

TAB J

This is Exhibit 1 referred to in the  
affidavit of Dalee Chand Nardine  
sworn before me, this 14<sup>th</sup>  
day of January 2015  
Deborah Miller  
A COMMISSIONER FOR TAKING AFFIDAVITS

Deborah Miller-Lichtenstein

Court File No.  
CV-14-10418-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE ) FRIDAY, JANUARY 24, 2014  
JUSTICE NEWBOULD )

BETWEEN:

THE ONTARIO LUNG ASSOCIATION

Applicant

- and -

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 1037,  
RONAULD WALTON and NORMA WALTON

Respondents

- and -

STANLEY BERNSTEIN

Person to be bound by the result

**APPLICATION UNDER** Rule 14.05 of the *Rules of Civil Procedure*,  
s. 135 of the *Condominium Act*, 1998, S.O. 1998, c 17,  
and ss. 245 and 248 of the *Business Corporations Act*, R.S.O. 1990, c. B.16

**ORDER**

**THIS APPLICATION** for various relief related to the management of  
Metropolitan Condominium Corporation No. 1037 ("MTCC 1037"), brought by the applicant,  
was heard this day at the court house, 330 University Ave., Toronto, Ontario.

**ON READING** the notice of application, the consent of the parties, filed, on hearing the submissions of the lawyer for the applicant, the lawyer for Stanley Bernstein, and Norma Walton appearing in person,

1. **THIS COURT ORDERS AND DECLARES** that to the extent that Stanley Bernstein is listed as a director of MTCC 1037, MTCC 1037's records are amended to remove him from that position from the date of appointment reflected therein.
  
2. **THIS COURT ORDERS** that a board meeting of MTCC 1037 is to be held on February 13, 2014 at noon in suite 216 of 18 Wynford Drive in Toronto (the "Board Meeting"), and the respondent Norma Walton is to attend the Board Meeting. If Norma Walton does not (i) attend the Board Meeting and (ii) resign her position as director of MTCC 1037 and deliver a written resignation of Ronauld Walton at the Board Meeting,
  - (a) Norma Walton and Ronauld Walton shall be deemed to have resigned as directors of MTCC 1037;
  - (b) the property management contract currently in place between MTCC 1037 and Rose & Thistle Ltd. or any other entity shall be terminated;
  - (c) the remaining directors of the board of MTCC 1037 may conduct the business of MTCC 1037 notwithstanding anything to the contrary in the *Condominium Act, 1998*, S.O. 1998, c. 19, (the "Condominium Act"), the declaration of MTCC 1037 dated October 6, 1992, the by-laws of MTCC 1037 dated October 28, 1992 or any other constating documents of MTCC 1037 (the "Constating Documents").

3. **THIS COURT ORDERS** that, until Norma Walton and Ronauld Walton have resigned or are deemed to have resigned from the board of directors of MTCC 1037, the owners of units of MTCC 1037 (other than Wynford Professional Centre Ltd.) may pay their condominium fees into a trust account set up for that purpose by the applicant, and notwithstanding anything to the contrary in the Condominium Act or the Constating Documents, those unit owners will not be denied any voting rights for failure to pay condominium fees if they have paid their fees into that trust account.

4. **THIS COURT ORDERS** that service of the issued application is dispensed with prior to the making of this order, but the applicant shall serve this order and the issued notice of application forthwith upon (a) Stanley Bernstein by delivery to Lenczner Slaght LLP and (b) the respondents by email to Norma Walton at [nwalton@roseandthistle.ca](mailto:nwalton@roseandthistle.ca).

5. **THIS COURT ORDERS** that the balance of this application is adjourned *sine die*.



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CLERK OF THE COURT  
OR  
CLERK OF THE COURT  
LEWIS & CLARK LLP

JAN 24 2014



THE ONTARIO LUNG ASSOCIATION

Applicant

-and- METROPOLITAN TORONTO CONDOMINIUM  
CORPORATION NO. 1037 AND OTHERS  
Respondents

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**ORDER**

**STEVENSONS LLP**

Barristers

15 Toronto Street

Suite 202

Toronto ON M5C 2E3


J. Daniel McConville (LSUC # 553101)

416-599-7900

416-599-7910 (fax)

Lawyers for the applicant

TAB K

This is Exhibit 5 referred to in the  
affidavit of Dalee Chand Navaine  
sworn before me, this 14<sup>th</sup>  
day of January 2015  
  
A COMMISSIONER FOR TAKING AFFIDAVITS

Debora Miller-Lichtenstein



# MINUTES

Minutes of the annual general meeting of the owners of Metropolitan Toronto Condominium Corporation No. 1037 held Thursday February 13, 2014

Present: Frances Kwong, owner of units 109-111  
David McGregor, owner of units 315 and 316  
Waldo Martin, owners of units 315 and 316  
Jonathan Griffiths, owner of unit 710  
Anne MacPhee, owner of unit 618  
George Habib, owner of unit 400  
Suresh Naraine, owner of unit 400  
Daniel McConville, lawyer for owners of unit 400  
Max Chaudhary, owner of unit 707  
Kumar Ratman, owner of unit 301-307  
Norma Walton of Wynford Professional Centre Ltd., owner of 91 units out of 119  
Andrus King, property manager for Wynford Professional Centre  
Brad Smith, property manager for Wynford Professional Centre

By Invitation: Samantha Slemko, Senior Property Manager, Recording Secretary,  
Tom Trklja, Law Clerk, The Rose and Thistle Group Ltd.

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## 1.0 PROOF OF NOTICE

N. Walton called the meeting to order at 12:05 p.m.

## 2.0 INTRODUCTION OF CURRENT BOARD OF DIRECTORS

The current board of directors was introduced.

## 3.0 PRESENTATION OF FINANCIAL STATEMENTS

Tator, Rose & Leong have been the auditors for MTCC 1037 since prior to 2009.

Tator, Rose & Leong has completed their audit of the 2011 financial statements for MTCC 1037 and those statements have been approved. Those statements confirm the significant renovations done to the property in 2011.

Tator, Rose & Leong has completed draft statements for 2012 and there are some outstanding items to be provided by N. Walton to finalize those statements. The new board will need to approve those statements once finalized.

Tator, Rose & Leong has started to complete 2013 draft financial statements.

The non-Wynford Professional Centre owners have been paying their common expenses to the Ontario Lung Association in trust for January and February 2014. The Rose and Thistle Group Ltd. has paid on MTCC 1037's behalf the sum of approximately \$42,500 during that same period to cover essential expenses such as utilities, insurance and building superintendent charges.

The new Board of Directors will need to pay vendors such as cleaners and security providers from the monies currently held in trust. In addition, there are other bills owing.

Currently Wynford Professional Centre Ltd. owes to MTCC 1037 the sum of approximately \$1.25 million. MTCC 1037 in turn owes to The Rose and Thistle Group Ltd. the sum of approximately \$1.05 million. Wynford Professional Centre Ltd. paid its 2011 common expenses but in 2012 and 2013 Wynford Professional Centre Ltd. did not have the funds available to pay its common expenses so The Rose and Thistle Group Ltd. paid MTCC 1037's expenses on Wynford's behalf.

The new manager of Wynford Professional Centre Ltd. has confirmed its intention to sell the 91 suites it owns in MTCC 1037, at which point it is expected that the \$1.25 million will be paid to MTCC 1037 and at that point the \$1.05 million can be paid back to The Rose and Thistle Group Ltd.

A 2013 Reserve Fund Study has been provided to all owners. It confirms the capital spent from 2011 to 2013 and confirms that the contribution to the reserve fund going forward must increase by approximately \$160,000 over the 2010 levels. The common expenses for MTCC 1037 had been frozen from 2010 through to the end of 2013.

S. Naraine requested that copies of the minutes from the accounting meetings be provided to all owners. N. Walton confirmed that Tator, Rose & Leong could provide that information to the new Board upon request.

K. Ratman requested further clarification on the status of the reserve fund. N. Walton confirmed that the reserve fund was used to upgrade all common element systems in the building as was evident to everyone occupying at that time. She further advised that the auditors have back up of all third party invoices for the capital work that was completed.

F. Kwong requested copies of all contracts pertaining to the building. N. Walton confirmed all maintenance contracts would be provided. There is no management contract in place for 2014. The management contract for 2011 was with Hazelton Property Management and the management contract for 2012 and 2013 was with Rose and Thistle Properties Ltd. There is not currently a management contract in place for 2014.

S. Naraine requested that the auditors be notified the new board would be in touch to obtain the back up and minutes from the audited financial statements. N. Walton agreed to so advise.

#### 4.0 APPOINTMENT OF AUDITOR

This was deferred to a meeting of the board at a future date.

#### 5.0 ELECTION OF NEW DIRECTORS

On a motion by G. Habib a resolution was passed with all votes in favour none opposed the following persons be elected directors of the Corporation:

George Habib  
Jonathan Griffiths  
Kumar Ratman  
Suresh Naraine  
Francis Kwong

#### 6.0 CONFIRMATION OF COMMON EXPENSES

N. Walton confirmed that the common expenses have been frozen from 2010 until the end of 2013. The Reserve Fund Study shows there is a need to increase the contribution to the Reserve Fund going forward in the amount of approximately \$160,000 more per year. N. Walton discussed options for covering that \$160,000 by increasing the fees by \$1.00 per square foot per year or by charging for parking spaces that are owned or some combination of the two.

S. Naraine confirmed the existing arrangements would remain until the audited financial statements could be reviewed at which point the new Board would determine how to proceed.

D. McConville wanted to note on the record that the Management Agreement between MTCC 1037 and Rose and Thistle Properties Ltd. has been terminated. N. Walton confirmed that there has been no Management Agreement in place since December 31, 2013. D. McConville wanted to note that the new Board of Directors could pursue any breaches of the agreement. N. Walton so noted.

#### 7.0 UNFINISHED BUSINESS

None


#### 8.0 OTHER BUSINESS

N. Walton recommended Tasso Eracles from First Service Property Management for the new board to utilize going forward. N. Walton moved that D. Good continue in his role as building superintendent. The first motion was delayed to the new Board of Directors. The second motion was approved.

#### 9.0 CLOSE OF MEETING

There being no further business to discuss the meeting was closed at 12:35 p.m.

TAB L

This is Exhibit 4 referred to in the  
affidavit of Dalee Chand Navaine  
sworn before me, this 14<sup>th</sup>  
day of January 2015  
  
A COMMISSIONER FOR TAKING AFFIDAVITS

Debora Miller-Lichtenstein

Minutes of the Meeting of the Board of Directors of  
Metropolitan Toronto Condominium Corporation No. 1037

**Held on Monday March 3, 2014**

A meeting of the Board of Directors of Metropolitan Toronto Condominium Corporation No. 1037 (“MTCC #1037” or the “Corporation”) was held on Monday March 3, 2014 at 2:00 p.m. at 18 Wynford Drive, Suite 401, Toronto, M3C 0K8.

PRESENT: George Habib  
Suresh Naraine  
Kumar Ratnam  
Frances Kwong  
Jonathan Griffiths

**1.0 Constitution of Meeting**

G. Habib acted as Chairman of the meeting and called the meeting to order at 2:10 p.m. and F.Kwong acted as Secretary.

**2.0 Additions and Approval of Agenda**

The agenda was approved with the addition of two items, namely the election of officers for the Corporation and legal update.

**3.0 Election of Officers**

F. Kwong moved and J. Griffiths seconded that G. Habib be elected Chairman. G. Habib moved and J. Griffiths seconded that S. Naraine be elected Treasurer and F. Kwong be elected Secretary. Motions carried.

S. Naraine reported that the original bank account at Meridian has been closed, and funds transferred to a new RBC account. The RBC account is operated by any two directors signing jointly, except that G. Habib and S. Naraine cannot be joint signatories on a single instrument.

**4.0 Presentation of the Minutes of the Annual General Meeting held on Feb 13, 2014**

The minutes of the Annual General Meeting of owners on Feb 13, 2014 were tabled and noted. The directors do not recommend that they be approved at the following owners’ meeting.

**5.0 2011 – 2013 Draft Operating Statement Losses**

S. Naraine went through the draft 2011 and 2012 financials and noted that the audit of the 2013 financials has not been completed. He reported that the auditors have not determined when the last HST filing had been done, and as the 2011 and 2012 corporation tax returns have not been filed, CRA has withheld any HST refund owing to the Corporation. This amount is approximately \$200K at the end of 2012. S. Naraine also reported that Wynford Professional Centre (“WPC”) did pay the 2011 condo fees, but not those for the subsequent years. Discussions ensued on the liability recorded on the books of the Corporation, with the majority of those expenses being performed by members of the Rose & Thistle Group (“R&T Group”), a

Minutes of the Meeting of the Board of Directors of  
Metropolitan Toronto Condominium Corporation No. 1037

group controlled by N. Walton, president and secretary of the Corporation who also has control of WPC. Discussions also ensued on the legality of the appointment and remuneration of the property management companies under the control of the R&T Group, as well as the seemingly lack of internal controls and competitive tendering processes for major contracts. Consequently, the amounts billed by the R&T group for expenditures as well as management fees are questionable.

It was agreed that

- a) All outstanding R&T Group payables be withheld until they are fully investigated and fair market values be established.
- b) Opinion of the counsel, D. Conville, be sought as to the implications of the Corporation signing off on an unqualified set of audited financials on any potential action from R&T Group on the recovery of such payables.
- c) The Corporation request N. Walton to hand over the 2011 financials records as soon as possible so that all 2011 bills can be examined.
- d) After internal examination of the bills by the Corporation, assistance may be solicited from WSP Canada Inc. who performed the 2013 Reserve Fund Study as well as the previous study (under the name of Genivar) to ascertain a fair market value for the work being done.
- e) Quotes from other property management companies be used to establish a fair market value for the management fee charged to the Corporation for 2011-2013.
- f) The by-laws of the Corporation be reviewed and amended to ensure that no single owner can control the Board.

**6.0 2014 Operating Budget**

S. Naraine presented the 2014 Operating Budget (Attachment 1), based mainly on the actual 2012 operating expenses. All current contracts will be reviewed in due course to ensure that moving forward, all contracts be subject to competitive quotes. An amount of \$20K has been budgeted to cover anticipated legal expenses. An amount of \$30K has also been budgeted to cover property management duties that presently S. Naraine, with the support of Ontario Lung Association's ("OLA") staff, is taking on. An amount of \$360K has been budgeted for transfer to capital reserve in line with the recommendation of WSP Canada Inc.'s 2013 Reserve Fund Study.

On a motion by G. Habib, it was RESOLVED that the operating budget be adapted as presented, and will be presented to the owners at the next owners' meeting. It was also RESOLVED that as the cash flow of the Corporation stabilises, OLA will charge the Corporation for administrative/management at a rate to be approved by the Board.

S. Naraine has prepared a list of the maintenance fees owing by WPC, and has requested the auditor check through the calculation. He will issue an estimated fee note to WPC to the attention of H Schonfeld, receiver for WPC as soon as possible.

Minutes of the Meeting of the Board of Directors of  
Metropolitan Toronto Condominium Corporation No. 1037

**7.0 Urgent Outstanding Payables**

S. Naraine reported that there is about \$300K of payables that are outstanding. As the 2013 financial records are still held by the R&T Group who are working on the outstanding audit queries, it has not been determined if they have been paid or not. And as there is only \$37K in the bank account at the end of February, priority has to be set as to which vendors' bills can be paid.

It was agreed that Toronto Hydro and Enbridge bills that are already past due will be paid, while those that are not yet due will be paid when due. It was also agreed that the Bell lines terminating at the office of David Good be paid immediately so that those lines can be removed.

**8.0 Legal Update**

S. Naraine reported that D. McConville will commence the process to place a lien on WPC's assets as soon as the Corporation's invoice to WPC for maintenance fees in arrears becomes due.

**9.0 OTHER BUSINESS**

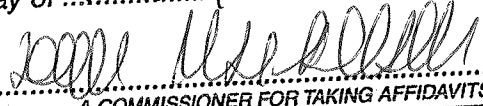
A meeting of owners will be called for April 1, 2014 at 10:00 a.m. S. Naraine will send out notices of meeting. Next Board meeting will be on March 27, 2014 at 10:00 a.m.

**10.0 CLOSE OF MEETING**

There being no further business, the meeting adjourned at 3:30 p.m.



# TAB M

This is Exhibit M..... referred to in the  
affidavit of Dalee Chand Navaine  
sworn before me, this 14<sup>th</sup>  
day of January..... 2015.....  


A COMMISSIONER FOR TAKING AFFIDAVITS

Debora Miller-Lichtenstein

Minutes of the Meeting of the Owners of 18 Wynford Drive

**Held on Tuesday April 1, 2014**

A meeting of the Owners of 18 Wynford Drive was held on Tuesday April 1, 2014 at 10:00 a.m. at 18 Wynford Drive, Suite 401, Toronto, M3C 0K8.

PRESENT: George Habib (Suites 401-416)  
Suresh Naraine (Suites 401-416)  
Kumar Ratnam (Suites 301-307)  
Frances Kwong (Suites 109-111)  
K.L. Kwong (Suites 109-111)  
Jonathan Griffiths (Suites 710-711)  
Anil Sanwalka (Suite 602)  
Deepthi Neto (Suite 602)  
David McGregor (Suites 315-316)  
Waldo Martin (Suites 315-316)  
Max Chaudhary (Suite 707 x 709)

ABSENT: Dr. James Kim (Suite 501)  
Dr. Richard Yoon (Suite 308)  
David McPhee (Suite 618)  
Brian Patreau (Suite 501)

**1.0 Constitution of Meeting**

G. Habib acted as Chairperson of the meeting and called the meeting to order at 10:10 a.m. and F. Kwong acted as Secretary.

This being the first meeting of the owners after the Board of Metropolitan Toronto Condominium Corporation No. 1037 ("MTCC 1037" or "the Corporation") was reconstituted, G. Habib introduced the officers and members of the Board.

G. Habib (Chairperson)  
F. Kwong (Secretary)  
S. Naraine (Treasurer)  
J. Griffiths (Legal Advisor)  
K. Ratnam

**2.0 Overview**

G. Habib opened the meeting by stating that the first order of business for the new Board of the Corporation was to make sure that the Corporation continue to function and the core building services are maintained. With Wynford Professional Centre ("WPC") in default of its obligations to pay its share of the maintenance fees, the Corporation has a cash flow issue. This meeting is called to provide an update to the owners of events that have taken place since the last meeting and to solicit alternatives from the owners to improve the cash flow and to seek mandate from the owners for the Board to move ahead with measures accordingly.

**3.0 Update of the status of the Condominium Corporation**

At G. Habib's request, J. Griffiths gave an update on the events leading to the current status of the Corporation. He stated that the Waltons as shareholder of WPC, the majority owner of the units at 18 Wynford Drive, had control of both board and management. As a result of legal action taken against the Waltons by their investment partner Dr. Bernstein, a receiver/manager was appointed by the court in November to manage all the 31 properties owned by the Waltons and Dr. Bernstein. WPC was one of the companies that came under the manager and 18 Wynford Drive is the only condominium property of all the 31 properties.

A litigation counsel was appointed by the minority owners in January 2014 to help in taking over control of the board, and an application made to the court to call a meeting of all owners. WPC, being in default of the payment of management fees, did not have the capacity to vote, and the Waltons agreed to resign from the board as well as from management of the Corporation.

Reports from the receiver indicated that the rental revenue received by WPC, now managed by the receiver, was not sufficient to cover the monthly mortgage payment to Trez Capital ("Trez" or the "Mortgagee"). Trez has applied to the court to appoint its own receiver and the present manager has indicated he is willing to step down should the court so direct. The hearing is set for April 2, 2014. If successful, Trez's receiver will manage WPC and collect rent as well as to facilitate the sale of the units at 18 Wynford Drive owned by WPC.

J. Griffiths also outlined the legal avenues available to the Corporation for the recovery of the amounts owing from WPC. Under the Condominium Act, if an owner does not pay its share of the maintenance fees and they have rented out some units in the building, the Corporation can have the rent attorned up to the amount of maintenance fees so owing by all the units owned by the owner in default. However, with the court appointed manager, all such rights have been suspended. The Board intends to discuss with Trez's receiver, when appointed, and negotiate payment of some of the amounts in default.

J. Griffiths also stated that unlike a residential condominium corporation, a commercial condominium corporation does not have priority over the mortgagee. To establish priority of our debt over debts other than the mortgagee, the Board is considering putting a lien on each of the units owned by WPC. Consideration has to be made against the cost of such action, which has been estimated to be about \$45K plus legal fees.

In response to an owner's question as to what we can expect the Mortgagee to do, he stated that the Mortgagee would likely seek a power of sale as soon as possible as a contractual remedy to the default of the loan. In order to do that, they will need financial statements and status certificates from the Corporation. As the 2011 and 2012 financial statements have not been approved by the Board, the only statement that can be provided to them would be the 2010 set. The Corporation is bound to provide status certificate within 10 days of request, and the certificate would likely state the amount owing by the unit or units, and that the condo

reserve is zero. The status report would also likely mention that the 2011 and 2012 financials have been audited but not accepted by the board as there is concern over the validity of some of the payables to the Waltons and companies they controlled. Audit for the 2013 financials have not been completed.

In response to S. Naraine's question as to whether the Mortgagee will be able to sell the properties at a price just sufficient to cover its mortgages and then declare bankruptcy to avoid satisfying the debt owing to the Corporation, J. Griffiths stated that the Mortgagee has a duty of care that he cannot sell the properties below their fair market value.

#### **4.0 2014 Operating Budget**

S. Naraine presented the 2014 Operating Budget as approved by the Board on March 3, 2014. The budget was based on the 2011 operating statement with an escalation of 5% on most items to account for inflation. The 2011 operating statement contained a \$119K management fees for the Waltons. In the 2014 budget, an amount of \$30K has been built in to allow for administrative support that the Ontario Lung Association ("OLA") is now providing. OLA will bill the Corporation for the support, but will not expect payment until the Corporation's finances improve. Also included is legal fee for \$30K as the Corporation would need support as it goes through the legal processes of recovering the debt. So far, about \$10K has been incurred. Should the budget not be adequate, special assessments may be made as the year goes by to cover any deficiency.

#### **5.0 Cash Flow**

S. Naraine reported that there is about \$72K past due amount in 2013 for the major suppliers that provide ongoing service to the Corporation. This includes Otis (for elevator maintenance), Toronto Hydro, Enbridge Gas, Water, Cleaning Service, David Good, Citiguard (weekend security), Nexus (evening patrol), etc.

Estimated monthly regular outgoing is estimated at \$46K while maintenance fees from the minority owners amount to about \$24K, so there is a shortfall of \$22K every month.

The Board has considered several options:

- (1) Reducing the level of service, like elevator or hydro. The only area that may result in a quick reduction may be the security/patrol. K. Ratnam suggested that we look into replacing the patrol with cameras and motion detector. This will be explored further.
- (2) Levying special assessment – this was not pursued as all owners will have to pay the assessment but there is very little chance of getting the majority owner to pay
- (3) Increase cash flow by requesting owners to prepay maintenance fees – one of the avenues open to the Board is to request prepayment from the minority owners. S. Naraine

Minutes of the Meeting of the Owners of 18 Wynford Drive

recommended that an immediate 3-month prepayment be requested from the owners, and from May onwards, to pay 2 months' maintenance fees every month.

G. Habib asked owners for their input on how they would like to increase cash flow, and all present agreed that (3) is the preferred route, as well as exploring avenues to reduce services where possible, such as replacement of existing security services.

S. Naraine will be issuing prepayment invoices to all owners after the meeting.

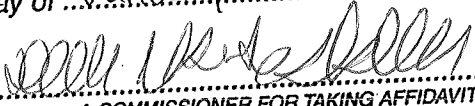
**6.0 Other Business**

The minutes of the Annual General Meeting of owners on Feb 13, 2014 were noted but not accepted by the owners who were present at that meeting as the minutes contained references to amounts due to the Waltons and companies they controlled. The amounts were for work that were performed as well as for management of the Corporation's operations, both of which the Board has not been able to establish that they reflect market value for those work done and services provided.

**7.0 CLOSE OF MEETING**

There being no further business, the meeting adjourned at 11:15 a.m.

TAB N

This is Exhibit N referred to in the  
affidavit of Dalee Chand Navaine  
sworn before me, this 14<sup>th</sup>  
day of January 2015  
  
A COMMISSIONER FOR TAKING AFFIDAVITS

Debora Miller-Lichtenstein



Minutes of the Meeting of the Board of Directors of  
Metropolitan Toronto Condominium Corporation No. 1037

**Held on Tuesday April 22, 2014**

A meeting of the Board of Directors of Metropolitan Toronto Condominium Corporation No. 1037 ("MTCC #1037" or the "Corporation") was held on Tuesday April 22, 2014 at 9:30 a.m. at 18 Wynford Drive, Suite 401, Toronto, M3C 0K8.

PRESENT: George Habib  
Suresh Naraine  
Kumar Ratnam  
Frances Kwong  
Jonathan Griffiths  
Daniel McConville (Stevensons LLP)

**1.0 Constitution of Meeting**

G. Habib acted as Chairman of the meeting and called the meeting to order at 9:30 a.m. and F. Kwong acted as Secretary.

**2.0 Registration of Liens**

D. McConville stated that the Board should consider registering a lien on Wynford Professional Centre ("WPC") to enforce current obligation. However, this will not be effective against past arrears as a lien can only be registered against the last 3 months' arrears and interest thereon. The best protection is to disclose the past arrears on the status certificate such that liability will be transferred to the new owner. 10 days' notice is required to WPC (c/o Collins Barrow). S Naraine reported that B Tannenbaum of Collins Barrow will get back to Trez Capital ("Trez") to see if they will release some payment.

Discussions ensued as to whether it is possible to reduce outgoing by putting a lien on all the units instead of on individual units.

On a motion by J Griffiths, it was RESOLVED that D. McConville be instructed to register a lien on WPC for the last three months' management fees and interest and cost thereon.


**3.0 Directors and Officers Insurance**

The status certificates issued by the Corporation on the condo units sold in 2012 as well as certificates presented to Trez falsely stated that no condo maintenance fees were in arrears by WPC. The status certificates were signed off by Norma Walton purportedly on behalf of the Corporation without the knowledge of the Board. Discussions ensued as to whether Title Insurance or Directors and Officers Insurance can be invoked to cover any ensuing loss.

**4.0 CLOSE OF MEETING**

There being no further business, the meeting adjourned at 10:30 a.m.

# TAB O

This is Exhibit ...0..... referred to in the  
affidavit of ...Dalee Chand Nardine.  
sworn before me, this .....14<sup>th</sup>.....  
day of ...January..... 20.15.....  
  
A COMMISSIONER FOR TAKING AFFIDAVITS

Debora Miller-Lichtenstein

Minutes of the Meeting of the Board of Directors of  
Metropolitan Toronto Condominium Corporation No. 1037

**Held on Wednesday July 23, 2014**

A meeting of the Board of Directors of Metropolitan Toronto Condominium Corporation No. 1037 (“MTCC #1037” or the “Corporation”) was held on Wednesday July 23, 2014 at 10:00 a.m. at 18 Wynford Drive, Suite 401, Toronto, M3C 0K8.

PRESENT: George Habib  
Suresh Naraine  
Kumar Ratnam  
Frances Kwong  
Jonathan Griffiths (absent with apologies)  
Daniel McConville (Stevensons LLP) – by phone

**1.0 Constitution of Meeting**

G. Habib acted as Chairman of the meeting and called the meeting to order at 10:00 a.m. and F. Kwong acted as Secretary.

**2.0 Status of Audit**

S. Naraine reported that because of all the related party transactions by Norma Walton, Wynford Professional Corporation (“WPC”) and the companies in the Rose and Thistle Group (“RTG”), there is insufficient backup of the expenses as recorded by Norma Walton in the books of the Corporation and it is not recommended for the Board to accept the financial statements as reflecting those expenses as well as the resulting liabilities to the RTG companies. Norma Walton alone authorized the invoices issued by RTG companies, without any knowledge of the Board.

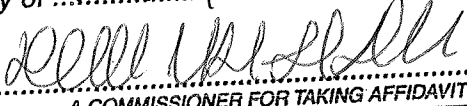
**3.0 Legal Update**

D. McConville updated the Board on his court attendance where the receiver applied for court order to permit the receiver to borrow up to \$2 million to pay operating costs including back taxes. He reported that the receiver was interested in when the audited financials will be ready, whether there will be a special assessment, and what disclosures will be on the status certificates with respect to the arrears. Should all or some of the liabilities to the RTG companies be excluded from the financials before they are accepted by the Board, the Board will be obligated to disclose those liabilities on the status certificate, as well as the claims against WPC for the condo fees in arrears. D. McConville also reminded the Board that at some point in time, the Corporation may need a condo lawyer.

**4.0 CLOSE OF MEETING**

There being no further business, the meeting adjourned at 10:30 a.m.

TAB P

This is Exhibit ... 8 ..... referred to in the  
affidavit of ... Dalechand Narain.  
sworn before me, this ..... 14<sup>th</sup> .....  
day of ... January ..... 20.15.....  


A COMMISSIONER FOR TAKING AFFIDAVITS

Debora Miller-Lichtenstein

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
Commercial List**

THE HONOURABLE ) FRIDAY, THE 5th  
JUSTICE NEWBOULD ) DAY OF SEPTEMBER, 2014

B E T W E E N:

DBDC SPADINA LTD.,  
and THOSE CORPORATIONS LISTED ON SCHEDULE A HERETO  
Applicants

and

NORMA WALTON, RONAULD WALTON, THE ROSE & THISTLE GROUP  
LTD. and EGLINTON CASTLE INC.  
Respondents

and

THOSE CORPORATIONS LISTED ON SCHEDULE B HERETO, TO BE  
BOUND BY THE RESULT

**ORDER  
(Appointing Receiver over Property of the Waltons)**

THIS MOTION made by the Applicants for an Order appointing a receiver without security, of all of the assets, undertakings and properties of Norma Walton and Ronauld Walton (the "Waltons", reference to which also includes each of the Waltons individually), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Return of Application, Motion and Cross-Motion and the proposed Fresh as Amended Notice of Applicants of the Applicants, the Notice of Motion of the Respondent Norma Walton, the Affidavit of James Reitan sworn June 26, 2014 and the Exhibits thereto, the Affidavit of Norma Walton sworn June 26, 2014 and the Exhibits thereto, the

Affidavits of various shareholders in the Schedule C Companies (defined below) and the Exhibits thereto, the Affidavit of James Reitan sworn July 3, 2014 and the Exhibits thereto, the Affidavit of Norma Walton sworn July 3, 2014 and the Exhibits thereto, the Affidavit of Carlos Carreiro sworn July 3, 2014 and the Exhibits thereto, the Affidavit of Yvonne Lui sworn July 3, 2014 and the Exhibits thereto, the Affidavit of Steven Williams sworn July 3, 2014 and the Exhibits thereto, the Affidavit of Talea Coghlin sworn July 4, 2014 and the Exhibits thereto, the Affidavit of George Crossman sworn July 4, 2014 and the Exhibits thereto, the Reports of the Inspector Schonfeld Inc. and the Affidavit of Christine Dejong sworn July 8, 2014, the Motion Record for discharge of the Interim Receiver dated August 29, 2014, including the First Report of the Interim Receiver, and upon hearing from counsel for the Applicants, the Respondents, the Inspector, the Dejongs, certain of the Schedule C Mortgagees and from Norma Walton, counsel for the Respondents Ronauld Walton, the Rose & Thistle Group Ltd. and Eglinton Castle Inc. appearing but making no submissions, and for reasons for decision released August 12, 2014 (the "Reasons") and in conjunction with the Order of this Court dated August 12, 2014 appointing and Schonfeld Inc. Receivers + Trustees ("Schonfeld") as Interim Receiver of all of the current and future assets, undertakings, books and records and properties, real and personal, of the Waltons ("Interim Receiver"), and the Order of this Court dated September 5, 2014 discharging Schonfeld as Interim Receiver,

#### **CONTINUATION OF ORDERS**

1. THIS COURT ORDERS that the Orders of the Court dated October 4, 2013, October 25, 2013, November 5, 2013, December 18, 2013 and March 21, 2014 continue in full force and effect, except as modified by this Order.

#### **SERVICE**

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



### **APPOINTMENT**

3. THIS COURT ORDERS that Ira Smith Trustee & Receiver Inc. (in such capacity, the "Receiver") is hereby appointed Receiver in replacement of the Interim Receiver, without security, of all of the current and future assets, undertakings, books and records and properties, real and personal, of the Waltons of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, excluding any assets, undertakings or properties in relation to which Schonfeld has been appointed Manager pursuant to the Orders of the Court, (collectively, the "Property") effective upon the granting of this Order.

### **RECEIVER'S POWERS**

4. 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 have the sole and exclusive right and control of the Waltons' bank accounts wherever located in accordance with this Order;
- (c) 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;
- (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 Waltons or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Waltons and to exercise all remedies of the Waltons in collecting such monies, including, without limitation, to enforce any security held by the Waltons;
- (g) to settle, extend or compromise any indebtedness owing to the Waltons;
- (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 Waltons, 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 Waltons, 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 enter into agreements and to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business, with the prior approval of this Court in respect of any transaction, and in

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

- (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 Waltons;
- (p) to exercise any shareholder, partnership, joint venture or other rights which the Waltons may have; and
- (q) 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 Waltons, and without interference from any other Person.

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

5. THIS COURT ORDERS that (i) the Waltons, (ii) all of the Waltons' current and former employees, agents, accountants, and legal counsel, and all other persons acting on the instructions or behalf of one or both of them, (iii) Meridian Credit Union, and (iv) 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, if such Property has not already been delivered to Schonfeld.

6. 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 Property, business or affairs of the Waltons, 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, if such disclosure and access has not already been provided to Schonfeld.

7. 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.

8. THIS COURT ORDERS that Schonfeld, in its capacity as Receiver/Manager of the Schedule B Companies and Schedule C Properties (as defined in the Order of this Court dated August 12, 2014) and Interim Receiver of the Property, may share with the Receiver, information, documents and records in its possession and control related to the Waltons. For greater clarity, Schonfeld is a Person as defined in this Order.

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

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

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

10. THIS COURT ORDERS that no Proceeding against or in respect of the Waltons 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 Waltons or the Property are hereby stayed and suspended pending further Order of this Court. Notwithstanding any other provision in this Order, the parties shall not be precluded from taking any steps in Ontario Superior Court of Justice, Court File No. CV-13-10280-00CL (Commercial List) or in Ontario Superior Court of Justice, Court File No. CV-14-501600, including steps arising out of the Reasons and that the Receiver is empowered to bring a motion for approval of an Order of this Court approving a Claims Process to determine the validity, quantum and priority of any claims by creditors of the Waltons, subject to the Orders of this Court.

### **NO EXERCISE OF RIGHTS OR REMEDIES**

11. THIS COURT ORDERS that, except as may be provided herein, all rights and remedies against the Waltons, 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 that nothing in this paragraph shall (i) empower the Receiver or the Waltons to carry on any business which the Waltons are not lawfully entitled to carry on, (ii) exempt the Receiver or the Waltons 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**

12. 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 Waltons, without written consent of the Receiver or leave of this Court.

### **CONTINUATION OF SERVICES**

13. THIS COURT ORDERS that all Persons having oral or written agreements with the Waltons 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 Waltons 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 Waltons' 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 Waltons 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**

14. 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.

#### **PIPEDA**

15. 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 Waltons, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. 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**

17. 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. The Receiver shall further enjoy the protections from liability as would otherwise be afforded to a trustee in bankruptcy under section 14.06 of the *Bankruptcy and Insolvency Act* or under similar legislation applicable to trustees and receivers.

#### **RECEIVER'S ACCOUNTS**

18. 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.



19. 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.

20. 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**

21. 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 \$500,000 (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*.

22. 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.

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

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

#### GENERAL

25. 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.

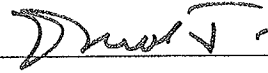
26. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Waltons.

27. 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.

28. 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.

29. 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.

30. THIS COURT ORDERS that any court materials in these proceedings may be served by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time.



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ENTRÉ EN FORCE À TORONTO  
ON / 12 / 2014  
LE / EN / 12 / 2014 RÉGISTRÉ NO.:

SEP 12 2014  
NB

## SCHEDULE "A" COMPANIES

1. Dr. Bernstein Diet Clinics Ltd.
2. 2272551 Ontario Limited
3. DBDC Investments Atlantic Ltd.
4. DBDC Investment Pape Ltd.
5. DBDC Investments Highway 7 Ltd.
6. DBDC Investments Trent Ltd.
7. DBDC Investments St. Clair Ltd.
8. DBDC Investments Tisdale Ltd.
9. DBDC Investments Leslie Ltd.
10. DBDC Investments Lesliebrook Ltd.
11. DBDC Fraser Properties Ltd.
12. DBDC Fraser Lands Ltd.
13. DBDC Queen's Corner Inc.
14. DBDC Queen's Plate Holdings Inc.
15. DBDC Dupont Developments Ltd.
16. DBDC Red Door Developments Inc.
17. DBDC Red Door Lands Inc.
18. DBDC Global Mills Ltd.
19. DBDC Donalda Developments Ltd.
20. DBDC Salmon River Properties Ltd.
21. DBDC Cityview Industrial Ltd.
22. DBDC Weston Lands Ltd.
23. DBDC Double Rose Developments Ltd.
24. DBDC Skyway Holdings Ltd.
25. DBDC West Mall Holdings Ltd.
26. DBDC Royal Gate Holdings Ltd.
27. DBDC Dewhurst Developments Ltd.
28. DBDC Eddystone Place Ltd.
29. DBDC Richmond Row Holdings Ltd.

## SCHEDULE "B" COMPANIES

1. Twin Dragons Corporation
2. Bannockburn Lands Inc. / Skyline – 1185 Eglinton Avenue Inc.
3. Wynford Professional Centre Ltd.
4. Liberty Village Properties Ltd.
5. Liberty Village Lands Inc.
6. Riverdale Mansion Ltd.
7. Royal Agincourt Corp.
8. Hidden Gem Development Inc.
9. Ascalon Lands Ltd.
10. Tisdale Mews Inc.
11. Lesliebrook Holdings Ltd.
12. Lesliebrook Lands Ltd.
13. Fraser Properties Corp.
14. Fraser Lands Ltd.
15. Queen's Corner Corp.
16. Northern Dancer Lands Ltd.
17. Dupont Developments Ltd.
18. Red Door Developments Inc. and Red Door Lands Ltd.
19. Global Mills Inc.
20. Donalda Developments Ltd.
21. Salmon River Properties Ltd.
22. Cityview Industrial Ltd.
23. Weston Lands Ltd.
24. Double Rose Developments Ltd.
25. Skyway Holdings Ltd.
26. West Mall Holdings Ltd.
27. Royal Gate Holdings Ltd.
28. Royal Gate Nominee Inc.
29. Royal Gate (Land) Nominee Inc.
30. Dewhurst Development Ltd.
31. Eddystone Place Inc.

32. Richmond Row Holdings Ltd.
33. El-Ad (1500 Don Mills) Limited
34. 165 Bathurst Inc.

## SCHEDULE "C" PROPERTIES

1. 3270 American Drive, Mississauga, Ontario
2. 0 Luttrell Ave., Toronto, Ontario
3. 2 Kelvin Avenue, Toronto, Ontario
4. 346 Jarvis Street, Suites A, B, C, E and F, Toronto, Ontario
5. 1 William Morgan Drive, Toronto, Ontario
6. 324 Prince Edward Drive, Toronto, Ontario
7. 24 Cecil Street, Toronto, Ontario
8. 30 and 30A Hazelton Avenue, Toronto, Ontario
9. 777 St. Clarens Avenue, Toronto, Ontario
10. 252 Carlton Street and 478 Parliament Street, Toronto, Ontario
11. 66 Gerrard Street East, Toronto, Ontario
12. 2454 Bayview Avenue, Toronto, Ontario
13. 319-321 Carlaw, Toronto, Ontario
14. 260 Emerson Ave., Toronto, Ontario
15. 44 Park Lane Circle, Toronto, Ontario
16. 19 Tennis Crescent, Toronto, Ontario
17. 646 Broadview Avenue, Toronto, Ontario

**SCHEDULE "D"**

**RECEIVER CERTIFICATE**

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

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

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

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

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

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

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



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

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

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

[RECEIVER'S NAME], solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

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

Name:

Title:

DBDC SPADINA LTD., and those corporations listed on Schedule A  
hereto  
Applicants

-and- NORMA WALTON et al.

Respondents

Court File No. CV-13-10280-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**ORDER**

**LENCZNER SLAGHT ROYCE  
SMITH GRIFFIN LLP**

Barristers  
Suite 2600  
130 Adelaide Street West  
Toronto ON M5H 3P5

**Peter H. Griffin (19527Q)**

Tel: (416) 865-2921

Fax: (416) 865-3558

Email: [pgriffin@litigate.com](mailto:pgriffin@litigate.com)

**Shara N. Roy (49950H)**


Tel: (416) 865-2942

Fax: (416) 865-3973

Email: [sroy@litigate.com](mailto:sroy@litigate.com)

Lawyers for the Applicants

TAB Q

This is Exhibit 3 referred to in the  
affidavit of Dalee Chand, Navaine  
sworn before me, this 14<sup>th</sup>  
day of January 2015  
  
A COMMISSIONER FOR TAKING AFFIDAVITS

Debora Miller-Lichtenstein

Minutes of the Meeting of the Board of Directors of  
Metropolitan Toronto Condominium Corporation No. 1037

**Held on**

**Thursday December 4, 2014**

A meeting of the Board of Directors of Metropolitan Toronto Condominium Corporation No. 1037 ("MTCC #1037" or the "Corporation") was held on Thursday December 4, 2014 at 9:00 a.m. at 18 Wynford Drive, Suite 401, Toronto, M3C 0K8.

PRESENT: George Habib  
Suresh Naraine  
Kumar Ratnam  
Frances Kwong  
Jonathan Griffiths

**1.0 Constitution of Meeting**

Proper notice of the meeting having been given to all members of the Board, G. Habib acted as Chairman of the meeting and F. Kwong acted as Secretary.

The Chairman noted that a quorum of directors was present, and declared the meeting to be duly constituted. The meeting was called to order.

**2.0 Changes to Agenda**

No addition to the Agenda was proposed. The order of items 5 and 6 on the Agenda was reversed.

**3.0 Minutes of prior meeting**

The minutes of the meeting of the Board of Directors of the Corporation held on July 23, 2014 were presented to the Board for approval. On motion duly made and seconded, **IT WAS RESOLVED THAT** the draft minutes presented to the board be. The written resolution dated August 8, 2014, which have been approved by all the Board members and provided that the 2011 budget be used as the base for the common element fee allocation for the years 2011, 2012 and 2013, was also presented.

**4.0 Review of 2011, 2012 and 2013 Draft Financial Statements**

S. Naraine presented the draft Financial Statements, comments and suggestions previously provided to the auditors as well as the auditors' feedback on these suggestions. Discussions ensued and it was agreed that we request the auditors to make the following additional changes:

- a) Reference to the fact that the 2010 numbers had been audited under the old CGAAP standard, but not under the ASPNFPO standard, instead of the draft disclosure that suggested the 2010 numbers were unaudited.
- b) Remove the entire sentence about liens being placed on the WPC units.
- c) The note on the Subsequent Events on Related Party Transactions reflected the view of the current Board that there exists material uncertainty regarding the balance of the

Minutes of the Meeting of the Board of Directors of  
Metropolitan Toronto Condominium Corporation No. 1037

loan receivable as well as the disagreement with the expenses being recorded, and as such it is the Board's view that the note should stay in this form. It is the prerogative of the auditor to decide on whether this would prevent them from providing an unqualified audit opinion.

**5.0 Legal Counsel**

S. Naraine had circulated the particulars and rates of Macdonald Sager Manis ("MSM Law"), which had been referred to the Corporation as a firm with expertise in condominium law. All present declared that there is no conflict of interest with MSM Law. On motion duly made and seconded, **IT WAS RESOLVED THAT** MSM Law be retained as the Corporation's legal counsel with a retainer deposit of \$2,000 and that S. Naraine be the Corporation's primary contact.

**6.0 Review of draft Status Certificate**

S. Naraine presented a draft Status Certificate. Discussions ensued on the draft and it was agreed that it be presented to MSM Law for comments before finalization at the next board meeting.

**7.0 Increase of Management Fee for 2014**

Discussions ensued on the subject and it was agreed that a vote be made after consultation with MSM Law at the next board meeting.

**8.0 Self-manage with OLA for 2015**

Discussions ensued on the subject and the proposed annual fee of \$60,000 and it was agreed that a vote be made after consultation with MSM Law at the next board meeting.

**9.0 Appointment of Auditors for 2014**

Discussions ensued on the subject and it was agreed that a decision be made at the next board meeting.

**10.0 Other Business**

The existing insurance policy for the Corporation expires in December 2014. S. Naraine had requested quotations from the current broker (Ahrens) and insurer (Royal Sun Alliance) as well as from OLA's broker (J.D. Smith) and insurer (Aviva).

Broker (insurance company)	D&O Limits	Annual Premium
Ahrens (Royal Sun Alliance)	\$ 5 m	\$16,234
	\$10 m	\$16,698
J.D. Smith (Aviva)	\$ 5 m	\$16,398
	\$10 m	\$16,698

Discussions ensue as to whether it is advisable to move away from Ahrens as they are the brokers for the Waltons. On motion duly made and seconded, **IT WAS RESOLVED THAT** the Corporation go with J. D. Smith (Aviva) for a limit of \$10 million Directors' and Officers' coverage.

Minutes of the Meeting of the Board of Directors of  
Metropolitan Toronto Condominium Corporation No. 1037

**11.0 Close of Meeting**

There being no further business, the meeting adjourned at 9:30 a.m. The next Board meeting will be on Tuesday, December 9, 2014 at 9:00 a.m. and Shawn Pulver of MSM Law will be invited to attend the meeting.

---

G. Habib, Chairman

---

F. Kwong, Secretary

TAB R



This is Exhibit ...R..... referred to in the  
affidavit of ...Daleechand Naraine.  
sworn before me, this .....14<sup>th</sup>.....  
day of ...January..... 20..15...

*Deborah Miller-Lichtenstein*

A COMMISSIONER FOR TAKING AFFIDAVITS

Deborah Miller-Lichtenstein

**Form 13**

*Condominium Act, 1998*

**STATUS CERTIFICATE**

(under subsection 76 (1) of the *Condominium Act, 1998*)

Metropolitan Toronto Condominium Corporation No. 1037 certifies that as of the date of this certificate:

**General Information Concerning the Corporation**

1. Mailing address: MTCC No. 1037  
18 Wynford Drive, Suite 401  
Toronto, Ontario  
M3C 0K8
2. Address for service: Board of Directors - MTCC No. 1037  
18 Wynford Drive, Suite 401  
Toronto, Ontario  
M3C 0K8
3. Name of Property Manager: MTCC No 1037  
Address: 18 Wynford Drive, Suite 401, Toronto, Ontario, M3C 0K8  
Telephone number: (418) 864-9911
4. The Directors and Officers of the Corporation are:

Name	Position	Address for service	Telephone Number
George Habib	Director	18 Wynford Drive	(416) 864-9911
Suresh Naraine	Director	18 Wynford Drive	(416) 864-9911
Kumar Ratnam	Director	18 Wynford Drive	(416) 418-3119
Frances Kwong	Director	18 Wynford Drive	(416) 385-1313
Jonathan Griffiths	Director	18 Wynford Drive	(416) 441-1253

**Common Expenses**

5. The owner of the units shown on attached Schedule "A", of Metropolitan Toronto Condominium Corporation No. 1037 registered in the Land Registry Office for the Land Titles Division of Toronto is in default in the payment of common expenses in the amount of \$12,283.66.
6. A payment on account of common expenses for the unit shown on attached Schedule "A" in the amount shown on Schedule "A" is due on December 1, 2014 for the period January 1, 2014 to December 1, 2014. This amount includes the amount of any increase since the date of the budget of the Corporation for the current fiscal year as described in paragraph 10.
7. The Corporation has the amount of \$0.00 in prepaid common expenses for the unit.
8. There are no amounts that the *Condominium Act, 1998* requires to be added to the common expenses payable for the unit.

**Budget**

9. The budget of the Corporation for the current fiscal year is accurate and may result in a surplus of \$0.00 or may result in a deficit of \$0.00.
10. Since the date of the budget of the Corporation for the current fiscal year, the common expenses for the unit have not been increased. Every year the Board of Directors approve a budget for the upcoming fiscal year which may or may not mean there will be an increase to the common element fees for each unit beginning January 2015. The Corporation has no control over any as yet unannounced increase in utility rates, increased labour and material costs, and any other cost factors which are beyond the normal budgeting controls of the Corporation.
11. Since the date of the budget of the Corporation for the current fiscal year, the board has not levied any assessments against the unit to increase the contribution to the reserve fund or the Corporation's operating fund or for any other purpose.
12. The Corporation has no knowledge of any circumstances that may result in an increase in the common expenses for the unit. See paragraph #10.

### **Reserve Fund**

13. The Corporation's reserve fund amounts to \$152,307.00 as of December 31, 2013, which is the amount indicated on the last audited Financial Statement prepared by Tator, Rose & Leong Chartered Accountants.
14. The most recent reserve fund study conducted by the board was a comprehensive update dated August 26, 2014 and prepared by WSP Canada Inc.
15. The balance of the reserve fund at the beginning of the current fiscal year was \$0.00. In accordance with the budget of the Corporation for the current fiscal year, the annual contribution to be made to the reserve fund in the current fiscal year is \$360,000.00, and the anticipated expenditures to be made from the reserve fund in the current fiscal year amount to \$145,100.00. The board anticipates that the reserve fund will be adequate in the current fiscal year for the expected costs of major repair and replacement of the common elements and assets of the Corporation.
16. The proposed plan for future funding has been implemented and the total contribution each year to the reserve fund is now being made as set out in the Contribution Table included in the notice.
17. There are no plans to increase the reserve fund under a plan proposed by the board under subsection 94 (8) of the *Condominium Act, 1998*, for the future funding of the reserve fund, except for the allocation noted in paragraph 15.

### **Legal Proceedings, Claims**

18. There are no outstanding judgments against the Corporation.
19. The Corporation is not a party to any proceeding before a court of law, an arbitrator or an administrative tribunal.
20. The Corporation has not received a notice of or made an application under section 109 of the *Condominium Act, 1998* to the Superior Court of Justice for an order to amend the declaration and description, where the court has not made the order.
21. The Corporation has no outstanding claim for payment out of the guarantee fund under the *Ontario New Home Warranties Plan Act*.
22. There is currently no order of the Superior Court of Justice in effect appointing an inspector under section 130 of the *Condominium Act, 1998* or an administrator under section 131 of the *Condominium Act, 1998*.

### **Agreements with owners relating to changes to the common elements**

23. The unit is not subject to any agreement under clause 98 (1) (b) of the *Condominium Act, 1998* relating to additions, alterations or improvements made to the common elements by the unit owner.

### **Leasing of Units**

24. The Corporation has not received notice under section 83 of the *Condominium Act, 1998*, that any unit was leased during the fiscal year preceding the date of this status certificate, however, we are aware that at this time approximately 26 units are rented.

### **Substantial changes to the common elements, assets or services**

25. There are no additions, alterations or improvements to the common elements, changes in the assets of the Corporation or changes in a service of the Corporation that are substantial and that the board has proposed but has not implemented

### **Insurance**

26. The Corporation has secured all policies of insurance that are required under the *Condominium Act, 1998*.



**Phased condominium corporations**

27. Not applicable.

28. Not applicable.

**Vacant land condominium corporations**

29. For Phased condominium corporations only, not applicable.

**Leasehold condominium corporations**

**Not applicable, this is not a Phased Condominium Corporation.**

30. For leasehold condominium corporations only, not applicable.

31. Not applicable.

32. Not applicable

**Attachments**

33. The following documents are attached to this status certificate and form part of it:

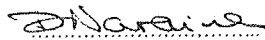
- (a) a copy of the current declaration, by-laws and rules;
- (b) a copy of the budget of the Corporation for the current fiscal year, its last annual audited financial statements and the auditor's report on the statements;
- (c) a certificate or memorandum of insurance for each of the current insurance policies.
- (d) a copy of a notice dated August 26, 2014 containing a summary of the reserve fund study, a summary of the proposed plan for future funding of the reserve fund and a statement indicating the areas, if any, in which the proposed plan differs from the study, except that there is not approved study to follow.

34. The person requesting this certificate has the following rights under subsections 76 (7) and (8) of the *Condominium Act, 1998* with respect to the agreements listed in subparagraph 33 (c) above:

1. Upon receiving a written request and reasonable notice, the Corporation shall permit a person who has requested a status certificate and paid the fee charged by the Corporation for the certificate, or an agent of the person duly authorized in writing, to examine the agreements listed in subparagraph 33 (c) at a reasonable time and at a reasonable location.
2. The Corporation shall, within a reasonable time, provide copies of the agreements to a person examining them, if the person so requests and pays a reasonable fee to compensate the Corporation for the labour and copying charges.

DATED AT TORONTO, ONTARIO THIS 10 DAY OF December, 2014.

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 1037

  
Authorized Signing Officer




SCHEDULE A

Unit 601

A small, handwritten mark or signature located in the bottom right corner of the page.

# TAB S

This is Exhibit 5 referred to in the  
affidavit of Dalee Chand Naraine  
sworn before me, this 14<sup>th</sup>  
day of January 2015  
  
A COMMISSIONER FOR TAKING AFFIDAVITS

Debora Miller-Lichtenstein

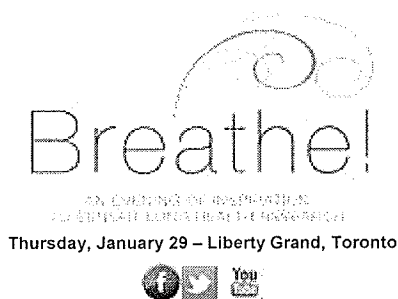
**From:** Suresh Naraine [mailto:SNaraine@on.lung.ca]  
**Sent:** December-15-14 10:51 AM  
**To:** Brett Leahey  
**Cc:** Bryan A. Tannenbaum; Shawn Pulver  
**Subject:** Unit 601 Status certificate  
**Importance:** High

Attached please find the revised Status Certificate for unit 601 situated at 18 Wynford Drive Toronto. There was an inadvertent error in the original where the monthly common element fee for 2014 was omitted on Schedule A. A hard copy would be sent out in the mail today.

I apologize for this inconvenience.

*Suresh Naraine*

**CFO & Corporate Secretary**  
**Ontario Lung Association**  
**Tel: 416-864-9911 ext 263**  
**Cell: 647-330-1762**  
**Fax: 416-864-9916**



 Please consider the environment before printing this email.



## Form 13

Condominium Act, 1998

### STATUS CERTIFICATE

(under subsection 76 (1) of the *Condominium Act, 1998*)

Metropolitan Toronto Condominium Corporation No. 1037 certifies that as of the date of this certificate:

#### General Information Concerning the Corporation

1. Mailing address: MTCC No. 1037  
18 Wynford Drive, Suite 401  
Toronto, Ontario  
M3C 0K8
2. Address for service: Board of Directors - MTCC No. 1037  
18 Wynford Drive, Suite 401  
Toronto, Ontario  
M3C 0K8
3. Name of Property Manager: MTCC No 1037  
Address: 18 Wynford Drive, Suite 401, Toronto, Ontario, M3C 0K8  
Telephone number: (416) 864-9911
4. The Directors and Officers of the Corporation are:

Name	Position	Address for service	Telephone Number
George Habib	Director	18 Wynford Drive	(416) 864-9911
Suresh Naraine	Director	18 Wynford Drive	(416) 864-9911
Kumar Ratnam	Director	18 Wynford Drive	(416) 418-3119
Frances Kwong	Director	18 Wynford Drive	(416) 385-1313
Jonathan Griffiths	Director	18 Wynford Drive	(416) 441-1253

#### Common Expenses

5. The owner of the units shown on attached Schedule "A", of Metropolitan Toronto Condominium Corporation No. 1037 registered in the Land Registry Office for the Land Titles Division of Toronto is in default in the payment of common expenses in the amount of \$12,283.66.
6. A payment on account of common expenses for the unit shown on attached Schedule "A" in the amount shown on Schedule "A" is due on December 1, 2014 for the period January 1, 2014 to December 1, 2014. This amount includes the amount of any increase since the date of the budget of the Corporation for the current fiscal year as described in paragraph 10.
7. The Corporation has the amount of \$0.00 in prepaid common expenses for the unit.
8. There are no amounts that the *Condominium Act, 1998* requires to be added to the common expenses payable for the unit.

#### Budget

9. The budget of the Corporation for the current fiscal year is accurate and may result in a surplus of \$0.00 or may result in a deficit of \$0.00.
10. Since the date of the budget of the Corporation for the current fiscal year, the common expenses for the unit have not been increased. Every year the Board of Directors approve a budget for the upcoming fiscal year which may or may not mean there will be an increase to the common element fees for each unit beginning January 2015. The Corporation has no control over any as yet unannounced increase in utility rates, increased labour and material costs, and any other cost factors which are beyond the normal budgeting controls of the Corporation.
11. Since the date of the budget of the Corporation for the current fiscal year, the board has not levied any assessments against the unit to increase the contribution to the reserve fund or the Corporation's operating fund or for any other purpose.
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14. The most recent reserve fund study conducted by the board was a comprehensive update dated August 26, 2014 and prepared by WSP Canada Inc.
15. The balance of the reserve fund at the beginning of the current fiscal year was \$0.00. In accordance with the budget of the Corporation for the current fiscal year, the annual contribution to be made to the reserve fund in the current fiscal year is \$360,000.00, and the anticipated expenditures to be made from the reserve fund in the current fiscal year amount to \$145,100.00. The board anticipates that the reserve fund will be adequate in the current fiscal year for the expected costs of major repair and replacement of the common elements and assets of the Corporation.
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17. There are no plans to increase the reserve fund under a plan proposed by the board under subsection 94 (8) of the *Condominium Act, 1998*, for the future funding of the reserve fund, except for the allocation noted in paragraph 15.

#### **Legal Proceedings, Claims**

18. There are no outstanding judgments against the Corporation.
19. The Corporation is not a party to any proceeding before a court of law, an arbitrator or an administrative tribunal.
20. The Corporation has not received a notice of or made an application under section 109 of the *Condominium Act, 1998* to the Superior Court of Justice for an order to amend the declaration and description, where the court has not made the order.
21. The Corporation has no outstanding claim for payment out of the guarantee fund under the *Ontario New Home Warranties Plan Act*.
22. There is currently no order of the Superior Court of Justice in effect appointing an inspector under section 130 of the *Condominium Act, 1998* or an administrator under section 131 of the *Condominium Act, 1998*.

#### **Agreements with owners relating to changes to the common elements**

23. The unit is not subject to any agreement under clause 98 (1) (b) of the *Condominium Act, 1998* relating to additions, alterations or improvements made to the common elements by the unit owner.

#### **Leasing of Units**

24. The Corporation has not received notice under section 83 of the *Condominium Act, 1998*, that any unit was leased during the fiscal year preceding the date of this status certificate, however, we are aware that at this time approximately 26 units are rented.

#### **Substantial changes to the common elements, assets or services**

25. There are no additions, alterations or improvements to the common elements, changes in the assets of the Corporation or changes in a service of the Corporation that are substantial and that the board has proposed but has not implemented

#### **Insurance**

26. The Corporation has secured all policies of insurance that are required under the *Condominium Act, 1998*.

**Phased condominium corporations**

27. Not applicable.

28. Not applicable.

**Vacant land condominium corporations**

29. For Phased condominium corporations only, not applicable.

**Leasehold condominium corporations**

**Not applicable, this is not a Phased Condominium Corporation.**

30. For leasehold condominium corporations only, not applicable.

31. Not applicable.

32. Not applicable

**Attachments**

33. The following documents are attached to this status certificate and form part of it:

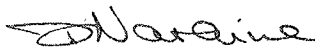
- (a) a copy of the current declaration, by-laws and rules;
- (b) a copy of the budget of the Corporation for the current fiscal year, its last annual audited financial statements and the auditor's report on the statements;
- (c) a certificate or memorandum of insurance for each of the current insurance policies.
- (d) a copy of a notice dated August 26, 2014 containing a summary of the reserve fund study, a summary of the proposed plan for future funding of the reserve fund and a statement indicating the areas, if any, in which the proposed plan differs from the study, except that there is not approved study to follow.

34. The person requesting this certificate has the following rights under subsections 76 (7) and (8) of the *Condominium Act, 1998* with respect to the agreements listed in subparagraph 33 (c) above:

1. Upon receiving a written request and reasonable notice, the Corporation shall permit a person who has requested a status certificate and paid the fee charged by the Corporation for the certificate, or an agent of the person duly authorized in writing, to examine the agreements listed in subparagraph 33 (c) at a reasonable time and at a reasonable location.
2. The Corporation shall, within a reasonable time, provide copies of the agreements to a person examining them, if the person so requests and pays a reasonable fee to compensate the Corporation for the labour and copying charges.

DATED AT TORONTO, ONTARIO THIS 15 DAY OF December, 2014.

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 1037

  
.....  
Authorized Signing Officer

SCHEDULE A

UNIT

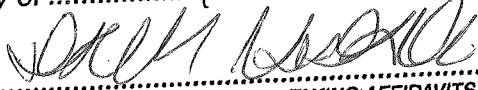
2014 MONTHLY COMMON ELEMENTS FEE

Unit 601

\$488.26 plus HST

*Handwritten signature*

TAB T

This is Exhibit T referred to in the  
affidavit of Dalee Chand Naraine  
sworn before me, this 14<sup>th</sup>  
day of January 2015  
  
A COMMISSIONER FOR TAKING AFFIDAVITS

Debora Miller-Lichtenstein

# STEINBERG TITLE HOPE & ISRAEL LLP

BARRISTERS & SOLICITORS • TRADEMARK AGENTS

IRWIN STEINBERG  
B.A., LL.B.

JACK W. HOPE  
LL.B.

DAVID M. ISRAEL  
B.A., LL.B.

M. MICHAEL TITLE\*  
B.A., J.D.

MICHAEL E. CASS  
B.A., LL.B.

SHELLEY BRIAN BROWN  
B.C.L., LL.B., LL.M.

PATRICIA VIRC  
LL.B., LL.M., C.Dr.

DERRICK M. FULTON\*  
B.A. (Hons.), LL.B., LL.M.

TARAS KULISH\*\*  
B.C.L., LL.B.

DAVID A. BROOKER  
B.Sc., LL.B.

ELI LEIBOWITZ  
B.A.S., J.D.

DARIA KRYSIK  
B.A. (Hons.), J.D.

*Michael Cass Ext. 234  
Jimmy Lu (Legal Assistant) ext. 240  
e-mail: mcass@sthilaw.com*

December 16, 2014

Macdonald Sager Manis LLP  
Barristers & Solicitors  
150 York Street, Suite 800  
Toronto, Ontario M5H 3S5

**Attn: Shawn Pulver**

Dear Mr. Pulver:

Re: Metropolitan Toronto Condominium Corporation No. 1037 (as 18 Wynford Drive,  
Toronto)  
File No. 1401031

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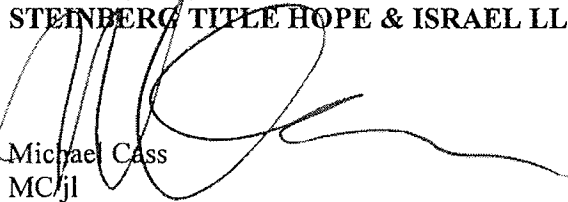
We are the solicitors for the court appointed Receiver, Collins Barrow Toronto Limited, with respect to the assets of Wynford Professional Centre Ltd. which includes approximately 80 units in the above condominium building. Our client is most anxious to complete a sales transaction requiring court approval, with a serious purchaser of these condominium units and the prospective purchaser has raised the attached issues which it considers material, with respect to the condominium governance.

Based on material provided to our client from Suresh Naraine, a director, we understand that you are the solicitor for the condominium corporation, which is seeking to deal with these matters in a timely manner.

We enclose a list of issues raised by the purchaser for your consideration and attention. Please feel free to contact the writer and Mr. Leahey directly to discuss your position and solutions to permit the sale transaction to be finalized and proceed to closing.

We thank you for your co-operation.

Yours very truly,  
**STEINBERG TITLE HOPE & ISRAEL LLP**

  
Michael Cass  
MC/jl

cc. client

p.s. please call me about another aspect of the condominium situation

# TAB U



This is Exhibit V referred to in the  
affidavit of Dalee Chand Naraine  
sworn before me, this 14<sup>th</sup>  
day of January 2015  
Debra Miller-Lichtenstein  
A COMMISSIONER FOR TAKING AFFIDAVITS

Debra Miller-Lichtenstein



Lawyers, Patent & Trade-mark Agents

150 York Street, Suite 800  
Toronto ON M5H 3S5  
Tel: 416.364.1553  
Fax: 416.364.1453

January 7, 2015

**Shawn Pulver, Partner**  
spulver@msmlaw.ca  
416.364.1077

**By Email**

**ROBINS APPLEBY & TAUB LLP**  
120 Adelaide Street West  
Toronto, Ontario M5H 1T1

**Attention: Irving Marks and Dominique Michaud**

**STEINBERG, TITLE, HOPE AND ISRAEL LLP**  
5255 Yonge Street, suite 1100  
Toronto, Ontario  
M2N 6P4

**Attention: Michael Cass and David Brooker**

Dear Counsel:

**RE: MTCC 1037 – Priority Claims Regarding Common Expenses Areas, Re: Wynford Professional Centre Ltd., Norma Jean Walton and Ronauld Walton  
Our File No. 142878**

---

We have recently been retained by MTCC 1037 (the "Corporation").

We have now familiarized ourselves with the various issues surrounding the Corporation and the actions of its former Directors, Norma Jean Walton and Ronauld Walton (the "Waltons").

We have also reviewed the two volume Application Record prepared by Robins Appleby & Taub LLP, submitted on behalf of Trez Capital Limited Partnership ("Trez").

We are aware that Collins Barrow has been appointed as Receiver for Trez, and is in the process of finalizing an agreement of purchase and sale on all 83 units owned by Wynford Professional Centre Ltd. ("Units").

The Board has provided Collins Barrow and the prospective purchaser with all of the requested information that is required to be produced under the *Condominium Act*, as is well aware of the importance of this prospective sale.

As you are likely aware, during the period in which the Waltons controlled the Corporation's Board of Directors, they failed to pay the monthly common element fees for each of the Units, in



Lawyers who speak your language™  
www.msmlaw.ca



breach of their obligations under the *Condominium Act*.

Based on the 2013 audited financial statements, the common element fees owing by Wynford Professional Centre to the Corporation as of December 31, 2013 was **\$1,229,730**. In addition, the January 2014 common element fees were not paid, so the total arrears currently total **\$1,284,508.23**, without interest (the "Arrears").

Under the *Condominium Act*, condominium corporations are provided with extraordinary remedies to ensure payment of common expenses. If common expenses are not paid, a condominium corporation can register a lien, which can then be enforced as a typical mortgage. Section 86(1) of the *Condominium Act* essentially provides "super-priority" over any other mortgage registered on title against the lands.

The problem in this case is that due to the Waltons' apparent negligence and fraud, they failed to contribute to any of the required common element fees, and also failed to fulfil their duties under the *Condominium Act* (as Directors) to lien the units that had not paid common element fees.

Our client's position is that the Arrears should have priority over any other registered or unregistered encumbrance (including Trez's "Wynford Loan," as defined in its Application Record).

Given the fact that a sale is forthcoming, time is of the essence. My client is prepared to attend a meeting forthwith on a without prejudice basis to see if there is a way of brokering a resolution before it needs to file materials with the commercial court. If my client is required to file materials, then we will also be ensuring that the sale proceedings remain in trust with the vendor's solicitor pending resolution of this priority issue.

We have only sent this letter to counsel for Trez and Collins Barrow, as we think they are the only two relevant parties at this point.

Can you please confirm by the **close of business today** whether your respective clients would be interested in meeting, and if so, provide us with some potential dates.

Your truly,  
Macdonald Sager Manis LLP

Per: Shawn Pulver  
SP/SP

**TREZ CAPITAL LIMITED PARTNERSHIP** - and -  
**and COMPUTERSHARE TRUST COMPANY OF CANADA**  
Applicants

**WYNFORD PROFESSIONAL CENTRE LTD. and**  
**GLOBAL MILLS INC.**

Respondents  
Court File No. CV-14-10493-00CL

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

**Proceedings Commenced at Toronto**

**MOTION RECORD**  
**(Returnable March 16, 2015)**

**MACDONALD SAGER MANIS LLP**

Lawyers and Trade-mark Agents  
150 York Street, Suite 800  
Toronto, ON M5H 3S5

Tel: (416) 364-1553  
Fax: (416) 364-1453

**Shawn Pulver** (LSUC#51129L)

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