 505 2576 Email: randy@chahalwilshire.com
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APPENDIX 41

ENVISION. EVALUATE. EXCEL.

January 18, 2012

Mr. Ira Smith
Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent
Suite 6
Concord, Ontario L4K 4K7

Via E-mail: ira@irasmithinc.com

Dear Mr. Smith,

Re: 2012241 Ontario Limited
50 Sunny Meadow Blvd., Brampton, ON
Property Consulting and Project Management Services

Further to our telephone conversations, we are pleased to provide you with our proposal for Property Consulting and Project Management Services in connection with the 50 Sunny Meadow Blvd. condominium project in Brampton, ON (the "Property").

The purpose of this letter is to record the terms and provisions of the engagement of Pelican Woodcliff Inc. ("PWI") by Ira Smith Trustee & Receiver Inc. solely in its capacity as Receiver of the assets, properties and undertaking of 2012241 Ontario Limited (the "Receiver"). PWI acknowledges that its retainer by the Receiver is in accordance with the terms of the Order of the Ontario Superior Court of Justice (Commercial List) dated November 15, 2011 (the "Appointment Order") and specifically, paragraph 3(d) of the Appointment Order.

Our proposal encompasses the following services:

1. Property Consulting (including disposition analysis).
2. Project Management.

SCOPE OF WORK

I. Property Consulting

Under Property Consulting, we will review the available information and advise you what construction or other work must be completed in order for the Receiver to be able to register the condominium corporation, in order to be in a position to complete sales of individual condominium units. In performing this work, we confirm your agreement that we may contact third parties we believe may have information we require to carry out our consulting work. In connection with any construction work we identify, we will also provide you with our estimate of the cost to complete such construction work.

As part of this phase of the mandate, we will also provide you with an analysis of the disposition options available and will provide you with our recommendations on the option we believe will be most effective and produce the best results.

II. Project Management

Construction Work

Once we have delivered our Report to you under Phase I of our work as outlined above, we are able to provide project management services based on our experience in condominium development projects. This will include overseeing the preparation of requests for proposal ("RFP") from various trades in order to obtain competitive quotes, advising you on the submissions received from the RFP's, assisting in the preparation of the necessary construction contracts with the various trades and supervising the construction work and confirming to you work that has been completed for payment by you.

FEES

Our fees will be based on the following hourly rates:

Principals	\$300.00 per hour
Associates/Senior Quantity Surveyors/Project Managers	\$180.00 per hour
Quantity Surveyors/Analysts	\$130.00 per hour

EXPENSES

The foregoing excludes HST and out of pocket expenses which will be billed in addition.

Our invoices will be submitted monthly and are payable within 30 days.

OTHER

PWI is being retained by the Receiver. The purpose of PWI's retainer is to assist the Receiver as described above.

This agreement and the terms of PWI's retainer, is subject to the Receiver obtaining the approval of the Ontario Superior Court of Justice (Commercial List) (the "Court") to such Agreement, and is subject to any subsequent Orders of the Court made which may alter or terminate this Agreement.

This Agreement is binding with effect from the date the Court approves the appointment of PWI. It shall remain in effect thereafter, subject to any further Order of the Court affecting this Agreement. The scope may be altered by the agreement of both parties, subject to Court approval.

PWI will perform the services set out herein as an independent contractor. Nothing contained herein shall be deemed to create any association, partnership, joint venture or

CONFIDENTIALITY

PWI recognizes the confidential nature of this assignment. PWI undertakes that its retainer, and all information obtained by PWI as a result of this retainer, will not be disclosed to third parties unless PWI has first obtained the prior consent of the Receiver to release specific information.

GOVERNING LAW

This Agreement shall be governed by and construed in accordance to the law of the Province of Ontario and the federal laws of Canada applicable therein and each of the parties hereto agrees irrevocably to conform to the exclusive jurisdiction of the Court.

TRANSMISSION BY FACSIMILE AND EMAIL

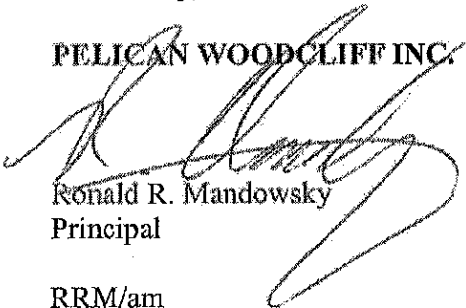
The parties hereto agree that this Agreement, and any other notices to be given under this Agreement, may be transmitted by Facsimile or Email or such similar device and that the reproduction of signatures by facsimile or as contained in Email or such similar device will be treated as binding as if originals and each party hereto undertakes to provide each and every other party hereto with a copy of the Agreement bearing original signatures forthwith upon demand.

We look forward to working with you on this project.

If you are in agreement with this proposal, please sign below and return to this office.

Yours truly,

PELICAN WOODCLIFF INC.


Ronald R. Mandowsky
Principal

RRM/am

WE ACCEPT THE TERMS OF THIS PROPOSAL

**IRA SMITH TRUSTEE & RECEIVER INC.,
SOLELY IN ITS CAPACITY AS COURT APPOINTED
RECEIVER OF 2012241 ONTARIO LIMITED**

Per: 

President

APPENDIX 42

NACORA

Insurance Brokers Ltd.

March 09, 2011

2012241 Ontario Limited
c/o English Prestige Property
8 Automatic road, Unit #2
Brampton, Ontario L6A 5N4

Re: Composite Mercantile Policy: 501277002
Insurance Company: Intact Insurance
Policy Term: February 15, 2011 to February 15, 2012

Dear Mr. Parm Chahal,

We take pleasure in enclosing the above captioned new policy effective February 15, 2011. Your policy is on direct monthly payments with the insurer and the payment schedule is \$703.13 starting from Mar 30, 2011 to Jan 30, 2012. We thank you for continuing to use Nacora Insurance brokers.

Your policy continues to provide the following coverages:

Coverage is on an Broad Form, Replacement Cost basis except Stock, which is on an Actual Cash value basis. The policy contains a 90% Co-Insurance Clause.

Location: 50 Sunnymeadow Boulevard, Brampton, ON L6R 1X5

Coverages	Limit	Deductible
Building:	\$13,000,000	\$1,000
Earthquake:	Included	3% or \$50,000 Which ever is greater
Flood:	Included	\$25,000
Sewer back up:	Included	\$2,500
Equipment Breakdown Rider	\$13,000,000	\$1,000
Crime	\$5,000	
Commercial General Liability:	\$5,000,000	\$1,000
Aggregate:	\$5,000,000	
Tenants Legal Liability:	\$500,000	\$1,000
Non Owned Liability:	\$5,000,000	

NACORA

000281

Please read your policy carefully to ensure that the protection provided is correct. Your policy supersedes any of the coverage's and limits listed above. Kindly pay particular attention to the exclusions and limitations of cover. Please note any warranties present in the policy must strictly be complied with, as failure to do so could invalidate your policy.

In particular we would like to draw you attention to some of the following special conditions:

- Data Exclusion
- Fungi & Fungal Derivatives Exclusion
- Terrorism Exclusion
- Total Asbestos Exclusion

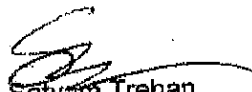
If there are any discrepancies or should you have any questions, please do not hesitate to call us for assistance.

Care should be taken to ensure that the values of property insured and receipts are correct. The Property limits should reflect current replacement values. Please note that your policy contains a Co-Insurance Clause, which in the event of a loss may limit the amount payable. (Kindly read the explanation below).

In addition kindly ensure that the Limits of Liability are adequate and up to date. If you have expanded your business and/or branched out into new locations, kindly advise us immediately so that we can amend your Insurance policy to provide you with the necessary coverages. **If you have signed a lease or entered into a contract/agreement, kindly provide us with a copy so that we can verify that the Insurance policy is providing your business with the appropriate coverages.**

We trust you will find the enclosure to be in order, we thank you and remain

Yours truly,
Nacora Insurance Brokers Ltd.


Satyam Trehan
Account Manager
/sd

APPENDIX 43

000282

NACORA

International Insurance Brokers

Binder of Insurance

INSURER: Certain Underwriters at Lloyd's London as represented by Southwestern Insurance Group

POLICY PERIOD: January 22, 2012 to January 22, 2013 12:01 A.M. Standard Time

Insured:	2012241 Ontario Limited <i>and</i> <i>15</i> 2012241 Ira Smith Trustee & Receiver Inc. 167 Applewood Cres., Suite #6 Concord, ON L4K 4K7
Risk Location:	50 Sunnymeadow Blvd. Brampton, Ontario L6R 1X5
Period:	From: 12 months tba <i>JANUARY 22, 2012</i> <i>15</i> To: <i>JANUARY 22, 2013</i> <i>15</i> Both dates at 12:01 a.m. Local Standard Time at the mailing address of the Insured
Wording:	Property Commercial Building, Equipment and Stock Broad Form IBC 4037-02-4-1998 Liability Commercial General Liability Form L1a
Amount of Insurance:	Property Building CAD \$13,000,000 any one occurrence Liability Products - Completed Operations Aggregate: CAD \$5,000,000 Each Occurrence Limit: CAD \$5,000,000 General Aggregate: CAD \$5,000,000 Bodily Injury and Property Damage: CAD \$5,000,000 Personal and Advertising Injury Limit: CAD \$5,000,000 Medical Payments: CAD \$25,000 Tenants Legal Liability: CAD \$500,000 Any one premises Non-owned Automobile: CAD \$5,000,000 per occurrence

Nacora Insurance Brokers Ltd.

286 Attwell Drive,
 Unit #15,
 Toronto, ON M9W 5B2

Tel: (416) 562-2216
 Fax: (416) 213-8826

www.nacora.com

<p>Deductible:</p>	<p>Property Earthquake 5% of total insured values at each location from any one occurrence for which indemnity is being claims (each building is a separate location). A minimum deductible of CAD \$100,000 any one occurrence applies regardless of the number of buildings or locations involved. Flood CAD \$25,000 any one occurrence Sewer Back-Up CAD \$10,000 any one occurrence All Other Losses CAD \$10,000 any one occurrence</p> <p>Liability CAD \$1,000 BI/PD each and every claim</p>	
<p>Premium:</p>	<p>Property CAD \$109,200 (calculated at 0.07% per month on Total Insured Value)</p> <p>Liability CAD \$2,500</p> <p>Policy Fee CAD \$250</p> <p>Total CAD \$111,950 plus 8% PST</p>	
<p>Conditions:</p>	<p>LSW 1193a Statutory Condition NMA 2802 Electronic Data Recognition Exclusion (EDRE) NMA 2918 War and Terrorism Exclusion NMA 2915 Electronic Data Endorsement B NMA 2962 Biological or Chemical Material Exclusion 90% co-Insurance Microorganism Exclusion (Absolute) LMA 5018 Replacement Cost Endorsement E4005 IBC Standard Mortgage Clause EN-3000 / EN-3000 Q96 Contingent Liability from Enforcement of Building By-Laws; Blanket IBC 4045 Flood Endorsement E4043 Earthquake Endorsement E4039 Sewer Back Up Endorsement LSW 3001 --60 Day Premium Payment Condition Choice of Law and Jurisdiction 50% Minimum Retained Premium</p> <p>Limitation to Designated Premises Restriction SPF 6 Standard Non-owned Automobile Policy Endorsement SEF 99 Excluding Long Term Leased Vehicle Endorsement LSW 3001 - 60 days</p>	

000284

NACORA

International Insurance Brokers

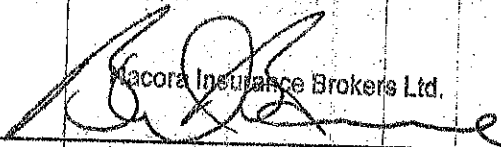
Warranties:

- Warranted vacant units locked and secured against unauthorised entry.
- Warranted vacant units checked a minimum of once every 72 hours by the Insured or an agent thereof.
- Warranted tenants carry minimum \$2,000,000 General Liability coverage.

Duty of Disclosure

Material changes to be notified to underwriters prior to attachment and there remains a continuing duty to advise underwriters of any changes during the period of the policy.

IMMEDIATE ADVICE MUST BE GIVEN OF ANY DISCREPANCIES, INACCURACIES OR NECESSARY CHANGES TO THIS BINDER.



Nacora Insurance Brokers Ltd.

Authorized Representative

January 20, 2012

Date

APPENDIX 44

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE TORONTO-DOMINION BANK

Applicant

- and -

2012241 ONTARIO LIMITED

Respondent

**AFFIDAVIT OF IRA SMITH
(Sworn January 24, 2012)**

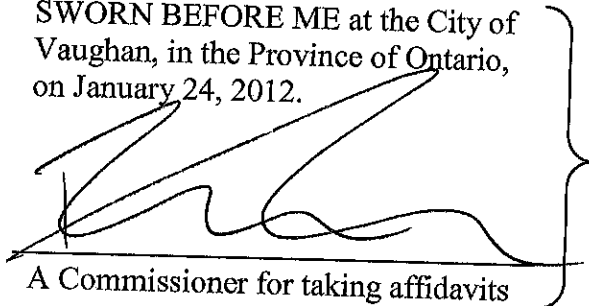
I, Ira Smith, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the President of Ira Smith Trustee & Receiver Inc. ("ISI"), the court-appointed receiver (the "**Receiver**") of 2012241 Ontario Limited (the "**Debtor**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. ISI was appointed Receiver of all of the assets, properties and undertakings of the Debtor pursuant to an Order of the Ontario Superior Court of Justice dated November 15th, 2011 (the "**Receivership Order**").
3. Pursuant to paragraph 18 of the Receivership Order, the Receiver and its legal counsel are required to pass their accounts from time to time.

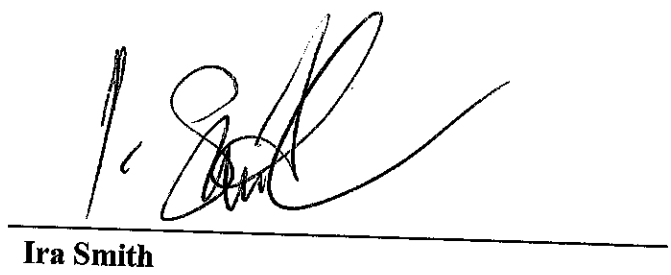
4. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a summary of the fees charged and accounts rendered by the Receiver in respect of the proceedings (the "**Accounts Summary**") for the period from October 6, 2011 to December 31, 2011 (the "**Time Period**"). A copy of the invoice rendered by the Receiver and referenced in the Accounts Summary is attached to this my Affidavit as **Exhibit "B"**.
5. The Receiver has filed its Second Report with this Honourable Court, which outlines, among other things, the Receiver's overall actions and activities since November 15, 2011, other than for the Receiver's activities for the period from October 6 to October 14, 2011, when ISI was communicating with the Respondent, at the request of the Applicant, to obtain information as to the financial position of the Respondent for the Applicant to consider what support the Respondent may require in connection with the Condominium Complex which is the main asset in these receivership proceedings.
6. A total of 420.7 hours were expended by the Receiver in connection with this matter during the Time Period, giving rise to fees totaling \$140,997.50 (excluding HST) for an average hourly rate of \$335.15 and allocated approximately as outlined in the Accounts Summary.
7. To the best of my knowledge, the rates charged by the Receiver throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Greater Toronto Area for the provision of similar services.
8. The hourly billing rates outlined on the Accounts Summary are the normal hourly rates charged by the Receiver for services rendered in relation to similar proceedings.
9. I verily believe that the Receiver's accounts are fair and reasonable in the circumstances.
10. Attached as Exhibit "A" to the Affidavit of Grace Kim sworn January 24, 2012 and filed in support of the within motion are copies of the accounts rendered by Blaney McMurtry LLP ("**Blaneys**"), counsel to the Receiver, for the period from November 16 to December 31, 2011.
11. Blaneys has rendered services throughout these proceedings consistent with instructions from the Receiver, the Receiver has approved all such accounts and I verily believe that the fees and disbursements of Blaneys are fair and reasonable in the circumstances.

12. The said Affidavit is sworn in connection with the Receiver's motion to have, among other things, its fees and disbursements approved by this Honourable Court and for no improper purpose.

SWORN BEFORE ME at the City of
Vaughan, in the Province of Ontario,
on January 24, 2012.



A Commissioner for taking affidavits



Ira Smith

**Brandon Smith, a Commissioner,
etc., Province of Ontario, for Ira
Smith Trustee & Receiver Inc.,
Trustee in Bankruptcy. Expires
May 2, 2014.**

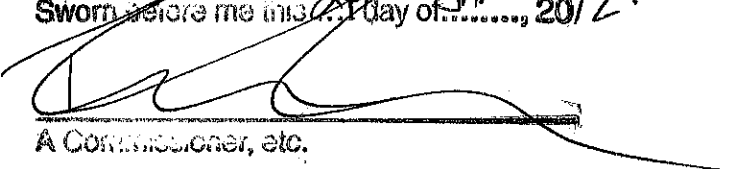
EXHIBIT "A"

**IRA SMITH TRUSTEE & RECEIVER INC.
INTERIM RECEIVER AND RECEIVER OF
2012241 ONTARIO LIMITED**

October 6, 2011 – December 31, 2011

Staff Member	Title	Total Hours	Hourly Rate (\$CDN)	Amount Billed (\$CDN)
Ira Smith MBA, CA•CIRP, Trustee	President	52.9	425.00	22,482.50
Brandon Smith BA	Senior Vice- President	73.3	350.00	25,655.00
Martin Wolfe CA	Senior Consultant	108.4	325.00	35,230.00
S. Sugar CA	Senior Consultant	169.8	325.00	55,185.00
Cheryl Deshane	Associate	<u>16.3</u>	150.00	<u>2,445.00</u>
Total		<u>420.7</u>	Average hourly rate of \$335.15	140,997.50
Disbursements				1,035.76
Net Fees and Disbursements (excluding HST)				<u>142,033.26</u>

This Exhibit ^{14A} referred to in the
Affidavit of IRA SMITH
Sworn before me this 21st day of JANUARY, 2012.


A Commissioner, etc.

**Brandon Smith, a Commissioner,
etc., Province of Ontario, for Ira
Smith Trustee & Receiver Inc.,
Trustee in Bankruptcy. Expires
May 2, 2014.**

This Exhibit ^{1 B4} referred to in the
 Affidavit of ^{IRA SMITH}
 Sworn before me this ^{20th} day of ^{January}, 20¹².

000239



A Commissioner, etc.
Brandon Smith, a Commissioner,
etc., Province of Ontario, for Ira
Smith Trustee & Receiver Inc.,
Trustee in Bankruptcy, Expires
May 2, 2014.

167 Applewood Cres. Suite 6, Concord, ON L4K 4K7
 Phone: 905.738.4167
 Fax: 905.738.9848
 irasmithinc.com

R-Sunny Meadow

January 12, 2012

GST/HST # 86236 5699

**IN THE MATTER OF THE RECEIVERSHIP OF
 2012241 Ontario Limited**

For professional services rendered for the period from October 6, 2011 to December 31, 2011 inclusive, in acting as Receiver of 2012241 Ontario Limited in accordance with the Order of the Ontario Superior Court of Justice (Commercial List) dated November 15, 2011 as follows (detail attached):

<u>Staff</u>	<u>Hourly rate</u>	<u>Hours</u>
I. Smith, President and Trustee	\$425	52.9
B. Smith, BA, Senior Vice-President	\$350	73.3
M. Wolfe, CA, Senior Consultant	\$325	108.4
S. Sugar, CA, Senior Consultant	\$325	169.8
C. Deshané, Associate	\$150	16.3
		<u>420.7</u>

\$ 140,997.50

Disbursements:

Fax	\$ 47.25
Postage	67.53
Printing	37.50
Parking/Mileage/Travel	445.84
Searches	36.00
Equipment	87.64
Courier	<u>314.00</u>

1,035.76
 \$ 142,033.26
 HST 18,464.32
\$ 160,497.58

Account Due When Rendered

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet

Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontrario Limited	06/10/2011	Stanley Sugar	0.2 MONITOR - meeting w Ira S & Marty W overview re TD Bank loan	65.00
		06/10/2011	Martin Wolfe	0.2 MONITOR-meeting with I Smith & S Sugar re TD Bank Loan	65.00
		07/10/2011	Martin Wolfe	0.5 MONITOR - conference call with TD Bank	175.00
		10/10/2011	Martin Wolfe	1.4 Monitor Meet with K Malcolm @ FRG office, travel	490.00
		10/10/2011	Martin Wolfe	3.8 MONITOR Review materials provided by TD	1,330.00
		10/10/2011	Stanley Sugar	2.2 MONITOR - review TD memo of Sept 22, 2011	715.00
		11/10/2011	Martin Wolfe	0.4 MONITOR meet with S Sugar	140.00
		11/10/2011	Stanley Sugar	0.6 MONITOR - meeting w Marty W issues & correspondence related to engagement letter	195.00
		12/10/2011	Stanley Sugar	2.2 MONITOR - meeting w Marty W, review of TD file of documents	715.00
		14/10/2011	Cheryl Deshane	0.1 Label and courier for M. Wolfe	15.00
		14/10/2011	Martin Wolfe	4.5 numerous phone calls, emails and document review	1,575.00
		14/10/2011	Stanley Sugar	3.1 MONITOR - meeting with Marty W - review and test APS, memo to file	1,007.50
		15/10/2011	Martin Wolfe	3.5 Monitor-Travel & meet with Chahal & Daiwal	1,225.00
		15/10/2011	Martin Wolfe	0.4 Report to K Malcolm result of meeting	140.00
		15/11/2011	Brandon Smith	2.0 travel to from and attend at Chrysler Drive & 50 Sunny meadow fro taking possession	700.00
		15/11/2011	Ira Smith	3.2 Emails and telcons w. S. Sood, engagement letter w. TD, nrw of Court Order, travel to and attendance at premises for taking possession and review of records on the premises	1,360.00
		15/11/2011	Martin Wolfe	2.0 travel to Sunny Meadow to take possession	650.00
		16/11/2011	Ira Smith	0.2 Telcon w. R. English re activities since the issuance of the Order	85.00
		16/11/2011	Ira Smith	0.2 Telcons w. DUCA manager re demand on DUCA	85.00
		16/11/2011	Ira Smith	2.8 Demand letters to lawyer, DUCA and principals and issuance of same	1,190.00
		16/11/2011	Ira Smith	0.4 Emails and telcon w. D. Magisano re issues	170.00

Ira Smith Trustee & Receiver Inc.
 Detail Time Sheet
 Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontario Limited	16/11/2011	Stanley Sugar	6.7 review of company transaction files, preparation of schedule	2,177.50
		17/11/2011	Brandon Smith	3.3 travel to from and attend at premises to view building in daylight, take pictures, examine site; attend at local police and fire and advise of appt	1,155.00
		17/11/2011	Ira Smith	1.9 Attendance at DUCA for bank statements and bank draft info, various emails w. legal counsel, telcon w. D. Magisano and K. Malcolm	807.50
		17/11/2011	Stanley Sugar	5.8 further preparation of schedule	1,885.00
		18/11/2011	Brandon Smith	0.4 discussion w. Ira/Martin/Stan re activities yesterday; MTO searches	140.00
		18/11/2011	Cheryl Deshane	0.9 Bank review and email/disc. same	135.00
		18/11/2011	Ira Smith	0.3 Telcon w. R. English re current status and need for call with Applicant on Monday	127.50
		18/11/2011	Ira Smith	0.1 Instrs to C. Deshane re bank statement review	42.50
		18/11/2011	Ira Smith	0.6 Telcon w. D. Magisano and S. Wolfson re various issues including security opinion and registering Order on title	255.00
		18/11/2011	Ira Smith	0.2 Telcon w. K. Malcolm re current status and need for call on Monday to discuss issues	85.00
		18/11/2011	Stanley Sugar	6.9 meeting & review w B. Smith, update to schedule re lawyers trust account information, meeting w I & B Smith & Marty W	2,242.50
		21/11/2011	Brandon Smith	1.0 reconcile original drawings with as built	350.00
		21/11/2011	Cheryl Deshane	0.1 Arranging courier	15.00
		21/11/2011	Ira Smith	0.6 Conf call with Applicant and legal counsel re current status, findings and steps to be taken re attendance in Court and receivership administration	255.00
		21/11/2011	Ira Smith	0.2 Telcon after conf call w. Dom Magisano and Brittany Tinslay re Court Report	85.00
		21/11/2011	Ira Smith	0.4 Prep and emailing letter to Property Manager	170.00

Ira Smith Trustee & Receiver Inc.
 Detail Time Sheet
 Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours	Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontrario Limited	21/11/2011	Ira Smith	0.6	Telcon w. D. Magisano re his discussion w. G. Kerr, email from Sikder, telcon w. Dom Magisano re email, rvw of Dom's email re his discussion with G. Kerr	255.00
		21/11/2011	Stanley Sugar	6.8	preparation of schedules	2,210.00
		22/11/2011	Brandon Smith	0.7	discussions w/ S. Sugar, banking re cash in bank, open bank account	245.00
		22/11/2011	Ira Smith	0.4	Emails w. D. Magisano re current status, telcon w. K. Malcolm re principals contacting him and his advice to them they have to deal with Receiver, email of wire instrs re G. Kerr wiring of funds tomorrow	170.00
		22/11/2011	Stanley Sugar	3.7	revision to and completion of schedules	1,202.50
		23/11/2011	Brandon Smith	0.4	review comparisons of trust ledgers w/ s. sugar	140.00
		23/11/2011	Cheryl Deshane	3.2	Merge. Letter and label occupant lets, stuffing same	480.00
		23/11/2011	Ira Smith	4.2	Update First Report to Court, emails re various parties on notice, receipt of certain docs via email, emails w. legal counsel, letter finalization to occupants	1,785.00
		23/11/2011	Ira Smith	1.3	Occupant letters and enclosures issuance	552.50
		23/11/2011	Ira Smith	0.6	Conf call w. L. Brzenski, S. Wolfson, B. Tinslay and D. Magisano re First Report and new issues arising today	255.00
		23/11/2011	Stanley Sugar	4.0	further schedules and revision changes	1,300.00
		23/11/2011	Stanley Sugar	2.4	travel to and attendance at 50 Sunny Meadow, deliver of court order notice to occupants and bldg units	780.00
		24/11/2011	Brandon Smith	0.3	discussion w/ s. sugar re various versions of sikder trust ledger	105.00
		24/11/2011	Ira Smith	1.8	Rvw Motion materials, email to Blaney's re suggested amendments, emails w. A&B re Commercial List communication	765.00
		24/11/2011	Ira Smith	1.9	Finalization, signing and emailing of First Report to Court	807.50

Ira Smith Trustee & Receiver Inc.
 Detail Time Sheet
 Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours	Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontario Limited	24/11/2011	Stanley Sugar	4.7	new lawyer trust ledger schedule recd dated Nov 23rd , re revision of schedules & analysis thereof, meeting w I & B Smith Marty re new schedules and information	1,527.50
		25/11/2011	Brandon Smith	0.2	TC w/ pharmacist who wants to put in offer to buy; explain that no sales process but he should submit written offer and we will respond	70.00
		25/11/2011	Ira Smith	3.4	Travel to and from and attend in Court on Receiver's motion and First Report	1,445.00
		25/11/2011	Ira Smith	0.3	Voicemail from and email reply to Robin at DSK law firm re tenant being contacted by R. Chahal	127.50
		25/11/2011	Stanley Sugar	4.8	review of court report documents, further analysis of lawyer trust account statements	1,560.00
		28/11/2011	Cheryl Deshane	0.4	Occupants let, fax cover sheet and faxing same	60.00
		28/11/2011	Ira Smith	0.6	Telcons w. G. Gill re unit 211, directions to C. Deshane re sending letter to Gill c/o of his lawyer, review and signing of letter	255.00
		28/11/2011	Martin Wolfe	2.8	Download all emails re construction sent by R Chahal and review contents	910.00
		28/11/2011	Stanley Sugar	2.8	cataloging of company box documents obtained	910.00
		29/11/2011	Brandon Smith	8.5	Travel to from and attend at premises for mtg w/ prop mgr; mtg in prop mgrs office; matter re elevator and fire alarm problems; corresp w/ current and putative PM's; matters re insurance	2,975.00
		29/11/2011	Cheryl Deshane	0.6	Cross checking Trust ledger with occupancy letters already sent, disc. with S. Sugar and I. Smith same	90.00
		29/11/2011	Cheryl Deshane	1.2	Preparing inventory schedule of documents rec'd from Ravi	180.00
		29/11/2011	Ira Smith	2.4	Telcons w. Blaney's, emails w. Blaney's and A&B, telcon w. K. Malcolm re current status, emails from R. Chahal re delivery of books and records, mtg w. B. Smith, M. Wolfe and S. Sugar re current issues and steps to be taken	1,020.00

Ira Smith Trustee & Receiver Inc.
 Detail Time Sheet
 Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours	Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontrario Limited					
		29/11/2011	Martin Wolfe	6.3	Attend @ Sunny Meadow with B Smith to meet with property manager and then meet at Property Manager's office	2,047.50
		29/11/2011	Stanley Sugar	4.3	emails rec'd, various meeting w Ira, Brandon & Marty, new trust ledger report prepared, analysis based on trust funds transferred Nov 28th to Blaney McMurtry	1,397.50
		30/11/2011	Brandon Smith	9.0	travel to from and attend at site for Mircom Security and Schindler Elevator; have locks changed to mech. spaces and secure u/g garage; mtg w/ several occupants; calls to confirm status of items in bldg	3,150.00
		30/11/2011	Cheryl Deshane	2.0	Purchaser letters/printing orders/labels and arranging courier for each one	300.00
		30/11/2011	Cheryl Deshane	1.1	Reviewing of records provided by Sunny Meadow - noting issues same	165.00
		30/11/2011	Ira Smith	0.3	Telcon w. J. Dhaliwal and email to legal counsel	127.50
		30/11/2011	Ira Smith	0.4	Rvw and signing of additional letters to purchasers learned of from the Sikder list yesterday putting them on notice re receivership and future payments	170.00
		30/11/2011	Ira Smith	0.6	Discs w. S. Sugar, M. Wolfe and C. Deshane re file issues they are dealing with respectively	255.00
		30/11/2011	Ira Smith	0.4	Telcon w. R. English re documentation status, email to 201 accountant	170.00
		30/11/2011	Ira Smith	0.2	Telcon w. T. Lengua of Enercare - hydro supplier	85.00
		30/11/2011	Ira Smith	0.4	Discussion w. B. Smith re site issues from his visit today and observations re security and safety	170.00
		30/11/2011	Ira Smith	0.2	Telcon w. D. Magisano re current status and proposed Dhaliwal meeting tomorrow	85.00
		30/11/2011	Ira Smith	0.4	Rvw and changes to Stan Sugar memo re Agr's and Sikder trust account statements and issue same to Blaney's	170.00

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 06/10/2011 to 31/12/2011

Keyname	Date	Employee	Hours	Remark	Amount
Sunny Meadow					
				Full Estate Name	
				In the Matter of the Receivership of 2012241 Ontrario Limited	
				Hours Remark	
	30/11/2011	Martin Wolfe	6.1	tele calls & emails Jason Alphonso, Mike Commons Pat Ghurnian, Davinder Singh, Nacora Ins, Ken Malcolm obtaining info on Project	1,982.50
	30/11/2011	Martin Wolfe	0.7	review documents delivered by Sunny Meadows	227.50
	30/11/2011	Martin Wolfe	0.6	discussions and email with Y Hendler to provide management services at SunnyMeadow	195.00
	30/11/2011	Stanley Sugar	4.6	memo to Blaneys & associates, revision to schedule provided, meetings w Ira S & Marty W	1,495.00
	01/12/2011	Ira Smith	1.1	meeting w. J. Dhaliwal and M. Wolfe	467.50
	01/12/2011	Ira Smith	0.6	memo to file re meeting w J. Dhaliwal and M. Wolfe and email to legal counsel	255.00
	01/12/2011	Brandon Smith	0.5	BANKING RE RENT/TMI	175.00
	01/12/2011	Brandon Smith	1.0	CORRESP W/ SUPPLIERS/ CREDITORS/AFFECTED PTYS	350.00
	01/12/2011	Martin Wolfe	1.1	meeting w J Dhaliwal and I Smith	357.50
	01/12/2011	Martin Wolfe	4.8	downloading emails provided by R Chahal re project	1,560.00
	01/12/2011	Stanley Sugar	5.7	emails recd, meetings w Ira S & Marty W, box listing catalogue schedule preparation , trust deposit discrepancy issue analysis	1,852.50
	02/12/2011	Ira Smith	1.4	Mtg w. trades to talk regarding fire and general safety audit and camera surveillance security	595.00
	02/12/2011	Brandon Smith	1.4	meetings with security/life safety consultants	490.00
	02/12/2011	Brandon Smith	0.4	emails re insurance	140.00
	02/12/2011	Brandon Smith	0.1	matters re 2nd round change locks, prmt of locksmith's bills	35.00
	02/12/2011	Brandon Smith	0.2	disc. w/ M. Wolfe, plan for Sunday's mtg w. putative prop mgr	70.00
	02/12/2011	Martin Wolfe	0.2	disc with B Smith re Sunday mtg with prop mgr.	65.00
	02/12/2011	Martin Wolfe	1.7	emails with accountant Bateman to obtain records and travel to Bateman office	552.50
	02/12/2011	Martin Wolfe	4.0	complete downloading of Chahal emails	1,300.00
	02/12/2011	Martin Wolfe	0.6	download QuickBooks file and assess completeness of records	195.00

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours	Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontarrio Limited	02/12/2011	Stanley Sugar	4.7	catalogue box listing schedule, document search, telcon w B. Tinslay Blaneys, email & memo documents to Blaneys meeting w Marty W	1,527.50
		04/12/2011	Brandon Smith	2.2	travel to from and attend at mtg w/ M. Wolfe and Y. Hendler	770.00
		04/12/2011	Martin Wolfe	2.5	travel to from & meet with Y Hendler & B Smith	812.50
		05/12/2011	Brandon Smith	0.4	discussions w/ M. Wolfe & S. Sugar re revws and ongoing ops; make arrangements to meet tradeson site tomorrow	140.00
		05/12/2011	Ira Smith	0.3	Telcon w. tenant re doors being locked this morning	127.50
		05/12/2011	Martin Wolfe	4.5	continue reviewing emails received from Chahal	1,462.50
		05/12/2011	Martin Wolfe	0.8	review materials for meeting with accountant of 2012241 Ontario	260.00
		05/12/2011	Martin Wolfe	0.2	discussions w B Smith & S Sugar re ongoing matters	65.00
		05/12/2011	Martin Wolfe	0.2	Tel K Malcolm TD bank	65.00
		05/12/2011	Martin Wolfe	0.2	E Mails B Bone Nacora insurance	65.00
		05/12/2011	Stanley Sugar	5.2	catalogue box listing schedule, meeting w M Wolfe, Sikder trust ledger items analysis	1,690.00
		06/12/2011	Brandon Smith	1.0	Rvw correspondence from unit owners/occupants and respond, TC's re same	350.00
		06/12/2011	Brandon Smith	3.0	travel to from and attend at site for mtg w/ CBRE for TD; to have locks to sliding doors changed; to meet with Bond securcom	1,050.00
		06/12/2011	Ira Smith	0.3	Rvw and slight changes to Stan's memo and email to legal counsel	127.50
		06/12/2011	Martin Wolfe	1.0	travel to from accountant Bateman Mackay	325.00
		06/12/2011	Martin Wolfe	2.0	meet with P Ghumman & D Nijar of Bateman Mackay to obtain records of 2012241 & discuss	650.00
		06/12/2011	Martin Wolfe	4.5	begin review of materials received from accountant	1,462.50

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours	Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontrario Limited	06/12/2011	Stanley Sugar	4.6	meetings with Ira S. & Marty W, further review of information & documents prepared, schedule preparation re trust account release of funds, memo & email to group	1,495.00
		07/12/2011	Brandon Smith	1.0	calls to various providers re prop mgmt matters; nrw matters w/ Stan and Marty	350.00
		07/12/2011	Brandon Smith	0.2	banking	70.00
		07/12/2011	Ira Smith	0.4	telcono w. D. Magisano re funds to Orangeville project, nrw of Orangeville project property search	170.00
		07/12/2011	Ira Smith	0.2	Telcon w. Occupant's husband re meeting w. occupants	85.00
		07/12/2011	Ira Smith	0.3	Disc w. M. Wolfe re current status of activities and needs for Blaney and Monday meeting	127.50
		07/12/2011	Ira Smith	0.4	Rvw of M. Wolfe listing of payments for Orangeville, email to D. Magisano et al and disc w. M. Wolfe re source of funds	170.00
		07/12/2011	Martin Wolfe	8.5	Catalogue & review materials obtained from accountant, discussions with I Smith, B Smith & S Sugar, prepare list of items not received from Chahal et al, tele H Malcolm	2,762.50
		07/12/2011	Stanley Sugar	7.2	meetings w Marty W re Requirement Listing - review of box of documents received from Blaneys, preparation of schedule re Ducca bank strmts re Orangeville	2,340.00
		08/12/2011	Brandon Smith	0.2	TC w/ Mircom	70.00
		08/12/2011	Brandon Smith	0.3	Tc and fax to Enbridge re gas acct	105.00
		08/12/2011	Brandon Smith	0.4	enquires re security and utilities	140.00
		08/12/2011	Brandon Smith	1.5	nvw Y Hender Draft agreement and backline for relevance	525.00
		08/12/2011	Brandon Smith	2.5	ltr to city of Brampton bldg dept re rqst for status of permits; mtgs w/ Ira, Marty and Stan re status; Corresp w/ Bondecuurcom; arrange for security w/ Condor and prepare directives for condor	875.00

Ira Smith Trustee & Receiver Inc.
 Detail Time Sheet
 Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontrario Limited	08/12/2011	Ira Smith	2.7 Mtg w. staff re current issues and status and planning for agenda for mtg on Monday and Court Report, begin rvw of property manager contract	1,147.50
		08/12/2011	Martin Wolfe	5.3 review emails	1,722.50
		08/12/2011	Martin Wolfe	0.6 emails to Altus, Global Architects, Blaney, Hendler, Bateman	195.00
		08/12/2011	Martin Wolfe	1.2 review materials from accountant	390.00
		08/12/2011	Martin Wolfe	0.8 meeting with I Smith, B Smith & S Sugar	260.00
		08/12/2011	Stanley Sugar	6.4 meetings with Marty W & Brandon S, document schedule memo preparation, deposit discrepancy issues	2,080.00
		09/12/2011	Brandon Smith	7.0 PM matters - cut keys, tc re mircom, security, rvw PM quotes, site visits w/ security and PM, cut keys from PM, corresp w/ utils & security	2,450.00
		09/12/2011	Cheryl Deshane	1.6 Entering Subcontractors/Invoices into excel per M. Wolfe	240.00
		09/12/2011	Ira Smith	3.9 Amendments to draft Property Manager Agreement	1,657.50
		09/12/2011	Ira Smith	0.2 Telcon w. Michael Title re pharmacy tenant	85.00
		09/12/2011	Ira Smith	0.3 Telcon w. T. Li and T. Lengua of Emercare re 50 Sunny Meadow	127.50
		09/12/2011	Ira Smith	0.4 Telcon w. M. Wolfe, D. Magisano, B. Tinsley and S. Wolfson re status and prep for Monday's meeting w. TD and counsel	170.00
		09/12/2011	Ira Smith	1.8 Finalize property manager agreement changes and prep agenda for Monday's meeting, email to Blaney's	765.00
		09/12/2011	Martin Wolfe	0.4 Telcon w I Smith, D Magisano, B Tinsley & S Wolfson regarding status & prep for Mon meeting with TD & council	130.00
		09/12/2011	Martin Wolfe	0.8 memo of items not received from Chahar & Dhaliwal	260.00
		09/12/2011	Martin Wolfe	1.4 communications phone & emails with various service providers to obtain info	455.00
		09/12/2011	Martin Wolfe	4.2 review emails	1,365.00
		09/12/2011	Stanley Sugar	6.1 preparation of schedules & information & memo for report	1,982.50

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontrario Limited				
		12/12/2011	Brandon Smith	5.0 PM matters; matters re bounced cheques for occupancy; meeting w/ Condor security; matters re fire alarm panel; corresp w/ pot purchaser	1,750.00
		12/12/2011	Ira Smith	4.2 Rvw of Stan and Marty memos, changes to same, finalization of Agenda and package for meeting at 4PM today, telcons w. Dom Magisano and Shawn Wolfson, issuance of Agenda, email re internet and phone provider	1,785.00
		12/12/2011	Ira Smith	2.1 Travel to and from and attend meeting at TD FRG re current status	892.50
		12/12/2011	Martin Wolfe	2.1 Travel to and from and attend meeting at TD FRG re current status	682.50
		12/12/2011	Martin Wolfe	1.2 reconciling bank loan from books to actual	390.00
		12/12/2011	Martin Wolfe	0.5 tel J DiCicco Architect re outstanding property matters	162.50
		12/12/2011	Martin Wolfe	3.0 review emails	975.00
		12/12/2011	Martin Wolfe	2.1 review files removed from R Chahal office and email Blaney & TD with specific findings	682.50
		12/12/2011	Martin Wolfe	2.6 review emails	845.00
		12/12/2011	Martin Wolfe	0.5 review documents with S Sugar	162.50
		12/12/2011	Stanley Sugar	5.3 report schedules & documentation revised, meeting with Ira S., lease issues re unit 306-307 email to tenant, document sort	1,722.50
		13/12/2011	Brandon Smith	1.2 corresp to/from: Hendler; BFI; Enbridge; Dr. Sodi; Quotes for fire svc; English Prestige re keys; Banking re rent pmt rcvd	420.00
		13/12/2011	Cheryl Deshane	0.9 Updating vendor contact list per M. Wolfe, disc. same	135.00
		13/12/2011	Ira Smith	0.4 Discussion w. M. Wolfe, S. Sugar re steps to take coming out of meeting with Applicant yesterday	170.00
		13/12/2011	Martin Wolfe	0.4 Discussion with I Smith & S Sugar re steps to take coming out of meeting with Applicant yesterday	130.00
		13/12/2011	Stanley Sugar	5.7 meeting w I. & B. Smith & Marty W, commission issues & schedule	1,852.50

Ira Smith Trustee & Receiver Inc.
 Detail Time Sheet
 Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontarrio Limited	14/12/2011	Brandon Smith	0.4 matter re stop pmt chq; corresp w/ unit offer's solicitor	140.00
		14/12/2011	Brandon Smith	2.5 matters re prep BIA report; PM matters, security, fire svc, rvw pre-construction appraisal	875.00
		14/12/2011	Cheryl Deshane	1.7 Updating creditor/mailling list per B. Smith	255.00
		14/12/2011	Ira Smith	0.4 Rvw of draft letters from Blaneys, emails w. Blaneys re same	170.00
		14/12/2011	Martin Wolfe	0.5 review progress of Commission project with S Sugar	162.50
		14/12/2011	Martin Wolfe	0.3 Tel K Malcolm re loan progress draws	97.50
		14/12/2011	Martin Wolfe	0.3 Tel R Mervin of Persico Arnold re payments from Trust and email	97.50
		14/12/2011	Martin Wolfe	1.6 Review emails	520.00
		14/12/2011	Martin Wolfe	2.0 organize papers & files	650.00
		14/12/2011	Martin Wolfe	0.2 Review and comment on letter prepared by Blaney's to Homelife	65.00
		14/12/2011	Stanley Sugar	5.2 commission & purchase & sale schedule preparation	1,690.00
		15/12/2011	Brandon Smith	0.3 PM matters, rvw corresp from English Prestige	105.00
		15/12/2011	Brandon Smith	2.0 TC to region of peel re water; rvw pre-construction appraisal report and draft condo assn declarations	700.00
		15/12/2011	Cheryl Deshane	0.6 Updating creditor/mailling list	90.00
		15/12/2011	Cheryl Deshane	0.1 Bank reconciliation	15.00
		15/12/2011	Cheryl Deshane	1.3 Mailing Report	195.00
		15/12/2011	Martin Wolfe	0.5 meet with S Sugar finalizing Commission review	162.50
		15/12/2011	Martin Wolfe	1.5 commission review	487.50
		15/12/2011	Martin Wolfe	0.5 Provide info for Creditors mailing	162.50
		15/12/2011	Martin Wolfe	0.2 emails re insurance	65.00
		15/12/2011	Martin Wolfe	0.5 review and provide changes on Blaney's letters to Chahal & Dallwal	162.50
		15/12/2011	Stanley Sugar	5.5 commission & purchase & sale schedule preparation, meeting w Ira S. & Marty W	1,787.50

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontrario Limited				
		16/12/2011	Brandon Smith	1.0 prepare rent roll/summary of occupation	350.00
		16/12/2011	Stanley Sugar	3.9 meetings w Ira S. & Marty W, preparation of additional schedules	1,267.50
		19/12/2011	Brandon Smith	0.3 TC w/ unsec creditor, discussion w/ S. Sugar re property y insurance	105.00
		19/12/2011	Brandon Smith	3.0 discussion w/ S. Sugar/i. Smith; rvw docs, populate data into rent roll/summary of corresp w/ occupants	1,050.00
		19/12/2011	Stanley Sugar	6.2 meetings w I. & B. Smith, insurance issue, research documents re rent roll & soft closing examination	2,015.00
		20/12/2011	Brandon Smith	5.0 PM matters - HVAC quotes/svc; security quotes, tenant issues, working w/ S. Sugar to establish Rebt roll and identify parties that we need to f/u communication with; letter to active wellnress; TC and fax to Peel re water bill; TC w/ creditors/unit owners	1,750.00
		20/12/2011	Stanley Sugar	6.1 rent roll schedule documentation	1,982.50
		21/12/2011	Brandon Smith	3.5 correspondence with/to/from creditors, purchasers, occupants	1,225.00
		21/12/2011	Cheryl Deshane	0.2 Preparing labels	30.00
		21/12/2011	Stanley Sugar	5.8 rent roll schedule & file documentation, catalogue box listing schedule	1,885.00
		22/12/2011	Cheryl Deshane	0.3 Creditor correspondence and updating creditor list	45.00
		22/12/2011	Stanley Sugar	1.6 catalogue box listing schedule	520.00
		26/12/2011	Stanley Sugar	3.8 catalogue box listing schedule	1,235.00
		27/12/2011	Stanley Sugar	4.1 catalogue box listing schedule	1,332.50
		28/12/2011	Stanley Sugar	4.4 catalogue box listing schedule	1,430.00
		29/12/2011	Stanley Sugar	5.3 emails to & from Ira S. & counsel, email Brandon . preparation & work up information responses emailed to counsel, telecon w R. Chiarantano RDA Ins re bldg	1,722.50
		30/12/2011	Martin Wolfe	1.0 meet with S Sugar re updating	325.00

Ira Smith Trustee & Receiver Inc.
 Detail Time Sheet
 Period from: 06/10/2011 to 31/12/2011

Keyname	Full Estate Name	Date	Employee	Hours Remark	Amount
Sunny Meadow	In the Matter of the Receivership of 2012241 Ontraio Limited	30/12/2011	Stanley Sugar	1.2 meeting w Marty W re various current & outstanding issues, emails recd re RDA lns re quote issue for bidg	390.00
				418.5	140,645.00
			Employee	Hours	Amount
			Ira Smith	52.9	\$ 22,482.50
			Brandon Smith	73.3	\$ 25,655.00
			Martin Wolfe	108.4	\$ 35,230.00
			Stan Sugar	159.8	\$ 55,185.00
			Cheryl Deshane	16.3	\$ 2,445.00
				420.7	\$ 140,997.50

Average Hourly Rate: \$ 335.15

THE TORONTO-DOMINION BANK

2012241 ONTARIO LIMITED

And

Applicants

Respondent

Court File No.: CV-11-9456-00CL

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

Proceeding commenced at Toronto

**AFFIDAVIT OF IRA SMITH
(Sworn January 24, 2012)**

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent, Suite 6
Concord, ON L4K 4K7

Ira Smith CA●CIRP
Tel: 905-738-4167
Fax: 905-738-9848

Court-appointed receiver of
2012241 Ontario Limited

000303

APPENDIX 45

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

THE TORONTO-DOMINION BANK

Applicant

- and -

2012241 ONTARIO LIMITED

Respondent

AFFIDAVIT OF GRACE KIM


I, **GRACE KIM**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a lawyer with Blaney McMurtry LLP, counsel for Ira Smith Trustee & Receiver Inc., the court-appointed Receiver of the Respondent ("**Receiver**") in these proceedings. As such, I have knowledge of the matters hereinafter deposed to except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. Attached and marked as **Exhibit "A"** to this affidavit is a copy of the account rendered by Blaney McMurtry LLP to the Receiver for legal fees and disbursements for the period from November 16, 2011 to December 31, 2011.
3. A total of approximately 105.6 hours were expended by Blaney McMurtry LLP during the period noted above in performing legal services to the Receiver.

- 4. The hourly billing rates, outlined in detail in the account at Exhibit "A" hereto, are in the range of normal average hourly rates charged by legal counsel for services rendered in relation to engagements similar to its engagement as counsel to the Receiver.
- 5. To the best of knowledge, the rates charged by Blaney McMurtry LLP are comparable to the rates charged for the provision of similar services by other legal firms in the Toronto market.
- 6. This affidavit is sworn in connection with a motion for an Order of this Honourable Court to, among other things, approve the fees and disbursements of counsel to the Receiver and for no improper purpose.

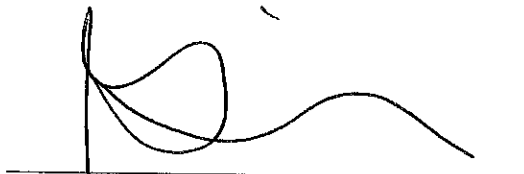
SWORN BEFORE ME

at the City of Toronto,
 in the Province of Ontario,
 on January 24, 2012



 A Commissioner for Taking Affidavits

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GRACE KIM

Victoria Lois Gifford, a Commissioner, etc.,
 Province of Ontario, for Blaney McMurtry LLP,
 Barristers and Solicitors.
 Expires September 1, 2014.

This is **Exhibit "A"** referred to
in the Affidavit of Grace Kim
sworn before me, this
24th day of January, 2012


A Commissioner, etc.

Victoria Lois Gifford, a Commissioner, etc.,
Province of Ontario, for Blaney McMurtry LLP,
Barristers and Solicitors

Expires September 1, 2014.

ONTARIO SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF
Acting for Court Appointed Receiver of
2012241 Ontario Limited

BILL OF COSTS OF SOLICITOR TO TRUSTEE

From November 16, 2011 to December 31, 2011

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
November 16, 2011	DM	1.10	Review correspondence regarding receivership; call with I. Smith; review of motion material;
November 17, 2011	SW	0.60	Telephone conference with D. Magisano to review and discuss issues in respect of receivership relating to proposed condominium; conducting subsearch;
November 17, 2011	DM	1.00	Review materials; e-mails regarding attempts to obtain information from debtor; review correspondence regarding funds withdrawn from Duca Financial; conference with S. Wolfson regarding registration of the condominium; conferences with I. Smith regarding misc matters;
November 18, 2011	SW	0.60	Conference call with client and D. Magisano to discuss property-related and condominium development matters; reviewing and revising application to register receivership order; e-mails to and from D. Magisano regarding same;

Date
December 31, 2011

000308

Account No.
469966

File No.
102242-0002

-2-

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
November 18, 2011	DM	4.60	Preparation and attendance in court; conference with S. Wolfson and I. Smith regarding management matters and real estate matters; draft letter to principals of debtors; review e-mails regarding management of same; begin preparation of motion record for motion compelling answers to document request from receiver; instruction to B. Tinslay regarding same;
November 18, 2011	BT	0.50	Instructions regarding notice of motion and research; Begin draft of notice of motion;
November 18, 2011	GS	0.90	Receipt and review of Order; receipt and review parcel register for Sunny Meadow property; preparation of Application to Register Court Order; preparation of Acknowledgment and Direction and amending same per S. Wolfson comments; preparation of email to S. Wolfson;
November 19, 2011	DM	3.00	Finalize letter to principals of debtor; draft first report; e-mail exchange with I. Smith;
November 19, 2011	BT	0.50	Review first report of the trustee; Begin drafting notice of motion;
November 21, 2011	SW	0.20	E-mails to and from client and G. Sarantopoulos regarding registration of court order;
November 21, 2011	DM	4.00	Amendments to report; review draft notice of motion; conference with receiver, TD and TD counsel; conference with counsel to the debtor; review numerous e-mails regarding management of property; conference with I. Smith regarding next steps; e-mail to R. English and Receiver regarding call with debtor counsel; e-mail to debtor's real estate counsel regarding document production; e-mail to debtor counsel regarding call and potential motion;

Date
December 31, 2011

000309

Account No.
469966

File No.
102242-0002

-3-

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
November 21, 2011	BT	2.90	Finish drafting notice of motion; Conference call regarding next steps; Amend notice of motion according to call; Call with debtor's counsel;
November 21, 2011	GS	1.60	Receipt of instructions to search; conducting subsearch of 31 Jewel Crescent property; examination of search results; attempting Teraview search by address for Adirondack Crescent property; conducting map searches for 17 Adirondack Crescent property; locating property on map and conducting corresponding Teraview search for property; examination of Adirondack Crescent subsearch; obtaining copy of last Charge to verify municipal address; preparation of email to D. Magisano summarizing search results; receipt and review acknowledgement and direction regarding court order; attending to registration of court order; updating parcel register for Sunny Meadow property and sending results to D. Magisano and S. Wolfson;
November 21, 2011	TC	0.30	Conduct Corporate profile search regarding 2012241 Ontario Limited; Conduct PPSA verbal search regarding same;
November 22, 2011	DM	2.50	E-mail and telephone conversations with debtor's counsel; e-mail exchanges with I. Smith; e-mail to S. Wolfson and B. Tinslay regarding motion materials; consider whether there is need to proceed on the motion; e-mail to I. Smith regarding material for tomorrow; update to R. English regarding same;
November 22, 2011	BT	0.10	Receipt of email correspondence regarding next steps in the matter;

Date
December 31, 2011

000310

Account No.
469966

File No.
102242-0002

-4-

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
November 23, 2011	LB	5.40	Receiving and reviewing trust ledger and title search; Meet with shawn Wolfson and Brittany; Receiving and reviewing Receivership Application and Order; Telephone discussions with D. Magisano; telephone discussions with Sanj Sood; Telephone discussions with Ira Smith; Work on motion record regarding transfer of trust funds; Draft Letter to Sikdar; Draft Order;
November 23, 2011	SW	4.80	Receipt and review of various documentation in respect of proposed condominium; reviewing and revising sections of Report; various discussions with debtor's solicitors (corporate and condominium) relating to documentation and motion to be brought; discussions with T. Evans regarding requirement to maintain funds in escrow despite direction from unit purchaser to release; various discussions with team regarding facts coming to light and motion to be brought;
November 23, 2011	DM	1.00	Conference call with I. Smith, L. Brzezinski et al regarding recent information regarding Sikdar trust account; conferences with S. Wolfson regarding same; draft order preparation; conference with R. English regarding recent developments; conference with L. Brzezinski regarding motion material;
November 23, 2011	BT	5.00	All correspondence regarding productions of the debtor, items required by the receiver, next steps; Preparation and revisions to First Report of the Receiver; Calls with receiver and counsel for the applicant regarding next steps; Meeting with L.Brzezinski, G.Kim and S.Wolfson regarding motion and preparation of motion materials;

Date
December 31, 2011

000311

Account No.
469966

File No.
102242-0002

-5-

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
November 24, 2011	LB	3.00	Finalize Motion material; Arrange for service and filing on expedited basis;
November 24, 2011	SW	5.40	Numerous e-mails to and from and telephone conversations with client, L. Brzezinski, D. Magisano and debtor's counsel regarding further information coming to light in respect of condominium development; reviewing and revising letters, motion materials and order in respect of production of documents and appointment as escrow agent to hold purchaser deposits;
November 24, 2011	DM	0.30	E-mails regarding hearing tomorrow; e-mails regarding finalizing material; voicemail to I. Smith;
November 24, 2011	BT	1.00	Review all documents for amendments and additions to final draft to send to receiver for review; Review documents before service and filing;
November 24, 2011	DN	0.60	Filing motion record at commercial court;
November 25, 2011	LB	3.00	Prepare for Court; Draft further amendments to Order; Complete supplementary affidavits; Attend in Court and obtain Order from madame Justice Mesbur; Meet with counsel for Respondent and with counsel for Sikder Law Firm; Meet with Ira Smith and Robb English regarding Order and next steps;
November 25, 2011	DM	0.30	Conference with L. Brzezinski regarding court appearance today; review of e-mails regarding same;
November 25, 2011	BT	2.10	Attend court motion with L. Brzezinski; Review email correspondence from client regarding updates;

Date
December 31, 2011

000312

Account No.
469966

File No.
102242-0002

-6-

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
November 26, 2011	DM	0.50	Review e-mails regarding motion for production of documents and transfer of funds; consider next steps in the receivership;
November 28, 2011	SW	0.50	E-mails to and from G. Kerr regarding further financial information in respect of condominium; reviewing reconciliation provided by debtor's condominium counsel;
November 29, 2011	SW	3.20	Strategy meeting with D. Magisano and B. Tinslay to discuss next steps in anticipation of obtaining financial information and documentation in debtor's condominium solicitor's file; telephone conversation with client regarding same; reviewing and considering various financial information and documentation provided by debtor's condominium counsel; meeting with accounting services to set up separate trust account and reporting parameters in respect of purchaser deposit funds received;
November 29, 2011	DM	1.20	Receipt and brief review of documents; conference with client regarding same; conference with S. Wolfson regarding existing documentation on sale of units; consider reporting to LSUC of Sikder and availability of compensation fund;
November 29, 2011	BT	4.70	Meeting to discuss next steps; Receipt of correspondence from client; Review documents received from Sikder; Create list of contact information for all persons listed as purchasers in Purchase agreements received from Sikder;
November 30, 2011	SW	0.30	E-mails to and from client regarding inconsistencies with respect to accounting and documentation relating to unit purchases;

Date December 31, 2011 000313

Account No.
469966

File No.
102242-0002

-7-

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
November 30, 2011	GJK	1.70	Meet with L. Brzezinski to discuss potential claim against Sikder's law firm; begin review of file material to investigate same;
November 30, 2011	BT	4.50	Go through all purchase agreements and enter payment/deposit information into chart; Receipt of correspondence from client; Compile all of Sikder's client ledgers and send them to I. Smith for review;
December 1, 2011	SW	1.90	Reviewing and considering condominium purchase documentation and related financial information provided by debtor's condominium counsel; telephone conversation with debtor's corporate counsel regarding debtor's compliance with order to produce documents; discussion with B. Tinsley regarding contacting City to determine status of condominium and availability of condominium documents;
December 1, 2011	DM	2.00	Review e-mails regarding discussions with J. Dhaliwal; consider same; discussions with L. Brzezinski regarding contempt motion; consider obligations of receiver regarding trust funds improperly distributed by Sikder Law; conference with I. Smith regarding same; conference with R. English regarding same;
December 1, 2011	BT	1.00	Receipt of correspondence from client; Review memorandum from client's meeting; Call to city of Brampton regarding information property;
December 2, 2011	SW	0.30	E-mails to and from client regarding further statements received in respect of extras paid for by purchasers of units;
December 2, 2011	DM	0.80	Review of e-mails regarding investigation of funds; conference with R. English regarding same; e-mails from client regarding same;

Date
December 31, 2011

000314

Account No.
469966

File No.
102242-0002

-8-

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
December 2, 2011	BT	1.00	Phone call with S.Sugar regarding necessary documents to be copied and sent to him and problems with what Receiver has thus far; Organize documents to be reproduced and sent to client's office;
December 5, 2011	SRM	0.30	Review ethical issues regarding reporting possibly unauthorized disbursement of trust funds to the LSUC and the Compensation Fund;
December 5, 2011	DM	1.20	Consider Law Society and Lawpro matters involving Sikder; receive update on review of purchase agreements; e-mail to I. Smith regarding productions from principals; conference with S. Moore regarding reporting Sikder and obligations therein; conference with B. Tinslay regarding research on accessing compensation fund;
December 5, 2011	GJK	1.00	Receipt and review email correspondence from R. English and Receiver regarding transfer of respondent's funds;
December 5, 2011	BT	0.20	Instructions regarding next steps: research regarding compensation fund for trust money;
December 6, 2011	DM	0.50	Review e-mails regarding discussion with account; e-mail update to R. English; discussions regarding contempt motion;
December 6, 2011	BT	0.90	Begin research regarding LSUC compensation fund; Receipt and review of correspondence from client regarding memorandum from review of accountant's documents; Prepare and send originals of the documents received from principals of the company to Stanley Sugar;

Date December 31, 2011 000315

Account No.
469966

File No.
102242-0002

-9-

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
December 7, 2011	SW	0.70	Conducting subsearch to determine whether debtor owns Orangeville project; reviewing Parcel PIN and relevant registered Instruments; e-mails to and from client confirming ownership in apparent related company to debtor;
December 7, 2011	DM	2.10	Review documents regarding transfer of funds to 173; begin predation of motion record regarding;
December 7, 2011	GJK	1.10	Meet with D. Magisano regarding; motion for a CPL and Mareva Injunction; begin drafting Notice of Motion; requisition searches for instruments listed in parcel register; review same;
December 7, 2011	BT	0.50	Receipt of email correspondence from client; Case law search regarding LSUC compensation fund;
December 7, 2011	TC	0.20	Conduct Corporate profile search regarding 1730237 Ontario Inc;
December 7, 2011	TC	0.60	Conduct Corporate profile search regarding 1662850 Ontario Inc.; Conduct PPSA verbal search regarding same; Conduct Corporate profile search regarding 1616292 Ontario Limited; Conduct PPSA verbal search regarding same; Conduct PPSA verbal search regarding 1730237 Ontario Inc.;
December 8, 2011	DM	0.30	E-mails regarding investigation of funds diverted to Orangeville property; conference with L. Brzezinski regarding same;
December 8, 2011	GJK	0.60	Meet with L. Brzezinski regarding; commencing action against 1730237 Ontario Inc.;
December 8, 2011	BT	0.20	Receipt of correspondence from client;

Date
December 31, 2011

000316

Account No.
469966

File No.
102242-0002

-10-

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
December 8, 2011	GS	0.40	Obtaining copies of active instruments on title and providing to G. Kim;
December 9, 2011	SW	0.50	Conference call to review and discuss further information surfacing with respect to financials of condominium and condominium development;
December 9, 2011	DM	0.50	Conference call preparing for meeting Monday; review documents relating to same;
December 9, 2011	BT	1.00	Conference call with client regarding next steps; Email correspondence with client to send documents;
December 12, 2011	SW	1.70	Reviewing and revising property management agreement; e-mail to client regarding same; telephone conversation with D. Magisano and conference call with client regarding potential liability in connection with terminating purchase agreements in the event deposits on hand insufficient;
December 12, 2011	DM	4.20	Review of APS for condominium units; preparation and attendance at meeting with lender;
December 12, 2011	BT	0.50	Review Condominium declaration to see if there is explanation of unit 151; Pull documents for D. Magisano in preparation for meeting with the bank;
December 13, 2011	SW	0.60	E-mails to and from client regarding additional property owned by principal of debtor; conducting subsearch regarding same;
December 13, 2011	DM	1.20	E-mails regarding new property in R. Chahal name; draft letters to real estate agent and to principals of debtor; conference with L. Brzezinski regarding same;

Date **000317**
December 31, 2011

Account No.
469966

File No.
102242-0002

-11-

<u>Date</u>	<u>Lawyer</u>	<u>Time</u>	<u>Description</u>
December 13, 2011	GJK	0.50	Meet with D. Magisano regarding; upcoming contempt motion;
December 13, 2011	BT	0.90	Look through correspondence to find who the real estate agent was for Sunny Meadows; Receipt of client correspondence;
December 14, 2011	SW	0.30	Telephone conversation with D. Magisano regarding real estate brokerage appatently related to debtor to which commissions paid; obtaining inforamtion with respect to brokerage from RECO's website;
December 14, 2011	DM	0.70	Finalize letters to real estate broker and principals of debtor; e-mail exchanges with the Receiver regarding same; initial preparation of motion material;
December 16, 2011	DM	0.50	Exchange of e-mail correspondence regarding payment of commissions regarding alleged condominium sales; consider options for recovering funds;
December 19, 2011	DM	0.30	Revisions to letter regarding payments to Orangeville company; review e-mails regarding insurance matters; preparation of motion material;
December 19, 2011	GJK	1.30	Draft demand letter to 1730237 Ontario Inc. and directors for amount transferred from Debtor for the "Orangeville Project";
December 20, 2011	DM	0.20	E-mails regarding tenant queries;

OUR FEE HEREIN;	\$35,775.50
LESS COURTESY DISCOUNT;	\$4,336.00
TOTAL FEES:	\$31,439.50
FEE HST:	\$4,087.14

Date **000318**
December 31, 2011

Account No.
469966

File No.
102242-0002

-12-

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Stephen R. Moore	0.30	\$500.00	\$150.00
Lou Brzezinski	11.40	\$550.00	\$6,270.00
Shawn Wolfson	21.60	\$395.00	\$8,532.00
Domenico Magisano	34.00	\$400.00	\$13,600.00
Grace J. Kim	6.20	\$320.00	\$1,984.00
Giorgena Sarantopoulos	2.90	\$190.00	\$551.00
Terri Cutbush	1.10	\$175.00	\$192.50
Brittanny Tinslay	27.50	\$160.00	\$4,400.00
Daniel Nyman	0.60	\$160.00	\$96.00
Filing Fees* - Non-Taxable			\$127.00
Profile Report/Point in Time Report* - Non-Ta			\$32.00
Registration Fees* - Non-Taxable			\$60.00
Computer Searches - R.E. (Teraview) * - No-Ta			\$83.00
Cyberbahn Agent Service Fee			\$116.00
Agent's Fees & Disbursements			\$30.00
Courtier			\$130.68
Municipal Inquiries* - Non-Taxable			\$325.00
Registration Fees			\$10.00
Computer Searches - R.E. (Teraview)			\$247.00
Secretary Overtime			\$112.50
TOTAL DISBURSEMENTS:			\$1,273.18
*HST is not charged			
DISBURSEMENT HST:			\$84.00
TOTAL FEES AND DISBURSEMENTS:			\$32,712.68
TOTAL HST:			\$4,171.14
TOTAL AMOUNT DUE AND PAYABLE:			\$36,883.82
TOTAL AMOUNT CLAIMED FOR FEES AND DISBURSEMENTS			

THE TORONTO-DOMINION BANK
Applicant

and **2012241 ONTARIO LIMITED**
Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding Commenced at **Toronto**

AFFIDAVIT OF GRACE KIM

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

Lou Brzezinski (LSUC# 19794M)
Domenico Magisano (LSUC# 45725E)
Grace Kim (LSUC# 55262D)
Tel: (416) 593-1221
Fax: (416) 593-5437

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

APPENDIX 46

Court No: CV-11-9456-00CL
 Estate No: 32-158435

Receiver's Interim Statement of Receipts and Disbursements
IN THE MATTER OF THE RECEIVERSHIP OF
2012241 ONTARIO LIMITED
FOR THE PERIOD FROM NOVEMBER 15, 2011 TO JANUARY 20, 2012

RECEIPTS

Cash in bank	\$ 64,451.45
Collection of Rent, TMI and Occupancy Fees (Incl. HST)	64,957.73

TOTAL RECEIPTS:	\$ 129,409.18
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DISBURSEMENTS

Filing Fee Paid to Official Receiver	\$ 70.00
Locksmith	1,075.00
Security	2,733.50
Maintenance & Repairs	596.00
Insurance	56,125.00
Bank Charges	39.95
Garbage Disposal	96.00
HST Paid	1,285.64
PST Paid	4,490.00
Consultants Fees	2,500.00
Property Manager's Fee	2,850.00
Utilities	2,504.67

TOTAL DISBURSEMENTS	\$ 74,365.76
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AMOUNT ON HAND AS AT JANUARY 20, 2012	\$ 55,043.42
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TAB C

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)
JUSTICE)
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)
)

MONDAY, THE 30TH DAY
OF JANUARY, 2012.

B E T W E E N:

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

O R D E R

THIS MOTION, made by Ira Smith Trustee & Receiver Inc., in its capacity as Court Appointed Receiver of the Respondent (the "**Receiver**"), 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 the Second Report of the Receiver dated January 24, 2012, and the Appendices thereto (the "**Second Report**") and on hearing the submissions of counsel for the Receiver, counsel for the Applicant and all others present, no other party attending although duly served.

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that the Receiver's actions and conduct as set out in the First Report and the Second Report are approved.
3. **THIS COURT ORDERS** that the Receiver is authorized, *nunc pro tunc*, to enter into a management contract with Y.L. Hendler Ltd. for the management of premises municipally known as 50 Sunny Meadows Blvd, Brampton, Ontario (the "**Condominium Complex**") on the terms of the agreement at Appendix 9 to the Second Report.
4. **THIS COURT ORDERS** that the Receiver is authorized to retain Pelican Woodcliff Inc. as construction consultant to the Condominium Complex.
5. **THIS COURT ORDERS** that the Receiver is authorized to retain Lebow, Hicks Appraisal Inc. to provide an appraisal of the Condominium Complex.
6. **THIS COURT ORDERS** that 1732037 Ontario Inc. ("**1732037**") repay to the Receiver the sum of \$116,917.89, representing funds transferred from the Respondent's bank account to 1732037.
7. **THIS COURT ORDERS** that the real property owned by 1732037 and more particularly described as PCL BLK 106-1 SEC 43M1120; BLK 106, PL 43M1120, EXCEPT PTS 1 & 2, 43R21032; S/T LT1486454, LT1576532 ORANGEVILLE shall not be sold, disposed of or encumbered until further Court Order.

8. **THIS COURT ORDERS** that English Prestige Property Management Inc. and English Prestige Contracting Inc. shall provide to the Receiver an accounting of all monies received from the Respondent and directs English Prestige Property Management Inc. and English Prestige Contracting Inc. to deliver forthwith any and all invoices, receipts, correspondence, documents and or contracts relating to the Respondent.

9. **THIS COURT AUTHORIZES** but does not obligate the Receiver and its counsel to examine under oath any or all of Jagdev Dhaliwal (“**Dhaliwal**”), Ravinder Chahal (“**Ravinder**”, and together with Dhaliwal, the “**Principals**”), Ajay Shah (“**Shah**”), Harjinder Chahal (“**Harjinder**”), Paltu Kumar Sikder (“**Sikder**”), Parm Chahal (“**Parm**”) and Parm Singh Chahal (“**Singh**” and together with the Principals, Shah, Harjinder, Sikder, Singh and Parm are collectively the “**Examinable Parties**”) with respect to any and all matters relating to the property, assets or business of the Respondent or any dealing relating thereto.

10. **THIS COURT ORDERS** that should the Receiver serve a Notice of Examination in accordance with the *Rules of Civil Procedure*, R.S.O. 1990, Reg. 194 on any or all of the Examinable Parties, said Examinable Party(s) shall attend an examination under oath (an “**Examination**”) at the date, time and location prescribed in the Notice of Examination.

11. **THIS COURT ORDERS** that if an Examinable Party is required to attend an Examination it shall bring all books, records, correspondence or other information or documentation in its possession to said Examination and the Receiver shall be permitted to take copies of same.

12. **THIS COURT ORDERS** that Home Life /Miracle Realty Ltd and its broker of record, Ajay Shah, shall deliver forthwith any and all information, correspondence, documents and/or

contracts, including, but not limited to any agency agreements, commission agreements, relating to the Respondent.

13. **THIS COURT ORDERS** that the Receiver's fees and disbursements for the period of October 6, 2011 to December 31, 2011 are approved.

14. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's legal counsel, Blaney McMurtry LLP from November 16, 2011 to December 31, 2011 are approved.

15. **THIS COURT ORDERS** that the costs of this motion related to the conduct of the Principals be paid by the Principals to the Receiver on a substantial indemnity basis.

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

000325

THE TORONTO-DOMINION BANK
Applicant

and **2012241 ONTARIO LIMITED**
Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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MOTION RECORD

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