

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

**MERCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**2407553 ONTARIO INC., 2384648 ONTARIO INC., 2384646 ONTARIO INC., 24000196 ONTARIO INC.  
and 2396139 ONTARIO INC.**

Respondents

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Court File No. CV-18-00604725-00CL

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

**MERCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**4267 RIVER ROAD LP and 4267 RIVER ROAD GP INC.**

Respondents

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Court File No.: CV-18-00604721-00CL

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

**MERCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**4544 ZIMMERMAN AVENUE LP and 4544 ZIMMERMAN AVENUE GP INC.**

Respondents

**FIRST REPORT OF THE RECEIVER  
December 8, 2020**

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## INTRODUCTION

1. Pursuant to Orders of the Honourable Justice Gilmore of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), dated August 6, 2020 (the “**Receivership Orders**”), issued in three separate receivership applications, Zeifman Partners Inc. (“**Zeifman**”) was appointed as receiver and manager (the “**Receiver**”) without security, of all of the assets, undertakings and properties (the “**Property**”) of the following related entities (collectively the “**Debtors**”):
  - (a) 2407553 Ontario Inc., 2384648 Ontario Inc., 2384646 Ontario Inc., 2400196 Ontario Inc. and 2396139 Ontario Inc.;
  - (b) 4544 Zimmerman Avenue LP, 4544 Zimmerman Avenue GP Inc.; and
  - (c) 4267 River Road LP and 4267 River Road GP Inc.
2. Pursuant to Justice Gilmore’s Endorsement, dated August 6, 2020, the Receivership Orders were stayed until October 14, 2020, to provide the Debtors will additional time to repay the indebtedness owing to the Applicant, as agent. The indebtedness was not repaid, and the Receivership Orders became effective on October 14, 2020. Copies of the Receivership Orders are attached hereto as **Appendices “A”, “B” and “C”**.

## PURPOSE OF THE REPORT

3. The purpose of this First Report of the Receiver (the “**First Report**”) is to report to the Court on the Receiver’s activities since the effective date of the Receivership Orders and seek orders of the Court:
  - (a) abridging the time for service of the Notices of Motion and the Motion Records, served in the three separate receivership proceedings, such that the Receiver’s Motions are properly returnable on December 18, 2020, and dispensing with further service thereof;
  - (b) approving the First Report and the activities of the Receiver as described herein;

- (c) approving the Receiver's Statement of Receipts and Disbursements, for the period between October 14, 2020 and December 8, 2020 (the "**Receiver's R&D**");
- (d) approving the fees and disbursements of the Receiver from July 27, 2020 to November 30, 2020, and counsel to the Receiver for the period from October 13, 2020 to November 30, 2020;
- (e) approving the sale process (the "**Sale Process**") in respect of the Real Properties (defined below), as described herein;
- (f) authorizing and directing the Receiver to implement the Sale Process and do all such things as are necessary and desirable to conduct and give effect to the Sale Process, and to carry out its obligations therein;
- (g) authorizing and directing the Receiver to execute the listing agreement (the "**Listing Agreement**") with Jones Lang LaSalle Real Estate Services, Inc. ("**JLL**"); and
- (h) authorizing the Receiver to redact the Confidential Appendices to this First Report, and sealing the Confidential Appendices until the closing of sale transactions in respect of the Real Properties, or further order of this Court.

#### **TERMS OF REFERENCE**

4. In preparing this First Report, the Receiver has been provided with, and has relied upon unaudited, draft and/or internal financial information, the Debtors' books and records, discussions with employees and information from third-party sources (collectively, the "**Information**"). Except as described in this First Report:

- (a) the Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CAS**”) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
  - (b) the Receiver has prepared this First Report in connection with the discharge of the Receiver’s duties and responsibilities pursuant to the Receivership Orders and under statute and in support of the relief described herein. Parties using the First Report, other than for the purposes outlined herein, are cautioned that it may not be appropriate for their purposes.
5. Unless otherwise stated, all dollar amounts contained in the First Report are expressed in Canadian dollars.

## **BACKGROUND**

6. Marchant Realty Partners Inc. (“**Marchant**”), in its capacity as agent in respect of three distinct loan facilities (the “**Loans**”), commenced three separate companion receivership applications.
7. Although the Loans were advanced at different times, their terms are substantially similar. They were advanced to the Debtors by groups of lenders (the “**Lenders**”) comprised of various individuals and corporations. Marchant acted as agent in respect of all three Loans and the principals/personal guarantors behind each of the Debtors are the same two individuals, Charles Hunter Milborne and Andrzej Roman Kepinski (“**Kepinski**”).
8. The Loans were secured by general security agreements and mortgages over the following real properties located in Niagara Falls, Ontario (collectively, the “**Real Properties**”):

| <b>Court File No.</b> | <b>Debtors</b>   | <b>Real Properties</b>  | <b>Indebtedness</b><br>(as of October 20, 2020) |
|-----------------------|--|---|---|
| CV-18-00604725-00CL   | 4267 River Road LP<br>4267 River Road GP Inc.  | 4249/4267 River Road<br>(“ <b>Crystal Inn</b> ”)  | \$3,473,019.78                                  |
| CV-18-00604717-00CL   | 2407553 Ontario Inc.<br>2384648 Ontario Inc.<br>2384646 Ontario Inc.<br>2400196 Ontario Inc.<br>2396139 Ontario Inc. | 4100 Bridge Street<br>4122 Bridge Street & 4538<br>Cataract Ave<br>4299 Queen Street<br>4551 Zimmerman Avenue | \$7,889,807.18                                  |
| CV-18-00604721-00CL   | 4544 Zimmerman Avenue<br>LP<br>4544 Zimmerman Avenue<br>GP Inc.  | 4544 & 4552 Zimmerman<br>Ave (“ <b>Zimmerman<br/>Studios</b> ”)   | \$5,094,326.16                                  |

9. The Real Properties consist of various mixed-use commercial properties, a seasonal operating motel (currently closed due to Covid-19), and vacant land.
10. Each of the Loans matured and, when the indebtedness remained outstanding after demands for repayment, Marchant, as agent, commenced the within receivership applications. Pursuant to the Receivership Orders, the Receiver was appointed in respect of the Property, including the Real Properties.

### **THE REAL PROPERTIES**

11. Below is a brief description of the Real Properties:
  - (a) **Crystal Inn:** This property includes a two-storey seasonal motel which has 38 rooms. Due to Covid-19, the motel is currently closed and there are no immediate plans to recommence operations. The total land size is 0.63 acres. The motel is in fair condition and will likely require significant investments in furniture, roof, mechanical and electrical systems prior to opening for another season.

- (b) **Bridge Road Properties** (4100 Bridge Street, 4122 Bridge Street & 4538 Cataract Ave): The total land area is estimated at 0.401 acres. The site has several commercial structures which are in very poor condition and likely will never be used again for their intended purpose. The building located at 4538 Cataract Avenue was destroyed prior to the receivership due to suspected arson. The site is located next to a NEXUS Bridge to the United States and may be suited for redevelopment.
  - (c) **4299 Queen Street**: This is a mixed-use commercial/residential property located next to the City Hall that is currently vacant. The total land area is estimated a 0.087 acres. The building size is 8,611 sq. ft. and includes retail space on the first floor and residential apartments on the second and third. The basement is estimated at 3,119 sq. ft. The building itself is in a very poor condition and requires substantial renovations before it can be occupied.
  - (d) **4551 Zimmerman Avenue**: A commercial office building is situated on this property. The building is well maintained and is leased to one tenant on a month to month gross rental basis. The monthly lease payment is \$8,500 plus HST. The building size is 13,336 sq. ft. and total land size is about 0.701 acres. The age of the building is estimated to be over 30 years.
  - (e) **Zimmerman Studios**: This is a commercial building which was used as a recording studio in the past. The space could also be used as an office. The building size is 6,319 sq. ft. and the total land size is 0.303 acres. An inspection of the building revealed that it has significant flood related damage, mold growth throughout the premises, and damage to the electrical system, ceilings and flooring. The building would require significant remediation and substantial renovations prior to any occupation.
12. As noted above, the building located at 4538 Cataract Avenue was destroyed prior to the Receiver's appointment due to suspected arson. The City of Niagara Falls organized and completed the removal of all debris left after the fire. The City has not indicated whether it will look to the estate for repayment of the clean up costs.



## RECEIVER'S ACTIVITIES

### Conservatory and Protective Measures

13. Upon its appointment the Receiver reached out to Kepinski requesting various information related to the Real Properties and the Debtors' books and records. Shortly thereafter the Receiver secured possession of the Real Properties and engaged in the following conservatory and protective measures:
  - (a) contacted utility companies to advise about the Receivership Orders and redirect all relevant billing to the Receiver's address;
  - (b) contacted the Debtors' insurance broker to request copies of current insurance policies, reviewed the insurance policies and requested that the broker contact the insurance companies to add the Receiver as named payee. The Receiver also advised the broker that the policies cannot be cancelled due to the Receivership Orders;
  - (c) contacted the individuals who locally manage the Real Properties, met with such individuals and determined that it was not necessary to change the locks as they are the only individuals with keys to access the Real Properties. The Receiver also obtained copies of necessary keys;
  - (d) The Receiver did not arrange the installation of alarm systems at 4299 Queen Street, Zimmerman Studios and Bridge Road Properties due to the condition of these properties and having no utility service provided to any of these locations.
14. The Receiver has been in contact with Bonnie Loubert ("**Loubert**") of the Milborne Group who advised that she will be a point of contact in providing required information to the Receiver, assisting with the review of books and records and coordinating necessary activities related to management of the Real Properties.
15. Loubert introduced the Receiver to the local contacts who managed the Real Properties. The Receiver met with both individuals to discuss the Receivership and retained them to continue managing the Real Properties.

## **Other Activities**

16. The other activities of the Receiver since the date of the Receivership Orders include:
  - (a) Reviewing the insurance policies and requesting quotes for a new policy for the Zimmerman Studios property as it expires soon;
  - (b) commissioning two appraisals in respect of the Real Properties;
  - (c) contacting several firms to request environmental assessments of the Real Properties and ultimately retaining Pinchin Ltd. to perform five (5) Phase I Environmental Assessments;
  - (d) reviewing and approving payments as required as part of the Debtors' ordinary course operations;
  - (e) completing urgent protective repairs to maintain the Real Properties where it was viewed as necessary;
  - (f) arranging financing to cover the ongoing costs and expenses of the receivership and issuing Receiver's Certificates for borrowings in the amount of \$75,000 per Real Property;
  - (g) corresponding with the Debtors' bank to obtain account documentation and banking records;
  - (h) writing to the Debtors to request documentation in respect of the advances from the Lenders; and
  - (i) drafting this First Report.
  
17. The Receiver has been contacted by Canada Revenue Agency to perform an audit of the Crystal Inn operations for the period from January 1, 2019 to the date of the Receivership Sale Process.

## **SALE PROCESS**

### **Real Estate Broker Proposals**

18. Pursuant to the Receivership Orders, the Receiver is authorized to market any of all of the Property, including advertising and soliciting offers in respect of the Property, and negotiating such terms and conditions of sale as the Receiver may deem appropriate.
19. The Receiver solicited proposals from five brokers to act as listing agent for the Real Properties. The Receiver requested that the brokers provide their proposed marketing plan for the Real Properties and advise as to the optimal manner in which to offer the Real Properties for sale. The Receiver also requested an estimate of value for each of the Real Properties, the likely price at which each of the Real Properties would sell and the broker's proposed commission structure.
20. The deadline for proposals was November 9, 2020. Three brokerages submitted proposals (the "**Proposals**"): CBRE Limited ("**CBRE**"), Jones Lang LaSalle Real Estate Services Inc. ("**JLL**") and Cushman and Wakefield ("**Cushman**").
21. The Receiver reviewed the Proposals and determined that the proposal from JLL is superior to the other two Proposals for the following reasons:
  - (a) the JLL team will be led by individuals who have extensive real estate knowledge and experience in the Greater Toronto Area and Niagara Falls region;
  - (b) JLL has considerable contacts with developers in the GTA, which are the most likely purchasers for the Real Properties;
  - (c) JLL proposes to partner with a local realtor, Engel and Volkers, which has extensive knowledge of the local market, connections with local key prospects, and will provide efficiencies for showings and client interactions;
  - (d) JLL undertook considerable research and due diligence to formulate an educated view on the values of the Real Properties and the potential market for them;

- (e) JLL's experience includes distressed properties sold in the context of receivership proceedings; and
  - (f) the 4% commission (as set out in the Listing Agreement) is favorable to market rates.
22. A summary and comparison of the three Proposals is attached hereto as **Appendix "D"**. A copy of the JLL Proposal (which contains confidential valuations of the Real Properties) is attached hereto as **Confidential Appendix "1"**.
23. The Receiver discussed the three Proposals with Marchant and it supports the Receiver's request to retain JLL to market the Real Properties.

### **Appraisals**

24. The Receiver engaged Humphreys Appraisal Services Inc. ("**Humphreys**") and Jacob Ellens & Associates Inc. ("**Ellens**") to conduct appraisals of the Real Properties. A copy of the appraisals from Humphreys and Ellens are attached hereto as **Confidential Appendices "2" and "3"**. A summary of the appraised values and the realtor valuations submitted as part of the Proposals (the "**Appraisal Summary**") is attached hereto as **Confidential Appendix "4"**.
25. The Appraisal Summary includes appraisals by Colliers delivered by the Debtors to Marchant in January, 2020. The appraisals commissioned by the Receiver are conservative in comparison to the values ascribed to the Real Properties by the Colliers appraisals. Based on its discussions with JLL and other realtors, and its review of the Ellens and Humphreys appraisals, the Receiver is of the view that the Colliers appraisals are not realistic, are based on highly speculative redevelopment values and in the circumstances should not be relied on as reliable estimates of value.
26. The Appraisal Summary includes the proposed list prices for each of the Real Properties, which prices were arrived at based on the appraisals and estimates of value provided by the realtors. The realization values of the Real Properties are significantly less than the

indebtedness owed to the Lenders and, accordingly, it is expected that the Lenders for each of the Loans will suffer substantial shortfalls.

27. Although each of the Loans are separate facilities, the Receiver understands that the Real Properties were purchased for redevelopment purposes and as part of a larger scheme to develop a university in downtown Niagara Falls. The Receiver has requested documentation in respect of the proposed redevelopment from the Debtors and the City of Niagara Falls Planning Department, but has not received any such documentation to date.
28. Based on discussions with the City of Niagara Falls, it appears that representations to the Applicant in respect of the redevelopment of the Crystal Inn and 4551 Zimmerman Avenue, specifically statements that the Debtors could get approval for a multi-story highrise of 10 floors, were inaccurate. The City has indicated that a developer would likely get approval for a project reaching a maximum of six (6) floors, however any final decision would be made as part of the zoning process. For the Crystal Inn in particular, as it is located next to the Niagara River, a highrise building would likely not be structurally possible as it could damage the river walls.

### **Sale Process**

29. The proposed Sale Process is as follows:
  - (a) the retention of JLL as listing brokerage to market the Real Properties, and the listing of the Real Properties for sale at the list prices stated in the Listing Agreement;
  - (b) the marketing of the Real Properties by JLL in accordance with the marketing process described at pages 30-35 of the JLL Proposal, which includes:
    - (i) direct marketing and distribution of brochures to investors and developers;
    - (ii) distribution of confidential information memorandum (CIM) to interested purchasers and top investors, subject to execution of confidentiality agreements;

- (iii) data room with pertinent documentation to be set up, with access restricted to parties who have executed confidentiality agreements;
  - (iv) two (2) advertisements in Globe and Mail business section and advertising in local daily newspaper; and
  - (v) Real Properties placed on MLS and included on JLL LinkedIn and website;
- (c) the marketing process shall commence on or around the second week of January, 2021, to allow time for the Receiver to obtain Phase I environmental reports;
- (d) the Real Properties will be marketed in an “as is, where is” basis;
- (e) interested parties may bid on some or all of the Real Properties;
- (f) prospective purchasers may submit offers at any time;
- (g) the Receiver shall, in its discretion, extend any deadline if it considers it to be appropriate;
- (h) the Receiver shall have the right to reject any and all offers, and has no obligation to accept the highest offer for any of the Real Properties; and
- (i) any sale transaction(s) in respect of the Real Properties shall be subject to Court approval.
30. As set out in the JLL Proposal, JLL will pay all costs of marketing and advertising the Real Properties.
31. The Receiver recommends the approval of the Sale Process, including the retention of JLL as the listing agent, for the following reasons:
- (a) it is a fair, open and transparent process intended to canvass the market broadly in order to obtain the highest and best offer(s) for the Real Properties;

- (b) the JLL engagement will be for a term of seven (7) months, plus 90 day holdover period, which will allow sufficient time for the Real Properties to be marketed and prospective purchasers to undertake due diligence and submit an offer; and
- (c) the proposed Sale Process is intended to solicit interest in the Real Properties, either separately, or *en bloc* with a view to maximizing the value of all of the Real Properties.

32. Accordingly, the Receiver requests an Order authorizing and directing the Receiver to enter into the Listing Agreement with JLL, in the form attached hereto as **Appendix “E”**.

### **REVIEW OF ACCOUNTING RECORDS**

33. The Receiver contacted the Debtors’ bank to arrange for copies of the Debtors’ account records. The Receiver has obtained certain records, and its review of the use of the Loan proceeds is ongoing. The Receiver will report to the Court in respect of its review of the Debtors’ records once completed.

### **RECEIPTS & DISBURSEMENTS**

34. Attached hereto as **Appendix “F”** is a copy of the Receiver’s R&D, for the period between October 14, 2020 and December 7, 2020, for each of the three receivership proceedings.

### **PROFESSIONAL FEES**

35. The Receiver seeks approval of its fees and disbursements and those of its legal counsel, Dentons Canada LLP (“**Dentons**”).

36. The Receiver and Dentons have maintained separate accounts for each of the three receivership proceedings.

### **Receiver’s Fees**

37. Below is a summary of the Receiver’s fees and disbursements for the period from July 27, 2020 to November 30, 2020:

| <b>Court File No.</b> | <b>Fees</b> | <b>Disbursements</b> | <b>HST</b> | <b>Total</b> |
|-----------------------|-------------|----------------------|------------|--------------|
| CV-18-00604717-00CL   | \$19,073.75 | \$497.17             | \$2,544.22 | \$22,115.14  |
| CV-18-00604725-00CL   | \$19,025.00 | \$497.16             | \$2,537.88 | \$22,060.04  |
| CV-18-00604721-00CL   | \$19,070.00 | \$497.16             | \$2,543.73 | \$22,110.89  |

38. The fees and disbursements of the Receiver are more particularly described in the Affidavit of Allan Rutman, affirmed December 3, 2020, attached hereto as **Appendix “G”**.

#### **Dentons’ Fees**

39. Dentons has acted as counsel to the Receiver since its appointment. Below is a summary of Dentons’ fees and disbursements for the period from October 13, 2020 to November 30, 2020:

| <b>Court File No.</b> | <b>Fees</b> | <b>Disbursements</b> | <b>HST</b> | <b>Total</b> |
|-----------------------|-------------|----------------------|------------|--------------|
| CV-18-00604717-00CL   | \$13,758.00 | \$83.31              | 1,765.92   | \$15,427.23  |
| CV-18-00604725-00CL   | \$13,689.50 | \$108.58             | \$1,783.71 | \$14,847.68  |
| CV-18-00604721-00CL   | \$13,689.50 | \$77.31              | \$1,779.64 | \$15,546.45  |

40. The fees and disbursements of Dentons are more particularly described in the Affidavits of Kenneth Kraft, affirmed December 7, 2020, attached hereto as **Appendices “H”, “I” and “J”**.

#### **SEALING**

41. The appraisals, JLL Proposal and Appraisal Summary, attached as Confidential Appendices to this First Report, contain commercially sensitive information which, if publicly disclosed, could negatively affect the Receiver’s ability to obtain the best price for the Real Properties. Accordingly, the Receiver requests an order that that Confidential Appendices be sealed pending the closing of sale transactions in respect the Real Properties.



**RECOMMENDATIONS OF THE RECEIVER**

42. Based on the foregoing, the Receiver respectfully recommends that the Court make an order granting the relief as set out in its Notice of Motion, dated December 9, 2020.

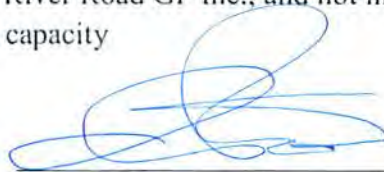
All of the foregoing is respectfully submitted this 8<sup>th</sup> day of December, 2020.

**ZEIFMAN PARTNERS INC.**, in its capacity as Receiver and Manager of 2407553 Ontario Inc., 2384648 Ontario Inc., 2384646 Ontario Inc., 2400196 Ontario Inc. and 2396139 Ontario Inc., 4544 Zimmerman Avenue LP, 4544 Zimmerman Avenue GP Inc, 4267 River Road LP and 4267 River Road GP Inc., and not in its personal or corporate capacity

Per:

Name: Allan Rutman

Title: President



# Appendix “A”

## to the First Report of the Receiver

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

THE HONOURABLE  
JUSTICE GILMORE

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THURSDAY THE 6<sup>TH</sup> DAY OF  
AUGUST, 2020



**MERCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**2407553 ONTARIO INC., 2384648 ONTARIO INC., 2384646 ONTARIO INC., 2400196  
ONTARIO INC. and 2396139 ONTARIO INC.**

Respondents

**ORDER**  
**(appointing Receiver)**

**THIS APPLICATION** made by the Applicant 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 Zeifman Partners Inc. (“**Zeifmans**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of 2407553 Ontario Inc., 2384648 Ontario Inc., 2384646 Ontario Inc., 2400196 Ontario Inc. and 2396139 Ontario Inc. (collectively, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Affidavit of Gregory Marchant, sworn September 7, 2018, and the Exhibits thereto, the Responding Affidavit of Charles Hunter Milborne, sworn October 10, 2018, and the Exhibits thereto, the Supplementary Affidavit of Gregory Marchant, sworn July 20, 2020, and the Exhibits thereto, the Factum and Book of Authorities of the Applicant, dated July

27, 2020, and the consent of Zeifmans to act as the Receiver, and on hearing the submissions of counsel for the Applicant, and the Debtors,

#### **APPOINTMENT**

1. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Zeifmans is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of each the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the “**Property**”), which includes, without limitation, the real properties legally described as set out in Schedule “A” hereto and municipally known as:

- (a) 4100 Bridge Street, Niagara Falls, Ontario;
- (b) 4122 Bridge Street & 4538 Cataract Avenue, Niagara Falls, Ontario;
- (c) 4299 Queen Street, Niagara Falls, Ontario; and
- (d) 4551 Zimmerman Avenue, Niagara Falls, Ontario.

#### **RECEIVER’S POWERS**

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

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

- (c) to manage, operate, and carry on the business of the Debtors, 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 Debtors;
- (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 Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (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 Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and

on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

3. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their 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.

4. **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 Debtors, 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.

5. **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.

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



**NO PROCEEDINGS AGAINST THE RECEIVER**

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 DEBTORS OR THE PROPERTY**

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors 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 Debtors 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 Debtors, 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 Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors 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 Debtors, 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 Debtors 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 Debtors 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 Debtors' 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 Debtors 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 Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' 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 Debtors, 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 unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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 standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

### **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 “B” 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.

#### **SERVICE AND NOTICE**

24. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further

orders that a Case Website shall be established in accordance with the Protocol with the following URL '<https://www.zeifmans.ca/current-insolvency-files/>'.

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

26. **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.

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

28. **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.

29. **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.

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


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



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

OCT 14 2020

PER / PAR 

**SCHEDULE "A"**

**REAL PROPERTY LEGAL DESCRIPTIONS**

**4100 Bridge Street, Niagara Falls, Ontario**

PIN 64445-0018 (LT)

Property Description: PT LT 197 PL 1002 TOWN OF NIAGARA FALLS AS IN RO445645; NIAGARA FALLS

Land Registry Office: #59

**4122 Bridge Street & 4538 Cataract Avenue, Niagara Falls, Ontario**

PIN 64445-0015 (LT)

Property Description: PT LT 198 PL 1002 AS IN BB45983; CITY OF NIAGARA FALLS

Land Registry Office: #59

**4299 Queen Street, Niagara Falls, Ontario**

PIN 64328-0151 (LT)

Property Description: PT LT 1 BLK K PL 999-1000 TOWN OF NIAGARA FALLS AS IN RO639964; DESCRIPTION MAY NOT BE ACCEPTABLE IN FUTURE AS IN RO639964; NIAGARA FALLS

Land Registry Office: #59

**4551 Zimmerman Avenue, Niagara Falls, Ontario**

PIN 64328-0176 (LT)

Property Description: LOTS 8, 9, 10 AND PART LOT 3, BLOCK H PLAN 999-1000, PART 1 PLAN 59R13041; CITY OF NIAGARA FALLS

Land Registry Office: #59



**SCHEDULE "B"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that Zeifman Partners Inc., the receiver (the "Receiver") of the assets, undertakings and properties of 2407553 Ontario Inc., 2384648 Ontario Inc., 2384646 Ontario Inc., 2400196 Ontario Inc. and 2396139 Ontario Inc. (collectively, the "Debtors") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 31st day of July, 2020 (the "Order") made in an action having Court file number CV-18-00604717-00CL, 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 \_\_\_\_\_, 20\_\_.

**ZEIFMAN PARTNERS INC.**, solely in its capacity as Receiver of the Property, and not in its personal or corporate capacity

Per: \_\_\_\_\_

Name:

Title:

MERCHANT REALTY PARTNERS INC., as agent  
Applicant

- and -

2407553 ONTARIO INC. et al.  
Respondents

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

PROCEEDING COMMENCED AT TORONTO

**ORDER  
(appointing Receiver)**

**DENTONS CANADA LLP**  
77 King Street West, Suite 400  
Toronto-Dominion Centre  
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**Sara-Ann Van Allen** (LSO # 56016C)  
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[sara.vanallen@dentons.com](mailto:sara.vanallen@dentons.com)

*Lawyers for Marchant Realty Partners Inc., as agent*

# Appendix “B”

## to the First Report of the Receiver

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

THE HONOURABLE

)

THURSDAY, THE

JUSTICE GILMORE

)

6TH DAY OF

)

AUGUST, 2020



**MARCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**4267 RIVER ROAD LP and 4267 RIVER ROAD GP INC.**

Respondents

**ORDER  
(appointing Receiver)**

**THIS APPLICATION** made by the Applicant 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 Zeifman Partners Inc. (“**Zeifmans**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of 4267 River Road LP and 4267 River Road GP Inc. (together, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Affidavit of Gregory Marchant, sworn September 7, 2018, and the Exhibits thereto, the Responding Affidavit of Charles Hunter Milborne, sworn October 10, 2018, and the Exhibits thereto, the Supplementary Affidavit of Gregory Marchant, sworn July 20, 2020, and the Exhibits thereto, the Factum and Book of Authorities of the Applicant, dated July 27, 2020, and the consent of Zeifmans to act as the Receiver, and on hearing the submissions of counsel for the Applicant, and the Debtors,

## APPOINTMENT

1. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Zeifmans is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of each the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the “**Property**”), which includes, without limitation, the following real properties:

- (a) 4249/4267 River Road, Niagara Falls, Ontario

PIN 64269-0533 (LT);

Property Description: PT LT 6 PL 996 NIAGARA FALLS; PT LT 7 PL 996 NIAGARA FALLS; PT LT 8 PL 996 NIAGARA FALLS; PT LT 9 PL 996 NIAGARA FALLS AS IN BB30516 & RO479407; DESCRIPTION MAY NOT BE ACCEPTABLE IN FUTURE AS IN BB30516 & RO479407; PT LT 8 PL 996 NIAGARA FALLS AS IN RO599693; CITY OF NIAGARA FALLS

Land Registry Office: #59

- (b) 4249/4267 River Road, Niagara Falls, Ontario

PIN 64269-0361 (LT);

Property Description: PT LT 6 PL 996 NIAGARA FALLS; PT LT 7 PL 996 NIAGARA FALLS AS IN RO160914; DESCRIPTION MAY NOT BE ACCEPTABLE IN FUTURE AS IN RO160914; CITY OF NIAGARA FALLS

Land Registry Office: #59

## RECEIVER’S POWERS

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

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

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors, 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 Debtors;
- (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 Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (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 Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter

instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;



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

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

3. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their 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.

4. **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 Debtors, 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.

5. **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.

6. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of

the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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 DEBTORS OR THE PROPERTY**

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors 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 Debtors 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 Debtors, 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 Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors 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 Debtors, 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 Debtors 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 Debtors 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 Debtors' 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 Debtors 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 Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' 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 Debtors, 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 unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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 standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## 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.

## SERVICE AND NOTICE

24. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service->

protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<https://www.zeifmans.ca/current-insolvency-files/>'.

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

26. **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.

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

28. **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.



29. **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.

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

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



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

OCT 14 2020

PER / PAR:



**SCHEDULE "A"**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that Zeifman Partners Inc. ("**Zeifmans**"), the receiver (the "**Receiver**") of the assets, undertakings and properties of 4267 River Road LP and 4267 River Road GP Inc. acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 31st day of July, 2020 (the "**Order**") made in an action having Court file number CV-18-00604725-00CL, 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 \_\_\_\_\_, 20\_\_.

**ZEIFMAN PARTNERS INC.** solely in its capacity as Receiver of the Property, and not in its personal or corporate capacity

Per: \_\_\_\_\_

Name:

Title:

**MERCHANT REALTY PARTNERS INC., as agent**  
**Applicant**

- and -

**4267 RIVER ROAD LP and 4267 RIVER ROAD GP INC.**  
**Respondents**

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

PROCEEDING COMMENCED AT TORONTO

**ORDER**  
**(appointing Receiver)**

**DENTONS CANADA LLP**  
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*Lawyers for Marchant Realty Partners Inc., as agent*

# Appendix “C”

## to the First Report of the Receiver

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

THE HONOURABLE

)

THURSDAY, THE 6TH

JUSTICE GILMORE

)

DAY OF AUGUST, 2020

)



**MARCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**4544 ZIMMERMAN AVENUE LP and 4544 ZIMMERMAN AVENUE GP INC.**

Respondents

**ORDER  
(appointing Receiver)**

**THIS APPLICATION** made by the Applicant 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 Zeifman Partners Inc. (“**Zeifmans**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of 4544 Zimmerman Avenue LP and 4544 Zimmerman Avenue GP Inc. (together, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Affidavit of Gregory Marchant, sworn September 7, 2018, and the Exhibits thereto, the Responding Affidavit of Charles Hunter Milborne, sworn October 10, 2018, and the Exhibits thereto, the Supplementary Affidavit of Gregory Marchant, sworn July 20, 2020, and the Exhibits thereto, the Factum and Book of Authorities of the Applicant, dated July 27, 2020, and the consent of Zeifmans to act as the Receiver, and on hearing the submissions of counsel for the Applicant, and the Debtors,

## APPOINTMENT

1. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Zeifmans is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of each the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the “**Property**”), which includes, without limitation, the real property municipally known as 4544 & 4552 Zimmerman Avenue, Niagara Falls, Ontario, and legally described as follows:

PIN 64445-0214 (LT)

Property Description: LT 10 & PT LTS 11, 2 & 3 BLK A PL 999-1000 TOWN OF NIAGARA FALLS RO505587 & RO679768, EXCEPT PT 1, 59 R12254; NIAGARA FALLS

Land Registry Office: #59

## RECEIVER’S POWERS

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

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

- (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 Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (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 Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and



negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

3. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their 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.

4. **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 Debtors, 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.

5. **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.

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

**NO PROCEEDINGS AGAINST THE RECEIVER**

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 DEBTORS OR THE PROPERTY**

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors 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 Debtors 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 Debtors, 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 Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors 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 Debtors, 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 Debtors 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 Debtors 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 Debtors' 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 Debtors 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 Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' 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 Debtors, 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 unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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 standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

### **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.

#### **SERVICE AND NOTICE**

24. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further



orders that a Case Website shall be established in accordance with the Protocol with the following URL '<https://www.zeifmans.ca/current-insolvency-files/>'.

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

26. **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.

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

28. **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.

29. **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.

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

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

*C. Aboune. T.*

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

OCT 14 2020

PER / PAR:

*C*

**SCHEDULE "A"**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that Zeifman Partners Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties of 4544 Zimmerman Ave LP and 4544 Zimmerman Avenue GP Inc. (together, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 31st day of July, 2020 (the "**Order**") made in an action having Court file number CV-18-00604721-00CL, 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 \_\_\_\_\_, 20\_\_.

**ZEIFMAN PARTNERS INC.**, solely in its capacity as Receiver of the Property, and not in its personal or corporate capacity

Per: \_\_\_\_\_

Name:

Title:

MERCHANT REALTY PARTNERS INC., as agent

- and -

4544 ZIMMERMAN AVENUE LP and 4544 ZIMMERMAN AVENUE GP INC.

Applicant

Respondents

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

PROCEEDING COMMENCED AT TORONTO

**ORDER  
(appointing Receiver)**

**DENTONS CANADA LLP**  
77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, ON M5K 0A1

**Kenneth Kraft** (LSO # 31919P)  
Tel: 416-863-4374  
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[kenneth.kraft@dentons.com](mailto:kenneth.kraft@dentons.com)

**Sara-Ann Van Allen** (LSO # 56016C)  
Tel: (416) 863-4402  
[sara.vanallen@dentons.com](mailto:sara.vanallen@dentons.com)

*Lawyers for Marchant Realty Partners Inc., as agent*

# Appendix “D”

## to the First Report of the Receiver

## Summary of Realtor Proposals

|  | <b>CBRE</b>   | <b>JLL</b>  | <b>Cushman &amp; Wakefield</b>  |
|--|---|---|---|
| <b>Target Customer Base</b>                        | Developers/investors  | Foreign private investors, over 7500 developers/investors   | Developers/investors  |
| <b>Marketing &amp; Advertising</b>                 | Signage, MLS, Urbis, website  | Local newspapers, MLS, LinkedIn, Globe & Mail, mass email distributions, cold calling, letters, CIM distribution, data room | Group properties into three portfolios (office/redevelopment/hotel)<br>Email blasts, broker lists, web listings, signage, LinkedIn, mail campaign, Globe & Mail, MLS, CIM distribution, data room<br>Bid deadline 4-6 weeks post-launch |
| <b>Marketing Costs</b>                             | Assumed by broker   | Assumed by broker   | Assumed by broker   |
| <b>Sale Process Estimated Timing</b>               | Each property varies, 5 to 10 months, up to 12 months   | 41 week (4 stages), 7 month term  | 20 weeks (4 stages), 6 month term   |
| <b>Holdover Period</b>                             | Not mentioned   | 90 days   | Not mentioned   |
| <b>Third Party Reports</b>                         | Responsibility of Receiver  | Responsibility of Receiver  | Responsibility of Receiver  |
| <b>Engage local agent/broker</b>                   | Not mentioned   | Yes, Engel and Volkers  | Not mentioned   |
| <b>Distressed property/receivership experience</b> | Yes   | Yes   | Yes   |
| <b>Commission</b>                                  | 5% (including 2 % cooperating brokerage fee) plus HST<br><br>\$30,000 plus HST flat fee per redeemed property | 4-5% (varied by property) plus HST<br><br>Per Listing Agreement: 4% (including 2% cooperating brokerage fee) plus HST       | 5% (including 2% cooperating brokerage fee) plus HST, lowered to 4.00% if both sides  |

# Appendix “E”

## to the First Report of the Receiver



**Listing Agreement - Commercial**  
**Seller Representation Agreement**  
**Authority to Offer for Sale**



This is a Multiple Listing Service® Agreement  OR This Listing is Exclusive   
 (Seller's Initials) (Seller's Initials)

**BETWEEN:**  
**BROKERAGE:** JONES LANG LASALLE REAL ESTATE SERVICES, INC.  
 2600-22 ADELAIDE ST W EAST TORONTO (the "Listing Brokerage")

**SELLER(S):** Zeifman Partners Inc., in its capacity as court-appointed receiver, and not in its personal or corporate capacity (the "Seller") NS  
 See Schedule A

In consideration of the Listing Brokerage listing the real property for sale known as \_\_\_\_\_ (the "Property")  
 the Seller hereby gives the Listing Brokerage the exclusive and irrevocable right to act as the Seller's agent,  
 commencing at 12:01 a.m. on the 7th day of December 2020  
 until 11:59 p.m. on the 7th day of July 20 2021 (the "Listing Period").

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and Business Brokers Act of Ontario (2002), if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials. }

to offer the Property for sale at a price of:  
 See Schedule A Dollars (\$Cdn)  
 and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the property.

1. **DEFINITIONS AND INTERPRETATIONS:** For the purposes of this Agreement ("Authority" or "Agreement"):  
 "Seller" includes vendor and a "buyer" includes a purchaser or a prospective purchaser. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, or the causing of a First Right of Refusal to be exercised, or an agreement to sell or transfer shares or assets. "Real property" includes real estate as defined in the Real Estate and Business Brokers Act (2002). The "Property" shall be deemed to include any part thereof or interest therein. A "real estate board" includes a real estate association. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property.

2. **COMMISSION:** In consideration of the Listing Brokerage listing the Property for sale, the Seller agrees to pay the Listing Brokerage a commission of 4% of the sales price of the Property or \_\_\_\_\_ for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period and on the terms and conditions set out in this Agreement OR such other terms and conditions as the Seller may accept.

INITIALS OF LISTING BROKERAGE: NS INITIALS OF SELLER(S):

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The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of .....% of the sale price of the Property or See Schedule A

..... out of the commission the Seller pays the Listing Brokerage. The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on

the Seller's behalf within 90 days after the expiration of the Listing Period (Holdover Period), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property.

Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.

In the event the buyer fails to complete the purchase and the deposit or any part thereof becomes forfeited, awarded, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit forfeited, awarded, directed or released to the Seller (but not to exceed the commission payable had a sale been consummated) and to pay the balance of the deposit to the Seller.

All amounts set out as commission are to be paid plus applicable taxes on such commission.

**3. REPRESENTATION:** The Seller acknowledges that the Listing Brokerage has provided the Seller with written information explaining agency relationships, including information on Seller Representation, Subagency, Buyer Representation, Multiple Representation and Customer Service. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage acting as an agent for more than one seller without any claim by the Seller of conflict of interest. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage.

The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property.

**MULTIPLE REPRESENTATION:** The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practical opportunity and in all cases prior to any offer to purchase being submitted or presented.

The Seller understand and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:

- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the Property will be disclosed to both Seller and buyer to assist them to come to their own conclusions.

Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.

**MULTIPLE REPRESENTATION AND CUSTOMER SERVICE:** The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer.

INITIALS OF LISTING BROKERAGE: NS

INITIALS OF SELLER(S):

4. **REFERRAL OF ENQUIRIES:** The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage by the Seller before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller's accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period described above, the Seller agrees to pay the Listing Brokerage the amount of commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.
5. **MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or willful act.
6. **WARRANTY:** The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.
7. **INDEMNIFICATION AND INSURANCE:** The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or willful act. ~~The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any cooperating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement or the accompanying data form. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any cooperating brokerage from any liability, claim, loss, cost, damage or injury as a result of the Property being affected by any contaminants or environmental problems.~~ *NS*  
 The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any cooperating brokerage and all of its employees, representatives, salespersons and brokers (cooperating brokerage) for and against any claims against the Listing Brokerage or cooperating brokerage made by anyone who attends or visits the Property. *NS*
8. **FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.
9. **FINDERS FEES:** The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the commission as described above.
10. **VERIFICATION OF INFORMATION:** The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
11. **USE AND DISTRIBUTION OF INFORMATION:** The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS<sup>®</sup> Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS<sup>®</sup> System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS<sup>®</sup> System of the appropriate Board. ~~The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid.~~ *NS*  
 The Seller acknowledges that the database, within the board's MLS<sup>®</sup> System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may: during the term of the listing and thereafter, distribute the information in the database, within the board's MLS<sup>®</sup> System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS<sup>®</sup> System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and

INITIALS OF LISTING BROKERAGE: *NS*

INITIALS OF SELLER(S):



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selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling:

(Does)

(Does Not)

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.

- 12. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.
- 13. **CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Authority from the Seller to the Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.
- 14. **ELECTRONIC COMMUNICATION:** This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.
- 15. **ELECTRONIC SIGNATURES:** If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act 2000, S.O. 2000, c17* as amended from time to time.
- 16. **SCHEDULE(S)** A ..... and data form attached hereto form(s) part of this Agreement.

**THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.**

*Mia Kalambokidis* ..... DATE 12/8/2020 ..... *Nicholas Steele* .....  
(Authorized to bind the Listing Brokerage) ..... (Name of Person Signing)

**THIS AUTHORITY HAS BEEN READ AND FULLY UNDERSTOOD BY ME AND I ACKNOWLEDGE THIS DATE I HAVE SIGNED UNDER SEAL.** Any representations contained herein or as shown on the accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

Zeifman Partners Inc., in its capacity as court-  
(Name of Seller)

..... DATE .....  
(Signature of Seller/Authorized Signing Officer) ..... (Seal) ..... (Tel No.)

..... DATE .....  
(Signature of Seller/Authorized Signing Officer) ..... (Seal) .....

**SPOUSAL CONSENT:** The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

..... DATE .....  
(Spouse) ..... (Seal) .....

**DECLARATION OF INSURANCE**


The broker/salesperson ELLIOT ADAM MEDOFF & NICHOLAS STEELE  
(Name of Broker/Salesperson)  
 hereby declares that he/she is insured as required by the Real Estate and Business Brokers Act (REBBA) and Regulations.  
*Nicholas Steele*  
(Signature(s) of Broker/Salesperson)

**ACKNOWLEDGEMENT**

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a true copy of this Agreement on the ..... day of ..... 20 .....

..... Date: .....  
(Signature of Seller) .....

..... Date: .....  
(Signature of Seller) .....

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**Schedule A to OREA LISTING AGREEMENT (SALE) - COMMERCIAL**

**Address: See Clause #8**

**Seller- Zelfman Partners Inc., in its capacity as court-appointed receiver and manager, and not in its personal or corporate capacity**

**Listing Brokerage- JONES LANG LASALLE REAL ESTATE SERVICES, INC.**

*All capitalized terms noted below shall have the meanings defined under the attached OREA LISTING AGREEMENT.*

*The Listing Brokerage and the Seller acknowledge and agree that the terms of this Schedule A form part of the attached OREA LISTING AGREEMENT. In case of any inconsistency between the terms, the terms of this Schedule A shall supersede.*

**1. Exclusive Period**

The Listing shall remain exclusive until verbal or written direction is given by the Seller to the Listing Team to post the property on the Multiple Listing Service.

**2. Indemnification**

In addition to clause 7 (Indemnification and Insurance) of the Listing, the parties hereto agree as follows:

The Listing Brokerage shall indemnify, defend (with legal counsel reasonably acceptable to the Seller) and hold harmless the Seller, each person or entity deemed to control or to be controlled by the Seller, and their respective partners, shareholders, directors, officers and employees, against and from any and all losses, liabilities, and damages (including without limitation reasonable legal fees) arising in connection with any third party action, claim, proceeding, or investigation relating to the Listing which may be imposed or incurred by reason of the negligence, gross negligence, willful misconduct, or fraud of the Listing Brokerage (or any of its employees or agents).

The foregoing indemnification obligations shall survive the expiration or early termination of the Listing.

**3. Taxes and Payment of Commissions/Fees under the Listing**

The Seller shall be responsible and shall pay to Listing Brokerage all federal (GST) and provincial taxes (for ex. HST, QST etc.) due and payable on the Transaction Fee or any other payments (including expenses) hereunder. The Listing Brokerage shall be paid its Fee/Commission owing under the Listing on the closing date of the transaction and Seller shall irrevocably instruct its solicitor/notary on the transaction to issue said payment on the same day regardless if an invoice has been produced. Commissions shall only be paid upon a completed sale transaction.

**4. Dual Representation**

The Seller understands and acknowledges that the Listing Brokerage may solicit offers for the Property from clients of the Listing Brokerage or its affiliates and that the Listing Brokerage may, in addition to its representation of the Seller hereunder, represent one or more other prospective parties to the Transaction.

**5. Limited Liability.** Neither party shall be liable to the other for, and each party hereby waives any and all rights to claim against the other, any special, indirect, incidental, consequential, punitive or exemplary damages in connection with this Agreement, including, but not limited to, lost profits, even if such party has knowledge of the possibility of such damages; and excluding (i) third party claims for bodily injury or property damage, and; (ii) claims based on the Listing Brokerage's gross negligence or willful misconduct, in no event shall the Listing Brokerage's liability to the Seller exceed the greater of (i) two hundred (200%) percent of fees paid to the Listing Brokerage pursuant to this Agreement or (ii) five hundred thousand (\$500,000) dollars.

N3.

**6. FINTRAC**

The Seller at all times agree to: i) comply with all legal requirements under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and FINTRAC and ii) provide any and all reasonable assistance/information as soon as reasonably possible (but in no event no later than 5 business days) upon request by the Listing Brokerage in order to allow it to do the same.

**7. EXCLUDED FROM SERVICES**

The Listing Brokerage and/or Listing Team may assist in the preparation of offer documentation but the Seller acknowledges and agrees that it will be solely responsible for reviewing and approving any offers it accepts and drafting and negotiating the sale and purchase agreement and related documentation (collectively the "Purchase Agreement") with respect to the Property and may require certain legal advice and analysis in connection with the preparation, review, negotiation(s) and eventual sale and conveyancing of the Property by its legal advisors. It is expressly understood and agreed that Listing Brokerage and/or the Listing Team are not providing any legal advice or legal services in connection with the Listing, the Property or the Purchase Agreement.

**8. PROPERTY ADDRESSES AND LIST PRICES**

- A) 4551 Zimmerman Avenue-PIN: 643280176 - [REDACTED]
- B) 4544-4552 Zimmerman Avenue-PIN: 644450214 - [REDACTED]
- C) 4299 Queen Street-: 643280151 - [REDACTED]
- D) 4249 River Road & 4267 River Road-642690361 & 642690533 - [REDACTED]
- E) 4122 Bridge Street & 4100 Bridge Street-644450015 & 644450018 - [REDACTED]

**9. Co/operating Brokerage Commissions:**

- A) 4551 Zimmerman Avenue-1.50%
- B) 4544-4552 Zimmerman Avenue-2.0%
- C) 4299 Queen Street-: -2.0%
- D) 4249 River Road & 4267 River Road-1.50%
- E) 4122 Bridge Street & 4100 Bridge Street-2.0%

Initials of Listing Brokerage:

NS

Initials of Seller:

# Appendix “F”

## to the First Report of the Receiver

**Zeifman Partners Inc. as Receiver**  
**Interim Statement of Receipts and Disbursements**  
**For the Period from October 14, 2020 to December 8, 2020**

|                            | <u>2407553 ONT INC.</u> | <u>4267 RIVER ROAD</u> | <u>4544 ZIMMERMAN</u> | <u>TOTAL</u>      |
|----------------------------|-------------------------|------------------------|-----------------------|-------------------|
| <b>Receipts</b>            |                         |                        |                       |                   |
| Cash in Bank               | \$ 208                  | \$ 90                  | \$ -                  | \$ 298            |
| Receiver's Loan            | 75,000                  | 75,000                 | 75,000                | 225,000           |
| Lease Payments             | 17,000                  | 1,770                  | -                     | 18,770            |
| HST Refund / Collected     | 2,210                   | 230                    | -                     | 2,440             |
| <b>Total Receipts</b>      | <u>94,418</u>           | <u>77,090</u>          | <u>75,000</u>         | <u>246,508</u>    |
| <b>Disbursements</b>       |                         |                        |                       |                   |
| Utilities                  | 195                     | 186                    | -                     | 381               |
| Repairs & Maintenance      | 236                     | 3,147                  | -                     | 3,383             |
| General & Administrative   | 358                     | 243                    | 243                   | 844               |
| HST Paid                   | 5,749                   | 4,923                  | 4,366                 | 15,038            |
| Loan interest and fees     | 2,555                   | 2,555                  | 2,555                 | 7,665             |
| Receiver's Fees            | 19,571                  | 19,522                 | 19,567                | 58,660            |
| Legal Fees                 | 9,540                   | 9,677                  | 9,646                 | 28,863            |
| Property Management        | 2,025                   | -                      | 467                   | 2,491             |
| Phase 1 Environmental      | 3,625                   | 1,150                  | 1,150                 | 5,925             |
| Insurance                  | -                       | 1,320                  | -                     | 1,320             |
| Appraisal Fees             | 9,109                   | 4,615                  | 2,734                 | 16,458            |
| <b>Total Disbursements</b> | <u>52,962</u>           | <u>47,338</u>          | <u>40,728</u>         | <u>141,029</u>    |
| <b>Ending Cash Balance</b> | <u>\$ 41,455</u>        | <u>\$ 29,752</u>       | <u>\$ 34,272</u>      | <u>\$ 105,480</u> |



# Appendix “G”

## to the First Report of the Receiver

Court File No.: CV-18-00604717-00CL

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

**MERCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**2407553 ONTARIO INC., 2384648 ONTARIO INC., 2384646 ONTARIO INC., 24000196  
ONTARIO INC. and 2396139 ONTARIO INC.**

Respondents

---

Court File No. CV-18-00604725-00CL

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

**MERCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**4267 RIVER ROAD LP and 4267 RIVER ROAD GP INC.**

Respondents

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Court File No.: CV-18-00604721-00CL

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

**MERCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**4544 ZIMMERMAN AVENUE LP and 4544 ZIMMERMAN AVENUE GP INC.**

Respondents

**AFFIDAVIT OF ALLAN A. RUTMAN  
(Affirmed December 3, 2020)**

I, **Allan A. Rutman**, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am President of Zeifman Partners Inc. and, as such, have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Pursuant to Orders of the Honourable Justice Gilmore of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), dated August 6, 2020 (the “**Receivership Orders**”), issued in three separate receivership applications, Zeifman Partners Inc. (“**Zeifman**”) was appointed as receiver and manager (the “**Receiver**”) without security, of all of the assets, undertakings and properties (the “**Property**”) of the following related entities (collectively the “**Debtors**”):

- (a) 2407553 Ontario Inc., 2384648 Ontario Inc., 2384646 Ontario Inc., 2400196 Ontario Inc. and 2396139 Ontario Inc.;
- (b) 4544 Zimmerman Avenue LP, 4544 Zimmerman Avenue GP Inc.; and
- (c) 4267 River Road LP and 4267 River Road GP Inc.

3. Pursuant to Justice Gilmore’s Endorsement, dated August 6, 2020, the Receivership Orders were stayed until October 14, 2020, to provide the Debtors with additional time to repay the indebtedness owing to the Applicant, as agent. The indebtedness was not repaid, and the Receivership Order became effective on October 14, 2020.

4. The total amount of professional fees being claimed for work performed by the Receiver for the period July 27, 2020 to November 30, 2020 inclusive (the “**Fee Period**”) is CAD \$57,168.75 plus disbursements of CAD \$1,491.49 plus Harmonized Sales Tax of CAD \$7,625.83 totalling CAD \$66,286.07. Attached hereto as **Exhibit “A”** to this Affidavit are true copies of all bills of costs rendered by the Receiver on a periodic basis during the Fee Period, inclusive of details of the individuals involved in the administration of the Property estates and

the hours and applicable rates claimed. Attached hereto as **Exhibit “B”** to this Affidavit is a summary of the bills of costs.

5. Details of the activities undertaken and services provided by the Receiver in connection with the administration of the Property estates is described in the First Report to the Court of the Receiver.

6. In the course of performing its duties pursuant to the Receivership Order, the Receiver and its staff have expended a total of 145.50 hours during the Fee Period. Attached hereto as **Exhibit “C”** to this Affidavit is a schedule setting out the personnel involved in the administration of the Debtor estates and the hours and applicable rates claimed for the Fee Period.

7. The Receiver has not received any remuneration or consideration other than the amount claimed herein.

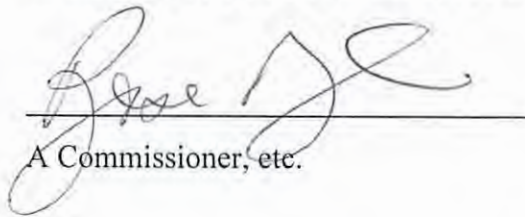
8. The hourly billing rates outlined in **Exhibit “C”** to this Affidavit are comparable to the hourly rates charged by Zeifman Partners Inc. for services rendered in relation to similar proceedings.

9. 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 Toronto market for the provision of similar services.

10. I verily believe that the fees and disbursements incurred by the Receiver were fair and reasonable in the circumstances.

11. This Affidavit is sworn in support of the Receiver’s request for approval of the Receiver’s bills of costs rendered during the Fee Period, and for no other or improper purpose.

**AFFIRMED BEFORE ME** at the City  
of Toronto, ON, on December 3, 2020.



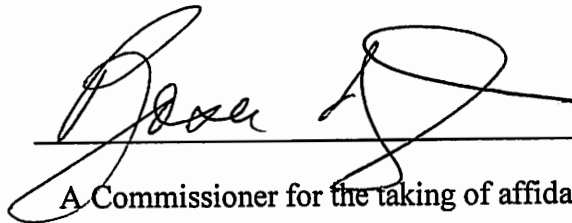
A Commissioner, etc.



Allan A. Rutman

Rosa DaSilva a Commissioner, etc.,  
Province of Ontario, for Zeifman Partners Inc.  
Expires October 25, 2022.

This is Exhibit "A" to the Affidavit of  
Allan A. Rutman sworn on December 3, 2020



---

A Commissioner for the taking of affidavits, etc.

**Rosa DaSilva, a Commissioner, etc.,  
Province of Ontario, for Zelfman Partners Inc.  
Expires October 25, 2022.**



ONTARIO  
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE RECEIVERSHIP OF  
2407553 ONTARIO INC., 2384648 ONTARIO INC., 2384646 ONTARIO INC.,  
2400196 ONTARIO INC. AND 2396139 ONTARIO INC.  
OF THE CITY OF NIAGARA FALLS, IN THE REGIONAL MUNICIPALITY OF  
NIAGARA, IN THE PROVINCE OF ONTARIO

CLIENT #222209.001

INTERIM BILLING

INVOICE #42314

To: Professional services rendered in respect of Court Appointed Receivership of 2407553 Ontario Inc., 2384648 Ontario Inc., 2384646 Ontario Inc., 2400196 Ontario Inc. and 2396139 Ontario Inc. from July 27, 2020 to October 31, 2020.

**Time Charges and Expenses:**

|  |      |               |                   |           |                  |
|--|------|---------------|-------------------|-----------|------------------|
| A. Rutman, Partner   | A.R. | 9.50 hours @  | \$650.00 per hour | \$        | 6,175.00         |
| R.Konovalov  | R.K. | 10.50 hours @ | \$300.00 per hour | \$        | 3,150.00         |
| A. Palmer  | A.P. | 1.75 hours @  | \$210.00 per hour | \$        | 367.50           |
| R. DaSilva   | R.D. | 5.25 hours @  | \$195.00 per hour | \$        | 1,023.75         |
| Total fees   |      |               |                   | \$        | 10,716.25        |
| Misc. disbursements (copies, mail, legal searches, Ascend license fee) |      |               |                   | \$        | 437.48           |
|  |      |               |                   | \$        | 11,153.73        |
| H.S.T.   |      |               |                   | \$        | 1,449.98         |
| <b>Total Balance Due</b>   |      |               |                   | <b>\$</b> | <b>12,603.71</b> |

/Cont.

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 7/27/2020   | A.R.         | 0.50        | Review Application Records. Email correspondence with Y. Levinson of Hillmount Capital re: providing Receiver's Loan. Email exchange with K. Kraft re: borrowings.   |
| 7/28/2020   | A.R.         | 0.25        | Review various email correspondence from G. Marchant and K. Kraft re: potential refinancing. Email correspondence with Y. Levinson re: queries to Receiver's loan and requested documents.   |
| 10/13/2020  | A.R.         | 0.50        | Review file and various documents. Email correspondence and conference call with K. Kraft, S. Van Allen and G. Marchant to discuss next steps in Receivership. Email correspondence to Y. Levinson re: Receiver's advance. Email correspondence with R. Konovalov re: obtaining insurance coverage.  |
| 10/13/2020  | R.D.         | 0.50        | Print various receivership documents, prepare files.   |
| 10/13/2020  | R.K.         | 0.25        | Reviewed material available in regards to properties; discussed file with A. Rutman  |
| 10/14/2020  | A.P.         | 0.50        | Review Appraisals to complete FCA insurance forms for quotes.  |
| 10/14/2020  | A.R.         | 0.75        | Email exchange with A. Palmer re: obtaining quotes on insurance coverage; forward various property information. Email exchange with staff re: appraisers. Review correspondence from R. Konovalov re: emails sent to finance department re: property taxes. Review Court Orders. Email correspondence to Y. Levinson re: Receiver's loan. Email exchange with R. Konovalov re: draft letters to Andrzej Kepinski re: document request; email correspondence to counsel re: same. |
| 10/14/2020  | R.K.         | 0.50        | Letters issued to Mr. Kepinski about the Receivership to provide documentation. Letters issued to Niagara Falls Finance department in regards to property taxes. Spoke to A. Rutman about properties and action further, communicated with various firms about Commercial appraisals.  |



| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 10/15/2020  | A.P.         | 0.25        | Review Appraisals to complete FCA insurance forms for quotes.   |
| 10/15/2020  | A.R.         | 0.50        | Call with Y. Levinson of Hillmount Capital re: Receiver's loan. Email correspondence with R. Konovalov re: appraisal proposals. Email correspondence to counsel re: registering orders. Email correspondence with counsel re: correspondence sent to A. Kepinski re: document request.  |
| 10/15/2020  | R.D.         | 0.25        | Set up bank accounts.   |
| 10/15/2020  | R.K.         | 0.25        | Spoke to commercial appraisers about properties.  |
| 10/16/2020  | A.P.         | 1.00        | Review Appraisals to complete FCA insurance forms for quotes.   |
| 10/16/2020  | A.R.         | 0.25        | Review correspondence from counsel re: registered Applications to Register Court Order. Review email correspondence from R. Konovalov to B. Loubert re: request for various documents and matters relating to insurance claim for Cataract property and copies of insurance policies. Email correspondence with R. Konovalov re: listing agent updates. Review photos of locations. Email correspondence to counsel re: update on request for documents from A. Kepinski. |
| 10/16/2020  | R.K.         | 2.50        | Drove to Niagara Falls, attended properties, took pictures, spoke to management companies contact, spoke to real estate companies about the appraisals, communications with A. Rutman, spoke to the City of Niagara Falls about the fire at Cataract property, spoke to the representative of Milborne Group in regards to documentation related to properties.   |
| 10/19/2020  | A.R.         | 0.75        | Review draft term sheets from Y. Levinson of Hillmount Capital; email exchange re: comments and amendments. Email exchange with counsel re: draft term sheets, property taxes and appraiser. Review correspondence from R. Konovalov re: insurance policies and appraisal proposal. Email   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
|             |              |             | correspondence and discussion with staff re: insurance application forms.   |
| 10/19/2020  | R.K.         | 0.50        | Discussed appraisals with A. Rutman, spoke to Niagara Falls fire prevention officer about Cataract property, discussed documentation production with B. Loubert of Milborne Group.  |
| 10/20/2020  | A.R.         | 0.75        | Email correspondence and call with Y. Levinson re: amended term sheets. Review final version; execute and forward same. Email exchange with K. Kraft re: terms sheets and interest on advance. Email exchange with R. Konovalov re: management services for properties. Review PPSA searches. Review various correspondence re: insurance policies.   |
| 10/20/2020  | R.D.         | 0.25        | PPSA searches.  |
| 10/20/2020  | R.K.         | 0.50        | Communications with Milborne and Esbin in regards to properties and current creditors, reviewed PPSA Searches.  |
| 10/21/2020  | A.R.         | 1.25        | Draft letter to brokers re: listing proposals; review appraisals and property descriptions; discussions with staff re: same, call and email correspondence with K. Kraft re: draft letter to brokers. Discussion with staff re: 245 Notices. Review leases. Forward wire coordinates to Hillmount Capital. Review property searches. Review property searches. Email correspondence with G. Marchant and counsel re: scheduling of call with lenders. |
| 10/21/2020  | R.D.         | 1.50        | Prepare Statement of Receipts and Disbursements template. Draft 245 notices; forward to R. Konovalov for review. Property searches for all properties; forward reports to A. Rutman. Provide A. Rutman with description of all properties from appraisals. Draft letters and descriptions for listing brokers.  |
| 10/21/2020  | R.K.         | 0.50        | Communication with D. Bottero office in regards to commercial appraisals cost estimate, reviewed proposals to Realtors, email communication with  |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
|             |              |             | Milborne and Esbin in regards to properties, received leases.   |
| 10/22/2020  | A.R.         | 1.25        | Correspondence to listing brokers re: solicitation of Listing Proposals; email correspondence with various Agents. Various email correspondence and discussions with staff re: 245 Notices; review same; email exchange with counsel re: same. Email correspondence with Hillmount re: Receiver's advance and interest. Review and execute Receiver's Certificates; forward same to Hillmount. Email correspondence with R. Konovalov re: update on insurance coverage and update on estimate for appraisals. Email correspondence to counsel re: update on registration of court orders on title. Forward broker letter and contacts to counsel. Email exchange with R. Konovalov re: obtaining copies of all bank statements. |
| 10/22/2020  | R.D.         | 2.00        | Draft notices, creditor lists, supplementary mailing list, affidavit of mailing. Discussions and email correspondence with A. Rutman and R. Konovalov re: same. Banking administration. Set up bank accounts on Ascend. Email correspondence with Official Receiver office re: notices and request for copies of court orders. Mailing of notices.  |
| 10/22/2020  | R.K.         | 1.00        | Discussed properties with Cushman and their future proposal, spoke to Commercial appraiser about their proposal and cost, discussed outstanding documentation with Milborne Group, reviewed 245/246 notices; made changes, reviewed schedule of creditors provided by Milborne Group, spoke to the current insurance broker, Joe Wray about policies, release direction letter to add the Receiver as a named payee, discussed management cost with A. Rutman, other communication with Milborne and Esbin in regards to properties.  |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 10/23/2020  | A.R.         | 0.25        | Engaged in email correspondence with R. Konovalov re: estimate to complete appraisals with P. Del Sordo of Humphreys. Email exchange with G. Marchant and counsel re: call with lenders and preparation for same. Email correspondence and discussion with R. Konovalov re: property management and utilities. Email correspondence with listing agent re: listing proposal.   |
| 10/23/2020  | R.K.         | 0.50        | Communications with Milborne in regards to properties and books and records, faxed orders to Office of the Superintendent of Bankruptcy, discussed cost of appraisals with Humphrey's appraisals, sent email to Niagara Hydro in regards to service at Queen Street.   |
| 10/26/2020  | A.R.         | 1.00        | Review appraisal engagement letter and invoice; email exchange with staff re: same. Conference call with K. Kraft, S. Van Allen and G. Marchant re: preparation of call with lenders. Conference call with lenders; review Agenda. Email correspondence with staff re: posting of legal documents to website. Review correspondence re: lender proposal to remove Receiver; email correspondence to counsel re: same. Email exchange with R. Konovalov re: change of locks. Review correspondence re: insurance coverage. Email correspondence with R. Konovalov re: writing to banks to obtain copies of bank statements. |
| 10/26/2020  | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.  |
| 10/26/2020  | R.K.         | 0.75        | Met with the local manager, K. Livingston, walked through all properties including inside, discussed issues and how the relationship will be going forward, spoke to B. Loubert about bank statements, discussed the process with A. Rutman.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 10/27/2020  | A.R.         | 0.50        | Email correspondence and call with M. Fishman re: insurance coverage on 4544 Zimmerman. Email correspondence with staff re: letters to banks to close accounts and provide copies of documents; review draft letter. Discussions with R. Konovalov re: review of properties and matters re: insurance coverage and appraisals required. Email correspondence with real estate agents re: listing proposals and requested information. Email correspondence with K. Kraft re: lender proposal. Review correspondence from R. Konovalov re: request for site plans, drawings, reports, etc. from B. Loubert. Review responses from TD Bank regarding balances in accounts. Review memorandum from R. Konovalov re: findings at inspection of properties. |
| 10/27/2020  | R.D.         | 0.50        | Draft letters to TD bank re: request to close bank accounts, forward remaining funds and request copies of bank documents for last seven years.  |
| 10/27/2020  | R.K.         | 0.50        | Completed a detailed memorandum to A. Rutman outlining current state of the properties which are subject to a Receivership based on visits on Monday October 26, 2020, emailed management fee schedule to Kris Livingston as discussed; communication with appraisers to arrange the process, spoke to R. DaSilva about banking information; communicated with CBRE about Niagara Falls properties.  |
| 10/28/2020  | A.R.         | 0.75        | Review correspondence from TD Bank re: request for copies of bank statements; email correspondence with staff re: obtaining same from B. Loubert and costs requested by TD for copies. Review correspondence re: solicitation of listing proposals. Email correspondence with R. Konovalov re: documents to be put on data room site. Email correspondence to Office of Superintendent of Bankruptcy re: notices filed and nature of business. Review email correspondence from R. Konovalov re: update from appraisers.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 10/28/2020  | R.K.         | 0.75        | Communication with appraisers about properties and a local contact to arrange it, spoke to Niagara Peninsula about monies owed on per property basis, email Court orders in regards to Crystal Motel to Niagara Peninsula, email documentation available to the Receiver to Cushman and CBRE, spoke to the City of Niagara Falls about plans, drawings and other available information related to buildings. |
| 10/29/2020  | A.R.         | 0.25        | Review correspondence from Office of the Superintendent of Bankruptcy re: 245 notices filed and estate numbers.  |
| 10/29/2020  | R.K.         | 0.75        | Spoke to Insurance brokers regarding insurance coverage renewal and upgrade of coverages, spoke to JLL Brokerage about properties, sent email communication to Enbridge about stay of proceeding, discussed financials with B. Loubert of Milborne Group, provided appraisers with additional information about the properties, reached out to J. D Barnes about properties.                                 |
| 10/30/2020  | R.K.         | 1.25        | Went to Niagara Falls, met with the Appraiser, Cushman brokers, did a tour about the properties, fixed a broken window at Queen Street Property, spoke to the City of Niagara Falls about Property Taxes, spoke to Enbridge about each property service, discussed with the local overseeing individual winterizing of the Crystal motel, spoke to Electrical Safety Authority about Zimmerman Studios.      |

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.



ONTARIO  
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE RECEIVERSHIP OF  
4267 RIVER ROAD LP AND 4267 RIVER ROAD GP INC.  
OF THE CITY OF NIAGARA FALLS, IN THE REGIONAL  
MUNICIPALITY OF NIAGARA, IN THE PROVINCE OF ONTARIO

CLIENT #222209.001

INTERIM BILLING

INVOICE #42315

To: Professional services rendered in respect of Court Appointed Receivership of  
4267 River Road LP and 4267 River Road GP Inc. from July 27, 2020 to  
October 31, 2020.

**Time Charges and Expenses:**

|  |      |               |                   |           |                  |
|--|------|---------------|-------------------|-----------|------------------|
| A. Rutman, Partner   | A.R. | 9.50 hours @  | \$650.00 per hour | \$        | 6,175.00         |
| R.Konovalov  | R.K. | 10.25 hours @ | \$300.00 per hour | \$        | 3,075.00         |
| A. Palmer  | A.P. | 1.75 hours @  | \$210.00 per hour | \$        | 367.50           |
| R. DaSilva   | R.D. | 5.25 hours @  | \$195.00 per hour | \$        | 1,023.75         |
| Total fees   |      |               |                   | \$        | 10,641.25        |
| Miscellaneous disbursements (copies, mail, legal searches, Ascend license fee) |      |               |                   | \$        | 437.48           |
|  |      |               |                   | \$        | 11,078.73        |
| H.S.T.   |      |               |                   | \$        | 1,440.23         |
| <b>Total Balance Due</b>   |      |               |                   | <b>\$</b> | <b>12,518.96</b> |

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| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 7/27/2020   | A.R.         | 0.50        | Review Application Records. Email correspondence with Y. Levinson of Hillmount Capital re: providing Receiver's Loan. Email exchange with K. Kraft re: borrowings.   |
| 7/28/2020   | A.R.         | 0.25        | Review various email correspondence from G. Marchant and K. Kraft re: potential refinancing. Email correspondence with Y. Levinson re: queries to Receiver's loan and requested documents.   |
| 10/13/2020  | A.R.         | 0.50        | Review file and various documents. Email correspondence and conference call with K. Kraft, S. Van Allen and G. Marchant to discuss next steps in Receivership. Email correspondence to Y. Levinson re: Receiver's advance. Email correspondence with R. Konovalov re: obtaining insurance coverage.  |
| 10/13/2020  | R.D.         | 0.50        | Print various receivership documents, prepare files.   |
| 10/13/2020  | R.K.         | 0.25        | Reviewed material available in regards to properties; discussed file with A. Rutman  |
| 10/14/2020  | A.P.         | 0.25        | Review Appraisals to complete FCA insurance forms for quotes.  |
| 10/14/2020  | A.R.         | 0.75        | Email exchange with A. Palmer re: obtaining quotes on insurance coverage; forward various property information. Email exchange with staff re: appraisers. Review correspondence from R. Konovalov re: emails sent to finance department re: property taxes. Review Court Orders. Email correspondence to Y. Levinson re: Receiver's loan. Email exchange with R. Konovalov re: draft letters to Andrzej Kepinski re: document request; email correspondence to counsel re: same. |
| 10/14/2020  | R.K.         | 0.75        | Letters issued to Mr. Kepinski about the Receivership to provide documentation. Letters issued to Niagara Falls Finance department in regards to property taxes. Spoke to A. Rutman about properties and action further, communicated with various firms about Commercial appraisals.  |



| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 10/15/2020  | A.P.         | 0.25        | Review Appraisals to complete FCA insurance forms for quotes.   |
| 10/15/2020  | A.R.         | 0.50        | Call with Y. Levinson of Hillmount Capital re: Receiver's loan. Email correspondence with R. Konovalov re: appraisal proposals. Email correspondence to counsel re: registering orders. Email correspondence with counsel re: correspondence sent to A. Kepinski re: document request.  |
| 10/15/2020  | R.D.         | 0.25        | Set up bank accounts.   |
| 10/15/2020  | R.K.         | 0.25        | Spoke to commercial appraisers about properties.  |
| 10/16/2020  | A.P.         | 1.25        | Review Appraisals to complete FCA insurance forms for quotes.   |
| 10/16/2020  | A.R.         | 0.50        | Review correspondence from counsel re: registered Applications to Register Court Order. Review email correspondence from R. Konovalov to B. Loubert re: request for various documents and matters relating to insurance claim for Cataract property and copies of insurance policies. Email correspondence with R. Konovalov re: listing agent updates. Review photos of locations. Email correspondence to counsel re: update on request for documents from A. Kepinski. |
| 10/16/2020  | R.K.         | 2.50        | Drove to Niagara Falls, attended properties, took pictures, spoke to management companies contact, spoke to real estate companies about the appraisals, communications with A. Rutman, spoke to the City of Niagara Falls about the fire at Cataract property, spoke to the representative of Milborne Group in regards to documentation related to properties.   |
| 10/19/2020  | A.R.         | 0.75        | Review draft term sheets from Y. Levinson of Hillmount Capital; email exchange re: comments and amendments. Email exchange with counsel re: draft term sheets, property taxes and appraiser. Review correspondence from R. Konovalov re: insurance policies and appraisal proposal. Email   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
|             |              |             | correspondence and discussion with staff re: insurance application forms.   |
| 10/19/2020  | R.K.         | 0.25        | Discussed appraisals with A. Rutman, spoke to Niagara Falls fire prevention officer about Cataract property, discussed documentation production with B. Loubert of Milborne Group.  |
| 10/20/2020  | A.R.         | 0.75        | Email correspondence and call with Y. Levinson re: amended term sheets. Review final version; execute and forward same. Email exchange with K. Kraft re: terms sheets and interest on advance. Email exchange with R. Konovalov re: management services for properties. Review PPSA searches. Review various correspondence re: insurance policies.   |
| 10/20/2020  | R.D.         | 0.25        | PPSA searches.  |
| 10/20/2020  | R.K.         | 0.25        | Communications with Milborne and Esbin in regards to properties and current creditors, reviewed PPSA Searches.  |
| 10/21/2020  | A.R.         | 1.25        | Draft letter to brokers re: listing proposals; review appraisals and property descriptions; discussions with staff re: same, call and email correspondence with K. Kraft re: draft letter to brokers. Discussion with staff re: 245 Notices. Review leases. Forward wire coordinates to Hillmount Capital. Review property searches. Review property searches. Email correspondence with G. Marchant and counsel re: scheduling of call with lenders. |
| 10/21/2020  | R.D.         | 1.50        | Prepare Statement of Receipts and Disbursements template. Draft 245 notices; forward to R. Konovalov for review. Property searches for all properties; forward reports to A. Rutman. Provide A. Rutman with description of all properties from appraisals. Draft letters and descriptions for listing brokers.  |
| 10/21/2020  | R.K.         | 0.25        | Communication with D. Bottero office in regards to commercial appraisals cost estimate, reviewed proposals to Realtors, email communication with  |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
|             |              |             | Milborne and Esbin in regards to properties, received leases.   |
| 10/22/2020  | A.R.         | 1.25        | Correspondence to listing brokers re: solicitation of Listing Proposals; email correspondence with various Agents. Various email correspondence and discussions with staff re: 245 Notices; review same; email exchange with counsel re: same. Email correspondence with Hillmount re: Receiver's advance and interest. Review and execute Receiver's Certificates; forward same to Hillmount. Email correspondence with R. Konovalov re: update on insurance coverage and update on estimate for appraisals. Email correspondence to counsel re: update on registration of court orders on title. Forward broker letter and contacts to counsel. Email exchange with R. Konovalov re: obtaining copies of all bank statements. |
| 10/22/2020  | R.D.         | 2.00        | Draft notices, creditor lists, supplementary mailing list, affidavit of mailing. Discussions and email correspondence with A. Rutman and R. Konovalov re: same. Banking administration. Set up bank accounts on Ascend. Email correspondence with Official Receiver office re: notices and request for copies of court orders. Mailing of notices.  |
| 10/22/2020  | R.K.         | 1.25        | Discussed properties with Cushman and their future proposal, spoke to Commercial appraiser about their proposal and cost, discussed outstanding documentation with Milborne Group, reviewed 245/246 notices; made changes, reviewed schedule of creditors provided by Milborne Group, spoke to the current insurance broker, Joe Wray about policies, release direction letter to add the Receiver as a named payee, discussed management cost with A. Rutman, other communication with Milborne and Esbin in regards to properties.  |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 10/23/2020  | A.R.         | 0.25        | Engaged in email correspondence with R. Konovalov re: estimate to complete appraisals with P. Del Sordo of Humphreys. Email exchange with G. Marchant and counsel re: call with lenders and preparation for same. Email correspondence and discussion with R. Konovalov re: property management and utilities. Email correspondence with listing agent re: listing proposal.   |
| 10/23/2020  | R.K.         | 0.50        | Communications with Milborne in regards to properties and books and records, faxed orders to Office of the Superintendent of Bankruptcy, discussed cost of appraisals with Humphrey's appraisals, sent email to Niagara Hydro in regards to service at Queen Street.   |
| 10/26/2020  | A.R.         | 0.75        | Review appraisal engagement letter and invoice; email exchange with staff re: same. Conference call with K. Kraft, S. Van Allen and G. Marchant re: preparation of call with lenders. Conference call with lenders; review Agenda. Email correspondence with staff re: posting of legal documents to website. Review correspondence re: lender proposal to remove Receiver; email correspondence to counsel re: same. Email exchange with R. Konovalov re: change of locks. Review correspondence re: insurance coverage. Email correspondence with R. Konovalov re: writing to banks to obtain copies of bank statements. |
| 10/26/2020  | R.D.         | 0.50        | Banking administration. Update Statement of Receipts and Disbursements.  |
| 10/26/2020  | R.K.         | 0.75        | Met with the local manager, K. Livingston, walked through all properties including inside, discussed issues and how the relationship will be going forward, spoke to B. Loubert about bank statements, discussed the process with A. Rutman.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 10/27/2020  | A.R.         | 0.75        | Email correspondence and call with M. Fishman re: insurance coverage on 4544 Zimmerman. Email correspondence with staff re: letters to banks to close accounts and provide copies of documents; review draft letter. Discussions with R. Konovalov re: review of properties and matters re: insurance coverage and appraisals required. Email correspondence with real estate agents re: listing proposals and requested information. Email correspondence with K. Kraft re: lender proposal. Review correspondence from R. Konovalov re: request for site plans, drawings, reports, etc. from B. Loubert. Review responses from TD Bank regarding balances in accounts. Review memorandum from R. Konovalov re: findings at inspection of properties. |
| 10/27/2020  | R.D.         | 0.25        | Draft letters to TD bank re: request to close bank accounts, forward remaining funds and request copies of bank documents for last seven years.  |
| 10/27/2020  | R.K.         | 0.50        | Completed a detailed memorandum to A. Rutman outlining current state of the properties which are subject to a Receivership based on visits on Monday October 26, 2020, emailed management fee schedule to Kris Livingston as discussed; communication with appraisers to arrange the process, spoke to R. DaSilva about banking information; communicated with CBRE about Niagara Falls properties.  |
| 10/28/2020  | A.R.         | 0.50        | Review correspondence from TD Bank re: request for copies of bank statements; email correspondence with staff re: obtaining same from B. Loubert and costs requested by TD for copies. Review correspondence re: solicitation of listing proposals. Email correspondence with R. Konovalov re: documents to be put on data room site. Email correspondence to Office of Superintendent of Bankruptcy re: notices filed and nature of business. Review email correspondence from R. Konovalov re: update from appraisers.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 10/28/2020  | R.K.         | 0.75        | Communication with appraisers about properties and a local contact to arrange it, spoke to Niagara Peninsula about monies owed on per property basis, email Court orders in regards to Crystal Motel to Niagara Peninsula, email documentation available to the Receiver to Cushman and CBRE, spoke to the City of Niagara Falls about plans, drawings and other available information related to buildings. |
| 10/29/2020  | A.R.         | 0.25        | Review correspondence from Office of the Superintendent of Bankruptcy re: 245 notices filed and estate numbers.  |
| 10/29/2020  | R.K.         | 0.75        | Spoke to Insurance brokers regarding insurance coverage renewal and upgrade of coverages, spoke to JLL Brokerage about properties, sent email communication to Enbridge about stay of proceeding, discussed financials with B. Loubert of Milborne Group, provided appraisers with additional information about the properties, reached out to J. D Barnes about properties.                                 |
| 10/30/2020  | R.K.         | 1.25        | Went to Niagara Falls, met with the Appraiser, Cushman brokers, did a tour about the properties, fixed a broken window at Queen Street Property, spoke to the City of Niagara Falls about Property Taxes, spoke to Enbridge about each property service, discussed with the local overseeing individual winterizing of the Crystal motel, spoke to Electrical Safety Authority about Zimmerman Studios.      |

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.



ONTARIO  
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE RECEIVERSHIP OF  
4544 ZIMMERMAN AVENUE LP AND 4544 ZIMMERMAN AVENUE GP INC.  
OF THE CITY OF NIAGARA FALLS, IN THE REGIONAL  
MUNICIPALITY OF NIAGARA, IN THE PROVINCE OF ONTARIO

CLIENT #222209.001

INTERIM BILLING

INVOICE #42316

To: Professional services rendered in respect of Court Appointed Receivership of  
4544 Zimmerman Avenue LP and 4544 Zimmerman Avenue GP Inc. from  
July 27, 2020 to October 31, 2020.

**Time Charges and Expenses:**

|  |      |               |                   |           |                  |
|--|------|---------------|-------------------|-----------|------------------|
| A. Rutman, Partner   | A.R. | 9.50 hours @  | \$650.00 per hour | \$        | 6,175.00         |
| R.Konovalov  | R.K. | 10.50 hours @ | \$300.00 per hour | \$        | 3,150.00         |
| A. Palmer  | A.P. | 1.50 hours @  | \$210.00 per hour | \$        | 315.00           |
| R. DaSilva   | R.D. | 5.25 hours @  | \$195.00 per hour | \$        | 1,023.75         |
| Total fees   |      |               |                   | \$        | 10,663.75        |
| Miscellaneous disbursements (copies, mail, legal searches, Ascend license fee) |      |               |                   | \$        | 437.48           |
|  |      |               |                   | \$        | 11,101.23        |
| H.S.T.   |      |               |                   | \$        | 1,443.16         |
| <b>Total Balance Due</b>   |      |               |                   | <b>\$</b> | <b>12,544.39</b> |

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| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 7/27/2020   | A.R.         | 0.50        | Review Application Records. Email correspondence with Y. Levinson of Hillmount Capital re: providing Receiver's Loan. Email exchange with K. Kraft re: borrowings.   |
| 7/30/2020   | A.R.         | 0.25        | Review term sheet from Hillmount Capital. Review Supplementary Affidavit of Charles Hunter Milborne.   |
| 10/13/2020  | A.R.         | 0.50        | Review file and various documents. Email correspondence and conference call with K. Kraft, S. Van Allen and G. Marchant to discuss next steps in Receivership. Email correspondence to Y. Levinson re: Receiver's advance. Email correspondence with R. Konovalov re: obtaining insurance coverage.  |
| 10/13/2020  | R.D.         | 0.25        | Print various receivership documents, prepare files.   |
| 10/13/2020  | R.K.         | 0.50        | Reviewed material available in regards to properties; discussed file with A. Rutman  |
| 10/14/2020  | A.P.         | 0.25        | Review Appraisals to complete FCA insurance forms for quotes.  |
| 10/14/2020  | A.R.         | 0.75        | Email exchange with A. Palmer re: obtaining quotes on insurance coverage; forward various property information. Email exchange with staff re: appraisers. Review correspondence from R. Konovalov re: emails sent to finance department re: property taxes. Review Court Orders. Email correspondence to Y. Levinson re: Receiver's loan. Email exchange with R. Konovalov re: draft letters to Andrzej Kepinski re: document request; email correspondence to counsel re: same. |
| 10/14/2020  | R.K.         | 0.75        | Letters issued to Mr. Kepinski about the Receivership to provide documentation. Letters issued to Niagara Falls Finance department in regards to property taxes. Spoke to A. Rutman about properties and action further, communicated with various firms about Commercial appraisals.  |



| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 10/15/2020  | A.P.         | 0.25        | Review Appraisals to complete FCA insurance forms for quotes.   |
| 10/15/2020  | A.R.         | 0.50        | Call with Y. Levinson of Hillmount Capital re: Receiver's loan. Email correspondence with R. Konovalov re: appraisal proposals. Email correspondence to counsel re: registering orders. Email correspondence with counsel re: correspondence sent to A. Kepinski re: document request.  |
| 10/15/2020  | R.D.         | 0.50        | Set up bank accounts.   |
| 10/16/2020  | A.P.         | 1.00        | Review Appraisals to complete FCA insurance forms for quotes.   |
| 10/16/2020  | A.R.         | 0.50        | Review correspondence from counsel re: registered Applications to Register Court Order. Review email correspondence from R. Konovalov to B. Loubert re: request for various documents and matters relating to insurance claim for Cataract property and copies of insurance policies. Email correspondence with R. Konovalov re: listing agent updates. Review photos of locations. Email correspondence to counsel re: update on request for documents from A. Kepinski. |
| 10/16/2020  | R.K.         | 2.50        | Drove to Niagara Falls, attended properties, took pictures, spoke to management companies contact, spoke to real estate companies about the appraisals, communications with A. Rutman, spoke to the City of Niagara Falls about the fire at Cataract property, spoke to the representative of Milborne Group in regards to documentation related to properties.   |
| 10/19/2020  | A.R.         | 0.75        | Review draft term sheets from Y. Levinson of Hillmount Capital; email exchange re: comments and amendments. Email exchange with counsel re: draft term sheets, property taxes and appraiser. Review correspondence from R. Konovalov re: insurance policies and appraisal proposal. Email correspondence and discussion with staff re: insurance application forms.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 10/19/2020  | R.K.         | 0.25        | Discussed appraisals with A. Rutman, spoke to Niagara Falls fire prevention officer about Cataract property, discussed documentation production with B. Loubert of Milborne Group.  |
| 10/20/2020  | A.R.         | 1.00        | Email correspondence and call with Y. Levinson re: amended term sheets. Review final version; execute and forward same. Email exchange with K. Kraft re: terms sheets and interest on advance. Email exchange with R. Konovalov re: management services for properties. Review PPSA searches. Review various correspondence re: insurance policies.   |
| 10/20/2020  | R.D.         | 0.25        | PPSA searches.  |
| 10/20/2020  | R.K.         | 0.25        | Communications with Milborne and Esbin in regards to properties and current creditors, reviewed PPSA Searches.  |
| 10/21/2020  | A.R.         | 1.00        | Draft letter to brokers re: listing proposals; review appraisals and property descriptions; discussions with staff re: same, call and email correspondence with K. Kraft re: draft letter to brokers. Discussion with staff re: 245 Notices. Review leases. Forward wire coordinates to Hillmount Capital. Review property searches. Review property searches. Email correspondence with G. Marchant and counsel re: scheduling of call with lenders. |
| 10/21/2020  | R.D.         | 1.50        | Prepare Statement of Receipts and Disbursements template. Draft 245 notices; forward to R. Konovalov for review. Property searches for all properties; forward reports to A. Rutman. Provide A. Rutman with description of all properties from appraisals. Draft letters and descriptions for listing brokers.  |
| 10/21/2020  | R.K.         | 0.25        | Communication with D. Bottero office in regards to commercial appraisals cost estimate, reviewed proposals to Realtors, email communication with Milborne and Esbin in regards to properties, received leases.  |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 10/22/2020  | A.R.         | 1.25        | Correspondence to listing brokers re: solicitation of Listing Proposals; email correspondence with various Agents. Various email correspondence and discussions with staff re: 245 Notices; review same; email exchange with counsel re: same. Email correspondence with Hillmount re: Receiver's advance and interest. Review and execute Receiver's Certificates; forward same to Hillmount. Email correspondence with R. Konovalov re: update on insurance coverage and update on estimate for appraisals. Email correspondence to counsel re: update on registration of court orders on title. Forward broker letter and contacts to counsel. Email exchange with R. Konovalov re: obtaining copies of all bank statements. |
| 10/22/2020  | R.D.         | 2.00        | Draft notices, creditor lists, supplementary mailing list, affidavit of mailing. Discussions and email correspondence with A. Rutman and R. Konovalov re: same. Banking administration. Set up bank accounts on Ascend. Email correspondence with Official Receiver office re: notices and request for copies of court orders. Mailing of notices.  |
| 10/22/2020  | R.K.         | 1.25        | Discussed properties with Cushman and their future proposal, spoke to Commercial appraiser about their proposal and cost, discussed outstanding documentation with Milborne Group, reviewed 245/246 notices; made changes, reviewed schedule of creditors provided by Milborne Group, spoke to the current insurance broker, Joe Wray about policies, release direction letter to add the Receiver as a named payee, discussed management cost with A. Rutman, other communication with Milborne and Esbin in regards to properties.  |
| 10/23/2020  | A.R.         | 0.25        | Engaged in email correspondence with R. Konovalov re: estimate to complete appraisals with P. Del Sordo of Humphreys. Email exchange with G. Marchant and counsel re: call with lenders and preparation for same. Email correspondence and discussion with R. Konovalov re: property management and utilities.  |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
|             |              |             | Email correspondence with listing agent re: listing proposal.  |
| 10/23/2020  | R.K.         | 0.50        | Communications with Milborne in regards to properties and books and records, faxed orders to Office of the Superintendent of Bankruptcy, discussed cost of appraisals with Humphrey's appraisals, sent email to Niagara Hydro in regards to service at Queen Street.   |
| 10/26/2020  | A.R.         | 0.75        | Review appraisal engagement letter and invoice; email exchange with staff re: same. Conference call with K. Kraft, S. Van Allen and G. Marchant re: preparation of call with lenders. Conference call with lenders; review Agenda. Email correspondence with staff re: posting of legal documents to website. Review correspondence re: lender proposal to remove Receiver; email correspondence to counsel re: same. Email exchange with R. Konovalov re: change of locks. Review correspondence re: insurance coverage. Email correspondence with R. Konovalov re: writing to banks to obtain copies of bank statements. |
| 10/26/2020  | R.D.         | 0.50        | Banking administration. Update Statement of Receipts and Disbursements.  |
| 10/26/2020  | R.K.         | 0.75        | Met with the local manager, K. Livingston, walked through all properties including inside, discussed issues and how the relationship will be going forward, spoke to B. Loubert about bank statements, discussed the process with A. Rutman.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 10/27/2020  | A.R.         | 0.50        | Email correspondence and call with M. Fishman re: insurance coverage on 4544 Zimmerman. Email correspondence with staff re: letters to banks to close accounts and provide copies of documents; review draft letter. Discussions with R. Konovalov re: review of properties and matters re: insurance coverage and appraisals required. Email correspondence with real estate agents re: listing proposals and requested information. Email correspondence with K. Kraft re: lender proposal. Review correspondence from R. Konovalov re: request for site plans, drawings, reports, etc. from B. Loubert. Review responses from TD Bank regarding balances in accounts. Review memorandum from R. Konovalov re: findings at inspection of properties. |
| 10/27/2020  | R.D.         | 0.25        | Draft letters to TD bank re: request to close bank accounts, forward remaining funds and request copies of bank documents for last seven years.  |
| 10/27/2020  | R.K.         | 0.50        | Completed a detailed memorandum to A. Rutman outlining current state of the properties which are subject to a Receivership based on visits on Monday October 26, 2020, emailed management fee schedule to Kris Livingston as discussed; communication with appraisers to arrange the process, spoke to R. DaSilva about banking information; communicated with CBRE about Niagara Falls properties.  |
| 10/28/2020  | A.R.         | 0.75        | Review correspondence from TD Bank re: request for copies of bank statements; email correspondence with staff re: obtaining same from B. Loubert and costs requested by TD for copies. Review correspondence re: solicitation of listing proposals. Email correspondence with R. Konovalov re: documents to be put on data room site. Email correspondence to Office of Superintendent of Bankruptcy re: notices filed and nature of business. Review email correspondence from R. Konovalov re: update from appraisers.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 10/28/2020  | R.K.         | 0.75        | Communication with appraisers about properties and a local contact to arrange it, spoke to Niagara Peninsula about monies owed on per property basis, email Court orders in regards to Crystal Motel to Niagara Peninsula, email documentation available to the Receiver to Cushman and CBRE, spoke to the City of Niagara Falls about plans, drawings and other available information related to buildings. |
| 10/29/2020  | A.R.         | 0.25        | Review correspondence from Office of the Superintendent of Bankruptcy re: 245 notices filed and estate numbers.  |
| 10/29/2020  | R.K.         | 1.00        | Spoke to Insurance brokers regarding insurance coverage renewal and upgrade of coverages, spoke to JLL Brokerage about properties, sent email communication to Enbridge about stay of proceeding, discussed financials with B. Loubert of Milborne Group, provided appraisers with additional information about the properties, reached out to J. D Barnes about properties.                                 |
| 10/30/2020  | R.K.         | 1.25        | Went to Niagara Falls, met with the Appraiser, Cushman brokers, did a tour about the properties, fixed a broken window at Queen Street Property, spoke to the City of Niagara Falls about Property Taxes, spoke to Enbridge about each property service, discussed with the local overseeing individual winterizing of the Crystal motel, spoke to Electrical Safety Authority about Zimmerman Studios.      |

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.



ONTARIO  
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE RECEIVERSHIP OF  
2407553 ONTARIO INC., 2384648 ONTARIO INC., 2384646 ONTARIO INC.,  
2400196 ONTARIO INC. AND 2396139 ONTARIO INC.  
OF THE CITY OF NIAGARA FALLS, IN THE REGIONAL MUNICIPALITY OF  
NIAGARA, IN THE PROVINCE OF ONTARIO

CLIENT #222209.001

INTERIM BILLING

INVOICE #42322

To: Professional services rendered in respect of Court Appointed Receivership of 2407553 Ontario Inc., 2384648 Ontario Inc., 2384646 Ontario Inc., 2400196 Ontario Inc. and 2396139 Ontario Inc. from November 1, 2020 to November 30, 2020.

**Time Charges and Expenses:**

|  |      |               |                   |           |                 |
|--|------|---------------|-------------------|-----------|-----------------|
| A. Rutman, Partner                       | A.R. | 6.50 hours @  | \$650.00 per hour | \$        | 4,225.00        |
| R.Konovalov                              | R.K. | 11.50 hours @ | \$300.00 per hour | \$        | 3,450.00        |
| R. DaSilva                               | R.D. | 3.50 hours @  | \$195.00 per hour | \$        | 682.50          |
| Total fees                               |      |               |                   | \$        | 8,357.50        |
| Misc. disbursements (copies, mail, etc.) |      |               |                   | \$        | 59.69           |
|  |      |               |                   | \$        | 8,417.19        |
| H.S.T.                                   |      |               |                   | \$        | 1,094.23        |
| <b>Total Balance Due</b>                 |      |               |                   | <b>\$</b> | <b>9,511.42</b> |

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| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 11/2/2020   | A.R.         | 0.50        | Email correspondence with R. Konovalov re: listing proposals. Review correspondence re: TD bank draft received re: cash in bank in 4267 River Road account. Email exchange with R. Konovalov re: obtaining copies of statements and estimated volume of transactions. Email correspondence with R. Konovalov re: payment of Mr. Handyman invoice.   |
| 11/2/2020   | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/2/2020   | R.K.         | 0.50        | Discussed bill payments; bank drafts received from TD; discussed TD release of information with R. DaSilva in terms of costs; emailed information in regards to properties to Remax Agent; spoke to Insurance agent about current policies; spoke to Brokers in regards to buildings and presentations; spoke to D. Mancuso in regards to a heat pump at the Crystal motel; spoke to Enbridge; spoke to other Insurance companies in regards to proposals to insure Zimmerman Studios upon current policy maturity. |
| 11/3/2020   | A.R.         | 0.25        | Review correspondence from R. Konovalov re: payment to J.D. Barnes re: plans. Review email correspondence from R. Konovalov re: update on listing proposals. Email exchange with R. Konovalov re: insurance coverage for 4544/4552 Zimmerman Avenue.  |
| 11/3/2020   | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/3/2020   | R.K.         | 0.25        | Spoke to B. Loubert; arranged pick up of cheques; emailed additional information obtained from JD Barnes to brokers and appraisers, spoke to Insurance broker in regards to one insurance proposal for Zimmerman Studios; email exchange with A. Rutman in regards to a Receivership.   |



| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 11/4/2020   | R.K.         | 0.25        | Spoke to JD Barnes about other information available regarding properties; spoke to P. Del Sordo in regards to appraisals and Ideal Plumbing in regards to replacement of Heater at Crystal motel; follow-up with the insurance broker in regards to additional proposals.            |
| 11/5/2020   | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/5/2020   | R.K.         | 0.25        | Communication with J. Wray and his office in regards to policies and insurance processes within the Court Appointed Receivership; spoke to ideal Plumbing to replace the heater at Crystal; discussed with B. Loubert TD bank statements.   |
| 11/6/2020   | R.K.         | 1.50        | Performed shows of the properties to CBRE and JLL; attended offices of JD Barnes, communication with Insurance broker; follow up on appraisal reports; email communication to selected brokers in regards to proposals; spoke to CRA in regards to Audit of HST; spoke to B. Loubert. |
| 11/9/2020   | A.R.         | 0.25        | Review legal counsel invoices. Review email correspondence from R. Konovalov re: update on receipt of bank statements.  |
| 11/9/2020   | R.D.         | 0.50        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/10/2020  | A.R.         | 0.50        | Review real estate agent proposals; review summary with R. Konovalov; various email correspondence and discussions with R. Konovalov re: same. Review amended legal counsel invoices.   |
| 11/10/2020  | R.D.         | 0.75        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/10/2020  | R.K.         | 1.00        | Reviewed proposals from brokers, summarized; discussed with A. Rutman; spoke to appraiser about the inspection of 4551 Zimmerman Avenue; spoke to Brokers about the cost.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 11/11/2020  | A.R.         | 0.25        | Email correspondence to K. Kraft re: update on status of listing proposals and scheduling of court time for approval.  |
| 11/11/2020  | R.K.         | 0.75        | Reviewed bank statements provided by Milborne Group; contacted 4551 Zimmerman regarding the appraisal; discussed with A. Rutman Broker proposals; spoke to JLL and Cushman about costs reductions.   |
| 11/12/2020  | R.K.         | 1.00        | Completed a draft memo summarizing the selection of the brokers to sell properties; spoke to appraisers in regards to final reports; email communication with Esbin Management.  |
| 11/13/2020  | A.R.         | 0.50        | Review draft broker summary and proposals; email correspondence and discussion with R. Konovalov re: same. Email correspondence with R. Konovalov re: Phase One contacts.  |
| 11/13/2020  | R.K.         | 0.25        | Discussed with A. Rutman broker proposals, spoke to Appraisers in regards to reports.  |
| 11/16/2020  | A.R.         | 0.75        | Email correspondence with R. Konovalov re: update status on appraisals, environmental assessments and obtaining copies of bank statements. Review appraisals received and environmental assessment estimates.  |
| 11/16/2020  | R.K.         | 1.00        | Sent letter to CRA, Enbridge, City of Niagara Falls, Niagara Power regarding 4551 Zimmerman and Crystal motel; spoke to appraisers about reports and revenue and expenses of the Crystal motel; gathered Environmental proposals; spoke to JLL regarding their proposal. |
| 11/17/2020  | R.K.         | 0.50        | Followed up with the Insurance broker regarding Crystal Motel policy. Reviewed R&D, spoke to D. Mancuso about winterizing the Motel; reviewed bank statements made available to the Receiver regarding the nature of transactions.                                       |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 11/19/2020  | R.K.         | 0.50        | Reviewed and discussed Pinchin proposal to process Environmental; received Appraisal of properties located at Bridge Road; discussed with S. Jugovic appraisal progress; reviewed communication from the City in regards to billing; spoke to Enbridge; reviewed Livingston invoice. |
| 11/20/2020  | A.R.         | 0.25        | Discussion with R. Konovalov; matters re: environmentals, appraisals and listing proposals.  |
| 11/23/2020  | A.R.         | 0.25        | Review email correspondence re: Phase 1 environmentals. Review various invoices. Review appraisals. Review and sign cheques.   |
| 11/23/2020  | R.D.         | 0.75        | Banking administration. Update Statement of Receipts and Disbursements. Sort appraisals, prepare list; forward to A. Rutman.   |
| 11/23/2020  | R.K.         | 0.50        | Spoke to the City of Niagara Falls about winterizing motel; spoke to the city plumber regarding the procedure to properly winterize the motel; spoke to Ideal Plumbing; spoke to B. Loubert regarding CRA exams.   |
| 11/24/2020  | A.R.         | 0.75        | Review and amend memorandum re: listing proposals; discussions with staff re: same. Various email exchange with counsel re: draft Report to Court re: sale process. Call with K. Kraft. Email correspondence and discussions with R. Konovalov re: memorandum and report.            |
| 11/24/2020  | R.D.         | 0.25        | Amend appraisal listing; memo; compile appendices to memorandum; discussions with A. Rutman re: same.  |
| 11/24/2020  | R.K.         | 1.00        | Worked on Draft Court Report; followed up with Pinchin to proceed with Environmental Phase I's; updated appraisal schedule available, amend draft Statement of Receipts and Disbursements; spoke to Insurance regarding Receiver named payee.  |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 11/25/2020  | A.R.         | 0.50        | Review and amend draft report to court; email exchange and discussions with R. Konovalov re: same. Various email correspondence with counsel re: draft report and memorandum re: listing proposals. Review Statement of Receipts and Disbursements.  |
| 11/25/2020  | R.K.         | 0.75        | Amend First Court Report; spoke to Pinchin to arrange Assessment of two properties at Niagara Falls; spoke to JLL about commissions; amended proposal summary memo.  |
| 11/26/2020  | A.R.         | 0.75        | Conference call with counsel and R. Konovalov re: draft report and listing proposal memorandum; engaged in numerous email correspondence re: same. Review Affidavit of Fees; execute same and forward to counsel. Email correspondence with counsel re: draft report. Discussion with R. Konovalov re: obtaining bank statements. Review Humphrey's 4249/4267 Appraisal. Email correspondence with G. Marchant re: listing proposals received; email correspondence with counsel re: same. |
| 11/26/2020  | R.D.         | 0.50        | Prepare Affidavit of Fees.   |
| 11/26/2020  | R.K.         | 0.50        | Call with Dentons and A. Rutman in regards to Court report, spoke to JLL to provide listing agreement, spoke to Pinchin about Environmental Assessments.   |
| 11/27/2020  | A.R.         | 0.50        | Email correspondence with G. Marchant re: listing proposals. Conference call with G. Marchant, K. Kraft and S. Van Allen re: listing proposals and appraisals. Review JLL draft listing agreement; email exchange with counsel re: amendments. Email exchange with R. Konovalov re: listing agreement. Review email correspondence from R. Konovalov re: various payments.   |
| 11/27/2020  | R.K.         | 0.25        | Spoke to CRA about review of HST and source deductions, communications with JLL and B. Loubert of Milborne Group.  |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 11/30/2020  | A.R.         | 0.50        | Review listing proposal; suggested changes from counsel. Discussion with R. Konovalov re: listing prices. Email correspondence with R. Konovalov re: valuation and listing price of 4551 Zimmerman and 4267 River Road. Email correspondence with counsel and G. Marchant re: motion date for approval of sale process and valuation of 4551 Zimmerman and 4267 River Road.   |
| 11/30/2020  | R.K.         | 0.75        | Reviewed Colliers Appraisals in regards to development. Spoke to Appraisers about completion of the process to value all 5 properties, discussed with A. Rutman the same, contacted JLL to discuss potential change in valuation of two properties (4511 Zimmerman and Crystal Motel) assuming increased density. Continued to review bank statements provided by B. Loubert. |

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.



ONTARIO  
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE RECEIVERSHIP OF  
4267 RIVER ROAD LP AND 4267 RIVER ROAD GP INC.  
OF THE CITY OF NIAGARA FALLS, IN THE REGIONAL  
MUNICIPALITY OF NIAGARA, IN THE PROVINCE OF ONTARIO

CLIENT #222209.001

INTERIM BILLING

INVOICE #42321

To: Professional services rendered in respect of Court Appointed Receivership of 4267 River Road LP and 4267 River Road GP Inc. from November 1, 2020 to November 30, 2020.

**Time Charges and Expenses:**

|  |      |               |                   |           |                 |
|--|------|---------------|-------------------|-----------|-----------------|
| A. Rutman, Partner                               | A.R. | 6.50 hours @  | \$650.00 per hour | \$        | 4,225.00        |
| R.Konovalov                                      | R.K. | 11.25 hours @ | \$300.00 per hour | \$        | 3,375.00        |
| A. Palmer  | A.P. | 0.25 hours @  | \$210.00 per hour | \$        | 52.50           |
| R. DaSilva                                       | R.D. | 3.75 hours @  | \$195.00 per hour | \$        | 731.25          |
| Total fees                                       |      |               |                   | \$        | 8,383.75        |
| Miscellaneous disbursements (copies, mail, etc.) |      |               |                   | \$        | 59.68           |
|  |      |               |                   | \$        | 8,443.43        |
| H.S.T.   |      |               |                   | \$        | 1,097.65        |
| <b>Total Balance Due</b>                         |      |               |                   | <b>\$</b> | <b>9,541.08</b> |

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| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 11/2/2020   | A.R.         | 0.50        | Email correspondence with R. Konovalov re: listing proposals. Review correspondence re: TD bank draft received re: cash in bank in 4267 River Road account. Email exchange with R. Konovalov re: obtaining copies of statements and estimated volume of transactions. Email correspondence with R. Konovalov re: payment of Mr. Handyman invoice.   |
| 11/2/2020   | R.D.         | 0.50        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/2/2020   | R.K.         | 0.75        | Discussed bill payments; bank drafts received from TD; discussed TD release of information with R. DaSilva in terms of costs; emailed information in regards to properties to Remax Agent; spoke to Insurance agent about current policies; spoke to Brokers in regards to buildings and presentations; spoke to D. Mancuso in regards to a heat pump at the Crystal motel; spoke to Enbridge; spoke to other Insurance companies in regards to proposals to insure Zimmerman Studios upon current policy maturity. |
| 11/3/2020   | A.R.         | 0.25        | Review correspondence from R. Konovalov re: payment to J.D. Barnes re: plans. Review email correspondence from R. Konovalov re: update on listing proposals. Email exchange with R. Konovalov re: insurance coverage for 4544/4552 Zimmerman Avenue.  |
| 11/3/2020   | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/3/2020   | R.K.         | 0.25        | Spoke to B. Loubert; arranged pick up of cheques; emailed additional information obtained from JD Barnes to brokers and appraisers, spoke to Insurance broker in regards to one insurance proposal for Zimmerman Studios; email exchange with A. Rutman in regards to a Receivership.   |
| 11/4/2020   | A.P.         | 0.25        | Bank Reconciliations for October 2020.  |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 11/5/2020   | A.R.         | 0.25        | Review email correspondence from R. Konovalov re: insurance on 4267 River Road, update on appraisals and inspection of properties.  |
| 11/5/2020   | R.K.         | 0.25        | Communication with J. Wray and his office in regards to policies and insurance processes within the Court Appointed Receivership; spoke to ideal Plumbing to replace the heater at Crystal; discussed with B. Loubert TD bank statements.   |
| 11/6/2020   | R.K.         | 1.50        | Performed shows of the properties to CBRE and JLL; attended offices of JD Barnes, communication with Insurance broker; follow up on appraisal reports; email communication to selected brokers in regards to proposals; spoke to CRA in regards to Audit of HST; spoke to B. Loubert. |
| 11/9/2020   | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/9/2020   | R.K.         | 0.25        | Spoke to A. Rutman about bank statements; communicated the same with B. Loubert; reviewed invoices of Kris Livingston; advised J. Wray office of November payment; followed up with Agents about proposals; uploaded bank statements provided by B. Loubert.                          |
| 11/10/2020  | A.R.         | 0.50        | Review real estate agent proposals; review summary with R. Konovalov; various email correspondence and discussions with R. Konovalov re: same. Review amended legal counsel invoices.   |
| 11/10/2020  | R.D.         | 0.75        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/10/2020  | R.K.         | 1.00        | Reviewed proposals from brokers, summarized; discussed with A. Rutman; spoke to appraiser about the inspection of 4551 Zimmerman Avenue; spoke to Brokers about the cost.   |



| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 11/11/2020  | A.R.         | 0.25        | Email correspondence to K. Kraft re: update on status of listing proposals and scheduling of court time for approval.  |
| 11/11/2020  | R.K.         | 0.50        | Reviewed bank statements provided by Milborne Group; contacted 4551 Zimmerman regarding the appraisal; discussed with A. Rutman Broker proposals; spoke to JLL and Cushman about costs reductions.   |
| 11/12/2020  | A.R.         | 0.25        | Review update from R. Konovalov re: broker proposals and summary.  |
| 11/12/2020  | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.  |
| 11/12/2020  | R.K.         | 0.75        | Completed a draft memo summarizing the selection of the brokers to sell properties; spoke to appraisers in regards to final reports; email communication with Esbin Management.  |
| 11/13/2020  | A.R.         | 0.25        | Review draft broker summary and proposals; email correspondence and discussion with R. Konovalov re: same. Email correspondence with R. Konovalov re: Phase One contacts.  |
| 11/13/2020  | R.K.         | 0.25        | Discussed with A. Rutman broker proposals, spoke to Appraisers in regards to reports.  |
| 11/16/2020  | A.R.         | 0.50        | Email correspondence with R. Konovalov re: update status on appraisals, environmental assessments and obtaining copies of bank statements. Review appraisals received and environmental assessment estimates.  |
| 11/16/2020  | R.K.         | 0.75        | Sent letter to CRA, Enbridge, City of Niagara Falls, Niagara Power regarding 4551 Zimmerman and Crystal motel; spoke to appraisers about reports and revenue and expenses of the Crystal motel; gathered Environmental proposals; spoke to JLL regarding their proposal. |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 11/17/2020  | R.K.         | 0.75        | Followed up with the Insurance broker regarding Crystal Motel policy. Reviewed R&D, spoke to D. Mancuso about winterizing the Motel; reviewed bank statements made available to the Receiver regarding the nature of transactions.   |
| 11/18/2020  | R.K.         | 0.25        | Spoke to CRA in regards to Trust Exams; spoke to D. Mancuso in regards to winterizing the Motel; spoke to Pat Del Sordo regarding appraisals; spoke to Pinchin about costs to perform Environmental Reports for all properties.  |
| 11/19/2020  | R.K.         | 0.25        | Reviewed and discussed Pinchin proposal to process Environmental; received Appraisal of properties located at Bridge Road; discussed with S. Jugovic appraisal progress; reviewed communication from the City in regards to billing; spoke to Enbridge; reviewed Livingston invoice. |
| 11/20/2020  | A.R.         | 0.25        | Discussion with R. Konovalov; matters re: environmentals, appraisals and listing proposals.  |
| 11/20/2020  | R.K.         | 0.25        | Spoke to D. Mancuso about Winterizing Crystal motel.   |
| 11/23/2020  | R.D.         | 0.75        | Banking administration. Update Statement of Receipts and Disbursements. Sort appraisals, prepare list; forward to A. Rutman.   |
| 11/23/2020  | R.K.         | 0.25        | Spoke to the City of Niagara Falls about winterizing motel; spoke to the city plumber regarding the procedure to properly winterize the motel; spoke to Ideal Plumbing; spoke to B. Loubert regarding CRA exams.   |
| 11/24/2020  | A.R.         | 0.75        | Review and amend memorandum re: listing proposals; discussions with staff re: same. Various email exchange with counsel re: draft Report to Court re: sale process. Call with K. Kraft. Email correspondence and discussions with R. Konovalov re: memorandum and report.            |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 11/24/2020  | R.D.         | 0.25        | Amend appraisal listing; memo; compile appendices to memorandum; discussions with A. Rutman re: same.  |
| 11/24/2020  | R.K.         | 1.00        | Worked on Draft Court Report; followed up with Pinchin to proceed with Environmental Phase I's; updated appraisal schedule available, amend draft Statement of Receipts and Disbursements; spoke to Insurance regarding Receiver named payee.  |
| 11/25/2020  | A.R.         | 0.50        | Review and amend draft report to court; email exchange and discussions with R. Konovalov re: same. Various email correspondence with counsel re: draft report and memorandum re: listing proposals. Review Statement of Receipts and Disbursements.  |
| 11/25/2020  | R.K.         | 0.75        | Amend First Court Report; spoke to Pinchin to arrange Assessment of two properties at Niagara Falls; spoke to JLL about commissions; amended proposal summary memo.  |
| 11/26/2020  | A.R.         | 1.00        | Conference call with counsel and R. Konovalov re: draft report and listing proposal memorandum; engaged in numerous email correspondence re: same. Review Affidavit of Fees; execute same and forward to counsel. Email correspondence with counsel re: draft report. Discussion with R. Konovalov re: obtaining bank statements. Review Humphrey's 4249/4267 Appraisal. Email correspondence with G. Marchant re: listing proposals received; email correspondence with counsel re: same. |
| 11/26/2020  | R.D.         | 0.50        | Prepare Affidavit of Fees.   |
| 11/26/2020  | R.K.         | 0.25        | Call with Dentons and A. Rutman in regards to Court report, spoke to JLL to provide listing agreement, spoke to Pinchin about Environmental Assessments.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 11/27/2020  | A.R.         | 0.75        | Email correspondence with G. Marchant re: listing proposals. Conference call with G. Marchant, K. Kraft and S. Van Allen re: listing proposals and appraisals. Review JLL draft listing agreement; email exchange with counsel re: amendments. Email exchange with R. Konovalov re: listing agreement. Review email correspondence from R. Konovalov re: various payments.    |
| 11/27/2020  | R.K.         | 0.50        | Spoke to CRA about review of HST and source deductions, communications with JLL and B. Loubert of Milborne Group.   |
| 11/30/2020  | A.R.         | 0.50        | Review listing proposal; suggested changes from counsel. Discussion with R. Konovalov re: listing prices. Email correspondence with R. Konovalov re: valuation and listing price of 4551 Zimmerman and 4267 River Road. Email correspondence with counsel and G. Marchant re: motion date for approval of sale process and valuation of 4551 Zimmerman and 4267 River Road.   |
| 11/30/2020  | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/30/2020  | R.K.         | 0.75        | Reviewed Colliers Appraisals in regards to development. Spoke to Appraisers about completion of the process to value all 5 properties, discussed with A. Rutman the same, contacted JLL to discuss potential change in valuation of two properties (4511 Zimmerman and Crystal Motel) assuming increased density. Continued to review bank statements provided by B. Loubert. |

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.



ONTARIO  
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE RECEIVERSHIP OF  
4544 ZIMMERMAN AVENUE LP AND 4544 ZIMMERMAN AVENUE GP INC.  
OF THE CITY OF NIAGARA FALLS, IN THE REGIONAL  
MUNICIPALITY OF NIAGARA, IN THE PROVINCE OF ONTARIO

CLIENT #222209.001

INTERIM BILLING

INVOICE #42323

To: Professional services rendered in respect of Court Appointed Receivership of  
4544 Zimmerman Avenue LP and 4544 Zimmerman Avenue GP Inc. from  
November 1, 2020 to November 30, 2020.

**Time Charges and Expenses:**

|  |      |               |                   |           |                 |
|--|------|---------------|-------------------|-----------|-----------------|
| A. Rutman, Partner                               | A.R. | 6.50 hours @  | \$650.00 per hour | \$        | 4,225.00        |
| R.Kononov  | R.K. | 11.50 hours @ | \$300.00 per hour | \$        | 3,450.00        |
| R. DaSilva                                       | R.D. | 3.75 hours @  | \$195.00 per hour | \$        | 731.25          |
| Total fees                                       |      |               |                   | \$        | 8,406.25        |
| Miscellaneous disbursements (copies, mail, etc.) |      |               |                   | \$        | 59.68           |
|  |      |               |                   | \$        | 8,465.93        |
| H.S.T.   |      |               |                   | \$        | 1,100.57        |
| <b>Total Balance Due</b>                         |      |               |                   | <b>\$</b> | <b>9,566.50</b> |

/Cont.

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 11/2/2020   | A.R.         | 0.50        | Email correspondence with R. Konovalov re: listing proposals. Review correspondence re: TD bank draft received re: cash in bank in 4267 River Road account. Email exchange with R. Konovalov re: obtaining copies of statements and estimated volume of transactions. Email correspondence with R. Konovalov re: payment of Mr. Handyman invoice.   |
| 11/2/2020   | R.D.         | 0.50        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/2/2020   | R.K.         | 0.75        | Discussed bill payments; bank drafts received from TD; discussed TD release of information with R. DaSilva in terms of costs; emailed information in regards to properties to Remax Agent; spoke to Insurance agent about current policies; spoke to Brokers in regards to buildings and presentations; spoke to D. Mancuso in regards to a heat pump at the Crystal motel; spoke to Enbridge; spoke to other Insurance companies in regards to proposals to insure Zimmerman Studios upon current policy maturity. |
| 11/3/2020   | A.R.         | 0.25        | Review correspondence from R. Konovalov re: payment to J.D. Barnes re: plans. Review email correspondence from R. Konovalov re: update on listing proposals. Email exchange with R. Konovalov re: insurance coverage for 4544/4552 Zimmerman Avenue.  |
| 11/3/2020   | R.D.         | 0.50        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/3/2020   | R.K.         | 0.50        | Spoke to B. Loubert; arranged pick up of cheques; emailed additional information obtained from JD Barnes to brokers and appraisers, spoke to Insurance broker in regards to one insurance proposal for Zimmerman Studios; email exchange with A. Rutman in regards to a Receivership.   |
| 11/4/2020   | A.R.         | 0.25        | Review email correspondence from R. Konovalov re: quote for heater replacement at 4249 River Road.  |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 11/4/2020   | R.K.         | 0.25        | Spoke to JD Barnes about other information available regarding properties; spoke to P. Del Sordo in regards to appraisals and Ideal Plumbing in regards to replacement of Heater at Crystal motel; follow-up with the insurance broker in regards to additional proposals.            |
| 11/5/2020   | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/5/2020   | R.K.         | 0.25        | Communication with J. Wray and his office in regards to policies and insurance processes within the Court Appointed Receivership; spoke to ideal Plumbing to replace the heater at Crystal; discussed with B. Loubert TD bank statements.   |
| 11/6/2020   | R.K.         | 1.50        | Performed shows of the properties to CBRE and JLL; attended offices of JD Barnes, communication with Insurance broker; follow up on appraisal reports; email communication to selected brokers in regards to proposals; spoke to CRA in regards to Audit of HST; spoke to B. Loubert. |
| 11/9/2020   | A.R.         | 0.25        | Review legal counsel invoices. Review email correspondence from R. Konovalov re: update on receipt of bank statements.  |
| 11/9/2020   | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/9/2020   | R.K.         | 0.25        | Spoke to A. Rutman about bank statements; communicated the same with B. Loubert; reviewed invoices of Kris Livingston; advised J. Wray office of November payment; followed up with Agents about proposals; uploaded bank statements provided by B. Loubert.                          |
| 11/10/2020  | A.R.         | 0.50        | Review real estate agent proposals; review summary with R. Konovalov; various email correspondence and discussions with R. Konovalov re: same. Review amended legal counsel invoices.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 11/10/2020  | R.D.         | 0.50        | Banking administration. Update Statement of Receipts and Disbursements.  |
| 11/10/2020  | R.K.         | 1.00        | Reviewed proposals from brokers, summarized; discussed with A. Rutman; spoke to appraiser about the inspection of 4551 Zimmerman Avenue; spoke to Brokers about the cost.  |
| 11/11/2020  | A.R.         | 0.25        | Email correspondence to K. Kraft re: update on status of listing proposals and scheduling of court time for approval.  |
| 11/11/2020  | R.K.         | 0.75        | Reviewed bank statements provided by Milborne Group; contacted 4551 Zimmerman regarding the appraisal; discussed with A. Rutman Broker proposals; spoke to JLL and Cushman about costs reductions.   |
| 11/12/2020  | R.K.         | 0.75        | Completed a draft memo summarizing the selection of the brokers to sell properties; spoke to appraisers in regards to final reports; email communication with Esbin Management.  |
| 11/13/2020  | A.R.         | 0.25        | Review draft broker summary and proposals; email correspondence and discussion with R. Konovalov re: same. Email correspondence with R. Konovalov re: Phase One contacts.  |
| 11/16/2020  | A.R.         | 0.75        | Email correspondence with R. Konovalov re: update status on appraisals, environmental assessments and obtaining copies of bank statements. Review appraisals received and environmental assessment estimates.  |
| 11/16/2020  | R.K.         | 0.75        | Sent letter to CRA, Enbridge, City of Niagara Falls, Niagara Power regarding 4551 Zimmerman and Crystal motel; spoke to appraisers about reports and revenue and expenses of the Crystal motel; gathered Environmental proposals; spoke to JLL regarding their proposal. |



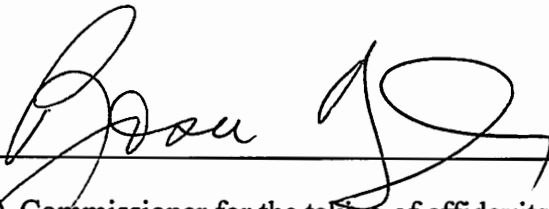
| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 11/17/2020  | R.K.         | 0.75        | Followed up with the Insurance broker regarding Crystal Motel policy. Reviewed R&D, spoke to D. Mancuso about winterizing the Motel; reviewed bank statements made available to the Receiver regarding the nature of transactions.   |
| 11/18/2020  | A.R.         | 0.25        | Email correspondence with R. Konovalov re: costs associated with Phase 1 ESA; review Pinchin proposal.   |
| 11/18/2020  | R.K.         | 0.25        | Spoke to CRA in regards to Trust Exams; spoke to D. Mancuso in regards to winterizing the Motel; spoke to Pat Del Sordo regarding appraisals; spoke to Pinchin about costs to perform Environmental Reports for all properties.  |
| 11/19/2020  | A.R.         | 0.25        | Discussion with R. Konovalov re: Pinchin proposal and appraisals.  |
| 11/19/2020  | R.K.         | 0.50        | Reviewed and discussed Pinchin proposal to process Environmental; received Appraisal of properties located at Bridge Road; discussed with S. Jugovic appraisal progress; reviewed communication from the City in regards to billing; spoke to Enbridge; reviewed Livingston invoice. |
| 11/23/2020  | A.R.         | 0.25        | Review email correspondence re: Phase 1 environmentals. Review various invoices. Review appraisals. Review and sign cheques.   |
| 11/23/2020  | R.D.         | 0.50        | Banking administration. Update Statement of Receipts and Disbursements. Sort appraisals, prepare list; forward to A. Rutman.   |
| 11/23/2020  | R.K.         | 0.50        | Spoke to the City of Niagara Falls about winterizing motel; spoke to the city plumber regarding the procedure to properly winterize the motel; spoke to Ideal Plumbing; spoke to B. Loubert regarding CRA exams.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>  |
|-------------|--------------|-------------|--|
| 11/24/2020  | A.R.         | 0.75        | Review and amend memorandum re: listing proposals; discussions with staff re: same. Various email exchange with counsel re: draft Report to Court re: sale process. Call with K. Kraft. Email correspondence and discussions with R. Konovalov re: memorandum and report.  |
| 11/24/2020  | R.D.         | 0.50        | Amend appraisal listing; memo; compile appendices to memorandum; discussions with A. Rutman re: same.  |
| 11/24/2020  | R.K.         | 1.00        | Worked on Draft Court Report; followed up with Pinchin to proceed with Environmental Phase I's; updated appraisal schedule available, amend draft Statement of Receipts and Disbursements; spoke to Insurance regarding Receiver named payee.  |
| 11/25/2020  | A.R.         | 0.25        | Review and amend draft report to court; email exchange and discussions with R. Konovalov re: same. Various email correspondence with counsel re: draft report and memorandum re: listing proposals. Review Statement of Receipts and Disbursements.  |
| 11/25/2020  | R.K.         | 0.50        | Amend First Court Report; spoke to Pinchin to arrange Assessment of two properties at Niagara Falls; spoke to JLL about commissions; amended proposal summary memo.  |
| 11/26/2020  | A.R.         | 1.00        | Conference call with counsel and R. Konovalov re: draft report and listing proposal memorandum; engaged in numerous email correspondence re: same. Review Affidavit of Fees; execute same and forward to counsel. Email correspondence with counsel re: draft report. Discussion with R. Konovalov re: obtaining bank statements. Review Humphrey's 4249/4267 Appraisal. Email correspondence with G. Marchant re: listing proposals received; email correspondence with counsel re: same. |
| 11/26/2020  | R.D.         | 0.50        | Prepare Affidavit of Fees.   |

| <u>Date</u> | <u>Staff</u> | <u>Time</u> | <u>Detail</u>   |
|-------------|--------------|-------------|---|
| 11/26/2020  | R.K.         | 0.25        | Call with Dentons and A. Rutman in regards to Court report, spoke to JLL to provide listing agreement, spoke to Pinchin about Environmental Assessments.  |
| 11/27/2020  | A.R.         | 0.50        | Email correspondence with G. Marchant re: listing proposals. Conference call with G. Marchant, K. Kraft and S. Van Allen re: listing proposals and appraisals. Review JLL draft listing agreement; email exchange with counsel re: amendments. Email exchange with R. Konovalov re: listing agreement. Review email correspondence from R. Konovalov re: various payments.    |
| 11/27/2020  | R.K.         | 0.25        | Spoke to CRA about review of HST and source deductions, communications with JLL and B. Loubert of Milborne Group.   |
| 11/30/2020  | A.R.         | 0.25        | Review listing proposal; suggested changes from counsel. Discussion with R. Konovalov re: listing prices. Email correspondence with R. Konovalov re: valuation and listing price of 4551 Zimmerman and 4267 River Road. Email correspondence with counsel and G. Marchant re: motion date for approval of sale process and valuation of 4551 Zimmerman and 4267 River Road.   |
| 11/30/2020  | R.D.         | 0.25        | Banking administration. Update Statement of Receipts and Disbursements.   |
| 11/30/2020  | R.K.         | 0.75        | Reviewed Colliers Appraisals in regards to development. Spoke to Appraisers about completion of the process to value all 5 properties, discussed with A. Rutman the same, contacted JLL to discuss potential change in valuation of two properties (4511 Zimmerman and Crystal Motel) assuming increased density. Continued to review bank statements provided by B. Loubert. |

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.

This is Exhibit "B" to the Affidavit of  
Allan A. Rutman sworn on December 3, 2020



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A Commissioner for the taking of affidavits, etc.

**Rosa DeSilva, a Commissioner, etc.,  
Province of Ontario, for Zelfman Partners Inc.  
Expires October 25, 2022.**

SUMMARY OF FEES  
 JULY 27, 2020 TO NOVEMBER 30, 2020

Exhibit B

2407553 ONTARIO INC., 2384648 ONTARIO INC.,  
 2384646 ONTARIO INC., 24000196 ONTARIO INC. and  
 2396139 ONTARIO INC.

Period

July 27, 2020 to October 31, 2020  
 November 1 - 30, 2020

|  | <u>Fees</u>         | <u>Disbursements</u> | <u>HST</u>         | <u>Total</u>        |
|--|---------------------|----------------------|--------------------|---------------------|
|  | \$ 10,716.25        | \$ 437.48            | \$ 1,449.98        | \$ 12,603.71        |
|  | \$ 8,357.50         | \$ 59.69             | \$ 1,094.23        | \$ 9,511.42         |
|  | <u>\$ 19,073.75</u> | <u>\$ 497.17</u>     | <u>\$ 2,544.22</u> | <u>\$ 22,115.14</u> |

4267 RIVER ROAD LP and 4267 RIVER ROAD GP INC.

Period

July 27, 2020 to October 31, 2020  
 November 1 - 30, 2020

|  | <u>Fees</u>         | <u>Disbursements</u> | <u>HST</u>         | <u>Total</u>        |
|--|---------------------|----------------------|--------------------|---------------------|
|  | \$ 10,641.25        | \$ 437.48            | \$ 1,440.23        | \$ 12,518.96        |
|  | \$ 8,383.75         | \$ 59.68             | \$ 1,097.65        | \$ 9,541.08         |
|  | <u>\$ 19,025.00</u> | <u>\$ 497.16</u>     | <u>\$ 2,537.88</u> | <u>\$ 22,060.04</u> |

4544 ZIMMERMAN AVENUE LP and 4544 ZIMMERMAN AVENUE GP INC.

Period


July 27, 2020 to October 31, 2020  
 November 1 - 30, 2020

|  | <u>Fees</u>         | <u>Disbursements</u> | <u>HST</u>         | <u>Total</u>        |
|--|---------------------|----------------------|--------------------|---------------------|
|  | \$ 10,663.75        | \$ 437.48            | \$ 1,443.16        | \$ 12,544.39        |
|  | \$ 8,406.25         | \$ 59.68             | \$ 1,100.57        | \$ 9,566.50         |
|  | <u>\$ 19,070.00</u> | <u>\$ 497.16</u>     | <u>\$ 2,543.73</u> | <u>\$ 22,110.89</u> |

**TOTAL FEES**

|  |                     |                    |                    |                     |
|--|---------------------|--------------------|--------------------|---------------------|
|  | <u>\$ 57,168.75</u> | <u>\$ 1,491.49</u> | <u>\$ 7,625.83</u> | <u>\$ 66,286.07</u> |
|--|---------------------|--------------------|--------------------|---------------------|

This is Exhibit "C" to the Affidavit of  
Allan A. Rutman sworn on December 3, 2020



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A Commissioner for the taking of affidavits, etc.

**Reza DeSilva, a Commissioner, etc.,  
Province of Ontario, for Zeifman Partners Inc.  
Expires October 25, 2022.**

PERSONNEL SUMMARY  
 JULY 27, 2020 to NOVEMBER 30, 2020

Exhibit C

2407553 ONTARIO INC., 2384648 ONTARIO INC.,  
 2384646 ONTARIO INC., 24000196 ONTARIO INC. and  
 2396139 ONTARIO INC.

| <u>Name</u> | <u>Hours</u> | <u>Rate</u> | <u>Total</u>        |
|-------------|--------------|-------------|---------------------|
| A. Rutman   | 16.00        | \$ 650.00   | \$ 10,400.00        |
| R. Kononov  | 22           | \$ 300.00   | \$ 6,600.00         |
| A. Palmer   | 1.75         | \$ 210.00   | \$ 367.50           |
| R. DaSilva  | 8.75         | \$ 195.00   | \$ 1,706.25         |
|             | <u>48.50</u> |             | <u>\$ 19,073.75</u> |

4267 RIVER ROAD LP and 4267 RIVER ROAD GP INC.

| <u>Name</u> | <u>Hours</u> | <u>Rate</u> | <u>Total</u>        |
|-------------|--------------|-------------|---------------------|
| A. Rutman   | 16.00        | \$ 650.00   | \$ 10,400.00        |
| R. Kononov  | 21.50        | \$ 300.00   | \$ 6,450.00         |
| A. Palmer   | 2.00         | \$ 210.00   | \$ 420.00           |
| R. DaSilva  | 9.00         | \$ 195.00   | \$ 1,755.00         |
|             | <u>48.50</u> |             | <u>\$ 19,025.00</u> |

4544 ZIMMERMAN AVENUE LP and 4544 ZIMMERMAN AVENUE GP INC.

| <u>Name</u> | <u>Hours</u> | <u>Rate</u> | <u>Total</u>        |
|-------------|--------------|-------------|---------------------|
| A. Rutman   | 16.00        | \$ 650.00   | \$ 10,400.00        |
| R. Kononov  | 22.00        | \$ 300.00   | \$ 6,600.00         |
| A. Palmer   | 1.50         | \$ 210.00   | \$ 315.00           |
| R. DaSilva  | 9.00         | \$ 195.00   | \$ 1,755.00         |
|             | <u>48.50</u> |             | <u>\$ 19,070.00</u> |

|              |                      |  |                            |
|--------------|----------------------|--|----------------------------|
| <b>TOTAL</b> | <b><u>145.50</u></b> |  | <b><u>\$ 57,168.75</u></b> |
|--------------|----------------------|--|----------------------------|

|                            |  |                         |  |
|----------------------------|--|-------------------------|--|
| <b>AVERAGE HOURLY RATE</b> |  | <b><u>\$ 392.91</u></b> |  |
|----------------------------|--|-------------------------|--|

# Appendix “H”

## to the First Report of the Receiver



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

BETWEEN:

**MERCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**2407553 ONTARIO INC., 2384648 ONTARIO INC., 2384646 ONTARIO INC.,  
24000196 ONTARIO INC. and 2396139 ONTARIO INC.**

Respondents

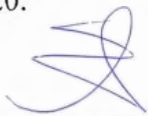
**AFFIDAVIT OF KENNETH KRAFT  
(Affirmed December 7, 2020)**

I, **KENNETH KRAFT**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY** as follows:

1. I am a partner with Dentons Canada LLP ("**Dentons**"), and as such, I have knowledge of the matters to which I hereinafter depose.
2. Dentons is counsel to Zeifman Partners Inc. in its capacity as Receiver (the "**Receiver**") in the above-noted proceedings.
3. I make this affidavit in support of a motion by the Receiver seeking, *inter alia*, approval of the fees and disbursements of Dentons in its capacity as counsel to the Receiver.
4. During the period from the commencement of the Receivership to November 30, 2020, Dentons in its capacity as counsel to the Receiver docketed 18.8 hours, resulting in legal fees of \$13,758.00 (the "**Fees**"), disbursements and other charges of \$83.31 (the "**Disbursements**") and harmonized sales tax ("**HST**") of \$1,765.92.

5. Attached hereto and marked as **Exhibit "A"** to this, my Affidavit, are copies of the invoices rendered by Dentons in its capacity as counsel to the Receiver during the period (the "**Accounts**").
6. Attached hereto and marked as **Exhibit "B"** to this, my Affidavit, is a schedule summarizing the Fees, Disbursements and HST charged in each invoice.
7. Attached hereto and marked as **Exhibit "C"** to this, my Affidavit, is a schedule summarizing the hours billed by each member of Dentons who rendered services to the Receiver.
8. To the best of my knowledge, the hourly billing rates charged by Dentons as outlined in **Exhibit "C"** were no more than Dentons' normal hourly rates during the applicable period and are comparable to the hourly rates charged for the provision of similar services by other similar law firms in Toronto.
9. Due to the circumstances of the COVID-19 pandemic, I am unable to be physically present to affirm this Affidavit. I was, however, linked by way of video technology to the Commissioner commissioning this document.

**AFFIRMED** before me by video conference from the Town of Oakville in the Province of Ontario, to the City of Toronto in the Province of Ontario, on the 7<sup>th</sup> day of December, 2020.



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A Commissioner for Taking Affidavits, etc.



}  
}

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KENNETH D. KRAFT

THIS IS EXHIBIT "A" REFERRED TO IN THE  
AFFIDAVIT OF KENNETH KRAFT AFFIRMED  
BEFORE ME THIS 7th DAY OF DECEMBER, 2020.



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A Commissioner for Taking Affidavits, etc.

## **EXHIBIT “A”**

### **The Accounts**

- 1.** October 31, 2020
- 2.** November 26, 2020
- 3.** November 30, 2020

Zeifman Partners Inc.  
201 Bridgeland Avenue  
Toronto ON M6A 1Y7

Attention: Allan Rutman

**INVOICE # 3542086**


GST/HST # R121996078  
QST # 1086862448 TQ 0001

| <u>Date</u>      | <u>Matter Number</u> | <u>Lawyer</u> |
|------------------|----------------------|---------------|
| October 31, 2020 | 584164-000001        | Kenneth Kraft |

**Zeifman Partners Inc.**  
**Re: 2407553 Ontario Inc., et al.**

|                           |           |                            |
|---------------------------|-----------|----------------------------|
| Professional Fees         | \$        | 4,014.00                   |
| Disbursements             |           | 83.31                      |
| HST (13.0%) on \$4,020.00 |           | 522.60                     |
| <b>Total Amount Due</b>   | <b>\$</b> | <b><u>4,619.91</u> CAD</b> |

**DENTONS CANADA LLP**

Per:   
Kenneth Kraft

**Payment Options:**

**Cheques:**

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

**Wire Transfer:**

Bank of Montreal  
1st Canadian Place, Toronto, ON  
Swift Code: BOFMCAM2  
Bank ID: 001 Transit: 00022  
CAD Funds Bank Account : 0004-324

**Credit Card:**

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. \_\_\_\_\_ Expiry Date: \_\_\_\_\_ Card Verification Code (CVC): \_\_\_\_\_

Amount: \_\_\_\_\_ Cardholder Name: \_\_\_\_\_

Signature: \_\_\_\_\_

**Internet Banking:**

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 584164. Please email us at [Edm.Accounting@dentons.com](mailto:Edm.Accounting@dentons.com) referencing invoice number and payment amount.

**Interac e-Transfer:**

e-Transfer funds to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) in separate email.

Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

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**Invoice Detail**

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TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| <b>Date</b> | <b>ID</b> | <b>Description of Work</b>   | <b>Hours</b> |
|-------------|-----------|--|--------------|
| 13-Oct-20   | KK        | Various emails and conference call with Greg Marchant, Allan Rutman, and Sara-Ann Van Allen to prepare for next steps with receivership coming into effect tomorrow.           | 0.1          |
| 14-Oct-20   | SV        | Receipt of issued orders and instructions regarding same. Emails regarding registering orders on title. Review emails sent to borrower from receiver.                          | 0.2          |
| 14-Oct-20   | SV        | Emails regarding entering court orders.  | 0.1          |
| 14-Oct-20   | KK        | Emails and follow up on appointment.   | 0.2          |
| 15-Oct-20   | SG        | Correspondence with Michael Lay regarding registrations of court orders and with Sara Ann Van Allen.   | 0.1          |
| 15-Oct-20   | KK        | Various emails.  | 0.1          |
| 16-Oct-20   | SV        | Review email from Allan Rutman regarding response from borrowers and email from Ken Kraft regarding same.  | 0.1          |
| 16-Oct-20   | ML        | Revising preparation of Application to register court order and attaching court order. Email to Seher Goderya to provide completed draft Application.                          | 0.2          |
| 16-Oct-20   | SG        | Correspondence with Sara Ann Van Allen and completion of registration of court orders.   | 0.3          |
| 16-Oct-20   | ALJM      | Preparation of an Acknowledgement and Direction, registration of an Application to Register Court Order on Teraview and preparation of an EFT form for Seher Goderya.          | 0.4          |
| 16-Oct-20   | KK        | Follow up on matters.  | 0.1          |
| 18-Oct-20   | KK        | Greg Marchant email exchange on potential offer.   | 0.1          |
| 19-Oct-20   | SV        | Review emails regarding memorandum from Kepinski and review same. Review and respond to emails regarding term sheet. Review term sheet. Review email from Ken Kraft regarding. | 0.3          |
| 19-Oct-20   | KK        | Review proposed financing term sheet and Consider note from Andrzej Kepinski with proposal to terminate receivership related email exchanges.                                  | 0.2          |
| 20-Oct-20   | SV        | Receipt and review of revised term sheet and emails regarding same.  | 0.2          |
| 20-Oct-20   | KK        | Review revised Hillmount term sheet and related email exchanges with Allan Rutman.   | 0.1          |
| 21-Oct-20   | SV        | Review emails from Ken Kraft and Greg Marchant regarding communications from lenders. Emails regarding mortgages. Emails regarding RFP and review same.                        | 0.3          |
| 21-Oct-20   | ALJM      | Subsearches on Teraview for Seher Goderya.   | 0.4          |
| 21-Oct-20   | KK        | Emails related to organizing call with lenders to update them and discuss receivership issues. Review draft brokerage solicitation for   | 0.4          |

| Date      | ID | Description of Work   | Hours      |
|-----------|----|---|------------|
|           |    | proposal and related email exchanges and telephone call with Allan Rutman to discuss issues. Follow up on real estate searches to confirm mortgages are registered on correct PINs. |            |
| 22-Oct-20 | SV | Review emails regarding RFPs. Emails regarding registration of court orders.  | 0.2        |
| 22-Oct-20 | KK | Follow up in regard to approaching brokers to discuss marketing recommendations. Review draft notice to creditors and related email exchanges.                                      | 0.2        |
| 23-Oct-20 | SV | Emails regarding call with lenders.   | 0.2        |
| 23-Oct-20 | KK | Exchanges related to prep for Monday's call with lenders and Receiver.  | 0.1        |
| 25-Oct-20 | KK | Preparing for tomorrow's call with lenders.   | 0.1        |
| 26-Oct-20 | SV | Call with Allan Rutman and Greg Marchant regarding call with lenders.   | 0.1        |
| 26-Oct-20 | KK | Conference call with Allan Rutman, Greg Marchant, and Sara-Ann Van Allen to prepare for this afternoon's update call with the lenders. Lender call.                                 | 0.6        |
| 27-Oct-20 | SV | Discussion with Ken Kraft regarding call with lenders.  | 0.1        |
| 27-Oct-20 | KK | Update discussion with Sara-Ann Van Allen.  | 0.1        |
|           |    | <b>Total</b>  | <b>5.6</b> |

| Timekeeper         | Hours      | Rate   | Fees              |
|--------------------|------------|--------|-------------------|
| Alison McCormick   | 0.8        | 330.00 | 264.00            |
| Kenneth Kraft      | 2.4        | 925.00 | 2,220.00          |
| Michael Lay        | 0.2        | 330.00 | 66.00             |
| Sara-Ann Van Allen | 1.8        | 680.00 | 1,224.00          |
| Seher Goderya      | 0.4        | 600.00 | 240.00            |
| <b>Total</b>       | <b>5.6</b> |        | <b>\$4,014.00</b> |

**TOTAL PROFESSIONAL FEES** \$ **4,014.00**

**TAXABLE DISBURSEMENTS**

Computerized Title Search \$ 6.00  
**TOTAL TAXABLE DISBURSEMENTS** \$ **6.00**

**NON-TAXABLE DISBURSEMENTS**

Toronto Teraview Transfer (NT) \$ 77.31  
**TOTAL NON-TAXABLE DISBURSEMENTS** \$ **77.31**

**TOTAL DISBURSEMENTS** **83.31**

**TOTAL FEES AND DISBURSEMENTS** \$ **4,097.31**

**TAXES**

HST (13.0%) on Professional Fees of \$4,014.00 \$ 521.82  
 HST (13.0%) on Taxable Disbursements of \$6.00 0.78

DENTONS CANADA LLP  
Zeifman Partners Inc.  
Re: 2407553 Ontario Inc., et al.

INVOICE 3542086  
Page 4 of 4  
Matter # 584164-000001

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**TOTAL TAXES**

**522.60**

**TOTAL AMOUNT DUE**

**\$ 4,619.91 CAD**



Zeifman Partners Inc.  
 201 Bridgeland Avenue  
 Toronto ON M6A 1Y7

Attention: Allan Rutman

**INVOICE # 3546751**


GST/HST # R121996078  
 QST # 1086862448 TQ 0001

| <u>Date</u>       | <u>Matter Number</u> | <u>Lawyer</u> |
|-------------------|----------------------|---------------|
| November 26, 2020 | 584164-000001        | Kenneth Kraft |

**Zeifman Partners Inc.**  
**Re: 2407553 Ontario Inc., et al.**

|                           |                               |
|---------------------------|-------------------------------|
| Professional Fees         | \$ 4,121.00                   |
| HST (13.0%) on \$4,121.00 | 535.73                        |
| <b>Total Amount Due</b>   | <b>\$ <u>4,656.73</u> CAD</b> |

DENTONS CANADA LLP

Per:   
 Kenneth Kraft

**Payment Options:**

**Cheques:**

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

**Wire Transfer:**

Bank of Montreal  
 1st Canadian Place, Toronto, ON  
 Swift Code: BOFMCAM2  
 Bank ID: 001 Transit: 00022  
 CAD Funds Bank Account : 0004-324

**Credit Card:**

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).  
 Card No. \_\_\_\_\_ Expiry Date: \_\_\_\_\_ Card Verification Code (CVC): \_\_\_\_\_  
 Amount: \_\_\_\_\_ Cardholder Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_

**Internet Banking:**

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 584164. Please email us at [Edm.Accounting@dentons.com](mailto:Edm.Accounting@dentons.com) referencing invoice number and payment amount.

**Interac e-Transfer:**

e-Transfer funds to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) in separate email.

Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

**Invoice Detail**

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| <b>Date</b> | <b>ID</b> | <b>Description of Work</b>  | <b>Hours</b> |
|-------------|-----------|---|--------------|
| 09-Nov-20   | KK        | Engaged in file.  | 0.1          |
| 10-Nov-20   | KK        | Follow up with Allan Rutman.  | 0.1          |
| 11-Nov-20   | SV        | Emails regarding sale process and proposals. Draft sale process order. instructions to Amanda Campbell regarding sale process materials and emailing court. Review email to court. Draft notice of motion for sale process approval. Emails regarding booking court time. | 1.3          |
| 11-Nov-20   | KK        | Addressing matters related to getting moving on sale process approval motion and timing for court appearance.   | 0.2          |
| 12-Nov-20   | SV        | Instructions to Amanda Campbell regarding follow up with court. Continue drafting notice of motion for sale approval.   | 1.7          |
| 12-Nov-20   | KK        | Follow up on motion status.   | 0.1          |
| 13-Nov-20   | SV        | Review and respond to email from the Court regarding booking motion date. Instructions regarding zoom link. Revise notice of motion. Email Allan Rutman regarding motion scheduling.  | 0.6          |
| 13-Nov-20   | KK        | Commercial List follow up and related motion work.  | 0.1          |
| 16-Nov-20   | KK        | Update emails on broker negotiations and appraisals.  | 0.1          |
| 24-Nov-20   | SV        | Emails regarding sale process materials . Receipt of various proposals. Instructions to Amanda Campbell regarding appendices.   | 0.3          |
| 24-Nov-20   | KK        | Emails related to motion material.  | 0.1          |
| 25-Nov-20   | SV        | Receipt of First report and instructions to Amanda Campbell regarding same. Receipt of revised memorandum from Zeifmans. Review draft report. Review realtor proposals. Review appraisal summary; emails regarding report and appraisals.                                 | 0.8          |
| 25-Nov-20   | KK        | Various emails on marketing issues. Review materials from Zeifman.  | 0.2          |
|             |           | <b>Total</b>  | <b>5.7</b>   |

| <b>Timekeeper</b>  | <b>Hours</b> | <b>Rate</b> | <b>Fees</b>       |
|--------------------|--------------|-------------|-------------------|
| Kenneth Kraft      | 1.0          | 925.00      | 925.00            |
| Sara-Ann Van Allen | 4.7          | 680.00      | 3,196.00          |
| <b>Total</b>       | <b>5.7</b>   |             | <b>\$4,121.00</b> |

**TOTAL PROFESSIONAL FEES** \$ **4,121.00**

**TAXES**

HST (13.0%) on Professional Fees of \$4,121.00 \$ 535.73

**TOTAL TAXES** **535.73**

**TOTAL AMOUNT DUE** **\$ 4,656.73** CAD



Zeifman Partners Inc.  
201 Bridgeland Avenue  
Toronto ON M6A 1Y7

Attention: Allan Rutman

**INVOICE # 3547939**

GST/HST # R121996078  
QST # 1086862448 TQ 0001

| <u>Date</u>       | <u>Matter Number</u> | <u>Lawyer</u> |
|-------------------|----------------------|---------------|
| November 30, 2020 | 584164-000001        | Kenneth Kraft |

**Zeifman Partners Inc.**  
**Re: 2407553 Ontario Inc., et al.**

|                           |                               |
|---------------------------|-------------------------------|
| Professional Fees         | \$ 5,443.00                   |
| HST (13.0%) on \$5,443.00 | 707.59                        |
| <b>Total Amount Due</b>   | <b>\$ <u>6,150.59</u> CAD</b> |

**DENTONS CANADA LLP**

Per:   
Kenneth Kraft

**Payment Options:**

**Cheques:**

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

**Wire Transfer:**

Bank of Montreal  
1st Canadian Place, Toronto, ON  
Swift Code: BOFMCAM2  
Bank ID: 001 Transit: 00022  
CAD Funds Bank Account : 0004-324

**Credit Card:**

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).  
Card No. \_\_\_\_\_ Expiry Date: \_\_\_\_\_ Card Verification Code (CVC): \_\_\_\_\_  
Amount: \_\_\_\_\_ Cardholder Name: \_\_\_\_\_  
Signature: \_\_\_\_\_

**Internet Banking:**

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 584164. Please email us at [Edm.Accounting@dentons.com](mailto:Edm.Accounting@dentons.com) referencing invoice number and payment amount.

**Interac e-Transfer:**

e-Transfer funds to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) in separate email.

Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

**Invoice Detail**

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| <b>Date</b>  | <b>ID</b> | <b>Description of Work</b>  | <b>Hours</b> |
|--------------|-----------|---|--------------|
| 26-Nov-20    | SV        | Emails regarding conference call, fee affidavits and appraisals. Review appraisal. Review realtor proposals. Call with Allan Rutman regarding report. Review and revise First Report. Review and revise appendices for report.  | 2.7          |
| 26-Nov-20    | KK        | Emails related to motion material and broker selection. Telephone call with Allan Rutman, Roman Kovalev, and Sara-Ann Van Allen to discuss motion material and broker selection and to update Greg Marchant on status. Starting to work on fee affidavit information.   | 0.6          |
| 27-Nov-20    | SV        | Review Zeifman fee affidavit. review and further revise First Report. Call with Ken Kraft regarding First Report. Review email change with Greg Marchant regarding sale process. Call with Greg Marchant regarding sale process. Review fee affidavit of Ken Kraft. Commission fee affidavit and emails regarding same. Review listing documentation, revise and emails regarding same. Instructions regarding fee affidavit.                     | 2.4          |
| 27-Nov-20    | KK        | Numerous emails. Working on motion material. Discuss issues with Sara-Ann Van Allen. Conference call with Greg Marchant, Allan Rutman and Sara-Ann Van Allen to discuss motion issues and proposals to address marketing of properties. Review, finalize and affirm fee affidavit.  | 0.5          |
| 28-Nov-20    | KK        | Review changes to draft listing proposal and related email exchanges.   | 0.1          |
| 30-Nov-20    | SV        | Email from Ken Kraft regarding listing agreement schedule. Revise listing agreement schedule and email to Zeifmans. instructions regarding fee affidavits and report. Draft orders. Revise report. Review email from Ken Kraft regarding sale process and emails regarding moving motion date. Consider appraisal summary chart and valuations. Emails regarding sale process motion. Instructions regarding revisions to sale process materials. | 1.0          |
| 30-Nov-20    | KK        | Emails on additional information and changing hearing date.   | 0.2          |
| <b>Total</b> |           |   | <b>7.5</b>   |

| <b>Timekeeper</b>  | <b>Hours</b> | <b>Rate</b> | <b>Fees</b>       |
|--------------------|--------------|-------------|-------------------|
| Kenneth Kraft      | 1.4          | 925.00      | 1,295.00          |
| Sara-Ann Van Allen | 6.1          | 680.00      | 4,148.00          |
| <b>Total</b>       | <b>7.5</b>   |             | <b>\$5,443.00</b> |

**TOTAL PROFESSIONAL FEES** \$ **5,443.00**

**TAXES**

HST (13.0%) on Professional Fees of \$5,443.00 \$ 707.59

DENTONS CANADA LLP  
Zeifman Partners Inc.  
Re: 2407553 Ontario Inc., et al.

INVOICE 3547939  
Page 3 of 3  
Matter # 584164-000001

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**TOTAL TAXES**

**707.59**

**TOTAL AMOUNT DUE**

**\$ 6,150.59 CAD**

THIS IS EXHIBIT "B" REFERRED TO IN THE  
AFFIDAVIT OF KENNETH KRAFT AFFIRMED  
BEFORE ME THIS 7th DAY OF DECEMBER, 2020.



---

A Commissioner for Taking Affidavits, etc.

**EXHIBIT “B”**

**Summary of Invoices and Calculation of Average Hourly Billing Rates  
of Dentons Canada LLP**

**The Period October 13, 2020 to November 30, 2020**

| <b>Date</b>              | <b>Invoice No.</b> | <b>Fees</b>        | <b>Costs</b>   | <b>Taxes(HST)</b> | <b>Hours</b> | <b>Total<br/>(\$CDN)</b> |
|--------------------------|--------------------|--------------------|----------------|-------------------|--------------|--------------------------|
| <b>October 31, 2020</b>  | 3542086            | \$4,014.00         | \$83.31        | \$522.60          | 5.6          | \$4,619.91               |
| <b>November 26, 2020</b> | 3546751            | \$4,121.00         |                | \$535.73          | 5.7          | \$4,656.73               |
| <b>November 30, 2020</b> | 3547939            | \$5,443.00         |                | \$707.59          | 7.5          | \$6,150.59               |
| <b>TOTALS:</b>           |                    | <b>\$13,578.00</b> | <b>\$83.31</b> | <b>\$1765.92</b>  | <b>18.8</b>  | <b>\$15,427.23</b>       |



THIS IS EXHIBIT "C" REFERRED TO IN THE  
AFFIDAVIT OF KENNETH KRAFT AFFIRMED  
BEFORE ME THIS 7th DAY OF DECEMBER, 2020.



---

A Commissioner for Taking Affidavits, etc.

**EXHIBIT “C”**

**Standard Billing Rates of Dentons Canada LLP**

**For the Period October 13, 2020 to November 30, 2020**

| <b>Name</b>           | <b>Title</b>        | <b>2020<br/>Standard<br/>Rate</b> | <b>Year of Call</b> | <b>Hours<br/>billed</b> |
|-----------------------|---------------------|-----------------------------------|---------------------|-------------------------|
| Kenneth Kraft         | Partner             | \$925.00                          | 1991                | 4.8                     |
| Sara-Ann Van<br>Allen | Counsel             | \$680.00                          | 2008                | 12.6                    |
| Seher Goderya         | Senior<br>Associate | \$600.00                          | 2012                | .4                      |
| Alison McCormich      | Paralegal           | \$330.00                          |                     | .8                      |
| Michael Lay           | Paralegal           | \$330.00                          |                     | .2                      |
| <b>TOTAL:</b>         |                     |                                   |                     | <b>18.8</b>             |

**MERCHANT REALTY PARTNERS INC., as agent**

**- and -**

**2407553 ONTARIO INC., et al.**

**Applicant**

**Respondents**

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

**PROCEEDING COMMENCED AT TORONTO**

**AFFIDAVIT OF KENNETH D. KRAFT**

(Affirmed December 7, 2020)

**DENTONS CANADA LLP**  
77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, ON M5K 0A1

**Kenneth Kraft** (LSO # 31919P)

Tel: 416-863-4374

Fax: (416) 863-4592

[kenneth.kraft@dentons.com](mailto:kenneth.kraft@dentons.com)

**Sara-Ann Van Allen** (LSO # 56016C)

Tel: (416) 863-4402

[sara.vanallen@dentons.com](mailto:sara.vanallen@dentons.com)

*Lawyers for the Receiver*

# Appendix “I”

## to the First Report of the Receiver

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

**BETWEEN:**

**MERCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**4267 RIVER ROAD LP and 4267 RIVER ROAD GP INC.**

Respondents

**AFFIDAVIT OF KENNETH KRAFT  
(Affirmed December 7, 2020)**

I, **KENNETH KRAFT**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY** as follows:

1. I am a partner with Dentons Canada LLP (“**Dentons**”), and as such, I have knowledge of the matters to which I hereinafter depose.
2. Dentons is counsel to Zeifman Partners Inc. in its capacity as Receiver (the “**Receiver**”) in the above-noted proceedings.
3. I make this affidavit in support of a motion by the Receiver seeking, *inter alia*, approval of the fees and disbursements of Dentons in its capacity as counsel to the Receiver.
4. During the period from the commencement of the Receivership to November 30, 2020, Dentons in its capacity as counsel to the Receiver docketed 19.0 hours, resulting in legal fees of \$13,689.50 (the “**Fees**”), disbursements and other charges of \$108.58 (the “**Disbursements**”) and harmonized sales tax (“**HST**”) of \$1,783.71.

5. Attached hereto and marked as **Exhibit "A"** to this, my Affidavit, are copies of the invoices rendered by Dentons in its capacity as counsel to the Receiver during the period (the "**Accounts**").
6. Attached hereto and marked as **Exhibit "B"** to this, my Affidavit, is a schedule summarizing the Fees, Disbursements and HST charged in each invoice.
7. Attached hereto and marked as **Exhibit "C"** to this, my Affidavit, is a schedule summarizing the hours billed by each member of Dentons who rendered services to the Receiver.
8. To the best of my knowledge, the hourly billing rates charged by Dentons as outlined in **Exhibit "C"** were no more than Dentons' normal hourly rates during the applicable period and are comparable to the hourly rates charged for the provision of similar services by other similar law firms in Toronto.
9. Due to the circumstances of the COVID-19 pandemic, I am unable to be physically present to affirm this Affidavit. I was, however, linked by way of video technology to the Commissioner commissioning this document.

**AFFIRMED** before me by video conference from the Town of Oakville in the Province of Ontario, to the City of Toronto in the Province of Ontario, on the 7<sup>th</sup> day of December, 2020.



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A Commissioner for Taking Affidavits, etc.

}  
}



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KENNETH KRAFT

THIS IS EXHIBIT "A" REFERRED TO IN THE  
AFFIDAVIT OF KENNETH KRAFT AFFIRMED  
BEFORE ME THIS 7th DAY OF DECEMBER, 2020.



---

A Commissioner for Taking Affidavits, etc.

## **EXHIBIT “A”**

### **The Accounts**

- 1.** October 31, 2020
- 2.** November 26, 2020
- 3.** November 30, 2020



Zeifman Partners Inc.  
201 Bridgeland Avenue  
Toronto ON M6A 1Y7

Attention: Allan Rutman

**INVOICE # 3542087**

GST/HST # R121996078  
QST # 1086862448 TQ 0001

| <u>Date</u>      | <u>Matter Number</u> | <u>Lawyer</u> |
|------------------|----------------------|---------------|
| October 31, 2020 | 584164-000002        | Kenneth Kraft |

**Zeifman Partners Inc.**  
**Re: 4267 River Road LP, et al.**

|                           |           |                            |
|---------------------------|-----------|----------------------------|
| Professional Fees         | \$        | 3,921.50                   |
| Disbursements             |           | 108.58                     |
| HST (13.0%) on \$3,952.77 |           | 513.87                     |
| <b>Total Amount Due</b>   | <b>\$</b> | <b><u>4,543.95</u> CAD</b> |

**DENTONS CANADA LLP**

Per: \_\_\_\_\_

**Kenneth Kraft**

**Payment Options:**

**Cheques:**

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

**Wire Transfer:**

Bank of Montreal  
1st Canadian Place, Toronto, ON  
Swift Code: BOFMCAM2  
Bank ID: 001 Transit: 00022  
CAD Funds Bank Account : 0004-324

**Credit Card:**

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. \_\_\_\_\_ Expiry Date: \_\_\_\_\_ Card Verification Code (CVC): \_\_\_\_\_

Amount: \_\_\_\_\_ Cardholder Name: \_\_\_\_\_

Signature: \_\_\_\_\_

**Internet Banking:**

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 584164. Please email us at [Edm.Accounting@dentons.com](mailto:Edm.Accounting@dentons.com) referencing invoice number and payment amount.

**Interac e-Transfer:**

e-Transfer funds to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) in separate email.

Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

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**Invoice Detail**

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TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| <b>Date</b> | <b>ID</b> | <b>Description of Work</b>   | <b>Hours</b> |
|-------------|-----------|--|--------------|
| 13-Oct-20   | KK        | Various emails and conference call with Greg Marchant, Allan Rutman, and Sara-Ann Van Allen to prepare for next steps with receivership coming into effect tomorrow.   | 0.1          |
| 14-Oct-20   | SV        | Receipt of issued orders and instructions regarding same. Emails regarding registering orders on title. Review emails sent to borrower from receiver.  | 0.2          |
| 14-Oct-20   | SV        | Emails regarding entering court orders.  | 0.1          |
| 14-Oct-20   | KK        | Emails and follow up on appointment.   | 0.2          |
| 15-Oct-20   | SG        | Correspondence with Michael Lay regarding registrations of court orders and with Sara Ann Van Allen.   | 0.1          |
| 16-Oct-20   | SV        | Review email from Allan Rutman regarding response from borrowers and email from Ken Kraft regarding same.  | 0.1          |
| 16-Oct-20   | ML        | Revising preparation of Application to register court order and attaching court order. Email to Seher Goderya to provide completed draft Application.  | 0.2          |
| 16-Oct-20   | SG        | Correspondence with Sara Ann Van Allen and completion of registration of court orders.   | 0.3          |
| 16-Oct-20   | ALJM      | Preparation of an Acknowledgement and Direction, registration of an Application to Register Court Order on Teraview and preparation of an EFT form for Seher Goderya.  | 0.4          |
| 16-Oct-20   | KK        | Follow up on matters.  | 0.1          |
| 18-Oct-20   | KK        | Greg Marchant email exchange on potential offer.   | 0.1          |
| 19-Oct-20   | SV        | Review emails regarding memorandum from Kepinski and review same. Review and respond to emails regarding term sheet. Review term sheet. Review email from Ken Kraft regarding.   | 0.3          |
| 19-Oct-20   | KK        | Review proposed financing term sheet and related email exchanges. Consider note from Andrzej Kepinski with proposal to terminate receivership.   | 0.2          |
| 20-Oct-20   | SV        | Receipt and review of revised term sheet and emails regarding same.  | 0.2          |
| 20-Oct-20   | KK        | Review revised Hillmount term sheet and related email exchanges with Allan Rutman.   | 0.1          |
| 21-Oct-20   | SV        | Review emails from Ken Kraft and Greg Marchant regarding communications from lenders. Emails regarding mortgages. Emails regarding RFP and review same.  | 0.3          |
| 21-Oct-20   | ALJM      | Subsearches on Teraview for Seher Goderya.   | 0.4          |
| 21-Oct-20   | KK        | Emails related to organizing call with lenders to update them and discuss receivership issues. Review draft brokerage solicitation for proposal and related email exchanges and telephone call with Allan Rutman to discuss issues. Follow up on real estate searches to confirm | 0.4          |

| Date      | ID | Description of Work   | Hours      |
|-----------|----|---|------------|
|           |    | mortgages are registered on correct PINs.   |            |
| 22-Oct-20 | SV | Review emails regarding RFPs. Emails regarding registration of court orders.  | 0.2        |
| 22-Oct-20 | KK | Follow up in regard to approaching brokers to discuss marketing recommendations. Review draft notice to creditors and related email exchanges.      | 0.2        |
| 23-Oct-20 | SV | Emails regarding call with lenders.   | 0.2        |
| 23-Oct-20 | KK | Exchanges related to prep for Monday's call with lenders and Receiver.  | 0.1        |
| 25-Oct-20 | KK | Preparing for tomorrow's call with lenders.   | 0.1        |
| 26-Oct-20 | SV | Call with Allan Rutman and Greg Marchant regarding call with lenders.   | 0.1        |
| 26-Oct-20 | KK | Conference call with Allan Rutman, Greg Marchant, and Sara-Ann Van Allen to prepare for this afternoon's update call with the lenders. Lender call. | 0.6        |
| 27-Oct-20 | SV | Discussion with Ken Kraft regarding call with lenders.  | 0.1        |
| 27-Oct-20 | KK | Update discussion with Sara-Ann Van Allen.  | 0.1        |
|           |    | <b>Total</b>  | <b>5.5</b> |

| Timekeeper         | Hours      | Rate   | Fees              |
|--------------------|------------|--------|-------------------|
| Alison McCormick   | 0.8        | 330.00 | 264.00            |
| Kenneth Kraft      | 2.3        | 925.00 | 2,127.50          |
| Michael Lay        | 0.2        | 330.00 | 66.00             |
| Sara-Ann Van Allen | 1.8        | 680.00 | 1,224.00          |
| Seher Goderya      | 0.4        | 600.00 | 240.00            |
| <b>Total</b>       | <b>5.5</b> |        | <b>\$3,921.50</b> |

**TOTAL PROFESSIONAL FEES** \$ **3,921.50**

**TAXABLE DISBURSEMENTS**

Searches \$ 31.27

**TOTAL TAXABLE DISBURSEMENTS** \$ **31.27**

**NON-TAXABLE DISBURSEMENTS**

Toronto Teraview Transfer (NT) \$ 77.31

**TOTAL NON-TAXABLE DISBURSEMENTS** \$ **77.31**

**TOTAL DISBURSEMENTS** 108.58

**TOTAL FEES AND DISBURSEMENTS** \$ **4,030.08**

**TAXES**

HST (13.0%) on Professional Fees of \$3,921.50 \$ 509.80

HST (13.0%) on Taxable Disbursements of \$31.27 4.07

**TOTAL TAXES** 513.87

DENTONS CANADA LLP  
Zeifman Partners Inc.  
Re: 4267 River Road LP, et al.

INVOICE 3542087  
Page 4 of 4  
Matter # 584164-000002

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**TOTAL AMOUNT DUE**

**\$ 4,543.95 CAD**

Zeifman Partners Inc.  
 201 Bridgeland Avenue  
 Toronto ON M6A 1Y7

Attention: Allan Rutman

**INVOICE # 3546760**

GST/HST # R121996078  
 QST # 1086862448 TQ 0001

| <u>Date</u>       | <u>Matter Number</u> | <u>Lawyer</u> |
|-------------------|----------------------|---------------|
| November 26, 2020 | 584164-000002        | Kenneth Kraft |

**Zeifman Partners Inc.**  
**Re: 4267 River Road LP, et al.**

|                           |                               |
|---------------------------|-------------------------------|
| Professional Fees         | \$ 4,121.00                   |
| HST (13.0%) on \$4,121.00 | 535.73                        |
| <b>Total Amount Due</b>   | <b>\$ <u>4,656.73</u> CAD</b> |

**DENTONS CANADA LLP**

Per:   
 \_\_\_\_\_  
**Kenneth Kraft**

|  |  |
|--|--|
| <b>Payment Options:</b>  |  |
| <p><b>Cheques:</b><br/>                 Cheques payable to Dentons Canada LLP and mailed to the above noted address.</p> <p><b>Wire Transfer:</b><br/>                 Bank of Montreal<br/>                 1st Canadian Place, Toronto, ON<br/>                 Swift Code: BOFMCAM2<br/>                 Bank ID: 001 Transit: 00022<br/>                 CAD Funds Bank Account : 0004-324</p> <p><b>Credit Card:</b><br/>                 Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).<br/>                 Card No. _____ Expiry Date: _____ Card Verification Code (CVC): _____<br/>                 Amount: _____ Cardholder Name: _____<br/>                 Signature: _____</p> | <p><b>Internet Banking:</b><br/>                 Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 584164. Please email us at <a href="mailto:Edm.Accounting@dentons.com">Edm.Accounting@dentons.com</a> referencing invoice number and payment amount.</p> <p><b>Interac e-Transfer:</b><br/>                 e-Transfer funds to <a href="mailto:AR.Canada@dentons.com">AR.Canada@dentons.com</a> referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to <a href="mailto:AR.Canada@dentons.com">AR.Canada@dentons.com</a> in separate email.</p> |
| <p>Please email us at <a href="mailto:AR.Canada@dentons.com">AR.Canada@dentons.com</a> referencing invoice number and payment amount.<br/>                 Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.</p>   |  |

**Invoice Detail**

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| <b>Date</b> | <b>ID</b> | <b>Description of Work</b>  | <b>Hours</b> |
|-------------|-----------|---|--------------|
| 09-Nov-20   | KK        | Engaged in file.  | 0.1          |
| 10-Nov-20   | KK        | Follow up with Allan Rutman.  | 0.1          |
| 11-Nov-20   | SV        | Emails regarding sale process and proposals. Draft sale process order. instructions to Amanda Campbell regarding sale process materials and emailing court. Review email to court. Draft notice of motion for sale process approval. Emails regarding booking court time. | 1.3          |
| 11-Nov-20   | KK        | Addressing matters related to getting moving on sale process approval motion and timing for court appearance.   | 0.2          |
| 12-Nov-20   | SV        | Instructions to Amanda Campbell regarding follow up with court. Continue drafting notice of motion for sale approval.   | 1.7          |
| 12-Nov-20   | KK        | Follow up on motion status.   | 0.1          |
| 13-Nov-20   | SV        | Review and respond to email from the Court regarding booking motion date. Instructions regarding zoom link. Revise notice of motion. Email Allan Rutman regarding motion scheduling.  | 0.6          |
| 13-Nov-20   | KK        | Commercial List follow up and related motion work.  | 0.1          |
| 16-Nov-20   | KK        | Update emails on broker negotiations and appraisals.  | 0.1          |
| 24-Nov-20   | SV        | Emails regarding sale process materials . Receipt of various proposals. Instructions to Amanda Campbell regarding appendices.   | 0.3          |
| 24-Nov-20   | KK        | Emails related to motion material.  | 0.1          |
| 25-Nov-20   | SV        | Receipt of First report and instructions to Amanda Campbell regarding same. Receipt of revised memorandum from Zeifmans. Review draft report. Review realtor proposals. Review appraisal summary; emails regarding report and appraisals.                                 | 0.8          |
| 25-Nov-20   | KK        | Various emails on marketing issues. Review materials from Zeifman.  | 0.2          |
|             |           | <b>Total</b>  | <b>5.7</b>   |

| <b>Timekeeper</b>  | <b>Hours</b> | <b>Rate</b> | <b>Fees</b>       |
|--------------------|--------------|-------------|-------------------|
| Kenneth Kraft      | 1.0          | 925.00      | 925.00            |
| Sara-Ann Van Allen | 4.7          | 680.00      | 3,196.00          |
| <b>Total</b>       | <b>5.7</b>   |             | <b>\$4,121.00</b> |

**TOTAL PROFESSIONAL FEES** \$ **4,121.00**

**TAXES**

HST (13.0%) on Professional Fees of \$4,121.00 \$ 535.73

**TOTAL TAXES** **535.73**

**TOTAL AMOUNT DUE** **\$ 4,656.73** CAD

Zeifman Partners Inc.  
201 Bridgeland Avenue  
Toronto ON M6A 1Y7

Attention: Allan Rutman

**INVOICE # 3547941**GST/HST # R121996078  
QST # 1086862448 TQ 0001

| <u>Date</u>       | <u>Matter Number</u> | <u>Lawyer</u> |
|-------------------|----------------------|---------------|
| November 30, 2020 | 584164-000002        | Kenneth Kraft |

**Zeifman Partners Inc.**  
**Re: 4267 River Road LP, et al.**

|                           |                               |
|---------------------------|-------------------------------|
| Professional Fees         | \$ 5,647.00                   |
| HST (13.0%) on \$5,647.00 | 734.11                        |
| <b>Total Amount Due</b>   | <b>\$ <u>6,381.11</u> CAD</b> |

**DENTONS CANADA LLP**Per: **Kenneth Kraft****Payment Options:****Cheques:**Cheques payable to Dentons Canada LLP  
and mailed to the above noted address.**Wire Transfer:**Bank of Montreal  
1st Canadian Place, Toronto, ON  
Swift Code: BOFMCAM2  
Bank ID: 001 Transit: 00022  
CAD Funds Bank Account : 0004-324**Credit Card:**

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. \_\_\_\_\_ Expiry Date: \_\_\_\_\_ Card Verification Code (CVC): \_\_\_\_\_

Amount: \_\_\_\_\_ Cardholder Name: \_\_\_\_\_

Signature: \_\_\_\_\_

**Internet Banking:**Accepted at most financial institutions. Your payee is Dentons Canada LLP and  
your account number is 584164. Please email us at  
[Edm.Accounting@dentons.com](mailto:Edm.Accounting@dentons.com) referencing invoice number and payment  
amount.**Interac e-Transfer:**e-Transfer funds to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number in  
message. Please use matter number referenced on your invoice as the password.  
Alternatively, send password to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) in separate email.Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

**Invoice Detail**

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| <b>Date</b>  | <b>ID</b> | <b>Description of Work</b>  | <b>Hours</b> |
|--------------|-----------|---|--------------|
| 26-Nov-20    | SV        | Emails regarding conference call, fee affidavits and appraisals. Review appraisal. Review realtor proposals. Call with Allan Rutman regarding report. Review and revise First Report. Review and revise appendices for report.  | 2.7          |
| 26-Nov-20    | KK        | Emails related to motion material and broker selection. Telephone call with Allan Rutman, Roman Kovalev, and Sara-Ann Van Allen to discuss motion material and broker selection and to update Greg Marchant on status. Starting to work on fee affidavit information.   | 0.6          |
| 27-Nov-20    | SV        | Review Zeifman fee affidavit. review and further revise First Report. Call with Ken Kraft regarding First Report. Review email change with Greg Marchant regarding sale process. Call with Greg Marchant regarding sale process. Review fee affidavit of Ken Kraft. Commission fee affidavit and emails regarding same. Review listing documentation, revise and emails regarding same. Instructions regarding fee affidavit.                     | 2.7          |
| 27-Nov-20    | KK        | Numerous emails. Working on motion material. Discuss issues with Sara-Ann Van Allen. Conference call with Greg Marchant, Allan Rutman and Sara-Ann Van Allen to discuss motion issues and proposals to address marketing of properties. Review, finalize and affirm fee affidavit.  | 0.5          |
| 28-Nov-20    | KK        | Review changes to draft listing proposal and related email exchanges.   | 0.1          |
| 30-Nov-20    | SV        | Email from Ken Kraft regarding listing agreement schedule. Revise listing agreement schedule and email to Zeifmans. instructions regarding fee affidavits and report. Draft orders. Revise report. Review email from Ken Kraft regarding sale process and emails regarding moving motion date. Consider appraisal summary chart and valuations. Emails regarding sale process motion. Instructions regarding revisions to sale process materials. | 1.0          |
| 30-Nov-20    | KK        | Emails on additional information and changing hearing date.   | 0.2          |
| <b>Total</b> |           |   | <b>7.8</b>   |

| <b>Timekeeper</b>  | <b>Hours</b> | <b>Rate</b> | <b>Fees</b>       |
|--------------------|--------------|-------------|-------------------|
| Kenneth Kraft      | 1.4          | 925.00      | 1,295.00          |
| Sara-Ann Van Allen | 6.4          | 680.00      | 4,352.00          |
| <b>Total</b>       | <b>7.8</b>   |             | <b>\$5,647.00</b> |

**TOTAL PROFESSIONAL FEES** \$ **5,647.00**

**TAXES**

HST (13.0%) on Professional Fees of \$5,647.00 \$ 734.11



DENTONS CANADA LLP  
Zeifman Partners Inc.  
Re: 4267 River Road LP, et al.

INVOICE 3547941  
Page 3 of 3  
Matter # 584164-000002

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**TOTAL TAXES**

**734.11**

**TOTAL AMOUNT DUE**

**\$ 6,381.11** CAD

THIS IS EXHIBIT "B" REFERRED TO IN THE  
AFFIDAVIT OF KENNETH KRAFT AFFIRMED  
BEFORE ME THIS 7th DAY OF DECEMBER, 2020.

A handwritten signature in blue ink, consisting of several overlapping loops and a final flourish.

---

A Commissioner for Taking Affidavits, etc.

**EXHIBIT “B”**

**Summary of Invoices and Calculation of Average Hourly Billing Rates  
of Dentons Canada LLP**

**The Period October 13, 2020 to November 30, 2020**

| <b>Date</b>              | <b>Invoice No.</b> | <b>Fees</b>        | <b>Costs</b>    | <b>Taxes(HST)</b> | <b>Hours</b> | <b>Total (\$CDN)</b> |
|--------------------------|--------------------|--------------------|-----------------|-------------------|--------------|----------------------|
| <b>October 31, 2020</b>  | 3542087            | \$3,921.50         | \$108.58        | \$513.87          | 5.5          | \$4,543.95           |
| <b>November 26, 2020</b> | 3546760            | \$4,121.00         | 0.00            | \$535.73          | 5.7          | \$4,656.73           |
| <b>November 30, 2020</b> | 3547941            | \$5,647.00         |                 | \$734.11          | 7.8          | \$5,647.00           |
| <b>TOTALS:</b>           |                    | <b>\$13,689.50</b> | <b>\$108.58</b> | <b>\$1783.71</b>  | <b>19</b>    | <b>\$14,847.68</b>   |

THIS IS EXHIBIT "C" REFERRED TO IN THE  
AFFIDAVIT OF KENNETH KRAFT AFFIRMED  
BEFORE ME THIS 7th DAY OF DECEMBER, 2020.



---

A Commissioner for Taking Affidavits, etc.

**EXHIBIT “C”**

**Standard Billing Rates of Dentons Canada LLP**

**For the Period October 13, 2020 to November 30, 2020**

| <b>Name</b>        | <b>Title</b>        | <b>2020<br/>Standard<br/>Rate</b> | <b>Year of Call</b> | <b>Hours billed</b> |
|--------------------|---------------------|-----------------------------------|---------------------|---------------------|
| Kenneth Kraft      | Partner             | \$925.00                          | 1991                | 4.7                 |
| Sara-Ann Van Allen | Counsel             | \$680.00                          | 2008                | 13.0                |
| Alison McCormick   | Paralegal           | \$330.00                          |                     | .8                  |
| Michael Lay        | Paralegal           | \$330.00                          |                     | .2                  |
| Seher Goderya      | Senior<br>Associate | \$600.00                          | 2012                | .4                  |
| <b>TOTAL:</b>      |                     |                                   |                     | 19.1                |

**MERCHANT REALTY PARTNERS INC., as agent**

- and -

**4267 RIVER ROAD LP and 4267 RIVER ROAD GP INC.**

**Applicant**

**Respondents**

|  |  |
|--|--|
| <p><b>ONTARIO<br/>SUPERIOR COURT OF JUSTICE<br/>(COMMERCIAL LIST)</b></p> <p>PROCEEDING COMMENCED AT TORONTO</p> | <p><b>AFFIDAVIT OF KENNETH KRAFT</b></p> <p>(Affirmed December 7<sup>th</sup>, 2020)</p> <p><b>DENTONS CANADA LLP</b><br/>77 King Street West, Suite 400<br/>Toronto-Dominion Centre<br/>Toronto, ON M5K 0A1</p> <p><b>Kenneth Kraft</b> (LSO # 31919P)<br/>Tel: 416-863-4374<br/>Fax: (416) 863-4592<br/><a href="mailto:kenneth.kraft@dentons.com">kenneth.kraft@dentons.com</a></p> <p><b>Sara-Ann Van Allen</b> (LSO # 56016C)<br/>Tel: (416) 863-4402<br/><a href="mailto:sara.vanallen@dentons.com">sara.vanallen@dentons.com</a></p> <p><i>Lawyers for the Receiver</i></p> |
|--|--|

# Appendix “J”

## to the First Report of the Receiver

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

**BETWEEN:**

**MERCHANT REALTY PARTNERS INC., as agent**

Applicant

- and -

**4544 ZIMMERMAN AVENUE LP and 4544 ZIMMERMAN AVENUE GP INC.**

Respondents

**AFFIDAVIT OF KENNETH KRAFT  
(Affirmed December 7<sup>th</sup>, 2020)**

I, **KENNETH KRAFT**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY** as follows:

1. I am a partner with Dentons Canada LLP (“**Dentons**”), and as such, I have knowledge of the matters to which I hereinafter depose.
2. Dentons is counsel to Zeifman Partners Inc. in its capacity as Receiver (the “**Receiver**”) in the above-noted proceedings.
3. I make this affidavit in support of a motion by the Receiver seeking, *inter alia*, approval of the fees and disbursements of Dentons in its capacity as counsel to the Receiver.
4. During the period from the commencement of the Receivership to November 30, 2020, Dentons in its capacity as counsel to the Receiver docketed 19 hours, resulting in legal fees of \$13,689.50 (the “**Fees**”), disbursements and other charges of \$77.31 (the “**Disbursements**”) and harmonized sales tax (“**HST**”) of \$1,779.64.



5. Attached hereto and marked as **Exhibit "A"** to this, my Affidavit, are copies of the invoices rendered by Dentons in its capacity as counsel to the Receiver during the period (the "**Accounts**").
6. Attached hereto and marked as **Exhibit "B"** to this, my Affidavit, is a schedule summarizing the Fees, Disbursements and HST charged in each invoice.
7. Attached hereto and marked as **Exhibit "C"** to this, my Affidavit, is a schedule summarizing the hours billed by each member of Dentons who rendered services to the Receiver.
8. To the best of my knowledge, the hourly billing rates charged by Dentons as outlined in **Exhibit "C"** were no more than Dentons' normal hourly rates during the applicable period and are comparable to the hourly rates charged for the provision of similar services by other similar law firms in Toronto.
9. Due to the circumstances of the COVID-19 pandemic, I am unable to be physically present to affirm this Affidavit. I was, however, linked by way of video technology to the Commissioner commissioning this document.

**AFFIRMED** before me by video conference from the Town of Oakville in the Province of Ontario, to the City of Toronto in the Province of Ontario, on the 7<sup>th</sup> day of December, 2020.



---

A Commissioner for Taking Affidavits, etc.



}  
\_\_\_\_\_

KENNETH KRAFT

THIS IS EXHIBIT "A" REFERRED TO IN THE  
AFFIDAVIT OF KENNETH KRAFT AFFIRMED  
BEFORE ME THIS 7th DAY OF DECEMBER, 2020.



---

A Commissioner for Taking Affidavits, etc.

## **EXHIBIT “A”**

### **The Accounts**

- 1.** October 31, 2020
- 2.** November 26, 2020
- 3.** November 30, 2020

Zeifman Partners Inc.  
201 Bridgeland Avenue  
Toronto ON M6A 1Y7

Attention: Allan Rutman

**INVOICE # 3542088**


GST/HST # R121996078  
QST # 1086862448 TQ 0001

| <u>Date</u>      | <u>Matter Number</u> | <u>Lawyer</u> |
|------------------|----------------------|---------------|
| October 31, 2020 | 584164-000003        | Kenneth Kraft |

**Zeifman Partners Inc.**  
**Re: 4544 Zimmerman Avenue LP, et al.**

|                           |           |                            |
|---------------------------|-----------|----------------------------|
| Professional Fees         | \$        | 3,921.50                   |
| Disbursements             |           | 77.31                      |
| HST (13.0%) on \$3,921.50 |           | 509.80                     |
| <b>Total Amount Due</b>   | <b>\$</b> | <b><u>4,508.61</u> CAD</b> |

**DENTONS CANADA LLP**

Per:   
Kenneth Kraft

**Payment Options:**

**Cheques:**

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

**Wire Transfer:**

Bank of Montreal  
1st Canadian Place, Toronto, ON  
Swift Code: BOFMCAM2  
Bank ID: 001 Transit: 00022  
CAD Funds Bank Account : 0004-324

**Credit Card:**

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. \_\_\_\_\_ Expiry Date: \_\_\_\_\_ Card Verification Code (CVC): \_\_\_\_\_

Amount: \_\_\_\_\_ Cardholder Name: \_\_\_\_\_

Signature: \_\_\_\_\_

**Internet Banking:**

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 584164. Please email us at [Edm.Accounting@dentons.com](mailto:Edm.Accounting@dentons.com) referencing invoice number and payment amount.

**Interac e-Transfer:**

e-Transfer funds to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) in separate email.

Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

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**Invoice Detail**

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TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| <b>Date</b> | <b>ID</b> | <b>Description of Work</b>   | <b>Hours</b> |
|-------------|-----------|--|--------------|
| 13-Oct-20   | KK        | Various emails and conference call with Greg Marchant, Allan Rutman, and Sara-Ann Van Allen to prepare for next steps with receivership coming into effect tomorrow.           | 0.1          |
| 14-Oct-20   | SV        | Receipt of issued orders and instructions regarding same. Emails regarding registering orders on title. Review emails sent to borrower from receiver.                          | 0.2          |
| 14-Oct-20   | SV        | Emails regarding entering court orders.  | 0.1          |
| 14-Oct-20   | KK        | Emails and follow up on appointment.   | 0.2          |
| 15-Oct-20   | ML        | Email correspondence with Seher Goderya regarding completion of preparation of Applications to register court orders.  | 0.1          |
| 15-Oct-20   | SG        | Correspondence with Michael Lay regarding registrations of court orders and with Sara Ann Van Allen.   | 0.1          |
| 16-Oct-20   | SV        | Review email from Allan Rutman regarding response from borrowers and email from Ken Kraft regarding same.  | 0.1          |
| 16-Oct-20   | ML        | Revising preparation of Application to register court order and attaching court order. Email to Seher Goderya to provide completed draft Application.                          | 0.2          |
| 16-Oct-20   | SG        | Correspondence with Sara Ann Van Allen and completion of registration of court orders.   | 0.3          |
| 16-Oct-20   | ALJM      | Preparation of an Acknowledgement and Direction, registration of an Application to Register Court Order on Teraview and preparation of an EFT form for Seher Goderya.          | 0.4          |
| 16-Oct-20   | KK        | Follow up on matters.  | 0.1          |
| 18-Oct-20   | KK        | Greg Marchant email exchange on potential offer.   | 0.1          |
| 19-Oct-20   | SV        | Review emails regarding memorandum from Kepinski and review same. Review and respond to emails regarding term sheet. Review term sheet. Review email from Ken Kraft regarding. | 0.3          |
| 19-Oct-20   | KK        | Review proposed financing term sheet and related email exchanges. Consider note from Andrzej Kepinski with proposal to terminate receivership.                                 | 0.2          |
| 20-Oct-20   | SV        | Receipt and review of revised term sheet and emails regarding same.  | 0.2          |
| 20-Oct-20   | KK        | Review revised Hillmount term sheet and related email exchanges with Allan Rutman.   | 0.1          |
| 21-Oct-20   | SV        | Review emails from Ken Kraft and Greg Marchant regarding communications from lenders. Emails regarding mortgages. Emails regarding RFP and review same.                        | 0.3          |
| 21-Oct-20   | ALJM      | Subsearch on Teraview for Seher Goderya.   | 0.3          |
| 21-Oct-20   | KK        | Emails related to organizing call with lenders to update them and  | 0.4          |

| Date      | ID | Description of Work  | Hours      |
|-----------|----|--|------------|
|           |    | discuss receivership issues. Review draft brokerage solicitation for proposal and related email exchanges and telephone call with Allan Rutman to discuss issues. Follow up on real estate searches to confirm mortgages are registered on correct PINs. |            |
| 22-Oct-20 | SV | Review emails regarding RFPs. Emails regarding registration of court orders.   | 0.2        |
| 22-Oct-20 | KK | Follow up in regard to approaching brokers to discuss marketing recommendations. Review draft notice to creditors and related email exchanges.   | 0.2        |
| 23-Oct-20 | SV | Emails regarding call with lenders.  | 0.2        |
| 23-Oct-20 | KK | Exchanges related to prep for Monday's call with lenders and Receiver.   | 0.1        |
| 25-Oct-20 | KK | Preparing for tomorrow's call with lenders.  | 0.1        |
| 26-Oct-20 | SV | Call with Allan Rutman and Greg Marchant regarding call with lenders.  | 0.1        |
| 26-Oct-20 | KK | Conference call with Allan Rutman, Greg Marchant, and Sara-Ann Van Allen to prepare for this afternoon's update call with the lenders. Lender call.  | 0.6        |
| 27-Oct-20 | SV | Discussion with Ken Kraft regarding call with lenders.   | 0.1        |
| 27-Oct-20 | KK | Update discussion with Sara-Ann Van Allen.   | 0.1        |
|           |    | <b>Total</b>   | <b>5.5</b> |

| Timekeeper         | Hours      | Rate   | Fees              |
|--------------------|------------|--------|-------------------|
| Alison McCormick   | 0.7        | 330.00 | 231.00            |
| Kenneth Kraft      | 2.3        | 925.00 | 2,127.50          |
| Michael Lay        | 0.3        | 330.00 | 99.00             |
| Sara-Ann Van Allen | 1.8        | 680.00 | 1,224.00          |
| Seher Goderya      | 0.4        | 600.00 | 240.00            |
| <b>Total</b>       | <b>5.5</b> |        | <b>\$3,921.50</b> |

**TOTAL PROFESSIONAL FEES** \$ **3,921.50**

**NON-TAXABLE DISBURSEMENTS**

Toronto Teraview Transfer (NT) \$ 77.31  
**TOTAL NON-TAXABLE DISBURSEMENTS** \$ **77.31**

**TOTAL DISBURSEMENTS** 77.31

**TOTAL FEES AND DISBURSEMENTS** \$ **3,998.81**

**TAXES**

HST (13.0%) on Professional Fees of \$3,921.50 \$ 509.80  
**TOTAL TAXES** 509.80

**TOTAL AMOUNT DUE** \$ **4,508.61** CAD

Zeifman Partners Inc.  
201 Bridgeland Avenue  
Toronto ON M6A 1Y7

Attention: Allan Rutman

**INVOICE # 3546761**

GST/HST # R121996078  
QST # 1086862448 TQ 0001

| <u>Date</u>       | <u>Matter Number</u> | <u>Lawyer</u> |
|-------------------|----------------------|---------------|
| November 26, 2020 | 584164-000003        | Kenneth Kraft |

**Zeifman Partners Inc.**  
**Re: 4544 Zimmerman Avenue LP, et al.**

|                           |           |                            |
|---------------------------|-----------|----------------------------|
| Professional Fees         | \$        | 4,121.00                   |
| HST (13.0%) on \$4,121.00 |           | 535.73                     |
| <b>Total Amount Due</b>   | <b>\$</b> | <b><u>4,656.73</u> CAD</b> |

**DENTONS CANADA LLP**

Per:   
Kenneth Kraft

|  |  |
|--|--|
| <b>Payment Options:</b>  |  |
| <p><b>Cheques:</b><br/>Cheques payable to Dentons Canada LLP and mailed to the above noted address.</p> <p><b>Wire Transfer:</b><br/>Bank of Montreal<br/>1st Canadian Place, Toronto, ON<br/>Swift Code: BOFMCAM2<br/>Bank ID: 001 Transit: 00022<br/>CAD Funds Bank Account : 0004-324</p> <p><b>Credit Card:</b><br/>Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).<br/>Card No. _____ Expiry Date: _____ Card Verification Code (CVC): _____<br/>Amount: _____ Cardholder Name: _____<br/>Signature: _____</p> | <p><b>Internet Banking:</b><br/>Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 584164. Please email us at <a href="mailto:Edm.Accounting@dentons.com">Edm.Accounting@dentons.com</a> referencing invoice number and payment amount.</p> <p><b>Interac e-Transfer:</b><br/>e-Transfer funds to <a href="mailto:AR.Canada@dentons.com">AR.Canada@dentons.com</a> referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to <a href="mailto:AR.Canada@dentons.com">AR.Canada@dentons.com</a> in separate email.</p> |
| <p>Please email us at <a href="mailto:AR.Canada@dentons.com">AR.Canada@dentons.com</a> referencing invoice number and payment amount.<br/>Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.</p>  |  |

**Invoice Detail**

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| <b>Date</b> | <b>ID</b> | <b>Description of Work</b>  | <b>Hours</b> |
|-------------|-----------|---|--------------|
| 09-Nov-20   | KK        | Engaged in file.  | 0.1          |
| 10-Nov-20   | KK        | Follow up with Allan Rutman.  | 0.1          |
| 11-Nov-20   | SV        | Emails regarding sale process and proposals. Draft sale process order. instructions to Amanda Campbell regarding sale process materials and emailing court. Review email to court. Draft notice of motion for sale process approval. Emails regarding booking court time. | 1.3          |
| 11-Nov-20   | KK        | Addressing matters related to getting moving on sale process approval motion and timing for court appearance.   | 0.2          |
| 12-Nov-20   | SV        | Instructions to Amanda Campbell regarding follow up with court. Continue drafting notice of motion for sale approval.   | 1.7          |
| 12-Nov-20   | KK        | Follow up on motion status.   | 0.1          |
| 13-Nov-20   | SV        | Review and respond to email from the Court regarding booking motion date. Instructions regarding zoom link. Revise notice of motion. Email Allan Rutman regarding motion scheduling.  | 0.6          |
| 13-Nov-20   | KK        | Commercial List follow up and related motion work.  | 0.1          |
| 16-Nov-20   | KK        | Update emails on broker negotiations and appraisals.  | 0.1          |
| 24-Nov-20   | SV        | Emails regarding sale process materials . Receipt of various proposals. Instructions to Amanda Campbell regarding appendices.   | 0.3          |
| 24-Nov-20   | KK        | Emails related to motion material.  | 0.1          |
| 25-Nov-20   | SV        | Receipt of First report and instructions to Amanda Campbell regarding same. Receipt of revised memorandum from Zeifmans. Review draft report. Review realtor proposals. Review appraisal summary; emails regarding report and appraisals.                                 | 0.8          |
| 25-Nov-20   | KK        | Various emails on marketing issues. Review materials from Zeifman.  | 0.2          |
|             |           | <b>Total</b>  | <b>5.7</b>   |

| <b>Timekeeper</b>  | <b>Hours</b> | <b>Rate</b> | <b>Fees</b>       |
|--------------------|--------------|-------------|-------------------|
| Kenneth Kraft      | 1.0          | 925.00      | 925.00            |
| Sara-Ann Van Allen | 4.7          | 680.00      | 3,196.00          |
| <b>Total</b>       | <b>5.7</b>   |             | <b>\$4,121.00</b> |

**TOTAL PROFESSIONAL FEES** \$ **4,121.00**

**TAXES**

HST (13.0%) on Professional Fees of \$4,121.00 \$ 535.73

**TOTAL TAXES** **535.73**

**TOTAL AMOUNT DUE** **\$ 4,656.73** CAD



DENTONS CANADA LLP  
Zeifman Partners Inc.  
Re: 4544 Zimmerman Avenue LP, et al.

INVOICE 3546761  
Page 3 of 3  
Matter # 584164-000003

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Zeifman Partners Inc.  
201 Bridgeland Avenue  
Toronto ON M6A 1Y7

Attention: Allan Rutman

**INVOICE # 3547943**

GST/HST # R121996078  
QST # 1086862448 TQ 0001

| <u>Date</u>       | <u>Matter Number</u> | <u>Lawyer</u> |
|-------------------|----------------------|---------------|
| November 30, 2020 | 584164-000003        | Kenneth Kraft |

**Zeifman Partners Inc.**  
**Re: 4544 Zimmerman Avenue LP, et al.**

|                           |                               |
|---------------------------|-------------------------------|
| Professional Fees         | \$ 5,647.00                   |
| HST (13.0%) on \$5,647.00 | 734.11                        |
| <b>Total Amount Due</b>   | <b>\$ <u>6,381.11</u> CAD</b> |

**DENTONS CANADA LLP**

Per:   
Kenneth Kraft

**Payment Options:**

**Cheques:**

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

**Wire Transfer:**

Bank of Montreal  
1st Canadian Place, Toronto, ON  
Swift Code: BOFMCAM2  
Bank ID: 001 Transit: 00022  
CAD Funds Bank Account : 0004-324

**Credit Card:**

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. \_\_\_\_\_ Expiry Date: \_\_\_\_\_ Card Verification Code (CVC): \_\_\_\_\_

Amount: \_\_\_\_\_ Cardholder Name: \_\_\_\_\_

Signature: \_\_\_\_\_

**Internet Banking:**

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 584164. Please email us at [Edm.Accounting@dentons.com](mailto:Edm.Accounting@dentons.com) referencing invoice number and payment amount.

**Interac e-Transfer:**

e-Transfer funds to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) in separate email.

Please email us at [AR.Canada@dentons.com](mailto:AR.Canada@dentons.com) referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

**Invoice Detail**

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| <b>Date</b>  | <b>ID</b> | <b>Description of Work</b>  | <b>Hours</b> |
|--------------|-----------|---|--------------|
| 26-Nov-20    | SV        | Emails regarding conference call, fee affidavits and appraisals. Review appraisal. Review realtor proposals. Call with Allan Rutman regarding report. Review and revise First Report. Review and revise appendices for report.  | 2.7          |
| 26-Nov-20    | KK        | Emails related to motion material and broker selection. Telephone call with Allan Rutman, Roman Kovalev, and Sara-Ann Van Allen to discuss motion material and broker selection and to update Greg Marchant on status. Starting to work on fee affidavit information.   | 0.6          |
| 27-Nov-20    | SV        | Review Zeifman fee affidavit. review and further revise First Report. Call with Ken Kraft regarding First Report. Review email change with Greg Marchant regarding sale process. Call with Greg Marchant regarding sale process. Review fee affidavit of Ken Kraft. Commission fee affidavit and emails regarding same. Review listing documentation, revise and emails regarding same. Instructions regarding fee affidavit.                     | 2.7          |
| 27-Nov-20    | KK        | Numerous emails. Working on motion material. Discuss issues with Sara-Ann Van Allen. Conference call with Greg Marchant, Allan Rutman and Sara-Ann Van Allen to discuss motion issues and proposals to address marketing of properties. Review, finalize and affirm fee affidavit.  | 0.5          |
| 28-Nov-20    | KK        | Review changes to draft listing proposal and related email exchanges.   | 0.1          |
| 30-Nov-20    | SV        | Email from Ken Kraft regarding listing agreement schedule. Revise listing agreement schedule and email to Zeifmans. instructions regarding fee affidavits and report. Draft orders. Revise report. Review email from Ken Kraft regarding sale process and emails regarding moving motion date. Consider appraisal summary chart and valuations. Emails regarding sale process motion. Instructions regarding revisions to sale process materials. | 1.0          |
| 30-Nov-20    | KK        | Emails on additional information and changing hearing date.   | 0.2          |
| <b>Total</b> |           |   | <b>7.8</b>   |

| <b>Timekeeper</b>  | <b>Hours</b> | <b>Rate</b> | <b>Fees</b>       |
|--------------------|--------------|-------------|-------------------|
| Kenneth Kraft      | 1.4          | 925.00      | 1,295.00          |
| Sara-Ann Van Allen | 6.4          | 680.00      | 4,352.00          |
| <b>Total</b>       | <b>7.8</b>   |             | <b>\$5,647.00</b> |

**TOTAL PROFESSIONAL FEES** \$ **5,647.00**

**TAXES**

HST (13.0%) on Professional Fees of \$5,647.00 \$ 734.11

DENTONS CANADA LLP  
Zeifman Partners Inc.  
Re: 4544 Zimmerman Avenue LP, et al.

INVOICE 3547943  
Page 3 of 3  
Matter # 584164-000003

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**TOTAL TAXES**

**734.11**

**TOTAL AMOUNT DUE**

**\$ 6,381.11 CAD**

THIS IS EXHIBIT "B" REFERRED TO IN THE  
AFFIDAVIT OF KENNETH KRAFT AFFIRMED  
BEFORE ME THIS 7th DAY OF DECEMBER, 2020.



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A Commissioner for Taking Affidavits, etc.

**EXHIBIT "B"**

**Summary of Invoices and Calculation of Average Hourly Billing Rates  
of Dentons Canada LLP**

**The Period October 13, 2020 to November 30, 2020**

| <b>Date</b>              | <b>Invoice No.</b> | <b>Fees</b>        | <b>Costs</b>   | <b>Taxes(HST)</b> | <b>Hours</b> | <b>Total (\$CDN)</b> |
|--------------------------|--------------------|--------------------|----------------|-------------------|--------------|----------------------|
| <b>October 31, 2020</b>  | 3542088            | \$3,921.50         | \$77.31        | \$509.80          | 5.5          | \$4,508.61           |
| <b>November 26, 2020</b> | 3546761            | \$4,121.00         |                | \$535.73          | 5.7          | \$4,656.73           |
| <b>November 30, 2020</b> | 3547943            | \$5,647.00         |                | \$734.11          | 7.8          | \$6,381.11           |
| <b>TOTALS:</b>           |                    | <b>\$13,689.50</b> | <b>\$77.31</b> | <b>\$1779.64</b>  | <b>19</b>    | <b>\$15,546.45</b>   |

THIS IS EXHIBIT "C" REFERRED TO IN THE  
AFFIDAVIT OF KENNETH KRAFT AFFIRMED  
BEFORE ME THIS 7th DAY OF DECEMBER, 2020.



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A Commissioner for Taking Affidavits, etc.

**EXHIBIT “C”**

**Standard Billing Rates of Dentons Canada LLP**

**For the Period October 13, 2020 to November 30, 2020**

| <b>Name</b>        | <b>Title</b> | <b>2020 Standard Rate</b> | <b>Year of Call</b> | <b>Hours billed</b> |
|--------------------|--------------|---------------------------|---------------------|---------------------|
| Kenneth Kraft      | Partner      | \$925.00                  | 1991                | 4.7                 |
| Sara-Ann Van Allen | Counsel      | \$680.00                  | 2008                | 12.9                |
| Alison McCormick   | Paralegal    | \$330                     |                     | .7                  |
| Michael Lay        | Paralegal    | \$330                     |                     | .3                  |
| Seher Goderya      | Associate    | \$600                     | 2012                | .4                  |
| <b>TOTAL:</b>      |              |                           |                     | <b>19.0</b>         |



**MERCHANT REALTY PARTNERS INC., as agent**

**- and -**

**4544 ZIMMERMAN AVENUE LP and  
4544 ZIMMERMAN AVENUE GP INC.**

**Applicant**

**Respondents**

**ONTARIO**

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

**PROCEEDING COMMENCED AT TORONTO**

**AFFIDAVIT OF KENNETH KRAFT**

(Affirmed December 7<sup>th</sup>, 2020)

**DENTONS CANADA LLP**

77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, ON M5K 0A1

**Kenneth Kraft** (LSO # 31919P)

Tel: 416-863-4374

Fax: (416) 863-4592

[kenneth.kraft@dentons.com](mailto:kenneth.kraft@dentons.com)

**Sara-Ann Van Allen** (LSO # 56016C)

Tel: (416) 863-4402

[sara.vanallen@dentons.com](mailto:sara.vanallen@dentons.com)

*Lawyers for the Receiver*

# Confidential Appendix “1” to the First Report of the Receiver

# REDACTED

# Confidential Appendix “2” to the First Report of the Receiver

**REDACTED**

# Confidential Appendix “3” to the First Report of the Receiver

**REDACTED**

# Confidential Appendix “4” to the First Report of the Receiver



**REDACTED**

Court File No: CV-18-00604717-00CL

MERCHANT REALTY PARTNERS INC., as agent  
Applicant

- and -

2407553 ONTARIO INC., et al.  
Respondents

Court File No: CV-18-00604725-00CL

MERCHANT REALTY PARTNERS INC., as agent  
Applicant

- and -

4267 RIVER ROAD LP, et al.  
Respondents

Court File No: CV-18-00604721-00CL

MERCHANT REALTY PARTNERS INC., as agent  
Applicant

- and -

4544 ZIMMERMAN AVENUE LP, et al.  
Respondents

*ONTARIO*

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

PROCEEDING COMMENCED AT TORONTO

**FIRST REPORT OF ZEIFMAN PARTNERS INC., IN ITS  
CAPACITY AS RECEIVER**

**DENTONS CANADA LLP**

77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, ON M5K 0A1

**Kenneth Kraft** (LSO # 31919P)

Tel: 416-863-4374

Fax: 416-863-4592

[kenneth.kraft@dentons.com](mailto:kenneth.kraft@dentons.com)

**Sara-Ann Van Allen** (LSO # 56016C)

Tel: 416-863-4402

[sara.vanallen@dentons.com](mailto:sara.vanallen@dentons.com)

*Lawyers for the Receiver*