

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,  
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended**

B E T W E E N :

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**MOTION RECORD**

returnable October 28, 2022

(Approval of Activities and Fees, Distribution and Discharge)

October 14, 2022

**NORTON ROSE FULBRIGHT CANADA LLP**  
222 Bay Street, Suite 3000, P.O. Box 53  
Toronto, ON M5K 1E7

**Jennifer Stam** LSO# 46735J

[Jennifer.stam@nortonrosefulbright.com](mailto:Jennifer.stam@nortonrosefulbright.com)

Tel: 416-202-6707

Fax: 416-216-3930

Lawyers for the Receiver, RSM Canada Limited

**TO: THE SERVICE LIST**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,  
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended**

BETWEEN:

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**INDEX**

<b>Tab</b>	<b>Description</b>	<b>Page No.</b>
1.	Notice of Motion dated October 14, 2022	1
2.	Third Report of the Receiver, dated October 14, 2022	8
	Appendix A – Receivership Order dated September 13, 2019	24
	Appendix B – First Report of the Receiver dated January 20, 2020, without appendices	41
	Appendix C – Order dated January 27, 2020	60
	Appendix D – Second Report of the Receiver dated August 13, 2020, without appendices	65
	Appendix E – Supplemental Report of the Receiver dated August 13, 2020, without appendices	85
	Appendix F – CRA Letter dated August 25, 2020	94

<b>Tab</b>	<b>Description</b>	<b>Page No.</b>
	Appendix G – Interim Statement of Receipts and Disbursements dated September 30, 2020	97
	Appendix H – Fee Affidavit of Bryan A. Tannenbaum dated October 13, 2022	99
	Appendix I – Fee Affidavit of Rebecca Kennedy dated October 12, 2022	134
3.	Distribution Order dated September 3, 2020	195
4.	Draft Order (Approval of Activities and Fees, Distribution and Discharge)	199
5.	Blackline Model Receiver Discharge Order to Draft Order (Approval of Activities and Fees, Distribution and Discharge)	208

**TAB 1**

Court File No.: CV-19-00627187-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,  
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended**

B E T W E E N :

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**NOTICE OF MOTION**

returnable October 28, 2022

(Approval of Activities and Fees, Distribution and Discharge)

RSM Canada Limited (“**RSM**”) in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”), of all property, assets and undertakings (collectively, the “**Property**”) of 3070 Ellesmere Developments Inc. (the “**Company**” or the “**Debtor**”), will make a motion to Justice Cavanagh of the Commercial List of the Superior Court of Justice on **Friday, October 28, 2022 at 10:00 a.m.** or as soon thereafter as the motion can be heard, by judicial video conference via Zoom at Toronto, Ontario. Please advise if you intend to join the hearing by emailing Katie Parent at [katie.parent@nortonrosefulbright.com](mailto:katie.parent@nortonrosefulbright.com) and the video conference details will be provided once available.

**THE PROPOSED METHOD OF HEARING:** The motion is to be heard orally via zoom videoconference.

**THE MOTION IS FOR AN ORDER:**

1. Abridging the time for service and filing of this notice of motion and the motion record, authorizing service via electronic mail and dispensing with further service of same;
2. Authorizing and directing the Receiver, on behalf of the Company, to distribute the Holdback Amount (as defined below) to 2615333 Ontario Inc. ("**261**");
3. Approving the conduct and activities of the Receiver as set out in the Third Report of the Receiver dated October 14, 2022 (the "**Third Report**");
4. Approving the Receiver's interim statement of receipts and disbursements for the period September 27, 2019 to September 30, 2022 (the "**R&D**");
5. Approving the fees and disbursements of the Receiver and its counsel Thornton Grout Finnigan LLP ("**TGF**") as set out in the affidavit of Bryan A. Tannenbaum sworn October 13, 2022 (the "**Tannenbaum Affidavit**") and the affidavit of Rebecca L. Kennedy sworn October 12, 2022 (the "**Kennedy Affidavit**", and together with the Tannenbaum Affidavit, the "**Fee Affidavits**") for the period of time set out therein, plus an accrual to complete the Remaining Duties (as defined below);
6. Terminating these proceedings and discharging RSM from the powers, duties and obligations attendant to its appointment as Receiver upon the filing of the Receiver's Discharge Certificate; and
7. Such other relief as the Receiver may request and this Court may grant.

## THE GROUNDS FOR THE MOTION ARE:

### Background

8. The Debtor was a single purpose entity incorporated as a holding company for a planned residential real estate development on the real property municipally known as 3070 Ellesmere Road, Scarborough (the “**Real Property**”), and was the registered titleholder of the same. The Debtor did not carry on any other business;
9. As at the close of business on September 6, 2019, the Debtor was indebted to the Applicant in the amount of \$6,545,298.24 in respect of the Protective Disbursement (as defined in the Third Report), together with accrued interest and accruing interest, costs and professional fees and disbursements incurred by the Applicant to the date of payment;
10. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 13, 2019 (the “**Receivership Order**”), RSM was appointed Receiver. The Receivership Order was held in abeyance and became effective on September 27, 2019.
11. On September 3, 2020, the Court granted, among other things, an Approval and Vesting Order approving the sale of the Real Property and an order approving the Interim Distribution (as defined below) (the “**Distribution Order**”);
12. On September 15, 2020, the sale of the Real Property was completed;
13. The Receiver subsequently made distributions to: (a) the Applicant in respect of the Protective Distribution plus professional fees and disbursement incurred by the Applicant and the amount owing pursuant to a Receiver Certificate and 261; and (b) to 261 in respect of the TCC Mortgage Loan (as defined in the Third Report) (the “**Interim Distributions**”);

### **Funds Held in Reserve**

14. Pursuant to the Distribution Order, the Receiver was authorized to make distributions to the Applicant and 261, subject to a reserve of \$407,055.50 (the "**Holdback Amount**"), in order to address claims regarding a charge for three months' interest by the Applicant and 261, which amounts were to be held back pending further Order of this Court;
15. As set out in the second report of the receiver dated August 13, 2020, the Applicant has been repaid in full with the possible exception of the 3 months' interest and 261 has received partial repayment of its loan as the net proceeds of the sale of the Real Property were not sufficient to repay the indebtedness of 261 in full;
16. The Receiver has attempted to contact the Applicant on multiple occasions to confirm its position. The Applicant has not responded to any of the Receiver's requests and appears no longer interest in pursuing its claim;

### **Receiver's Fees**

17. The fees of the Receiver as more particularly set out in the Tannenbaum Affidavit for the period August 1, 2020 to September 30, 2022, total \$110,250.15, inclusive of HST;
18. The fees of TGF as more particularly set out in the Kennedy Affidavit for the period August 1, 2020 to September 30, 2022, total \$95,483.79, inclusive of disbursements and HST;
19. The estimated fees to complete this motion and the Remaining Duties (as defined the Third Report), is estimated to be no more than \$40,000 plus HST, comprised of \$20,000 plus HST for the Receiver and \$20,000 plus HST for the Receiver's independent counsel, Norton Rose Fulbright Canada LLP ("**Norton Rose**");



### **Discharge of the Receiver**

20. As the Receiver's administration is substantially complete subject to certain remaining duties set out in the Third Report, the Receiver is seeking an order discharging RSM from the powers, duties and obligations attendant to its appointment as Receiver upon the filing of the Receiver's Discharge Certificate certifying that the Receiver has completed the remaining duties;
21. The Receiver will remain Receiver for the performance of such incidental duties as may be required to complete its obligations pursuant to its appointment as Receiver, including, but not limited to, the Remaining Duties (as defined in the Third Report);

### **General**

22. The provisions of the *Bankruptcy and Insolvency Act*; and
23. Such other grounds as counsel may advise and this Honourable Court may deem just;

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

- a) The Third Report;
- b) The Fee Affidavits; and
- c) Such further and other evidence as counsel may advise and this Honourable Court may permit.

October 14, 2022

**NORTON ROSE FULBRIGHT CANADA LLP**

222 Bay Street, Suite 3000, P.O. Box 53  
Toronto, ON M5K 1E7

**Jennifer Stam** LSO# 46735J

[Jennifer.stam@nortonrosefulbright.com](mailto:Jennifer.stam@nortonrosefulbright.com)

Tel: 416-202-6707

Fax: 416-216-3930

Lawyers for the Receiver, RSM Canada Limited

**TO: THE SERVICE LIST**

*IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended*

**2478888 ONTARIO INC.**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**NOTICE OF MOTION**  
returnable October 28, 2022  
(Approval of Activities and Fees, Distribution and  
Discharge)

**NORTON ROSE FULBRIGHT CANADA LLP**  
222 Bay Street, Suite 3000, P.O. Box 53  
Toronto, ON M5K 1E7

**Jennifer Stam** LSO# 46735J  
[Jennifer.stam@nortonrosefulbright.com](mailto:Jennifer.stam@nortonrosefulbright.com)

Tel: 416-202-6707

Fax: 416-216-3930

Lawyers for the Receiver, RSM Canada Limited

**TAB 2**

Court File No.: CV-19-00627187-00 CL

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

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,  
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended**

**B E T W E E N :**

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**THIRD REPORT OF THE RECEIVER**  
**October 14, 2022**

INTRODUCTION ..... 4

PURPOSE OF REPORT..... 7

TERMS OF REFERENCE ..... 8

BACKGROUND ..... 8

ACTIVITIES OF THE RECEIVER..... 10

COMPLETION OF THE SALE OF THE PROPERTIES ..... 10

CANADA REVENUE AGENCY ..... 11

FUNDS HELD IN RESERVE..... 12

RECEIVER’S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS..... 13

FEES AND DISBURSEMENTS OF THE RECEIVER AND COUNSEL ..... 13

FINAL DISTRIBUTION..... 14

DISCHARGE OF THE RECEIVER ..... 14

CONCLUSION..... 15

**INDEX TO SCHEDULES**

<b>TAB</b>	<b>DOCUMENT</b>
A	Receivership Order dated September 13, 2019
B	First Report of the Receiver dated January 20, 2020
C	Further Order of the Court dated January 27, 2020
D	Second Report of the Receiver dated August 13, 2020
E	Supplemental Report to the Second Report dated September 2, 2020
F	CRA Letter dated August 25, 2020
G	Interim Statement of Receipts and Disbursements dated September 30, 2022
H	Fee Affidavit of Bryan A. Tannenbaum dated October 13, 2022
I	Fee Affidavit of Rebecca Kennedy dated October 12, 2022

## INTRODUCTION

1. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 13, 2019 (the “**Receivership Order**”), RSM Canada Limited (“**RSM**”) was appointed receiver (the “**Receiver**”) of all property, assets and undertakings (collectively, the “**Property**”) of 3070 Ellesmere Developments Inc. (the “**Debtor**”). By Endorsement dated September 13, 2019, the Receivership Order was held in abeyance and became effective two weeks later, on September 27, 2019 (the “**Appointment Date**”). A copy of the Receivership Order is attached hereto as **Appendix “A”**.
2. An appeal of the Receivership Order was brought by the Debtor in mid-October 2019, which resulted in certain steps being required in this proceeding to advise the Court and stakeholders of the existence of the appeal and the effect on the intended sale process. Upon receiving notice of the appeal and while the appeal was pending, no steps were taken by the Receiver to carry out its duties pursuant to the Receivership Order, including in respect of the marketing or sale of the Property. A motion to quash the appeal was brought by 247888 Ontario Inc., the Applicant in this receivership proceeding and the Respondent in the appeal (the “**Applicant**”). The appeal of the Receivership Order was quashed by Order of the Court of Appeal for Ontario dated January 7, 2020. Further information regarding the appeal and the Order of the Court of Appeal is set out in the Receiver’s first report to the Court dated January 20, 2020 (the “**First Report**”).
3. In the First Report, the Receiver provided information regarding the quashing of the appeal and certain steps that had been taken by the Debtor and its principal Mr. Liu, and sought, *inter alia*:
  - (a) authority for the Receiver to make an assignment in bankruptcy on behalf of the Debtor with RSM being named as trustee in bankruptcy, if such step was deemed necessary or appropriate by the Receiver; and
  - (b) an order prohibiting the Debtor and its principal, Mr. Liu, and anyone acting on its, his or their behalf, from: (a) holding themselves out as having any capacity whatsoever to deal with the Property, including the real property municipally



known as 3070 Ellesmere Road, Scarborough (the “**Real Property**”), (b) negotiating, as vendor, any terms for a sale of the Real Property, (c) engaging, as vendor, with any third parties with respect to a sale of the Real Property, (d) taking any steps to delay or hinder the Receiver’s sole and exclusive power to sell the Real Property pursuant to the Receivership Order; or (e) taking any steps whatsoever with respect to any Property of the Debtor, including but not limited to the commencement or continuation of litigation.

A copy of the First Report, without appendices, is attached to this report as **Appendix “B”**.

4. The First Report was filed as a result of steps that had been taken by the Debtor’s principal Mr. Liu to engage with parties in respect of a sale of the Real Property, and to address concerns that such conduct might have negative effects on the Receiver’s efforts to sell the Real Property.
5. On January 27, 2020, the Court granted an Order (the “**Further Order**”) which provided that, among other things:
  - (a) no Persons save and except the Receiver and any agent it retains, are permitted to solicit offers for the sale of the Real Property; and
  - (b) the Receiver is authorized, but not directed, to file an assignment in bankruptcy on behalf of the Debtor pursuant to the *Bankruptcy and Insolvency Act* (“**BIA**”) and to act as Trustee in Bankruptcy in relation to the bankruptcy of the Debtor.

A copy of the Further Order, is attached as **Appendix “C”**.

6. On August 13, 2020, the Receiver issued its second report (the “**Second Report**”) for the purpose of, among other things, seeking an Order:
  - (a) approving the transaction (the “**Transaction**”) detailed in the Agreement of Purchase and Sale between the Receiver and Podium Acquisition Corp. dated May 14, 2020 (the “**Sale Agreement**”), the Assignment and Assumption of Purchase Agreement dated July 20, 2020 (the “**Assignment Agreement**”), between the Receiver, Podium Acquisition Corp. and 3070 Ellesmere LP, by its General Partner

3070 Ellesmere GP Inc., as assignee (such assignee being the “**Purchaser**”), and two agreements dated July 20, 2020 and August 5, 2020 amending the Sale Agreement, and vesting all of the Receiver’s and the Debtor’s right, title and interest, if any, in and to the Purchased Assets (as defined in the Sale Agreement, including the Real Property) in and to the nominee of the Purchaser, 3070 Ellesmere Facility Inc., upon the closing of the Transaction;

- (b) approving a distribution of the proceeds of sale representing the Purchase Price (as defined in the Sale Agreement) as set out herein, subject to such holdback as the Receiver may require to complete its mandate and obtain its discharge pursuant to the Receivership Order;
- (c) approving the disclaimer of the individual Purchaser Agreements, as defined therein; and
- (d) increasing the amount of the Receiver’s Borrowings Charge (as defined in the Receivership Order) by \$255,000, *nunc pro tunc*.

A copy of the Second Report, without appendices, is attached to this report as **Appendix “D”**.

- 7. On September 2, 2020, the Receiver issued its Supplemental Report to the Second Report (the “**Supplemental Report**”), filed in advance of the hearing of the motion, to provide the Court with an update in connection with certain communications that occurred, and correspondence that was received, since the Second Report was served and filed. A copy of the Supplemental Report, without appendices, is attached to this report as **Appendix “E”**.
- 8. On September 3, 2020, Justice Hainey approved the Sale Agreement, Assignment Agreement and the amendments to the Sale Agreement dated July 20, 2020 and August 5, 2020, and issued the approval and vesting order (the “**Approval and Vesting Order**”). On September 3, 2020, Justice Hainey granted an order approving the Interim Distribution (the “**Distribution Order**”), and issued a companion Order (re Disclaiming Purchase Agreements, Approving Receiver’s Activities and Fees) (the “**September 3 Order**”).

## PURPOSE OF REPORT

9. The purpose of this report to the Court (the “**Third Report**”) is to:
- (a) report to the Court on the activities of the Receiver from the date of its Second Report to September 30, 2022;
  - (b) report to the Court on the completion of the sale of the Property and matters relating thereto;
  - (c) report to the Court on the distribution of the net proceeds from the sale of the Property and the proposed distribution of the remaining funds in the Receiver’s possession;
  - (d) provide the Court with a summary of the Receiver’s cash receipts and disbursements for the period September 13, 2019 to September 30, 2022;
  - (e) report on the fees of the Receiver and its counsel; and
  - (f) seek an order:
    - (i) approving the Third Report and the Receiver’s conduct and activities set out herein;
    - (ii) approving the R&D (as defined herein);
    - (iii) authorizing the Receiver to distribute the Holdback Amount (as defined herein) to 261;
    - (iv) approving the Receiver’s Invoices and the TGF Invoices (as both are defined herein) plus an accrual to complete the Remaining Duties (as defined below);
    - (v) terminating these proceedings and discharging the Receiver from the powers, duties and obligations attendant to its appointment as Receiver upon the filing of the Receiver’s Discharge Certificate.

## TERMS OF REFERENCE

10. In preparing this Third Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the “**Information**”). Certain of the information contained in this Third Report may refer to, or is based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.
11. Unless otherwise stated, all monetary amounts contained in this Third Report are expressed in Canadian dollars.
12. Defined terms in this Third Report have, unless indicated otherwise herein, the same meanings as set out in the First Report, the Second Report, and the Supplemental Report to the Second Report.

## BACKGROUND

13. The Debtor was a single purpose entity incorporated as a holding company for a planned residential real estate development on the Real Property, and was the registered titleholder of the same. The Debtor did not carry on any other business.
14. Pursuant to a Mortgage Loan Commitment dated August 19, 2016 (the “**Loan Commitment**”) issued by Toronto Capital Corp. (in Trust) as agent for a group of individual lenders (collectively, “**TCC**”), TCC made a mortgage loan available to the Debtor in the principal amount of \$5,000,000 plus interest and costs (the “**TCC Mortgage Loan**”).

15. The Debtor granted TCC a second-ranking charge in the principal amount of \$5,000,000 (the “**TCC Charge**”) and delivered an Assignment of Rents Agreement to the Applicant, each in respect of the Real Property.
16. TCC advanced \$5,000,000 pursuant to the Loan Commitment, as secured by the TCC Charge. The TCC Charge was subsequently assigned to the Applicant.
17. As set out in the Second Report, in January 2018, the Applicant made an advance by way of a protective disbursement in the amount of \$5,218,766.21 (the “**Protective Disbursement**”) to repay the first-ranking mortgage registered on title to the Real Property (the “**First Mortgage**”), under which the Debtor had defaulted. The First Mortgage was subsequently discharged and the Protective Disbursement was added to the indebtedness secured by the TCC Charge pursuant to the terms thereof.
18. On May 18, 2018, the Applicant sold its interest in the TCC Mortgage Loan (the “**Subordinate Interest**”) to 2615333 Ontario Inc. (“**261**”), but retained its first-ranking priority for the Protective Disbursement as well as the sole right to bring enforcement actions in respect of the TCC Charge as a whole.
19. As at the close of business on September 6, 2019, the Debtor was indebted to the Applicant in the amount of \$6,545,298.24 in respect of the Protective Disbursement, together with accrued interest and accruing interest, costs and professional fees and disbursements incurred by the Applicant to the date of payment.
20. As set out above, the Receivership Order was granted on September 13, 2019 and effective on September 27, 2019. On September 3, 2020, the Court granted, among other things, an Approval and Vesting Order approving the sale of the Properties (discussed below) and the Distribution Order.
21. The Receiver subsequently made distributions to: (a) the Applicant in respect of the Protective Distribution plus professional fees and disbursements incurred by the Applicant and the amount owing pursuant to a Receiver Certificate and 261; and (b) to 261 in respect of the TCC Mortgage (the “**Interim Distributions**”).

## **ACTIVITIES OF THE RECEIVER**

22. The Receiver's significant activities since the issuance of the Second Report have consisted of:
- (a) completing the sale of the Real Property;
  - (b) corresponding with creditors and investors regarding the sale of the Real Property;
  - (c) making the Interim Distributions in accordance with the Distribution Order;
  - (d) corresponding with the Debtor and CRA regarding the Deemed Trust (as defined herein);
  - (e) filing HST returns in respect of the receivership administration;
  - (f) filing interim reports pursuant to Section 246(2) of the BIA; and
  - (g) preparing this Third Report.

## **COMPLETION OF THE SALE OF THE PROPERTIES**

23. As set out in the Second Report, the Receiver entered the Sale Agreement dated May 14, 2020 with Podium Acquisition Corp. respecting the purchase of the Real Property by the Purchaser.
24. Pursuant to the terms of the Sale Agreement, closing of the transaction was to occur on the 7<sup>th</sup> business day following the date upon which the Approval and Vesting Order was granted, or such other date as may be agreed upon between the Receiver and the Purchaser.
25. On July 20, 2020, the Receiver, Podium Acquisition Corp., and the Purchaser entered into the Assignment and Assumption of Purchase Agreement whereby the rights of Podium Acquisition Corp. under the Sale Agreement were assigned to the Purchaser. Further, on July 20, 2020, and August 5, 2020, the Receiver and the Purchaser entered into amendments of the Sale Agreement. Among other things, the July 20, 2020 amendment

extended the closing date of the Transaction to August 27, 2020, and the August 5, 2020 amendment extended the closing date of the Transaction to September 15, 2020.

26. On July 20, 2020, the Purchaser waived the due diligence condition under the Sale Agreement. The closing date for the Transaction was expected to be on or about September 15, 2020. Upon the conditional period expiring, the Receiver and its counsel worked with the Purchaser's counsel to coordinate a closing of the Transaction, subject to the availability of the Court and the Purchaser and certain scheduling matters.
27. On September 15, 2020, the sale of the Properties was completed.
28. The outstanding property taxes up to the date of closing were included as an adjustment on the Statement of Adjustments. The Receiver arranged for the cancellation of its insurance coverage over the Real Property effective September 16, 2020.

#### **CANADA REVENUE AGENCY**

29. By letter dated August 25, 2020, Canada Revenue Agency (“**CRA**”) indicated that there was a balance outstanding of \$49,045.21, representing a deemed trust claim of \$43,073.97 (the “**Deemed Trust**”) and of penalties and interest of \$5,971.24 (the “**CRA Letter**”). A copy of the CRA Letter is attached to this report as **Appendix “F”**.
30. Upon receipt of the CRA Letter, the Receiver reviewed the books and records of the Debtor. The Receiver identified a HST return filed by the Debtor for the period of April 1, 2019 to June 30, 2019 (the “**Reporting Period**”), under the “RT00001” account. On the return, the Debtor had indicated that HST in the amount of \$243,721.40 had been collected during the Reporting Period, and therefore was owing to CRA. The Receiver was unable to reconcile the amount of the HST collected with the books and records provided by the Debtor and as a result, multiple requests were submitted to the Debtor and the Debtor's counsel to provide supporting documentation for the amount reported to the Receiver.
31. On September 30, 2020, Mr. Thomas Liu (“**Mr. Liu**”) wrote to the Receiver to advise that the amount reported was likely an adjustment for amounts previously claimed as input tax credits (“**ITCs**”) for invoices that were never paid by the Debtor. The net impact of the

adjustments appears to be the Deemed Trust amount being claimed by the CRA. The Receiver requested that Mr. Liu provide details of the unpaid invoices for which the ITCs were previously claimed, but as of the date of this Third Report, Mr. Liu has not provided this information to the Receiver.

32. The Receiver, in consultation with 261, determined that without the ability to verify the amounts claimed by the Debtor, the Receiver would not be able to challenge the amount. Therefore, the Receiver intends to pay the Deemed Trust.
33. The Receiver has opened an “RT00002” account with CRA in order to claim HST refunds in respect of the Receiver’s net HST refund position in respect of the receivership administration. The Receiver will be filing its final return and closing the RT00002 account after making the payments set out later herein.

#### **FUNDS HELD IN RESERVE**

34. Pursuant to the Distribution Order, the Receiver was authorized to make distributions to the Applicant and 261 subject to a reserve of \$407,055.50 (the “**Holdback Amount**”) (\$229,290.53 and \$177,764.97 for the Applicant and 261, respectively) in order to address claims regarding a charge for three months’ interest by the Applicant and 261, which amounts were to be held back pending further Order of this Court.
35. As set out in the Second Report and above, the Applicant has now been repaid in full with the possible exception of the 3 months’ interest and 261 has received partial repayment of its loan. Further, as set out in the Second Report, the net proceeds of the sale of the Real Property were not sufficient to repay the indebtedness of 261 in full.
36. On August 26, 2021, counsel to 261 advised the Receiver that 261 would not be disputing the three months’ interest charge of the Applicant in the amount of \$229,290.53 (the “**247 Interest**”).
37. On May 13, 2022, the Receiver wrote to the Applicant to ask that the Applicant confirm its position with respect to the 247 Interest. The Applicant did not respond to the Receiver’s request.



38. On May 27, 2022, the Receiver again wrote to the Applicant to request that it confirm its position with respect to the 247 Interest, and again, the Applicant failed to respond.
39. On June 30, 2022, the Receiver wrote to the Applicant to provide one final opportunity for the Applicant to confirm its position with respect to the 247 Interest, and the Receiver further advised that if the Applicant did not respond, the Receiver would proceed on the basis that the Applicant had abandoned its claim for the 247 Interest, and that the Receiver would bring a motion to make a final distribution to 261.
40. In view of the foregoing, it appears that the Applicant is no longer interested in pursuing its claim for the 247 Interest. As a result, and to facilitate the completion of the Receivership, the Receiver is requesting that this Court direct payment of the Holdback Amount to 261.

#### **RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS**

41. Attached as **Appendix "G"** is the Receiver's interim statement of receipts and disbursements for the period September 27, 2019 to September 30, 2022 (the "**R&D**"). During this period, total cash receipts were \$15,640,572, and total disbursements were \$15,089,745, resulting in a net cash balance of \$550,827 (the "**Remaining Funds**").

#### **FEES AND DISBURSEMENTS OF THE RECEIVER AND COUNSEL**

42. The Receiver's accounts total \$97,556.50 in fees plus HST of \$12,683.65 for a total amount of \$110,250.15 for the period August 1, 2020 to September 30, 2022 (the "**Receiver's Invoices**"). A copy of the Receiver's Invoices, together with a summary of the accounts, the total billable hours charged per account, and the average hourly rate charged per account, is set out in the Affidavit of Bryan A. Tannenbaum sworn October 13, 2022 that is attached to this report as **Appendix "H"**.
43. The total fees of TGF for the period August 1, 2020 to September 30, 2022 were \$81,560.00, and the total amount inclusive of disbursements and HST is \$95,483.79 (the "**TGF Invoices**"). TGF does not anticipate incurring any further fees relating to this receivership. A copy of the TGF Invoices and the time spent by TGF is more particularly

described in the Fee Affidavit of Rebecca L. Kennedy sworn October 12, 2022, which is attached to this report as **Appendix “I”**.

44. The estimated fees since October 1, 2022 to complete this motion as well as the other Remaining Duties (discussed below) is estimated to be no more than \$40,000 plus HST, comprised of \$20,000 plus HST for the Receiver (together with the Receiver’s Invoices, the “**Receiver’s Accounts**”), and \$20,000 plus HST for the Receiver’s counsel, Norton Rose Fulbright.

### **FINAL DISTRIBUTION**

45. As set out on the R&D, there were net funds on hand of \$550,827 as at September 30, 2022. The remaining payments to be made by the Receiver are (the “**Unpaid Accounts**”):
- (a) the unpaid Receiver’s Accounts estimated to be no more than \$28,694.09;
  - (b) the unpaid TGF Accounts in the amount of \$4,463.51;
  - (c) the unpaid Norton Rose Fulbright Accounts estimated to be no more than \$22,600.
46. Following payment of the Deemed Trust and the Unpaid Accounts the Receiver estimates that the remaining funds that will be in the possession of the Receiver will be approximately \$495,000 (the “**Remaining Funds**”). This amount is before consideration of HST refunds which the Receiver has claimed, or will be claiming, on HST returns filed or to be filed.
47. After payment of the Deemed Trust and unpaid accounts, the Receiver intends to distribute the net Remaining Funds to 261, pursuant to the Distribution Order.

### **DISCHARGE OF THE RECEIVER**

48. As of the date of this Third Report, the Receiver’s remaining duties (the “**Remaining Duties**”) are:
- (a) distributing the Holdback Amount to 261, subject to Court approval;
  - (b) paying the Unpaid Accounts and the Deemed Trust;

- (c) filing the Receiver's final HST returns; and
- (d) preparing the Final Statement of Receiver pursuant to section 246(3) of the *Bankruptcy and Insolvency Act*.

49. As the Receiver's administration is substantially complete, and in order to avoid the costs of making a further motion to the Court to obtain the Receiver's discharge, the Receiver is presently seeking an order discharging RSM from the powers, duties and obligations attendant to its appointment as Receiver (the "**Discharge Order**") upon the filing of the Receiver's Discharge Certificate certifying that the Receiver has completed the Remaining Duties (the "**Receiver's Discharge Certificate**"), with the proviso that RSM may perform such incidental duties as may be required by it as Receiver to complete its obligations pursuant to its appointment as Receiver including, but not limited to, the Remaining Duties.

#### **CONCLUSION**

50. Based on the foregoing, the Receiver respectfully requests that the Court grant the orders described in paragraph 9(f) above.

All of which is respectfully submitted to this Court as of this 14<sup>th</sup> day of October, 2022.

**RSM Canada Limited**, solely in its capacity as Court-appointed  
Receiver of 3070 Ellesmere Developments Inc.,  
and not in its personal or corporate capacity

Per:



Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT  
President

APPENDIX "A"



Court File No. CV-19-00627187-00CL

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

THE HONOURABLE MR.	)	FRIDAY, THE 13 <sup>th</sup>
	)	
JUSTICE HAINEY	)	DAY OF SEPTEMBER, 2019

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

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

THIS APPLICATION brought by 2478888 Ontario Inc. for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “BIA”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “CJA”) appointing RSM Canada Limited as receiver (in such capacities, the “Receiver”) without security, of all of the Property (as defined herein) of 3070 Ellesmere Developments Inc. (the “Borrower”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON HEARING the submissions of counsel for the Applicant, the Respondent, the intended Receiver and such other parties present, and on reading the consent of RSM Canada Limited to act as the Receiver,

## SERVICE

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

## APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, RSM Canada Limited is hereby appointed Receiver, without security, of all of the property, assets and undertaking of 3070 Ellesmere Developments Inc., including but not limited to the real property municipally known as 3070 Ellesmere Road, Scarborough, Ontario, M1E 4C3, and more specifically described as PIN06186-0033 (LT) – Legal Description: PCL J-1 SECT M1227 BLK J PLAN 66M1227, CITY OF TORONTO, including all proceeds thereof (the “**Property**”).

## RECEIVER’S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of any 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;

- 3 -

- (c) to enter into any agreements, cease to carry on all or any part of the business, or cease to perform any contracts of the Borrower in relation to the Property;
- (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 pay such protective disbursements as may be deemed necessary to preserve and protect the Property pending any disposition of same, or to prepare the Property for sale;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Borrower arising from or in relation to the Property and to exercise all remedies of the Borrower in collecting such monies, including, without limitation, to enforce any security held by the Borrower;
- (g) to settle, extend or compromise any indebtedness owing to the Borrower arising from or in relation to the Property;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of the Property, whether in the Receiver's name or in the name and on behalf of the Borrower, 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 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;

- 4 -

- (j) to market the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$300,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply;
- (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, encumbrances or other instruments affecting such Property, other than such permitted encumbrances as may be acceptable to the purchaser or rights that run with the land;
- (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;



- 5 -

- (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 Borrower;
- (p) to exercise any shareholder, partnership, joint venture, co-ownership or other rights which the Borrower may have arising from or in relation to the Property; 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 Borrower, and without interference from any other Person.

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

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

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer,

software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

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

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

#### **NO PROCEEDINGS AGAINST THE PROPERTY**

8. **THIS COURT ORDERS** that no Proceeding against or in respect of 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 Property are hereby stayed and suspended pending further Order of this Court.

**NO EXERCISE OF RIGHTS OR REMEDIES**

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

**NO INTERFERENCE WITH THE RECEIVER**

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

**CONTINUATION OF SERVICES**

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Borrower or statutory or regulatory mandates for the supply of goods and/or services with respect to the Property, 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 Borrower 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, 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 Borrower or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

### RECEIVER TO HOLD FUNDS

12. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any part 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, and the proceeds of any borrowing advances made to the Receiver by the Applicant, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”). The monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein and after payment of all amounts owing to the Applicant, shall be held by the Receiver to be paid in accordance with the terms of any further Order of this Court.

### EMPLOYEES

13. **THIS COURT ORDERS** that all employees of the Borrower shall remain the employees of the Borrower and the Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

### PIPEDA

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

material respects identical to the prior use of such information by the Borrower, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

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

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

#### **LIMITATION ON THE RECEIVER'S LIABILITY**

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

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

17. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless

otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver's Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings. 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, save and except for the Charge/Mortgage of Land registered on title to the Property in favour of the Applicant, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA. For greater certainty, the Receiver’s Charge shall be subordinate in priority to the existing Charge in favour of the Applicant.

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

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

#### **FUNDING OF THE RECEIVERSHIP**

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow from the Applicant 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: (i) the existing Charge in favour of the Applicant; (ii) the Receiver's Charge; and (iii) the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA. Advances by the Applicant to the Receiver hereunder shall be, and are hereby deemed to be priority advances made by the Applicant under the existing Charge granted by the Borrower in favour of the Applicant, and shall form part of the indebtedness secured by the existing Charge in favour of the Applicant, but for greater certainty, in all cases in priority to every other Person having, or claiming, any interest in the Property.

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

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

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

#### **SERVICE AND NOTICE**

24. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <http://www.rsmcanada.com/3070-ellesmere-developments-inc.>

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

#### **RETENTION OF LAWYERS**

26. **THIS COURT ORDERS** that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation, those conferred by this Order. The Receiver is specifically authorized and permitted to use the solicitors for the Applicant herein as its own counsel in respect of any matter where there is no conflict of interest. In respect of any legal advice or issue where a conflict may exist or arise in respect of the Applicant and the Receiver or a third party, the Receiver shall utilize independent counsel.

#### **GENERAL**

27. **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.

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

29. **THIS COURT ORDERS** that the Land Registry Office for the Land Titles Division of Toronto (No. 66) shall register this Order against title to the real property municipally known as 3070 Ellesmere Road, Scarborough, Ontario, M1E 4C3, and more specifically described as PIN06186-0033 (LT) – Legal Description: PCL J-1 SECT M1227 BLK J PLAN 66M1227, CITY OF TORONTO.





**SCHEDULE "A"**

**RECEIVER CERTIFICATE**

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

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

TO: 2478888 ONTARIO INC.

1. THIS IS TO CERTIFY that RSM Canada Limited, the receiver (the "**Receiver**") of certain real property of 3070 Ellesmere Developments Inc. (the "**Borrower**") 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 \_\_\_\_\_, 2019 (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 monthly, not in advance, on the 1<sup>st</sup> day of each month after the date hereof at a rate per annum equal to 9.75% per cent above the prime commercial lending rate of the Toronto Dominion Bank (TD Bank Prime Rate) in effect 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 other than the Lender, but subject to the priority of the charges set out in paragraph 21 of 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 \_\_\_\_\_, 2018.

**RSM Canada Limited**, solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: \_\_\_\_\_  
Name:  
Title:

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended**

**2478888 ONTARIO INC.**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**ORDER  
(appointing Receiver)**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgif.ca](mailto:djmiller@tgif.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgif.ca](mailto:rkennedy@tgif.ca)

**Owen Gaffney (LSO#75017B)**  
Tel: (416) 304-1109 / Email: [ogaffney@tgif.ca](mailto:ogaffney@tgif.ca)

Lawyers for the Applicant, 2478888 Ontario Inc.

APPENDIX "B"

Court File No.: CV-19-00627187-00 CL

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

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,  
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**FIRST REPORT OF THE RECEIVER**  
**January 20, 2020**

**TABLE OF CONTENTS**

<b>1.</b>	<b>Introduction</b>	<b>4</b>
<b>2.</b>	<b>Terms of Reference</b>	<b>5</b>
<b>3.</b>	<b>Activities of the Receiver</b>	<b>6</b>
<b>4.</b>	<b>Borrower's Appeal of Receivership Order</b>	<b>6</b>
<b>5.</b>	<b>Prior Order Affecting the Real Property</b>	<b>9</b>
<b>6.</b>	<b>BIA Proposal Proceedings</b>	<b>9</b>
<b>7.</b>	<b>Borrower's Attempts to Deal with the Property</b>	<b>10</b>
<b>8.</b>	<b>Listing the Real Property for Sale</b>	<b>12</b>
<b>9.</b>	<b>Litigation Involving the Borrower</b>	<b>12</b>
<b>10.</b>	<b>Impact of Appeal on Potential Recoveries to Creditors</b>	<b>14</b>
<b>11.</b>	<b>Relief Requested by the Receiver</b>	<b>15</b>
<b>12.</b>	<b>Conclusions and Recommendations</b>	<b>16</b>

**INDEX TO SCHEDULES**

<b>Schedule 1</b>	<b>Receivership Order dated September 13, 2019</b>
<b>Schedule 2</b>	<b>Affidavit of Henry Goldberg sworn September 11, 2019 (without appendices)</b>
<b>Schedule 3</b>	<b>Notice of Appeal of 3070 Ellesmere Developments Inc. dated October 15, 2019</b>
<b>Schedule 4</b>	<b>Notice of Motion to Quash Appeal dated November 15, 2019</b>
<b>Schedule 5</b>	<b>Order of the Court of Appeal Quashing Appeal and Endorsement of Justice Roberts both dated January 7, 2020</b>
<b>Schedule 6</b>	<b>Order of Justice Hainey dated February 26, 2019</b>
<b>Schedule 7</b>	<b>3070 Ellesmere Developments Inc. Proposal to Creditors</b>
<b>Schedule 8</b>	<b>Correspondence with Counsel to 3070 Ellesmere Developments Inc. re: Bankruptcy</b>
<b>Schedule 9</b>	<b>Correspondence with Counsel to 3070 Ellesmere Developments Inc. re: dealings with the Real Property</b>
<b>Schedule 10</b>	<b>Statement of Claim issued by 3070 Ellesmere Developments Inc.</b>
<b>Schedule 11</b>	<b>Letter to Court of Appeal dated December 16, 2019</b>



## INTRODUCTION

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 13, 2019 (the “**Receivership Order**”), RSM Canada Limited (“**RSM**”) was appointed receiver (the “**Receiver**”) of all property, assets and undertakings (collectively, the “**Property**”) of 3070 Ellesmere Developments Inc. (the “**Borrower**”). A copy of the Receivership Order is attached hereto as Schedule “**1**”.
  
2. The purpose of this report (the “**First Report**”) is to:
  - (a) provide the Court and all stakeholders with information about activities undertaken and developments that have occurred since the issuance of the Receivership Order, including the appeal of the Receivership Order filed by the Borrower and the disposition of that appeal;
  - (b) inform the Court of the status of a proposal filed by the Borrower on September 27, 2019 (the “**Proposal Proceeding**”) pursuant to Part III, Division I of the *Bankruptcy and Insolvency Act* (“**BIA**”);
  - (c) report to the Court on the Receiver’s intended next steps and process to sell the Real Property;
  - (d) provide the Court with copies of communications received from the Borrower’s counsel, including an offer purportedly accepted by the Borrower as vendor for the sale of the Real Property, and the responses delivered on behalf of the Receiver; and
  - (e) seek an Order from the Court that:
    - (i) in furtherance of and in addition to the powers granted to the Receiver pursuant to the Receivership Order, authorizes the Receiver to make an assignment in bankruptcy on behalf of the Borrower with RSM being named as trustee in bankruptcy;

- (ii) prohibits the Borrower and its principal, Mr. Liu, and anyone acting on its, his or their behalf, from: (a) holding themselves out as having any capacity whatsoever to deal with the Property, including the Real Property, (b) negotiating, as vendor, any terms for a sale of the Real Property, (c) engaging, as vendor, with any third parties with respect to a sale of the Real Property, (d) taking any steps to delay or hinder the Receiver's sole and exclusive power to sell the Real Property pursuant to the Receivership Order; or (e) taking any steps whatsoever with respect to any Property of the Borrower, including but not limited to the commencement or continuation of litigation; and
- (iii) approving this First Report and the activities of the Receiver set out herein.

#### **TERMS OF REFERENCE**

3. In preparing this First Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the "**Information**"). Certain of the information contained in this First Report may refer to, or is based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.
4. Unless otherwise stated, all monetary amounts contained in the First Report are expressed in Canadian dollars.
5. Capitalized terms used in the First Report and not defined herein are as defined in: (i) the Receivership Order or, if not defined therein, (ii) the Goldberg Affidavit.

## ACTIVITIES OF THE RECEIVER

6. The Receivership Order, among other things, authorizes and grants the Receiver the exclusive ability to market and sell the Real Property. Since the issuance of the Receivership Order, the Receiver has taken certain steps and conducted the following activities:
- (a) took possession of the Real Property;
  - (b) registered a copy of the Receivership Order against title to the Real Property;
  - (c) arranged for insurance coverage in respect of the Real Property;
  - (d) established a website for these Receivership proceedings:  
  
<[rsmcanada.com/3070-ellesmere-developments-inc](http://rsmcanada.com/3070-ellesmere-developments-inc)>;
  - (e) arranged for certain repairs and maintenance to be completed at the Real Property pursuant to demands from the City of Toronto;
  - (f) consulted with the secured creditors and other stakeholders as to the appropriate method of marketing for the Real Property;
  - (g) requested proposals from commercial real estate brokers regarding the sale of the Real Property;
  - (h) issued the notices required pursuant to Sections 245 and 246 of the BIA to known creditors of the Borrower; and
  - (i) prepared this First Report.

## BORROWER'S APPEAL OF RECEIVERSHIP ORDER

7. The Receivership Order was granted by Justice Hainey on September 13, 2019 on application of the Lender which holds a first mortgage over the Real Property, with the support of other mortgagees and creditors. Details as to the events leading to the Receivership Order being granted were set out in the Affidavit of Henry Goldberg of the

Lender sworn September 11, 2019 (the “**Goldberg Affidavit**”), a copy of which is attached (without Exhibits) as Schedule “2” to this Report.

8. The Receivership Order was signed and granted on September 13, 2019 on consent of the Borrower, and was held in abeyance by the Lender’s counsel, Thornton Grout Finnigan LLP (“**TGF**”), for a 2 week period. This was to allow the Borrower a final opportunity to repay all amounts owing to the Lender in full, which at that time was \$13,616,330.52 based on a mortgage payout statement delivered to the Borrower’s counsel on September 18, 2019. On September 27, 2019, as payment had not been made by the Borrower by that date, the Receivership Order was issued and entered by the Court.
9. Also on September 27, 2019, the Borrower filed a proposal to its creditors, pursuant to the provisions of the BIA, with the Official Receiver in the Proposal Proceeding (the “**Proposal**”). The Receiver only became aware of this fact on October 9, 2019 as a result of the Receiver following up with the Borrower and the Proposal Trustee, Crowe Soberman Inc., for responses to information and documentation requests that were made in accordance with the Receivership Order. The Proposal Proceeding is addressed in more detail below.
10. On October 10, 2019, the Receiver sent a request for information to Mr. Thomas Liu, the principal of the Borrower (“**Mr. Liu**”), to request, *inter alia*:
  - (a) copies of all bank statements for the period October 1, 2018 through September 30, 2019;
  - (b) a digital copy of the Company’s accounting records (i.e. Quickbooks file);
  - (c) copies of any contracts entered into by the Borrower, including sales agreements, leases, service agreements, contractor agreements, etc.;
  - (d) payroll records, if applicable;
  - (e) legal files; and

- (f) information relating to any Property of the Borrower (i.e. environmental reports, blueprints and architectural drawings, vehicle registrations, etc.).
11. In an email dated October 14, 2019, Mr. Liu responded to the Receiver and agreed to meet with the Receiver on Wednesday, October 16, 2019 to provide and review the requested information.
  12. On October 15, 2019 the Borrower, through its new counsel, Blaney McMurtry LLP, served a Notice of Appeal regarding the Receivership Order (the “**Notice of Appeal**”), pursuant to which the Borrower sought to appeal the Receivership Order. Attached as Schedule “**3**” to this Report is a copy of the Notice of Appeal.
  13. In view of the Notice of Appeal, the meeting scheduled for October 16, 2019 between Mr. Liu and the Receiver was cancelled. As of the date of this First Report, Mr. Liu has not provided any of the requested information to the Receiver.
  14. The Lender brought a Motion to Quash the Appeal of the Borrower (the “**Motion to Quash**”) to the Court of Appeal for Ontario (the “**Court of Appeal**”). Attached as Schedule “**4**” to this Report is a copy of the Notice of Motion filed by the Lender for the Motion to Quash. No responding materials to the Motion to Quash were filed at any time by counsel on behalf of the Borrower.
  15. The Motion to Quash was scheduled to be heard January 7, 2020, being the first available date provided by the Court of Appeal. The Borrower’s counsel sought an adjournment of the date set by the Court of Appeal for the Motion to Quash, as discussed below. The Borrower’s counsel then advised TGF by email on January 2, 2020 that it expected to receive instructions that it would not be opposing the Motion to Quash, and ultimately confirmed that position on January 6, 2020.
  16. On January 7, 2020, the Court of Appeal for Ontario issued an Order quashing the appeal brought by the Borrower. Attached as Schedule “**5**” to this Report is a copy of the Court of Appeal’s Order and Endorsement dated January 7, 2020.

## **PRIOR ORDER AFFECTING THE REAL PROPERTY**

17. An Order had previously been issued by Justice Hainey in a separate proceeding in Court File No. CV-18-592726-00CL on February 26, 2019, on motion brought by one of the Borrower's shareholders (now a judgment creditor), prohibiting and restraining the Borrower from taking any steps in respect of the Real Property, including any sale thereof (the "**Prohibition Order**"). Paragraph 5 of the Prohibition Order provides as follows:

5. THIS COURT ORDERS that the Defendants, including 3070 Ellesmere Developments Inc., are enjoined from taking any steps to sell or otherwise encumber the property known municipally as 3070 Ellesmere Road in Scarborough, Ontario (the "Property") ... and the Land Registrar ... shall be authorized to register this Order against title to the Property on Application by the Plaintiff.

A copy of the Prohibition Order is attached hereto as Schedule "6".

18. The Receiver understands that the Prohibition Order was never appealed by the Borrower or set aside by any further Order of the Court.

## **BIA PROPOSAL PROCEEDINGS**

19. The Borrower filed a Notice of Intention to Make a Proposal ("**NOI**") on August 20, 2019, commencing the Proposal Proceeding. The underlying premise of the Proposal Proceeding was to effect a sale of the Real Property by the Borrower and its advisors.
20. The Borrower brought a motion within the Proposal Proceedings returnable September 13, 2019 seeking, *inter alia*, an Order permitting it to deal with the Real Property by way of a debtor-run sales process. The Borrower's motion was denied, and the Lender's application for the Receivership Order was granted on September 13, 2019.
21. On the same day on which the Receivership Order became effective, and two weeks after the Receivership Order was granted by the Court, the Borrower filed the Proposal in, what appears to the Receiver to be, an attempt by the Borrower to be able to continue to deal with the Real Property. A copy of the Proposal is attached hereto as Schedule "7".

22. The Receivership Order had the effect of staying all further dealings by the Borrower with its Property, including the Real Property, and declared that the Receiver was the sole party with authority to deal with all Property to the exclusion of all others.
23. Upon the filing of the Proposal, certain statutory steps under the BIA automatically occurred, including the scheduling of a general meeting of creditors (the “**Creditors’ Meeting**”). The Creditors’ Meeting was scheduled for October 18, 2019.
24. Counsel for all parties and the Receiver attended a Chambers attendance before Justice Hainey to obtain an endorsement adjourning the Creditors’ Meeting. On October 18, 2019, the Creditors’ Meeting in the Proposal Proceedings was adjourned *sine die*.
25. To the Receiver’s knowledge, since the adjournment of the Creditors’ Meeting, no steps have been taken in the Proposal Proceedings pending the outcome of the Appeal. As the Appeal has now been quashed and the Receivership Order is a final order of the Court, the Receiver continues to be the only party with the authority to deal with the Property, including the Real Property.
26. On January 16, 2020, counsel to the Receiver corresponded with the Borrower’s counsel outlining the intended motion being brought by the Receiver for the expansion of the Receiver’s powers to authorize the Receiver to file an assignment in bankruptcy of the Borrower, and requesting that the Borrower file an assignment in bankruptcy itself to bring the Proposal Proceedings to an end. The Borrower’s counsel responded to advise that Mr. Liu would not consent to doing so, but had no instructions as to whether any such step by the Receiver to effect an assignment in bankruptcy would be opposed. A copy of the email exchange between the Receiver’s counsel TGF and the Borrower’s counsel on the issue of bankruptcy is attached to this Report as Schedule “8”.

#### **BORROWER’S ATTEMPTS TO DEAL WITH THE REAL PROPERTY**

27. The Receiver understands that prior to these receivership proceedings the Borrower had made several attempts to market and sell the Real Property, both privately and through a broker. The Receiver further understands that a number of offers may have been received

by the Borrower, but none of the offers were accepted or, if accepted by the Borrower, no transaction was concluded.

28. The Borrower and its sole officer and director, Mr. Liu, continue subsequent to the commencement of these receivership proceedings, to attempt to deal with the Real Property directly, notwithstanding the Prohibition Order and the Receivership Order. The Receiver is concerned that these repeated attempts are likely to: (i) create confusion in the market with respect to who is authorized to deal with prospective purchasers or sell the Real Property, (ii) create or perpetuate confusion with creditors and stakeholders as to what is actually occurring with the Real Property, and with the parallel Proposal Proceedings and the receivership, and (iii) ultimately have a negative impact on the ability of the Receiver to maximize realizations for the benefit of creditors.
29. The Borrower has made allegations against the Receiver and its counsel in carrying out the provisions of the Receivership Order.
30. On January 9, 2020, the Receiver received correspondence from counsel to the Borrower, Blaney McMurtry LLP, confirming that the Borrower was still trying to deal with the Real Property by purporting to negotiate and accept an agreement of purchase and sale with respect to the Real Property, a copy of which was provided to the Receiver's counsel as part of that correspondence. In addition to the lack of authority and lack of capacity of the Borrower to purport to sell the Real Property pursuant to the offer provided by the Borrower's counsel to the Receiver's counsel, the offer is not acceptable to the Receiver for a number of other reasons. That includes the conditions contained in the offer and the Receiver's concern based on listing proposals it has received, that the offer is not reflective of the potential market value of the Real Property following a robust, arms-length sale process conducted by a court officer.
31. TGF responded on behalf of the Receiver to advise that the proposed offer was not valid as the Borrower has no capacity with which to accept any offer for the Real Property, and that the Receiver would be continuing with its sales process in accordance with the Receivership Order. In response, the Borrower's counsel suggested that "sanctions" against the Receiver and/or its counsel, TGF, may be appropriate. Attached as Schedule



“9” are redacted copies of the recent exchange of correspondence with the Borrower’s counsel and TGF regarding the attempts by Mr. Liu to deal with the Real Property. Unredacted copies of such correspondence (which were redacted only as to reference to the offer price) are attached to this Report as Confidential Schedule “1”.

32. The Receiver notes that responding to matters raised by the Borrower such as these will only serve to further increase the costs of the receivership, to the ultimate detriment of the Borrower’s creditors.

### **LISTING THE REAL PROPERTY FOR SALE**

33. The Receivership Order authorizes the Receiver to market the Real Property for sale, including advertising and soliciting offers in respect of the Real Property.
34. Upon the Borrower’s appeal of the Receivership Order being quashed, the Receiver invited four realtors to each submit listing proposals for the marketing and sale of the Real Property.
35. The Receiver is presently reviewing the proposals submitted, including having discussions/correspondence with some or all of the realtors, in connection with the proposals. The Receiver intends on shortly entering into a listing agreement for the sale of the Real Property.
36. The Receiver will provide information on the Receiver’s marketing efforts at the time that the Receiver seeks the approval of the Court of an agreement of purchase and sale entered into by the Receiver.

### **LITIGATION INVOLVING THE BORROWER**

37. On January 17, 2020, the Receiver, through its counsel, became aware that Blaney McMurtry LLP had commenced an action on December 19, 2019 on behalf of a group of Plaintiffs, including the Borrower, notwithstanding the Receivership Order. A copy of the Statement of Claim filed in court file CV-19-00632309-0000 is attached to this Report as Schedule “10”.

38. The Borrower is also the defendant in several litigation claims:
- (a) 2518358 Ontario Inc. v. 3070 Ellesmere Developments Inc. bearing court file no. CV-18-00598800-0000 (the “**Rise Action**”);
  - (b) Xiuhong Du, Yunduan Chen and Guohua Xu v. Lemine Investment Group Inc., 3070 Ellesmere Developments Inc., Jin Zhi Chen and Tong Liu a.k.a. Thomas Liu bearing court file no. CV-18-00607231-0000 (the “**Du Action**”); and
  - (c) Jianji Ma and Cunyi Hu v. Lemine Investment Group Inc., Lemine Real Estate Consulting Inc., 3070 Ellesmere Developments Inc., Academy Management Inc., Tong Liu, also known as Thomas Liu, Yixuan Wang, also known as Yi Xuan Wang or Jessica Wang, Elliott Law Professional Corporation and Nancy Myles Elliott bearing court file no. CV-19-00616535-0000 (the “**Ma Action**”).
39. In the Rise Action the plaintiff is asserting a 50% interest in the Real Property pursuant to a joint venture agreement it entered into with the Borrower in addition to payment of \$3,950,000 it claims is owing. The Borrower filed a statement of defence in the Rise Action; the Rise Action was stayed as against the Borrower when it filed the NOI, and continues to be stayed against the Borrower by virtue of the Receivership Order.
40. In the Du Action, the plaintiffs seek, among other things, the return of \$1,873,523.13 and damages in the amount of \$3,000,000, which claim arises out of a series of agreements they entered into with one of the defendants for the purchase of condominium units that were meant to be constructed on the Real Property. The plaintiffs in the Du Action allege that they were told the purchase of such units would make them eligible for a permanent residency program, which the plaintiffs allege did not in fact exist. The Borrower filed a statement of defence in the Du Action; the Du Action was stayed as against the Borrower when it filed the NOI, and continues to be stayed against the Borrower by virtue of the Receivership Order.
41. The allegations raised in the Ma Action are substantially the same as those raised in the Du Action, though the quantum and nature of the relief differs slightly. The Borrower filed a statement of defence in the Du Action, following which the plaintiffs issued a reply to such

statement of defence. The Ma Action was stayed as against the Borrower when it filed the NOI, and continues to be stayed against the Borrower by virtue of the Receivership Order.

42. With the Borrower's appeal of the Receivership Order having been quashed, the Receiver and its counsel will review the above-noted litigation claims to consider the appropriate steps to be taken within the receivership. The Receiver will also determine whether any retainers were paid to any law firms by the Borrower in respect of such claims, or otherwise.

### **IMPACT OF APPEAL ON POTENTIAL RECOVERIES TO CREDITORS**

43. The filing of the Notice of Appeal to the Receivership Order caused the Receiver to pause its efforts with respect to the immediate listing and sale of the Real Property. Prior to learning of the Notice of Appeal on October 15, 2019, the Receiver had taken certain steps in connection with securing the Real Property, cleaning up the site, and having borrowings advanced to the Receiver to fund the receivership administration pursuant to a Receiver's Certificate.
44. The Receiver had intended to commence a sale process immediately following its appointment by the Court, leading to the intended completion of a sale transaction by the end of 2019. The timing of that intended process has been delayed by approximately three months as a result of the Appeal.
45. Carrying costs for the Real Property have continued to be incurred as a result of the delay arising from the Appeal. That amount is in addition to legal fees incurred by the Lender as respondent in the Appeal, which will be added to the indebtedness secured by its mortgage over the Real Property. All of these costs will impact the ultimate recovery for creditors (based on the priority waterfall) on a sale of the Real Property. In a letter filed by TGF with the Court of Appeal in response to the Borrower's request for an adjournment of the January 7, 2020 date for the Motion to Quash the Appeal of the Receivership Order, reference was made to the carrying costs of the Real Property. A copy of TGF's letter to the Court of Appeal on that issue which lists some of those costs is attached hereto as Schedule "11".

## RELIEF REQUESTED BY THE RECEIVER

46. The Proposal filed by the Borrower on September 27, 2019 is not viable, as it is based on the Borrower being permitted to sell the Real Property itself in order to make a proposal to creditors. That relief was sought by the Borrower in its motion returnable within the Proposal Proceeding on September 13, 2019 and was rejected by Justice Hailey in favour of the request by the various creditors and mortgagees, including the Lender, for the Receivership Order to be granted. Further, the secured creditors holding mortgages over the Real Property do not support the Proposal or any sale of the Real Property by the Borrower, and as a result the Proposal is not viable. As the Borrower/Mr. Liu continue their efforts to sell the Real Property notwithstanding the Prohibition Order and the Receivership Order, any continuation of the Proposal Proceedings may create a false impression with third parties that the Borrower has the authority to deal with the Real Property.
47. The Receiver is therefore seeking an Order expanding its powers from that set out in the Receivership Order, in order to authorize it to file an assignment in bankruptcy on behalf of the Borrower. This will result in an automatic vesting of all the Property, including the Real Property, in the Trustee, and terminate the rights of the Borrower. The Receiver believes that this step is appropriate in view of the Borrower's continuing attempts to deal with the Real Property, and the unnecessary separate proceedings that continue to exist.
48. A bankruptcy will also allow examinations under section 163 of the BIA to be undertaken, if that is determined to be useful in obtaining all necessary information to maximize the available realizations for the benefit of the creditors. Creditors of the Borrower will then have only one court officer to make all inquiries to, and all communications will be from one source. In an assignment in bankruptcy being filed by the Receiver, RSM would be named as trustee in bankruptcy of the Borrower. Paragraph 28 of the Receivership Order provides that nothing contained therein prevents the Receiver from acting as Trustee in Bankruptcy of the Borrower.
49. Although the Receiver is of the view that a bankruptcy should prevent any further confusion or attempts by the Borrower to interfere with or compete with the Receiver's

mandate, including to market and sell the Real Property for the benefit of all of the Borrower's creditors, the Receiver is also requesting that the Court specifically preclude the Borrower and its principal, Mr. Liu, and anyone acting on its, his or their behalf, from holding themselves out as having any capacity whatsoever to deal with the Real Property, to negotiate any terms for a sale of the Real Property as vendor, to engage as vendor with any third parties with respect to a sale of the Real Property, or to take any steps to delay, hinder or interfere with the Receiver's role pursuant to the Receivership Order. This additional relief will allow the Receiver to complete its mandate unimpeded.

50. In addition, the Receiver requires the Borrower and its principal Mr. Liu to comply with the information requests that have previously been made, which to date have not been complied with, as set out in paragraph 10 herein.
51. In accordance with the Receivership Order, TGF acts as counsel to the Receiver and was counsel to the Lender in the application for the appointment of the Receiver by the Court. The Receiver will utilize independent counsel in the event of a conflict arising at any time between the Lender and the Receiver and/or the Trustee in Bankruptcy.
52. The Receiver will provide further updates to the Court and all stakeholders in its next report.

## **CONCLUSIONS AND RECOMMENDATIONS**

53. Based on the foregoing, the Receiver respectfully requests that the Court make an Order:
  - (a) expanding the powers of the Receiver pursuant to the Receivership Order to specifically authorize the Receiver to file an assignment in bankruptcy on behalf of the Borrower in which RSM will be named as Trustee in Bankruptcy;
  - (b) prohibiting the Borrower and its principal, Mr. Liu, and anyone acting on its, his or their behalf from: (i) holding themselves out as having any capacity whatsoever to deal with the Real Property, (ii) negotiating, as vendor, any terms for a sale of the Real Property, (iii) engaging, as vendor, with any third parties with respect to a sale of the Real Property, (iv) taking any steps to delay or hinder the Receiver's sole

and exclusive power to sell the Real Property pursuant to the Receivership Order, or (v) taking any steps whatsoever with respect to any Property of the Borrower, including but not limited to the commencement or continuation of litigation; and

- (c) approving this First Report and the activities of the Receiver set out herein.

All of which is respectfully submitted to this Court as of this 20<sup>th</sup> day of January, 2020.

**RSM Canada Limited**, in its capacity as Court-appointed Receiver of  
3070 Ellesmere Developments Inc., and not in its personal or corporate capacity

Per:



Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT  
President

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

2478888 ONTARIO INC.

- and -

3070 ELLESMERE DEVELOPMENTS INC.

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**FIRST REPORT OF THE RECEIVER  
(January 20, 2020)**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

**Owen Gaffney (LSO#75017B)**  
Tel: (416) 304-1109 / Email: [ogaffney@tgf.ca](mailto:ogaffney@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

APPENDIX "C"



Court File No. CV-19-00627187-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR.	)	MONDAY, THE 27TH
	)	
JUSTICE HAINEY	)	DAY OF JANUARY, 2020



**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**ORDER  
(Expanding Receiver Powers)**

THIS MOTION brought by RSM Canada Limited in its capacity as court-appointed receiver (the “**Receiver**”) without security, of all of the Property of 3070 Ellesmere Developments Inc. (the “**Borrower**”) for an Order, *inter alia*, expanding the Receiver’s powers as originally set out in an Order of this Court dated September 13, 2019 (the “**Receivership Order**”) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Receiver containing the First Report of the Receiver dated January 20, 2020 (the “**Receiver’s First Report**”) and the Appendices thereto and on hearing the submissions of counsel for the Receiver, no one else appearing for any other person or opposing the relief sought by the Receiver, although all parties appearing on the Service List in this proceeding were duly served as it appears from the Affidavit of Service of Owen Gaffney sworn January 21, 2020:

**SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record including the Receiver's First Report is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof. All capitalized terms used herein and not otherwise defined are as defined in the Receivership Order.

**PROHIBITION ON DEALING WITH THE PROPERTY**

2. **THIS COURT ORDERS** that no Persons, save and except the Receiver and any agent it retains, are permitted to solicit offers for the sale of the Real Property. For greater certainty, neither the Borrower nor its principal Thomas Liu, nor anyone acting on its or their behalf, are permitted to hold themselves out as having any capacity whatsoever to deal with the Real Property, to negotiate any terms for a sale of the Real Property, to engage with any third parties with respect to a sale of the Real Property, to take any steps to delay, hinder or interfere with the Receiver's role pursuant to the Receivership Order or take any steps whatsoever in respect of any other Property of the Borrower. All interested parties including prospective purchasers are to be directed to the Receiver.

**EXPANDED POWERS OF THE RECEIVER**

3. **THIS COURT ORDERS** that, in addition to all of the powers of the Receiver pursuant to the Receivership Order, the Receiver is hereby expressly empowered and authorized to do the following:

- (a) to file an assignment in bankruptcy on behalf of the Borrower pursuant to the *Bankruptcy and Insolvency Act*; and
- (b) to act as the Trustee in Bankruptcy in relation to the bankruptcy of the Borrower.

**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.

**APPROVAL OF ACTIVITIES**

4. **THIS COURT ORDERS** that the Receiver's First Report and all of the activities of the Receiver described therein are hereby ratified and approved.

**SEALING OF CONFIDENTIAL SCHEDULE**

5. **THIS COURT ORDERS** that Confidential Schedule 9 to the Receiver's First Report shall be and is hereby sealed, kept confidential and shall not form part of the public record pending further Order of this Court.

**GENERAL**

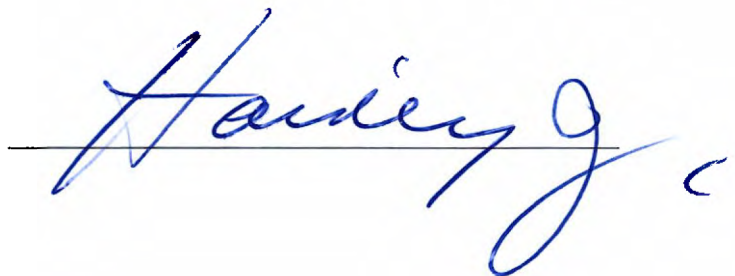
6. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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.

7. **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.

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

JAN 27 2020

PER / PAR: 





APPENDIX "D"

Court File No.: CV-19-00627187-00 CL

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

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,  
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended**

**B E T W E E N :**

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**SECOND REPORT OF THE RECEIVER**  
**August 13, 2020**

INTRODUCTION ..... 4

TERMS OF REFERENCE ..... 7

ACTIVITIES OF THE RECEIVER ..... 8

SALE PROCESS ..... 8

    Marketing Process and Offers Received..... 8

DISTRIBUTION OF PURCHASE PRICE ..... 12

DISCLAIMER OF PURCHASER AGREEMENTS ..... 15

    RECEIVER’S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS..... 17

FEES AND DISBURSEMENTS OF THE RECEIVER AND COUNSEL ..... 17

CONCLUSION..... 18

### INDEX TO SCHEDULES

TAB	DOCUMENT
Appendix "A"	Receivership Order dated September 13, 2019
Appendix "B"	Further Order dated January 27, 2020
Confidential Appendix 1	C&W Report
Appendix "C"	Copies of the Brochures, the NRU Advertisement, the Sing Tao Advertisement and the G&M Advertisements
Confidential Appendix 2	Summary of Offers prepared by C&W
Confidential Appendix 3	Summary of Offers prepared by C&W
Confidential Appendix 4	Sale Agreement
Confidential Appendix 5	Assignment Agreement
Confidential Appendix 6	Amendment to the Sale Agreement dated July 20, 2020
Confidential Appendix 7	Amendment to the Sale Agreement dated August 5, 2020
Appendix "D"	Payout Statement from 2478888 Ontario Inc.
Appendix "E"	Payout Statement from 2615333 Ontario Inc.
Appendix "F"	Redacted summary of the deposits currently held by Harris Sheaffer, removing personal information of the Individual Purchasers
Appendix "G"	Deposit Trust Agreement
Appendix "H"	Deposit Protocol
Appendix "I"	Receiver's interim statement of receipts and disbursements for the period September 13, 2019 to July 31, 2020
Confidential Appendix 8	Summary of Sources and Uses - Amounts Payable on Closing
Appendix "J"	Fee Affidavit of Bryan A. Tannenbaum (RSM) sworn August 5, 2020
Appendix "K"	Fee Affidavit of Rebecca L. Kennedy (TGF) sworn August 10, 2020
Appendix "L"	Fee Affidavit of Joseph Fried (Foglers) sworn August 6, 2020



## INTRODUCTION

1. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 13, 2019 (the “**Receivership Order**”), RSM Canada Limited (“**RSM**”) was appointed receiver (the “**Receiver**”) of all property, assets and undertakings (collectively, the “**Property**”) of 3070 Ellesmere Developments Inc. (the “**Debtor**”). By Endorsement dated September 13, 2019 the Receivership Order was held in abeyance and became effective two weeks later, on September 27, 2019. A copy of the Receivership Order is attached hereto as **Appendix “A”**.
2. An appeal of the Receivership Order was brought by the Debtor in mid-October 2019, which resulted in certain steps being required in this proceeding to advise the Court and stakeholders of the existence of the appeal and the effect on the intended sale process. Upon receiving notice of the appeal and while the appeal was pending, no steps were taken by the Receiver to carry out its duties pursuant to the Receivership Order, including in respect of the marketing or sale of the Property. A motion to quash the appeal was brought by 247888 Ontario Inc., the Applicant in this receivership proceeding and the respondent in the appeal. The appeal of the Receivership Order was quashed by Order of the Court of Appeal for Ontario dated January 7, 2020. Further information regarding the appeal and the Order of the Court of Appeal is set out in the Receiver’s first report to the Court dated January 20, 2020 (the “**First Report**”).
3. The Receivership Order authorizes the Receiver to, among other things:
  - (a) 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) enter into any agreements, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor in relation to the Property; and
  - (c) market 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 to the exclusion of all other Persons.

4. The First Report provided information on the quashing of the appeal and certain steps that had been taken by the Debtor and its principal Mr. Liu, and sought, *inter alia*:
  - (a) authority for the Receiver to make an assignment in bankruptcy on behalf of the Debtor with RSM being named as trustee in bankruptcy, if such step was deemed necessary or appropriate by the Receiver; and
  - (b) an order prohibiting the Debtor and its principal, Mr. Liu, and anyone acting on its, his or their behalf, from: (a) holding themselves out as having any capacity whatsoever to deal with the Property, including the real property municipally known as 3070 Ellesmere Road, Scarborough (the “**Real Property**”), (b) negotiating, as vendor, any terms for a sale of the Real Property, (c) engaging, as vendor, with any third parties with respect to a sale of the Real Property, (d) taking any steps to delay or hinder the Receiver’s sole and exclusive power to sell the Real Property pursuant to the Receivership Order; or (e) taking any steps whatsoever with respect to any Property of the Debtor, including but not limited to the commencement or continuation of litigation.
5. The First Report was filed as a result of steps that had been taken by the Debtor’s principal Mr. Liu to engage with parties in respect of a sale of the Real Property, and to address concerns that such conduct might have negative effects on the Receiver’s efforts to sell the Real Property.
6. On January 27, 2020, the Court granted an Order (the “**Further Order**”) which provided that, among other things:
  - (a) no Persons save and except the Receiver and any agent it retains, are permitted to solicit offers for the sale of the Real Property; and

- (b) the Receiver is authorized, but not directed, to file an assignment in bankruptcy on behalf of the Debtor pursuant to the *Bankruptcy and Insolvency Act* (“**BIA**”) and to act as Trustee in Bankruptcy in relation to the bankruptcy of the Debtor.

A copy of the Further Order, is attached as **Appendix “B”**.

- 7. The purpose of the Receiver’s second report (the “**Second Report**”) is to:
  - (a) provide the Court with background and information about the Receiver’s activities since the First Report;
  - (b) report to the Court on the results of the Receiver’s efforts to market and sell the Real Property (the “**Sale Process**”);
  - (c) provide the Court with a summary of the Receiver’s cash receipts and disbursements for the period September 13, 2019 to July 31, 2020 (the “**R&D**”); and
  - (d) seek an Order from the Court:
    - (i) approving the transaction (the “**Transaction**”) detailed in the Agreement of Purchase and Sale between the Receiver and Podium Acquisition Corp. dated May 14, 2020 (the “**Sale Agreement**”), the Assignment and Assumption of Purchase Agreement dated July 20, 2020 (the “**Assignment Agreement**”), between the Receiver, Podium Acquisition Corp. and 3070 Ellesmere LP, by its General Partner 3070 Ellesmere GP Inc., as assignee (such assignee being the “**Purchaser**”), and two agreements dated July 20, 2020 and August 5, 2020 amending the Sale Agreement, and vesting all of the Receiver’s and the Debtor’s right, title and interest, if any, in and to the Purchased Assets (as defined in the Sale Agreement, including the Real Property) in and to the nominee of the Purchaser, 3070 Ellesmere Facility Inc., upon the closing of the Transaction;
    - (ii) approving a distribution of the proceeds of sale representing the Purchase Price (as defined in the Sale Agreement) as set out herein, subject to such

holdback as the Receiver may require to complete its mandate and obtain its discharge pursuant to the Receivership Order;

- (iii) approving the disclaimer of the individual Purchaser Agreements, as defined herein;
- (iv) approving a deposit protocol for the return of the deposits for the terminated Purchaser Agreements;
- (v) approving the R&D;
- (vi) approving this Second Report and the activities of the Receiver set out herein;
- (vii) increasing the amount of the Receiver's Borrowings Charge (as defined in the Receivership Order) by \$255,000, *nunc pro tunc*;
- (viii) approving the fees of the Receiver and its insolvency and litigation counsel, Thornton Grout Finnigan LLP ("TGF") and its real estate counsel Fogler Rubinoff LLP ("Fogler") for the period September 13, 2019 to July 31, 2020; and
- (ix) Sealing the Confidential Appendices.

## TERMS OF REFERENCE

8. In preparing this Second Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the "**Information**"). Certain of the information contained in this Second Report may refer to, or is based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook and,

accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

9. Unless otherwise stated, all monetary amounts contained in this Second Report are expressed in Canadian dollars.

#### **ACTIVITIES OF THE RECEIVER**

10. In addition to the activities described in detail in this Second Report, the Receiver has conducted the following activities since the date of the First Report:
  - (a) solicited bids from various brokers for the listing and sale of the Property and finalized terms with the successful party;
  - (b) arranged for the marketing and solicitation of offers in respect of the Property, negotiated and entered into the Sale Agreement including two amendments, and the Assignment Agreement;
  - (c) coordinated a deposit return protocol in respect of the Purchaser Agreements through its counsel with Tarion and the Surety (as defined below);
  - (d) arranged for certain repairs and maintenance to be completed at the Real Property;
  - (e) participated in communications with stakeholders throughout the Receiver's efforts to market and sell the Property;
  - (f) prepared and filed reports pursuant to Section 246(2) of the BIA; and
  - (g) prepared this Second Report.

#### **SALE PROCESS**

##### **Marketing Process and Offers Received**

11. The Receivership Order authorizes the Receiver to market the Property for sale, including advertising and soliciting offers in respect of the Property.

12. After consulting with 2615333 Ontario Inc., as a subordinate lender under the TCC Charge (defined below), and 2518358 Ontario Inc., as a subsequent mortgagee on the Real Property, the Receiver elected to retain a commercial real estate brokerage to market the Real Property for sale.
13. The Receiver requested listing proposals from four leading commercial real estate brokerages, including CBRE, Colliers International, Avison Young (Canada) Inc., and Cushman & Wakefield ULC (“**C&W**”).
14. Following that competitive process, on February 19, 2020, the Receiver engaged C&W to solicit offers for the purchase of the Property. Pursuant to C&W’s engagement letter with the Receiver, C&W is entitled to a commission upon the successful sale of the Property.
15. C&W formally launched its marketing campaign on March 9, 2020. Interested parties were advised that offers were to be submitted by 5:00 p.m. (EST) on April 27, 2020 (the “**Bid Submission Deadline**”).
16. The Receiver prepared a confidentiality agreement (the “**Confidentiality Agreement**”) and a template form of agreement of purchase and sale to be sent to those parties that executed a Confidentiality Agreement. Confidentiality Agreements were executed by a total of 47 interested parties. The template form of agreement of purchase and sale was prepared by counsel for the Receiver, in order to facilitate a proper comparison of offers that may be received and to minimize the time required to negotiate separate forms of offers with multiple parties, in order to determine the highest and best overall offer.
17. A detailed summary of the marketing activities undertaken by C&W is set out in the Final Marketing Report of C&W to the Receiver dated June 29, 2020 (the “**C&W Report**”), which is attached as **Confidential Appendix 1**. Among other activities set out in the C&W Report, the following activities were performed:
  - (a) the Property was listed on the TREB MLS on March 10, 2020;

- (b) email brochures were sent out to a targeted list of 11,912 prospective purchasers on six separate occasions: March 9, March 11, March 18, March 24, March 31, and April 8, 2020 (collectively, the “**Brochures**”);
- (c) an advertisement was placed on March 11, 2020 in the Greater Toronto & Hamilton Area edition of the real estate publication, *Novae Res Urbis* (“**NRU Advertisement**”);
- (d) advertisements in *The Globe and Mail* newspaper were published on March 10 and 12, 2020 (“**G&M Advertisements**”);
- (e) an advertisement was placed on March 30, 2020 in the Sing Tao Daily publication (the “**Sing Tao Advertisement**”);
- (f) highly visible signage indicating that the Property was being sold by C&W was posted at the Property on March 19, 2020;
- (g) targeted solicitation calls were made to developers and prospective purchasers; and
- (h) an electronic data room was established to provide access to confidential information pertaining to the Real Property to parties who had executed a Confidentiality Agreement.

Copies of the Brochures, the NRU Advertisement, the Sing Tao Advertisement and the G&M Advertisements are attached collectively hereto as **Appendix “C”**.

- 18. By the Bid Submission Deadline, multiple offers were submitted. The Receiver reviewed the offers received, along with a summary of the offers prepared by C&W, a copy of which is attached hereto as **Confidential Appendix 2**.
- 19. After consulting with C&W, the Receiver asked C&W to communicate with the two (2) top bidders to provide them with an opportunity to resubmit improved offers by 5:00 p.m. (EST) on May 8, 2020 (the “**Second Bid Submission Deadline**”).

20. The Receiver and C&W reviewed the state of the offers following the Second Bid Submission Deadline, and C&W prepared a summary of such offers, a copy of which is attached hereto as **Confidential Appendix 3**.
21. After reviewing the two (2) final offers, and following negotiations that resulted in a reduction of the conditional period in the highest offer, made by Podium Acquisition Corp., the Receiver selected such offer as the successful bid (the “**Successful Bid**”). The Successful Bid was conditional for a period of 45 business days from the Receiver’s acceptance thereof (the “**Conditional Period**”). The Sale Agreement was accepted and executed by the Receiver on May 14, 2020. An unredacted copy of the Sale Agreement is attached hereto as **Confidential Appendix 4**.
22. On July 20, 2020, the Receiver, Podium Acquisition Corp., and the Purchaser entered into the Assignment Agreement whereby the rights of Podium Acquisition Corp. under the Sale Agreement were assigned to the Purchaser. Further, on July 20, 2020, and August 5, 2020, the Receiver and the Purchaser entered into amendments of the Sale Agreement. Among other things, the July 20, 2020 amendment extended the closing date of the Transaction to August 27, 2020, and the August 5, 2020 amendment extended the closing date of the Transaction to September 15, 2020. Unredacted copies of the Assignment Agreement, the July 20, 2020 amendment to the Sale Agreement, and the August 5, 2020 amendment to the Sale Agreement, are attached hereto as **Confidential Appendices 5, 6 and 7**, respectively.
23. The Sale Agreement requires that an Approval and Vesting Order (in the form sought on this motion) be granted and contemplates the usual mechanism requiring the Receiver to deliver to the Purchaser a Certificate of the Receiver (in the form attached to the form of Approval and Vesting Order sought on this motion) which will certify that all of the conditions in the Sale Agreement have been satisfied or waived, and that the balance of the Purchase Price (as defined in the Sale Agreement), has been paid in full by the Purchaser.
24. On July 20, 2020, the Purchaser waived the due diligence condition under the Sale Agreement. The closing date for the Transaction is expected to be on or about September 15, 2020. Upon the conditional period expiring, the Receiver and its counsel worked with



the Purchaser's counsel to coordinate a closing of the Transaction, subject to the availability of the Court and the Purchaser and certain scheduling matters.

### **THE SALE PROCESS**

25. The Receiver is of the view that the Sales Process, as described above, was robust and appropriate to obtain the best transaction capable of being completed in the circumstances.
26. The Real Property has been marketed by the Receiver and its agent since March, 2020 and there were previous attempts by the Debtor to market and sell the Property prior to the commencement of these receivership proceedings.
27. The Sale Process was robust, with 47 executed Confidentiality Agreements, and multiple offers submitted.
28. The final bidders participated in a second round of bidding before the Successful Bid was selected.
29. The Real Property was adequately exposed to the market and the Successful Bid represents the best offer in the circumstances. The Purchase Price is all cash and provides the greatest cash recovery available.
30. The Receiver seeks an order sealing Confidential Appendices 1-8, inclusive (the "**Confidential Appendices**"). The Confidential Appendices contain commercially sensitive information about the bids received and the purchase price obtained for the Real Property. In the Receiver's view, this information should remain confidential until such time as the Transaction closes. In the event that the Sale Agreement fails to close and the Real Property needs to be re-marketed, the disclosure of the commercially sensitive information in the Confidential Appendices could be prejudicial to any future sale process that may be required.

### **DISTRIBUTION OF NET SALE PROCEEDS**

31. As set out in the Application Record in support of the Receivership Order, on or about August 19, 2016, pursuant to a Mortgage Loan Commitment issued by Toronto Capital

Corp. (in Trust) (“TCC”), TCC made a mortgage loan available to the Debtor in the principal amount of \$5,000,000, plus interest and costs (the “TCC Mortgage Loan”).

32. The Debtor granted TCC a second-ranking charge in the principal amount of \$5,000,000 over the Real Property (the “TCC Charge”). The TCC Charge was registered against title to the Real Property and was subsequently assigned to 2478888 Ontario Inc. (“247”), as described below.
33. In January 2018, 247 made an advance by way of a protective disbursement in the amount of \$5,218,766.21 (the “Protective Disbursement”) to repay the first-ranking mortgage registered on title to the Real Property (the “First Mortgage”), under which the Debtor had defaulted. The First Mortgage was discharged by a discharge of charge registered on October 10, 2018 as Instrument No. AT4978494. The Protective Disbursement was added to the indebtedness secured by the TCC Charge pursuant to the terms thereof.
34. On May 18, 2018, 247 sold its beneficial interest in the TCC Mortgage Loan to 2615333 Ontario Inc. (“261”). However, pursuant to the Inter-Lender Agreement referred to in paragraph 16 of the Affidavit of Henry Goldberg, sworn September 11, 2019, filed in support of the Receivership Order, 247 retained a priority position with respect to its entitlement to be repaid in respect of the Protective Disbursement.
35. As at September 15, 2020, the amount owing under the TCC Charge is as follows,
  - (a) first, the amount of \$8,463,937.10 is owing to 247 in respect of the Protective Disbursement, inclusive of interest and costs and advances by way of borrowings made to the Receiver. A payout statement showing the amount owing to 247, inclusive of interest and costs and Receiver’s Certificates, is attached as **Appendix “D”**, and
  - (b) second, the amount of is \$7,781,321.79 is owing to 261 in respect of the TCC Mortgage, inclusive of interest and costs. A payout statement showing the amount owing to 261, inclusive of interest and costs, is attached as **Appendix “E”**.

36. The net proceeds of sale of the Real Property will not be sufficient to fully repay the indebtedness of the Debtor to 261, and no amounts will be available to creditors of the Debtor with subordinate priority to 261.
37. The Receiver has retained independent counsel who has provided an opinion to the Receiver which, subject to standard assumptions and qualifications contained therein, concludes that the TCC Charge creates a valid and enforceable security interest in the Real Property for the Protective Disbursement, plus interest and costs (the latter of which includes professional fees and disbursements and advances made to the Receiver), and for the TCC Mortgage Loan, plus interest and costs (including professional fees and disbursements). Such opinion also concludes that pursuant to the Inter-Lender Agreement between 247 and 261, 247 is entitled to be repaid in priority to 261.
38. Based on payout statements received from 247 and 261, and subject to retaining an amount by way of a holdback to address any outstanding issues that may arise and to obtain a discharge of the Receiver, the Receiver proposes to distribute the net proceeds of sale as follows:
  - (a) first, the commission payable to C&W due upon the successful sale of the Real Property;
  - (b) second, the amount of \$8,463,937.10 to 247, which amount includes advances to the Receiver plus interest and fees; and
  - (c) third, up to the maximum amount of \$7,781,321.79 to 261, in such instalments from time to time as the Receiver may determine without further order of this Court.
39. The Receiver has determined that some further disbursements will be incurred to settle post-closing adjustments, any unpaid operating expenses and professional fees for the period after July 31, 2020 (the “**Post-Closing Obligations**”).
40. The Receiver therefore intends, subject to this Court’s approval, to pay all amounts due to 247 in respect of the Protective Disbursement, plus interest and costs, then pay the balance of the net sale proceeds of the Transaction, less the Post-Closing Obligations, to 261 for

amounts due in respect of the TCC Mortgage Loan, plus interest and costs. Such amounts will be paid to 261 in such installments as the Receiver deems appropriate as the Post-Closing Obligations become more certain. For example, as at August 4, 2020, a Tax Lien in favour of Her Majesty the Queen in Right of Canada as represented by The Minister of National Revenue (“**HMQ**”) was registered on title to the Real Property. The Receiver has spoken with representatives of HMQ and was advised that the Tax Lien will be removed from title to the Real Property, however, to date the Receiver is not aware that the Tax Lien has been de-registered.

41. As noted above, in any event, the net sale proceeds will not be sufficient to repay 261 in respect of the TCC Mortgage Loan, plus interest and costs, and 261 will incur a deficiency. There will be no amounts available for distribution to any other subordinate mortgagees or other creditors of the Debtor.

#### **DISCLAIMER OF INDIVIDUAL PURCHASER AGREEMENTS**

42. Prior to the commencement of the receivership proceeding, the Debtor had entered into binding agreements of purchase and sale (“**Purchaser Agreements**”) with purchasers (the “**Individual Purchasers**”) for individual condominium units to be constructed on the Real Property. The Individual Purchasers had paid deposits to the Debtor, in accordance with the Purchaser Agreements, and all deposit funds were deposited into a trust account with Harris Sheaffer LLP (“**Harris Sheaffer**”).
43. The Receiver understands that prior to its appointment, the Debtor had entered into mutual releases with a number of Individual Purchasers, and had subsequently arranged for those Individual Purchaser’s deposits to be returned, in full.
44. Harris Sheaffer has advised the Receiver that as of the date of the Receiver’s appointment, a balance of \$1,055,384.15 remained in its trust account, representing unreturned deposits paid by 22 Individual Purchasers. Interest has continued to accrue on these amounts. A copy of a redacted summary of the deposits currently held by Harris Sheaffer, removing personal information of the Individual Purchasers, is attached hereto as **Appendix “F”**.

45. The funds held by Harris Sheaffer are held pursuant to a Deposit Trust Agreement. Paragraph 4.1 of the Deposit Trust Agreement governs the return of the funds. A copy of the Deposit Trust Agreement is attached hereto as **Appendix “G”**.
46. The Deposit Agreement requires the following steps to be completed in order for Harris Sheaffer to return the funds:
  - (a) the Debtor is to make a written request of Aviva Insurance Company of Canada (the “**Surety**”) providing that an Individual Purchaser (as defined in the Deposit Agreement) is entitled to a full or partial refund of their Deposit(s) and to provide such evidence as the Surety may reasonably require to confirm same;
  - (b) the Individual Purchaser must sign a release in favour of the Debtor, the Surety, Tarion Warranty Corporation, and Harris Sheaffer in a form approved by the Surety; and
  - (c) the Surety will deliver a written direction to Harris Sheaffer instructing it to issue a cheque, payable to the named Individual Purchaser, in the amount of the refund, plus applicable interest.
47. As the Purchaser Agreements will not be assigned or assumed as part of the Transaction pursuant to the Sale Agreement, there is no possibility that they will be completed by the Debtor, the Receiver or the Purchaser of the Real Property. As such, it is appropriate at this time to terminate the contracts so that the deposits may be returned by Harris Sheaffer and the surety bond may be released.
48. In this regard, the Receiver, through its counsel, has worked with counsel to Tarion Warranty Corporation and the Surety to prepare a deposit protocol that will see the deposits paid by the Individual Purchasers returned to them upon satisfaction of the conditions set out therein. A copy of the deposit protocol is attached as **Appendix “H”**.
49. The Deposit Trust Agreement permits the return of the deposits to the Purchasers if the Purchase Agreements are terminated. As the Purchase Agreements will not be assigned as part of the Sale Agreement, there is no possibility that they could be completed by the

Debtor or the Receiver. None of the Individual Purchasers have an interest in the Real Property as reflected by the parcel register. The Receiver believes that it is appropriate at this time to disclaim the individual Purchase Agreements to permit the return of the deposits to the Purchasers, and seeks this Court's order approving its disclaimer of such individual Purchase Agreements.

#### **RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS**

50. Attached as **Appendix "I"** is the Receiver's interim statement of receipts and disbursements for the period September 13, 2019 to July 31, 2020 (the "**R&D**"). During this period, total cash receipts were \$501,877 (excluding the deposit received from the Purchaser in respect of its purchase of the Real Property which is not included on the R&D), and total disbursements were \$425,959, resulting in a net cash balance of \$75,919.
51. As set out in the R&D, the Receiver has paid property taxes and other amounts owing in respect of the Real Property. These amounts would have otherwise been paid upon the closing of the Transaction in priority to the proposed disbursements to 247 and 261, and the amount paid for taxes would have then been available to pay for the Receiver's professional fees. Interest would have continued to accrue on the unpaid property taxes and interest has not been charged on the unpaid professional fees which have accrued. The Receiver therefore seeks an order, *nunc pro tunc*, increasing the amount that the Receiver is authorized to borrow and the Receiver's Borrowing Charge by \$255,000.
52. Attached as **Confidential Appendix 8** is a document prepared by the Receiver to assist the Court and sets out the amounts that comprise the \$255,000 requested borrowing. This document shows all advances to the Receiver to date and all funds expected to be received up to and including closing, as well as how such amounts have been, and will be, disbursed up to and upon closing.

#### **FEES AND DISBURSEMENTS OF THE RECEIVER AND COUNSEL**

53. Pursuant to paragraph 17 of the Receivership Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges, incurred both before and after the making of the Receivership Order. Pursuant to paragraph 18 of

the Receivership Order, the Receiver and its counsel shall pass their accounts before the Court, but are entitled to be paid prior to Court approval.

54. The total fees for the Receiver for the period September 4, 2019 to July 31, 2020 were \$114,669.50, plus HST of \$14,907.04, for a total of \$129,576.54. The time spent by the Receiver is more particularly described in the Fee Affidavit of Bryan A. Tannenbaum sworn August 5, 2020, which is attached hereto as **Appendix “J”**.
55. The total fees of TGF for the period September 27, 2019 to July 31, 2020, were \$195,745.00, plus disbursements of \$3,452.15, plus HST of \$25,769.79, for a total of \$224,966.94. The time spent by TGF is more particularly described in the Fee Affidavit of Rebecca L. Kennedy sworn August 7, 2020, which is attached hereto as **Appendix “K”**.
56. The total fees of Fogler for the period October 6, 2019 to July 31, 2020, were \$51,334.85, plus disbursements of \$2,010.10, plus HST of \$6,869.13, for a total of \$60,214.08. The time spent by Fogler is more particularly described in the Fee Affidavit of Joseph Fried sworn August 6, 2020, which is attached hereto as **Appendix “L”**.
57. The Receiver has reviewed the accounts issued by TGF and Fogler and finds them reasonable for the work undertaken.

## **CONCLUSION**

58. Based on the foregoing, the Receiver respectfully requests that the Court grant the orders described in paragraph 7(d) above.

All of which is respectfully submitted to this Court as of this 13<sup>th</sup> day of August, 2020.

**RSM Canada Limited**, solely in its capacity as Court-appointed  
Receiver of 3070 Ellesmere Developments Inc.,  
and not in its personal or corporate capacity

Per:

Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT  
President

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

2478888 ONTARIO INC.

- and -

3070 ELLESMERE DEVELOPMENTS INC.

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**SECOND REPORT OF THE RECEIVER  
(August 132020)**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**

Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**

Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

**Alexander Soutter (LSO#72403T)**

Tel: (416) 304-0595 / Email: [asoutter@tgf.ca](mailto:asoutter@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver



APPENDIX "E"

Court File No.: CV-19-00627187-00 CL

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

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,  
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended**

**B E T W E E N :**

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**SUPPLEMENTAL REPORT TO THE SECOND REPORT OF THE RECEIVER**  
**September 2, 2020**

**TABLE OF CONTENTS**

INTRODUCTION ..... 3

PURPOSE OF SUPPLEMENTAL REPORT ..... 3

ALLEGED TRUST CLAIM..... 4

REVISED ORDER ..... 6

CONCLUSION..... 7

**INDEX TO APPENDICES**

Appendix A	Pleadings in the Alleged Trust Claimant’s action
Appendix B	Revised Draft Order to be Sought
Appendix C	Letter from W. Greenspoon-Soer dated September 2, 2020

## INTRODUCTION

1. Pursuant to the Receivership Order made by Justice Hainey on September 13, 2019, RSM Canada Limited was appointed Receiver of all Property of 3070 Ellesmere Developments Inc. (the “**Debtor**”).<sup>1</sup>

## PURPOSE OF SUPPLEMENTAL REPORT

2. The Second Report was filed in connection with a motion brought by the Receiver returnable on Thursday, September 3, 2020 to, *inter alia*:
  - (a) provide the Court with an update as to the Receiver’s activities since the First Report;
  - (b) report to the Court on the results of the Sale Process;
  - (c) provide the Court with a summary of the Receiver’s R&D; and
  - (d) seek an Order from the Court:
    - (i) approving the Transaction, the Sale Agreement, and the Assignment Agreement and seeking an Approval and Vesting Order in respect of the Real Property;
    - (ii) approving a distribution of the proceeds of sale of the Real Property, subject to such holdback as the Receiver may require to complete its mandate and obtain its discharge pursuant to the Receivership Order;
    - (iii) approving the disclaimer of the individual Purchaser Agreements and a deposit protocol for the return of the deposits in respect of the Purchaser Agreements;

---

<sup>1</sup> Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Second Report of the Receiver dated August 13, 2020 (the “**Second Report**”).

- (iv) approving the R&D, the Second Report and the activities of the Receiver set out therein, and the fees of the Receiver and its insolvency and litigation counsel, TGF and its real estate counsel Fogler for the period September 13, 2019 to July 31, 2020;
  - (v) increasing the amount of the Receiver's Borrowings Charge (as defined in the Receivership Order) by \$255,000, *nunc pro tunc*; and
  - (vi) sealing the Confidential Appendices.
3. The purpose of this supplement to the Second Report (the "**Supplemental Second Report**") is to provide the Court with an update in connection with certain communications that have taken place and correspondence that has been received since the Second Report was served and filed.
  4. This Supplemental Report should be read in conjunction with the Second Report, including the Terms of Reference set out therein.

#### **ALLEGED TRUST CLAIM**

5. At 10:34 pm on August 31, 2020, an email was set to the Service List by counsel to Xiuhong Du, Yunduan Chen and Guohua Xu (the "**Trust Claim Plaintiffs**"). The email enclosed the pleadings in an action commenced by the Trust Claim Plaintiffs (attached hereto collectively as Appendix "A"), as well as written submissions (purporting to give unsworn evidence) made on behalf of the Trust Claim Plaintiffs. The Receiver is unaware of whether the Trust Claim Plaintiffs have filed their written submissions with the Court.
6. The Trust Claim Plaintiffs request that the Receiver hold in reserve the amount of \$2,323,523.13 from the net proceeds of sale resulting from the Transaction on the basis that they have asserted a right to a constructive trust over the Real Property, and that if successful, such amount would not form part of the Debtor's estate.
7. The Trust Claim Plaintiffs have not, however, filed any evidence on this motion in respect of the appropriateness of such relief, or in support of an alleged trust claim.

8. Prior to the August 31, 2020 email, the Receiver had not been contacted by the Trust Claim Plaintiffs, nor their counsel, nor had any evidence to support the Trust Claim Plaintiffs' claim been shared with the Receiver. The only communication to date in respect of the Trust Claim Plaintiffs with the Receiver is the following:
  - (a) an October 10, 2019, letter to counsel to the Trust Claim Plaintiffs from the Receiver's counsel advising of the stay of proceedings and enclosing a copy of the Receivership Order which clearly defined the Property over which the Receiver was appointed, and was authorized by Court Order to sell;
  - (b) an April 1, 2020, request of the Receiver by counsel to the Trust Claim Plaintiffs that they be added to the Service List, which the Receiver did; and
  - (c) on August 27, 2020, a short telephone call between counsel where the Trust Claim Plaintiffs' counsel asked for the Receiver's position on their claims. As the Receiver had not received any evidence filed in support of such claims, no position was provided.
9. Since receiving notice of this receivership on October 10, 2019, the Trust Claim Plaintiffs have not brought any motion within this receivership proceeding seeking to advance their claims against the Real Property or any proceeds of sale, have delivered no evidence to the Receiver or to the Court in support of the requested holdback of funds, and have not taken any other steps to the Receiver's knowledge to advance such claims.
10. Upon receiving the Trust Claim Plaintiff's email and attachments referenced above, the Receiver made inquiries of 247 and 261 (the secured creditors whose advances are secured by the first-ranking charge registered on title to the Real Property, and who are the intended recipients of the proceeds of sale of the Real Property pursuant to the Order sought) regarding the Trust Claim Plaintiffs' claims. Each has confirmed in writing to the Receiver that they had no knowledge or notice of the allegations of the Trust Claim Plaintiffs, had no notice of the Trust Claim Plaintiffs' prior motion seeking a certificate of pending litigation, and did not receive copies of the Order granting leave to issue a certificate of pending litigation ("CPL") after it was made. In particular, the prior mortgagees had no

notice of any allegations made by the Trust Claim Plaintiffs prior to advancing funds under their mortgage.

11. Upon receiving the email above from the Trust Claim Plaintiffs on August 31, 2020 at 10:34 pm, the Receiver's counsel requested a copy of and reviewed the Motion Record and Factum filed in support of the Trust Claim Plaintiffs' prior motion for a CPL. No discussion of any intended or potential impact of the CPL on 247 or 261's rights under the first ranking mortgage is made therein, the prior mortgagee is not named as a party in such action, no relief as it affects the mortgagees was sought or obtained, and the CPL was registered on title to the Real Property after the date that the mortgage was registered (again, with no notice to the prior mortgagee).
12. Subject to this Court's direction, the Receiver does not propose to hold back any amount from the net proceeds of the sale resulting from the Transaction on account of the Trust Claim Plaintiffs' alleged claims.
13. The Receiver expresses no view on the claims made by the Trust Claim Plaintiffs against the defendants named in its action, or the right of the Trust Claim Plaintiffs to pursue such claims against any party. Nor is the Order sought by the Receiver at Appendix "B" intended to affect the Trust Claim Plaintiffs' right to continue to assert such claims. The Order sought by the Receiver, including the proposed distributions to be made thereunder, are based on the registered mortgage interests as reflected on the title search to the Real Property and the absence of evidence to suggest that a prior interest in favour of any other party has been established.
14. On September 2, 2020, the Receiver's counsel received a letter from counsel to 261 wherein 261: **(a)** confirms having no prior knowledge of the Trust Claim Plaintiffs' allegations, **(b)** states its position that the Trust Claim Plaintiffs hold unsecured claims ranking behind the secured claims of the mortgagees, and **(c)** consents to the holdback contemplated by the draft order attached as Appendix "B" (described in paragraph 16). A copy of this letter is attached as Appendix "C".

**REVISED ORDER**

15. In the Receiver's Motion Record, the Receiver presented two draft orders in respect of the relief sought: one Approval and Vesting Order (the "AVO"), and another order dealing with the balance of the relief sought, including the proposed distributions.
16. No issue has been raised with respect to the AVO. The Receiver respectfully requests that this Court grant the AVO as filed.
17. Certain stakeholders raised an issue with the inclusion of three months' interest and certain default fees in the payout statements prepared by 247 and 261. The Receiver discussed these concerns with 247 and 261 and, at the request of the stakeholders and with the consent of 247 and 261, the Receiver amended the draft Order in accordance with Appendix "B" herein, to hold back such amounts from the distributions, to allow the issue to be resolved among the stakeholders or be subject to further Court order. The Receiver notes that, given the deficiency to be incurred by 261, even if such amounts were not paid to 247 or 261, there would be no amounts available for distribution to any other creditor.

**CONCLUSION**

18. The Receiver respectfully requests the relief set out in the Second Report and in this Supplemental Second Report.

All of which is respectfully submitted to this Court as of this 2<sup>nd</sup> day of September, 2020.

**RSM Canada Limited**, solely in its capacity as Court-appointed  
Receiver of 3070 Ellesmere Developments Inc.,  
and not in its personal or corporate capacity

Per:



Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT  
President



IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

2478888 ONTARIO INC.

- and -

3070 ELLESMERE DEVELOPMENTS INC.

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**SUPPLEMENT TO THE SECOND REPORT OF THE RECEIVER  
(September 2, 2020)**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**

Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**

Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

**Alexander Soutter (LSO#72403T)**

Tel: (416) 304-0595 / Email: [asoutter@tgf.ca](mailto:asoutter@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

APPENDIX "F"



Canada Revenue Agency  
Agence du revenu  
du Canada

Tax Centre  
Hamilton ON L8R 3P7

August 25, 2020

RSM CANADA LIMITED  
RSM PLACE  
11 KING ST. WEST, SUITE 700  
TORONTO ON M5H 4C7

Account Number  
82422 1634 RT0001

Dear Jeffrey Berger:

Subject: 3070 ELLESMERE DEVELOPMENTS INC.

We understand that you have been appointed receiver or receiver-manager (receiver) for the above GST/HST registrant. Currently, the registrant owes goods and services tax / harmonized sales tax (GST/HST) of \$49,045.21.

Period outstanding -----	GST/HST payable -----	Penalty & interest -----	Total -----
2019-06-03	\$43,073.97	\$5,971.24	\$49,045.21

Under the Excise Tax Act, \$43,073.97 of the above totals represents property of the Crown held in trust and does not form part of 3070 ELLESMERE DEVELOPMENTS INC.'s property, business, or estate. This is the case whether or not those funds are kept separate and apart from the registrant's own money or from the estate's assets.

You must pay the Receiver General for Canada \$43,073.97 out of the realization of any property subject to the trust created by subsection 222(3) of the Act before paying any other creditor. Please send us your payment right away. If this is not possible, please tell us when you will make the payment. Also, please tell us when you will pay the remaining balance of \$5,971.24.

.../2



National Insolvency Office  
55 Bay Street North  
Hamilton ON L8R 3P7

Local: 905-570-7075  
Toll Free: 1-855-630-8851  
Fax: 905-570-8247  
Web site: [canada.ca/taxes](http://canada.ca/taxes)

As a receiver, you must collect and remit the registrant's GST/HST for the period you are acting as a receiver. You also must file the registrant's returns for any periods ending while you were acting as receiver. This includes any returns the registrant did not file for a period ending in or immediately before the fiscal year you became receiver.

For more information or clarification, please call us at 905-570-7075.

Yours truly,

A handwritten signature in blue ink, appearing to be 'K. Figaszewska', written over a light blue rectangular background.

K. Figaszewska 1213  
Insolvency Officer

APPENDIX "G"

**RSM Canada Limited**  
**Court-Appointed Receiver of 3070 Ellesmere Developments Inc.**  
**Interim Statement of Receipts and Disbursements**  
**for the period September 13, 2019 to September 30, 2022**

**Receipts**

Sale of Land	\$	15,000,000
Advance from Secured Creditor		500,000
HST Refund		132,512
Interest		8,060
Total Receipts	\$	<u>15,640,572</u>

**Disbursements**

Commission - Cushman & Wakefield	\$	337,500
Property Taxes		189,806
Repairs & Maintenance		92,325
Interest - Receiver's Borrowings		63,625
Consulting Fees - PGL - Environmental		25,150
Insurance		5,850
Miscellaneous		2,670
Legal Fees		364,429
Receiver's Fees		206,843
HST		133,387
Total Disbursements	\$	<u>1,421,585</u>

**Excess of receipts over disbursements**

\$ 14,218,987

Less: Payment to Secured Creditors (Note 1) (13,668,160)

**Cash on hand**

\$ 550,827

**Notes:**

1. Payments to Secured Creditors are as follows:

2478888 Ontario Inc.	\$	7,918,160
2615333 Ontario Inc.		5,750,000
Total Payments to Secured Creditors	\$	<u><u>13,668,160</u></u>

APPENDIX "H"

Court File No.: CV-19-00627187-00 CL

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

BETWEEN:

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**AFFIDAVIT OF BRYAN A. TANNENBAUM**  
**(Sworn on October 13, 2022)**


I, BRYAN A. TANNENBAUM, of the City of Toronto, in the Province of Ontario,  
**MAKE OATH AND SAY AS FOLLOWS:**

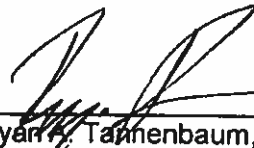
1. I am the President of RSM Canada Limited (“**RSM**”) and, as such, I have personal knowledge of the matters to which I hereinafter depose, save and except those matters based upon information and belief, in which case I have stated the source of such facts, all of which I verily believe to be true.
2. Pursuant to the order of the Court dated September 13, 2019, RSM was appointed receiver (the “**Receiver**”), without security, of all of the assets, undertakings and properties of 3070 Ellesmere Developments Inc. (the “**Company**”) acquired for, or used in relation to a business carried on by the Company, including all proceeds thereof.
3. Details of the Receiver’s activities are set out in the Receiver’s Third Report to the Court.



4. Attached hereto and marked as Exhibit "A" to this my affidavit is a summary of the fees charged and periodic accounts rendered by the Receiver in respect of the proceedings for the period August 1, 2020 to September 30, 2022, and estimated to completion. Copies of the interim invoices which are referred to in the summary are appended to this affidavit as Exhibit "B".
5. In the course of its administration of the receivership during the period August 1, 2020 to September 30, 2022, and excluding the estimated fees to complete its administration, the Receiver's staff expended 213.1 hours of time in respect of the receivership administration, which aggregates to fees of \$97,566.50 plus HST. The Receiver's average hourly billing rate was \$457.84.
6. To the best of my knowledge, the rates charged by the Receiver throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Greater Toronto Area for the provision of similar services.
7. I verily believe that the Receiver's accounts are fair and reasonable in the circumstances.
8. I make this affidavit in support of a motion for an Order approving the Receiver's fees and disbursements and for no other or improper purpose.


SWORN BEFORE ME remotely by )  
 Bryan A. Tannenbaum, stated as being )  
 located at the City of Toronto in the )  
 Province of Ontario, before me at the )  
 City of Vaughan in the Province of )  
 Ontario, on October 13, 2022, in )  
 accordance with O. Reg 431/20, )  
 Administering Oath or Declaration )  
 Remotely. )

  
 \_\_\_\_\_  
 A Commissioner, etc.  
 Jennifer Starn

  
 \_\_\_\_\_  
 Bryan A. Tannenbaum, FCPA, FCA, CIRP, LIT

**EXHIBIT "A"**

**THIS IS EXHIBIT "A" REFERRED TO IN THE  
AFFIDAVIT OF BRYAN A. TANNENBAUM SWORN  
BEFORE ME REMOTELY, THIS 13<sup>th</sup> DAY OF OCTOBER, 2022**


  
\_\_\_\_\_  
A Commissioner, etc.

**In the Matter of the Receivership of  
3070 Ellesmere Developments Inc.  
Summary of Receiver's Fees  
for the Passing of Accounts Period**

Invoice #	Invoice Date	Period	Hours	Fees	HST	Total	Average Hourly Rate
8	September 2, 2020	August 1, 2020 to August 31, 2020	36.8	\$ 16,979.50	\$ 2,207.34	\$ 19,186.84	\$ 461.40
9	October 30, 2020	September 1, 2020 to September 30, 2020	97.5	48,567.50	6,313.78	54,881.28	\$ 498.13
10	November 24, 2020	October 1, 2020 to October 31, 2020	4.3	1,745.00	226.85	1,971.85	\$ 405.81
11	December 10, 2020	November 1, 2020 to November 30, 2020	5.2	2,514.50	326.89	2,841.39	\$ 483.56
12	March 11, 2021	December 1, 2020 to February 28, 2021	8.5	3,397.00	441.61	3,838.61	\$ 399.65
13	April 26, 2021	March 1, 2021 to March 31, 2021	9.3	5,060.50	657.87	5,718.37	\$ 544.14
14	November 1, 2021	April 1, 2021 to October 31, 2021	24.1	7,071.50	919.30	7,990.80	\$ 293.42
15	March 4, 2022	November 1, 2021 to February 28, 2022	8.2	3,550.50	461.57	4,012.07	\$ 432.99
16	August 12, 2022	March 1, 2022 to July 31, 2022	7.8	3,287.50	427.38	3,714.88	\$ 421.47
17	October 7, 2022	August 1, 2022 to September 30, 2022	11.4	5,393.00	701.09	6,094.09	\$ 473.07
Total fees to September 30, 2022			213.1	97,566.50	12,683.65	110,250.15	\$ 457.84
Estimated fees to completion				20,000.00	2,600.00	22,600.00	
<b>Total</b>				<b>\$117,566.50</b>	<b>\$15,283.65</b>	<b>\$132,850.15</b>	

**EXHIBIT "B"**

**THIS IS EXHIBIT "B" REFERRED TO IN THE  
AFFIDAVIT OF BRYAN A. TANNENBAUM SWORN  
BEFORE ME REMOTELY, THIS 13<sup>th</sup> DAY OF OCTOBER, 2022**

  
\_\_\_\_\_  
A Commissioner, etc.



GST/HST: 80784 1440 RT0001

**RSM CANADA LIMITED**  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** September 2, 2020

**Client File** 7873881

**Invoice** 8

**No.** 6106186

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period August 1, 2020 to August 31, 2020.

Date	Professional	Description
08/04/2020	Daniel Weisz	Process electronic payment.
08/04/2020	Bryan Tannenbaum	Various emails between counsel re payout statements; receipt and review of offer comparisons and discussion with J. Berger; approve property tax payment.
08/04/2020	Jeff Berger	Review of property tax account and arrange for payment of arrears; correspond with A. Soutter of Thornton Grout Finnigan LLP ("TGF") and provide appendices to Receiver's Second Report; review offer history and discuss same with B. Tannenbaum.
08/05/2020	Daniel Weisz	Commission affidavit of fees.
08/05/2020	Bryan Tannenbaum	Receipt and review of Fogler Rubinoff LLP ("Fogler") email to J. Lee re her client's accounting for Court report; receipt and review of Fogler email re comments on vesting order; review sale documents, etc.
08/05/2020	Anne Baptiste	Process disbursements.
08/05/2020	Jeff Berger	Receipt and review of blacklined changes to Receiver's Second Report from TGF; provide comments on same; prepare payout statement for Receiver Certificate #1 and forward to H. Goldberg for review; prepare fee affidavit and forward to B. Tannenbaum for review and signature.
08/06/2020	Daniel Weisz	Process electronic payment.
08/06/2020	Bryan Tannenbaum	Receipt and review of Amending Agreement extending closing date to September 15, 2020; execute same and return; supervision.
08/06/2020	Anne Baptiste	Process disbursement.
08/06/2020	Jeff Berger	Call with A. Soutter re 247 payout statement and inclusion of Receiver's borrowings on same; prepare interim statement of receipts and disbursements ("R&D") for Receiver's Second Report through July 31, 2020.

September 2, 2020  
 Invoice 8  
 Page 2

Date	Professional	Description
08/10/2020	Daniel Weisz	Review emails re J. Larry of Paliare Roland Rosenberg Rothstein LLP request and discussion with J. Berger re same; review draft R&D and provide comments to J. Berger.
08/10/2020	Jeff Berger	Review email from J. Larry re request for the Receiver to take action against Ajax property; discuss same with A. Soutter, R. Kennedy of TGF and D. Weisz; respond to TGF that Receiver will not take any action; update R&D and forward to D. Weisz for review.
08/11/2020	Daniel Weisz	Review emails; review draft opinion from Owens Wright LLP and email from TGF in relation to same; review draft sources and uses of funds and discussion with J. Berger on same.
08/11/2020	Jeff Berger	Call with J. Fried and M. Coleman of Fogler re 247's draft payout statement and incorporation of the Receiver's borrowings; draft Sources & Uses schedule for Receiver's Second Report and forward to D. Weisz for review; provide draft Sources & Uses schedule to counsel for review and comment; review comments from D.J. Miller of TGF and respond to same.
08/12/2020	Jeff Berger	Review 247 payout statement and provide comments on same; call with J. Fried re 247 payout statement; receive email from A. Soutter re draft Sources & Uses schedule and respond to same.
08/13/2020	Daniel Weisz	Review various emails; review Mutual Release and Termination Agreement, call with J. Berger on same, and sign same; review updated schedules and discussion with J. Berger on same; review updated statements and discussion with J. Berger on same; review draft report and draft orders and discussion with J. Berger on same; review and sign final report.
08/13/2020	Anne Baptiste	Prepare bank reconciliation.
08/13/2020	Jeff Berger	Revise Sources & Uses schedule and update R&D per discussions with TGF and Fogler; receipt and review of TGF blackline to Receiver's report and draft orders; discuss same with D. Weisz and provide comments to TGF; review 247's payout statement and provide comments to J. Fried re same; review purchaser release and forward to D. Weisz for signature.
08/14/2020	Daniel Weisz	Review email re the Receiver's report and respond thereto.
08/20/2020	Daniel Weisz	Review email from D. Ullmann of Blaney McMurtry LLP ("Blaney"); review email from J. Berger to D.J. Miller re same.
08/20/2020	Jeff Berger	Review email from D. Ullmann and draft response to same; discuss response with D. Weisz and D.J. Miller; conference call with TGF and Fogler to discuss response to D. Ullmann.
08/26/2020	Bryan Tannenbaum	Receipt and review of M. Coleman email re letters of credit, if any, and property taxes; discussion with J. Berger re same; receipt and review of J. Berger's responding email; receipt and review of J. Fried email re pay property taxes on closing; receipt and review of M. Coleman request for copies of tax payments; receipt and review of J. Berger response attaching same.
08/26/2020	Jeff Berger	Provide property tax payment support to counsel, to be used for the statement of adjustments upon closing; review and respond to email from M. Coleman re outstanding letters of credit, if any, and property tax arrears.
08/27/2020	Jeff Berger	Review and respond to email from W. Greenspoon of Garfinkle Bideman LLP re request for further information; call with B. Tannenbaum re same.

September 2, 2020  
 Invoice 8  
 Page 3

Date	Professional	Description
08/28/2020	Bryan Tannenbaum	Review and sign release for unit 2302.
08/28/2020	Jeff Berger	Receipt and review of release form for purchased unit; forward to B. Tannenbaum for signature.
08/31/2020	Bryan Tannenbaum	Receipt and review of M. Young email re status of permits; discuss with J. Berger; receipt and review of J. Berger email response to M. Young; sign suite 2215 deposit release.
08/31/2020	Jeff Berger	Review and respond to email from M. Coleman re permits, licenses, and other documents; email to Cushman & Wakefield to request access to data room for M. Coleman; review release form and forward to B. Tannenbaum for signature.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	6.20	\$ 625	\$ 3,875.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	5.80	\$ 595	3,451.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	24.30	\$ 395	9,598.50
Anne Baptiste	Estate Administrator	0.50	\$ 110	55.00
<b>Total hours and professional fees</b>		<b>36.80</b>		\$ 16,979.50
HST @ 13%				2,207.34
<b>Total payable</b>				<b>\$ 19,186.84</b>

#### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

#### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** September 2, 2020

**Client File** 7873881

**Invoice** 8

**No.** 6106186

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period August 1, 2020 to August 31, 2020.

Date	Professional	Description
08/04/2020	Daniel Weisz	Process electronic payment.
08/04/2020	Bryan Tannenbaum	Various emails between counsel re payout statements; receipt and review of offer comparisons and discussion with J. Berger; approve property tax payment.
08/04/2020	Jeff Berger	Review of property tax account and arrange for payment of arrears; correspond with A. Soutter of Thornton Grout Finnigan LLP ("TGF") and provide appendices to Receiver's Second Report; review offer history and discuss same with B. Tannenbaum.
08/05/2020	Daniel Weisz	Commission affidavit of fees.
08/05/2020	Bryan Tannenbaum	Receipt and review of Fogler Rubinoff LLP ("Fogler") email to J. Lee re her client's accounting for Court report; receipt and review of Fogler email re comments on vesting order; review sale documents, etc.
08/05/2020	Anne Baptiste	Process disbursements.
08/05/2020	Jeff Berger	Receipt and review of blacklined changes to Receiver's Second Report from TGF; provide comments on same; prepare payout statement for Receiver Certificate #1 and forward to H. Goldberg for review; prepare fee affidavit and forward to B. Tannenbaum for review and signature.
08/06/2020	Daniel Weisz	Process electronic payment.
08/06/2020	Bryan Tannenbaum	Receipt and review of Amending Agreement extending closing date to September 15, 2020; execute same and return; supervision.
08/06/2020	Anne Baptiste	Process disbursement.
08/06/2020	Jeff Berger	Call with A. Soutter re 247 payout statement and inclusion of Receiver's borrowings on same; prepare interim statement of receipts and disbursements ("R&D") for Receiver's Second Report through July 31, 2020.



September 2, 2020  
 Invoice 8  
 Page 2

Date	Professional	Description
08/10/2020	Daniel Weisz	Review emails re J. Larry of Paliare Roland Rosenberg Rothstein LLP request and discussion with J. Berger re same; review draft R&D and provide comments to J. Berger.
08/10/2020	Jeff Berger	Review email from J. Larry re request for the Receiver to take action against Ajax property; discuss same with A. Soutter, R. Kennedy of TGF and D. Weisz; respond to TGF that Receiver will not take any action; update R&D and forward to D. Weisz for review.
08/11/2020	Daniel Weisz	Review emails; review draft opinion from Owens Wright LLP and email from TGF in relation to same; review draft sources and uses of funds and discussion with J. Berger on same.
08/11/2020	Jeff Berger	Call with J. Fried and M. Coleman of Fogler re 247's draft payout statement and incorporation of the Receiver's borrowings; draft Sources & Uses schedule for Receiver's Second Report and forward to D. Weisz for review; provide draft Sources & Uses schedule to counsel for review and comment; review comments from D.J. Miller of TGF and respond to same.
08/12/2020	Jeff Berger	Review 247 payout statement and provide comments on same; call with J. Fried re 247 payout statement; receive email from A. Soutter re draft Sources & Uses schedule and respond to same.
08/13/2020	Daniel Weisz	Review various emails; review Mutual Release and Termination Agreement, call with J. Berger on same, and sign same; review updated schedules and discussion with J. Berger on same; review updated statements and discussion with J. Berger on same; review draft report and draft orders and discussion with J. Berger on same; review and sign final report.
08/13/2020	Anne Baptiste	Prepare bank reconciliation.
08/13/2020	Jeff Berger	Revise Sources & Uses schedule and update R&D per discussions with TGF and Fogler; receipt and review of TGF blackline to Receiver's report and draft orders; discuss same with D. Weisz and provide comments to TGF; review 247's payout statement and provide comments to J. Fried re same; review purchaser release and forward to D. Weisz for signature.
08/14/2020	Daniel Weisz	Review email re the Receiver's report and respond thereto.
08/20/2020	Daniel Weisz	Review email from D. Ullmann of Blaney McMurtry LLP ("Blaney"); review email from J. Berger to D.J. Miller re same.
08/20/2020	Jeff Berger	Review email from D. Ullmann and draft response to same; discuss response with D. Weisz and D.J. Miller; conference call with TGF and Fogler to discuss response to D. Ullmann.
08/26/2020	Bryan Tannenbaum	Receipt and review of M. Coleman email re letters of credit, if any, and property taxes; discussion with J. Berger re same; receipt and review of J. Berger's responding email; receipt and review of J. Fried email re pay property taxes on closing; receipt and review of M. Coleman request for copies of tax payments; receipt and review of J. Berger response attaching same.
08/26/2020	Jeff Berger	Provide property tax payment support to counsel, to be used for the statement of adjustments upon closing; review and respond to email from M. Coleman re outstanding letters of credit, if any, and property tax arrears.
08/27/2020	Jeff Berger	Review and respond to email from W. Greenspoon of Garfinkle Biderman LLP re request for further information; call with B. Tannenbaum re same.

September 2, 2020  
 Invoice 8  
 Page 3

Date	Professional	Description
08/28/2020	Bryan Tannenbaum	Review and sign release for unit 2302.
08/28/2020	Jeff Berger	Receipt and review of release form for purchased unit; forward to B. Tannenbaum for signature.
08/31/2020	Bryan Tannenbaum	Receipt and review of M. Young email re status of permits; discuss with J. Berger; receipt and review of J. Berger email response to M. Young; sign suite 2215 deposit release.
08/31/2020	Jeff Berger	Review and respond to email from M. Coleman re permits, licenses, and other documents; email to Cushman & Wakefield to request access to data room for M. Coleman; review release form and forward to B. Tannenbaum for signature.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	6.20	\$ 625	\$ 3,875.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	5.80	\$ 595	3,451.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	24.30	\$ 395	9,598.50
Anne Baptiste	Estate Administrator	0.50	\$ 110	55.00
<b>Total hours and professional fees</b>		<b>36.80</b>		\$ 16,979.50
HST @ 13%				2,207.34
<b>Total payable</b>				<b>\$ 19,186.84</b>

#### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

#### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** October 30, 2020

**Client File** 7873881

**Invoice** 9

**No.** 6161177

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period September 1, 2020 to September 30, 2020.

Date	Professional	Description
09/01/2020	Bryan Tannenbaum	Conference call with Thornton Grout Finnigan LLP ("TGF") (D.J. Miller, A. Soutter, R. Kennedy), Fogler Rubinoff LLP ("Fogler") (J. Fried, M. Coleman) and J. Berger re response to D. Ullmann of Blaney McMurtry LLP ("Blaney") and trust claim of Y. Wang; receipt and review of D.J. Miller email re call to discuss D. Ullmann's email; receipt and review of J. Fried email that he discussed with Lebow; receipt and review of Y. Wang email attaching statement of claim, etc.; receipt and review of W. Greenspoon of Garfinkle Biderman LLP email re trust claim and Receiver's position; receipt and review of D.J. Miller's response to W. Greenspoon re filed no evidence; receipt and review of A. Soutter's draft email response to D. Ullmann; receipt and review of J. Fried and D.J. Miller's emails re H. Goldberg to obtain independent counsel re alleged trust claim; receipt and review of D.J. Miller's response re Receiver will need to take a position; receipt and review of D.J. Miller's email to J. Fried re send email to H. Goldberg and W. Greenspoon to inquire if they had prior knowledge of trust claim advances, etc.; receipt and review of J. Fried email re his conversation with Lebow, etc.; receipt and review of A. Soutter email to Lebow re comments on trust claim and draft email to D. Ullmann; receipt and review of J. Fried emails to lenders and their counsel requesting confirmation of if they were aware of trust claims, etc.; receipt and review of their responses; follow up email sent to Lebow re his approval of draft.
09/01/2020	Jeff Berger	Review of email from D. Ullmann and discuss same with B. Tannenbaum, TGF and Fogler; receipt and review of email from trust claimants' counsel and discuss same with B. Tannenbaum, TGF and Fogler; draft outline for Supplemental Second Report of the Receiver and forward to TGF for review and comment.
09/02/2020	Bryan Tannenbaum	Receipt and review of Lebow email re CPL and mortgage priority; receipt and review of H. Goldberg email re never heard of trust claim issue prior to this;

October 30, 2020  
 Invoice 9  
 Page 2

Date	Professional	Description
		receipt and review of Lebow email re protective disbursements and 3 month penalty issue; review and discuss Owens Wright legal opinion with J. Berger; receipt and review of W. Greenspoon email to J. Fried re her client was not aware of trust claim; receipt and review of A. Soutter email attaching draft supplement report #2; discuss edits with J. Berger; discuss with A. Soutter and J. Berger; receipt and review of J. Fried email re his discussion with W. Greenspoon; email response sent to D. Ullmann; receipt and review of revised 2nd Supplement; review with J. Berger and one edit; execute Final Supplement to Second Report; receipt and review of W. Greenspoon letter to D.J. Miller setting out her client's position; receipt and review of supplementary report sent to the service list.
09/02/2020	Jeff Berger	Draft supplement to the Receiver's Second Report and discuss same with TGF and B. Tannenbaum.
09/03/2020	Bryan Tannenbaum	Receipt and review of G. Hodder email with case for today's hearing; receipt and review of D. Ullmann email response; email to TGF re response; receipt and review of TGF email regarding providing opinion to D. Ullmann; receipt and review of R. Kennedy's draft response to D. Ullmann; email approving content; email re holdbacks and cash; discuss same with J. Berger; receipt and review of J. Berger email to D.J. Miller re same; receipt and review of Lebow email consenting to release of his opinion to D. Ullmann; receipt and review of R. Kennedy email to D. Ullmann; attend Court (Zoom) for approval of sale and vesting order.
09/03/2020	Echa Odeh	Update Receiver's website with court documents.
09/03/2020	Jeff Berger	Prepare for and attend in Court for the sale approval motion; review and update the Receiver's Statement of Sources and Uses; discuss same with D.J. Miller.
09/04/2020	Bryan Tannenbaum	Receipt and review of Fogler emails re specific directions for the Receiver's certificate, draft statement of adjustments, property tax undertaking, draft Receiver's certificate, environmental release and indemnity, statutory declaration re Income Tax Act and Family Law Act, Acknowledgement re Vendor Closing Documents; and Vendor undertaking and direction.
09/08/2020	Echa Odeh	Discussion with J. Berger; call to Canada Revenue Agency ("CRA") regarding HST account and access code.
09/08/2020	Bryan Tannenbaum	Telephone call with J. Berger re various closing emails, R&D and disbursements; receipt and review of J. Fried email to H. Goldberg re Receiver's certificate; discuss disbursements with J. Berger; receipt and review of J. Berger draft email to T. Liu re HST and discuss with J. Berger and hold off sending until sale closes.
09/08/2020	Jeff Berger	Prepare Receiver's Certificate #2; email to H. Goldberg re advance of funds; review letter from CRA re HST balance owing; draft email to T. Liu re request for support for pre-receivership HST returns filed by the debtor; discuss same with B. Tannenbaum.
09/09/2020	Bryan Tannenbaum	Receipt and review of J. Berger email to H. Goldberg re direction of funds; discuss with J. Berger.
09/09/2020	Echa Odeh	Draft and file HST returns.

October 30, 2020  
 Invoice 9  
 Page 3

Date	Professional	Description
09/09/2020	Jeff Berger	Call with A. Soutter re Receiver's Certificate #2 and other matters re closing; call with H. Goldberg re advance under Receiver's Certificate #2.
09/10/2020	Bryan Tannenbaum	Receipt and review of Fogler email re revised Receiver's Certificate; receipt and review of Fogler email with the draft Assignment of the Purchased Assets and Assumption of the Assumed Liabilities; receipt and review of Fogler email with draft purchaser's undertaking to adjust, direction re title, bring down certificate, HST, etc.
09/11/2020	Bryan Tannenbaum	Review of closing documents; conference call with J. Fried, M. Coleman and J. Berger to review the draft closing documents.
09/11/2020	Jeff Berger	Review draft closing documents and discuss same with B. Tannenbaum.
09/14/2020	Echa Odeh	Phone call with CRA; email sent to J. Berger regarding same; prepare RC342 and cover letter to CRA to close RT0001 account.
09/14/2020	Bryan Tannenbaum	Receipt and review of final closing documents from Fogler; sign documents; videoconference with J. Fried to swear statutory declaration of vendor; return to Fogler; receipt and review of Fogler email advising that they have not heard back from the second mortgagee re direction of sale proceeds.
09/14/2020	Jeff Berger	Draft distribution schedule in anticipation of closing; attend to various administrative matters.
09/15/2020	Bryan Tannenbaum	Receipt and review of J. Berger email attaching BMO letter to redeem GIC; execute and return; review accounting for planned distributions today from closing proceeds; discuss with J. Berger; call with J. Fried re Receiver's Certificate #2; receipt and review from Fogler revised assignment of the purchased assets and assumption of assumed liabilities; respond as to adequacy; receipt and review of Fogler email requesting conformation that there has been no appeal; receipt and review of TGF email confirming same; email sent confirming same; receipt and review of email re second mortgagee wire transfer information outstanding; telephone call from H. Goldberg re payout and possible settlement of 3 month penalty; receipt and review of J. Fried email re his conversation with H. Goldberg; receipt and review of H. Goldberg email re same; review accounting for revised distributions; receipt and review of D.J. Miller email re payout statements, etc.; email from J. Fried re payment of property taxes; receipt and review of Fogler email re status of closing and purchasers lawyer in funds but his bank is having internal difficulties; conference call with lawyers re distribution; receipt and review of revised direction for H. Goldberg's signature; receipt and review of J. Fried email to H. Goldberg re closing proceeds to be available tomorrow; further discussions with J. Berger.
09/15/2020	Jeff Berger	Prepare distribution schedule and discuss same with B. Tannenbaum, TGF and Fogler; call with J. Fried re direction of funds on closing; email to J. Lever re commission payable to Cushman & Wakefield ("CW"); attend to various administrative matters re closing of sale transaction.
09/15/2020	Daniel Weisz	Review and sign letter re redemption of term deposit; review online balance in bank account and email to J. Berger re same; discussion with J. Berger re proposed distribution.
09/16/2020	Echa Odeh	Prepare summary of fees, cheque requisitions and wire transfer forms for payment of outstanding fees.

October 30, 2020  
 Invoice 9  
 Page 4

Date	Professional	Description
09/16/2020	Anne Baptiste	Prepare bank reconciliation.
09/16/2020	Daniel Weisz	Review and update proposed distribution schedule and discussion with J. Berger on same; process electronic payments; review requests for wire transfers and sign.
09/16/2020	Jeff Berger	Attending to various administrative matters regarding the closing of the sale of the property; edit schedule of interim distributions and discuss same with D.J. Miller and B. Tannenbaum; prepare distribution payments and arrange for same to be processed; correspond with J. Lever re payment of real estate commission.
09/16/2020	Bryan Tannenbaum	Receipt and review of A. Soutter email re revision to direction; receipt and review of D.J. Miller email re comments to same and A. Soutter's response; receipt and review of executed direction from H. Goldberg; telephone call from J. Lary of Paliare Roland Rosenberg Rothstein LLP re shortfall to the third secured lender, cross collateral on Ajax property, etc.; receipt and review of revised summary of disbursements from J. Berger; telephone call with J. Berger re same; receipt and review of D. Weisz comments; instruct release, etc.; receipt and review from Fogler the direction and banking wire transfer information from Metcalfe Blaney & Burns ("MBB"); receipt and review of Fogler trust statement and wire details; email confirming receipt of funds from Fogler; receipt and review of revised direction signed by H. Goldberg; receipt and review of Fogler email re copy of letter and cheque for payment of taxes as per our solicitor's undertaking; receipt and review of Fogler email re outstanding fees and wire transfer details; receipt and review of CW email re closing successful and response sent; receipt and review of email confirming receipt of funds in our account; email confirmation to Fogler re receipt of funds; sign wire transfer letter to BMO for 2478888; approve EFT for CW; execute Receiver's Certificate #2.
09/17/2020	Daniel Weisz	Process electronic payments; review wire request and sign.
09/17/2020	Jeff Berger	Attending to various administrative matters regarding the distribution of the proceeds of sale.
09/17/2020	Bryan Tannenbaum	Receipt and review of letter sent to H. Goldberg to confirm receipt of funds, etc.; review accounting and send disbursements including follow up of wire transfers.
09/18/2020	Anne Baptiste	Process disbursements; process GIC redemption; process receipt.
09/18/2020	Jeff Berger	Email to T. Liu to request information regarding the Q2 2019 HST return filed by the company.
09/18/2020	Bryan Tannenbaum	Process and approve payments to TGF, Fogler, first and second mortgagee; receipt and review of J. Berger email to T. Liu re HST filings; receipt and review of BMO confirmation re wire transfers; receipt and review of email to MBB to confirm receipt of wired funds.
09/21/2020	Bryan Tannenbaum	Review accounting and update invoicing, etc.
09/25/2020	Bryan Tannenbaum	Receipt and review of TGF email re Receiver's Certificate filed so they can disclose purchase price; discuss with J. Berger.
09/29/2020	Anne Baptiste	Process disbursements.

October 30, 2020  
 Invoice 9  
 Page 5

Date	Professional	Description
09/29/2020	Bryan Tannenbaum	Receipt and review of Fogler email re closing book and land transfer affidavit disclosing price, etc.; J. Berger to respond to TGF re disclosure of the selling price in the public domain; receipt and review of Receiver's Certificate from TGF; execute and return same.
09/29/2020	Jeff Berger	Email to T. Liu and D. Ullmann to follow up on the Receiver's request for HST information; review response from D. Ullmann and respond to same.
09/30/2020	Bryan Tannenbaum	Sign release for unit 2812 and return to TGF.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	46.10	\$ 625	\$ 28,812.50
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	2.60	\$ 595	1,547.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	43.60	\$ 395	17,222.00
Echa Odeh	Senior Associate	3.60	\$ 225	810.00
Anne Baptiste	Estate Administrator	1.60	\$ 110	176.00
<b>Total hours and professional fees</b>		<b>97.50</b>		<b>\$ 48,567.50</b>
HST @ 13%				6,313.78
<b>Total payable</b>				<b>\$ 54,881.28</b>

#### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

#### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** November 24, 2020

**Client File** 7873881  
**Invoice** 10  
**No.** 6178673

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period October 1, 2020 to October 31, 2020.

Date	Professional	Description
10/01/2020	Bryan Tannenbaum	Receipt and review of Thornton Grout Finnigan LLP ("TGF") email re filing the Receiver's Certificate regarding the 3070 Ellesmere sale with the Court and copies of the orders made which have now been entered with the Court.
10/05/2020	Bryan Tannenbaum	Receipt and review of D. Ullmann of Blaney McMurtry LLP email to TGF re proceeds of realization, etc.
10/06/2020	Echa Odeh	Prepare interim Statement of Receipts and Disbursements and BIA S. 246(2) notice.
10/06/2020	Jeff Berger	Review email from D. Ullmann and discuss response to same with R. Kennedy of TGF and B. Tannenbaum.
10/08/2020	Bryan Tannenbaum	Receipt and review of several emails with draft email to D. Ullmann.
10/09/2020	Bryan Tannenbaum	Receipt and review of release for unit 1611, execute, and return to TGF.
10/15/2020	Bryan Tannenbaum	Receipt and review of TGF email with mutual releases for units 805 and 2317; execute and return.
10/20/2020	Echa Odeh	Prepare cheque requisition for expenses.
10/22/2020	Anne Baptiste	Prepare bank reconciliation.
10/26/2020	Jeff Berger	Review letter to Canada Revenue Agency re closure of RT0001 account and provide comments on same to E. Odeh; review draft BIA S. 246(2) notice and provide comments on same to E. Odeh.
10/30/2020	Anne Baptiste	Process disbursement.
10/30/2020	Donna Nishimura	Prepare cheque requisition and process paperwork for payment.
10/30/2020	Bryan Tannenbaum	Review statement of account for September 2020.
10/30/2020	Daniel Weisz	Process electronic payment.



November 24, 2020  
 Invoice 10  
 Page 2

Date	Professional	Description
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	1.40	\$ 625	\$ 875.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.10	\$ 595	59.50
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	1.40	\$ 395	553.00
Echa Odeh	Senior Associate	0.90	\$ 225	202.50
Anne Baptiste/Donna Nishimura	Estate Administrator	0.50	\$ 110	55.00
<b>Total hours and professional fees</b>		<b>4.30</b>		\$ 1,745.00
HST @ 13%				226.85
<b>Total payable</b>				<b>\$ 1,971.85</b>

#### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

#### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** December 10, 2020

**Client File** 7873881

**Invoice** 11

**No.** 6194257

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period November 1, 2020 to November 30, 2020.

Date	Professional	Description
11/02/2020	Bryan Tannenbaum	Review R&D and status to complete the file.
11/04/2020	Echa Odeh	Finalize S. 246 (2) Notice and Letter to CRA regarding RC342. Faxed documents to notice to the OSB and email letter to Canada Revenue Agency ("CRA").
11/04/2020	Anne Baptiste	Process disbursement.
11/04/2020	Bryan Tannenbaum	Sign CRA exemption letter RC342; sign S. 246(2) report.
11/09/2020	Anne Baptiste	Prepare of banking reconciliation.
11/10/2020	Bryan Tannenbaum	Supervision and review status of file and cash on hand, etc.
11/18/2020	Bryan Tannenbaum	Receipt and review of E. Odeh email re status of HST refund; phone call with J. Berger re same.
11/18/2020	Echa Odeh	Prepare HST calculations and file return.
11/18/2020	Jeff Berger	Review and approve draft HST return.
11/25/2020	Daniel Weisz	Process electronic payment.
11/25/2020	Donna Nishimura	Prepare cheque requisition and process paperwork for payment.
11/26/2020	Anne Baptiste	Processing disbursement.
11/27/2020	Echa Odeh	Prepare receipt processing form.
11/30/2020	Echa Odeh	Call from CRA regarding RT0001 and RT0002 accounts; note to the file re same; summary email sent to J. Berger and B. Tannenbaum.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

December 10, 2020  
 Invoice 11  
 Page 2

### FEE SUMMARY

<b>Professional</b>	<b>Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	3.20	\$ 625	\$ 2,000.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.10	\$ 595	59.50
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	0.50	\$ 395	197.50
Echa Odeh	Senior Associate	0.90	\$ 225	202.50
Anne Baptiste/Donna Nishimura	Estate Administrator	0.50	\$ 110	55.00
<b>Total hours and professional fees</b>		<b>5.20</b>		\$ 2,514.50
HST @ 13%				326.89
<b>Total payable</b>				<b>\$ 2,841.39</b>

**VISA/MASTERCARD**

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

**WIRE PAYMENT DETAILS**

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** March 11, 2021

**Client File** 7873881  
**Invoice** 12  
**No.** 6259532

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period December 1, 2020 to February 28, 2021.

Date	Professional	Description
12/3/2020	Anne Baptiste	Post receipt.
12/16/2020	Echa Odeh	Prepare receipt processing form for HST refund.
12/16/2020	Daniel Weisz	Process electronic payment.
12/16/2020	Donna Nishimura	Prepare cheque requisition and process paperwork for payment.
12/17/2020	Bryan Tannenbaum	Receipt and review of Thornton Grout Finnigan LLP ("TGF") email re Cambridge LLP representing C. Hu and J. Ma claim and wanting to lift stay of proceedings; telephone call with J. Berger re same; call with A. Soutter and R. Kennedy of TGF re this request and status to get us discharged, etc.
12/17/2020	Echa Odeh	File HST returns and save confirmation to the file.
12/23/2020	Anne Baptiste	Post disbursement.
1/5/2021	Anne Baptiste	Post receipt.
1/6/2021	Daniel Weisz	Process electronic payment.
1/6/2021	Anne Baptiste	Post disbursement.
1/12/2021	Echa Odeh	Prepare receipt processing form and deposit slip for HST refund.
1/13/2021	Anne Baptiste	Prepare bank reconciliation.
1/13/2021	Jeff Berger	Receipt and review of email from L. Starr requesting information regarding the sale of the Property; forward to B. Tannenbaum for discussion.
1/14/2021	Jeff Berger	Call with L. Starr re request for information re sale transaction; discuss same with B. Tannenbaum.
1/18/2021	Bryan Tannenbaum	Receipt and review of releases for suites 1609 and 512; execute and return to J. Berger.
1/20/2021	Anne Baptiste	Post receipt.

March 11, 2021  
 Invoice 12  
 Page 2

Date	Professional	Description
1/26/2021	Echa Odeh	Prepare cheque requisition for payment of legal fees.
1/27/2021	Daniel Weisz	Process electronic payment.
2/1/2021	Echa Odeh	Prepare receipt processing form for HST refund.
2/8/2021	Bryan Tannenbaum	Receipt and review of TGF email with Cassels Brock & Blackwell LLP re application to be removed from the record; email to TGF confirming not to oppose and no need to attend court.
2/16/2021	Anne Baptiste	Prepare bank reconciliation.
2/18/2021	Echa Odeh	Phone call with Canada Revenue Agency regarding status of administration; email to J. Berger for further update.
2/23/2021	Anne Baptiste	Post receipt.
2/23/2021	Echa Odeh	Prepare draft interim statement of receipts and disbursements ("R&D") and email to J. Berger for review.
2/23/2021	Bryan Tannenbaum	Review W. Greenspoon of Garfinkle Biderman LLP email re status; telephone call with J. Berger regarding status, R&D, outstanding HST claim and need for information still outstanding from T. Liu, etc.
2/23/2021	Jeff Berger	Update Receiver's R&D; email to B. Tannenbaum re same.
2/24/2021	Bryan Tannenbaum	Review J. Berger email attaching R&D and estimated distribution; email to J. Berger regarding if a further distribution is permitted per the Order.
2/24/2021	Jeff Berger	Call with R. Kennedy re status of pending issues before the Court, and further distributions to be made by the Receiver; call with B. Tannenbaum to provide update re same; amend R&D and send revised version to B. Tannenbaum for review.
2/25/2021	Jeff Berger	Draft email to W. Greenspoon and send to B. Tannenbaum for review.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

March 11, 2021  
 Invoice 12  
 Page 3

## FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	1.80	\$ 625	\$ 1,125.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.30	\$ 595	178.50
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Senior Manager*	3.90	\$ 425	1,657.50
Echa Odeh	Senior Associate	1.40	\$ 225	315.00
Anne Baptiste/Donna Nishimura	Estate Administrator	1.10	\$ 110	121.00
<b>Total hours and professional fees</b>		<u>8.50</u>		\$ 3,397.00
HST @ 13%				441.61
<b>Total payable</b>				<b>\$ 3,838.61</b>

\*New rate effective December 1, 2020

#### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

#### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited



GST/HST: 80784 1440 RT 0001

**RSM CANADA LIMITED**  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** April 26, 2021

**Client File** 7873881  
**Invoice** 13  
**No.** 6319068

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period March 1, 2021 to March 31, 2021.

Date	Professional	Description
3/8/2021	Jeff Berger	Receipt and review of draft letter to D. Ullmann of Blaney McMurtry LLP; provide comments on same to R. Kennedy of Thornton Grout Finnigan LLP.
3/9/2021	Bryan Tannenbaum	Review accounting and outstanding items.
3/11/2021	Daniel Weisz	Process electronic payment.
3/11/2021	Donna Nishimura	Prepare cheque requisition and process paperwork for payment.
3/12/2021	Anne Baptiste	Prepare bank reconciliation.
3/12/2021	Daniel Weisz	Review and sign letter re wire transfer.
3/12/2021	Bryan Tannenbaum	Review updated Interim Statement of Receipts and Disbursements and discuss edits with J. Berger; draft response to W. Greenspoon of Garfinkle Biderman LLP email as to status and payout to 2615333 Ontario Inc.; send email to W. Greenspoon.
3/12/2021	Jeff Berger	Review and approve distribution to 2615333 Ontario Inc.; discuss distribution with B. Tannenbaum and E. Odeh.
3/12/2021	Echa Odeh	Prepare HST calculations and file HST returns.
3/15/2021	Echa Odeh	Phone call to confirm wire payment details.
3/15/2021	Bryan Tannenbaum	Wire transfer money to J. Lee; follow up receipt; telephone call to W. Greenspoon.
3/16/2021	Bryan Tannenbaum	Review accounting for email to W. Greenspoon; review amount to be a further interim distribution.
3/19/2021	Bryan Tannenbaum	Supervision and discussion with J. Berger regarding outstanding matters to complete the file.
3/24/2021	Anne Baptiste	Update bank reconciliation.
3/30/2021	Bryan Tannenbaum	Supervision.

April 26, 2021  
 Invoice 13  
 Page 2

Date	Professional	Description
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	6.50	\$ 625	\$ 4,062.50
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.20	\$ 595	119.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Senior Manager	1.70	\$ 425	722.50
Echa Odeh	Senior Associate	0.50	\$ 225	112.50
Anne Baptiste/Donna Nishimura	Estate Administrator	0.40	\$ 110	44.00
<b>Total hours and professional fees</b>		<u>9.30</u>		\$ 5,060.50
HST @ 13%				657.87
<b>Total payable</b>				<b>\$ 5,718.37</b>

**VISA/MASTERCARD**

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

**WIRE PAYMENT DETAILS**

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited





GST/HST: 80784 1440 RT 0001

**RSM CANADA LIMITED**  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** November 1, 2021

**Client File** 7873881  
**Invoice** 14  
**No.** 6489797

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period April 1, 2021 to October 31, 2021.

Date	Professional	Description
4/5/2021	Echa Odeh	Prepare receipt processing form and deposit slip for cheques received.
4/6/2021	Echa Odeh	Prepare HST filing; email to J. Berger for review.
4/8/2021	Anne Baptiste	Prepare bank reconciliation.
4/15/2021	Anne Baptiste	Post receipts.
4/26/2021	Daniel Weisz	Process electronic payment.
4/26/2021	Anne Baptiste	Post disbursement.
4/26/2021	Donna Nishimura	Prepare cheque requisition and process paperwork for payment.
4/30/2021	Daniel Weisz	Process electronic payment.
5/4/2021	Anne Baptiste	Post disbursement.
5/6/2021	Anne Baptiste	Prepare bank reconciliation.
5/7/2021	Echa Odeh	File HST returns and save confirmations to the file.
5/25/2021	Echa Odeh	Prepare receipt processing form and deposit slip.
6/1/2021	Echa Odeh	Prepare cheque requisition for payment to counsel.
6/1/2021	Anne Baptiste	Post receipt.
6/2/2021	Daniel Weisz	Process electronic payment.
6/4/2021	Anne Baptiste	Post disbursement.
6/9/2021	Anne Baptiste	Prepare bank reconciliation.
6/9/2021	Echa Odeh	Phone call with Canada Revenue Agency ("CRA") regarding update on file.
6/14/2021	Echa Odeh	File HST return and save confirmation to the file.
6/15/2021	Echa Odeh	Phone call with CRA regarding HST filings; email with J. Berger confirming same; save emails and note to the file.

November 1, 2021  
 Invoice 14  
 Page 2

Date	Professional	Description
6/21/2021	Jeff Berger	Review various requests to the Debtor and the Debtor's counsel regarding information to support CRA returns filed by the Debtor prior to the receivership; discuss same with E. Odeh.
6/21/2021	Echa Odeh	Phone call with CRA regarding update on status of HST refunds.
6/29/2021	Echa Odeh	Prepare cheque requisition.
6/30/2021	Daniel Weisz	Process electronic payment.
7/5/2021	Anne Baptiste	Post disbursement.
7/6/2021	Anne Baptiste	Prepare bank reconciliation.
7/9/2021	Echa Odeh	Prepare interim statement of receipts and disbursements ("SRD") and S. 246(2) Notice.
7/9/2021	Jeff Berger	Review and approve S. 246(2) Notice.
7/12/2021	Bryan Tannenbaum	Review and sign S. 246(2) Notice.
7/12/2021	Echa Odeh	Finalize S.246(2) Notice and fax to the Office of the Superintendent of Bankruptcy.
7/19/2021	Echa Odeh	Prepare HST return and email to J. Berger for review.
7/23/2021	Jeff Berger	Call with A. Soutter and R. Kennedy of Thornton Grout Finnigan LLP re lack of response from Debtor and D. Ullmann of Blaney McMurtry LLP; discuss next steps to obtain information from Debtor.
8/5/2021	Anne Baptiste	Prepare bank reconciliation.
8/6/2021	Echa Odeh	File HST return and save confirmation to the file.
8/25/2021	Echa Odeh	Prepare receipt processing form and deposit slip.
8/27/2021	Daniel Weisz	Process electronic payment.
9/1/2021	Anne Baptiste	Post receipt; post disbursement.
9/8/2021	Anne Baptiste	Prepare bank reconciliation.
9/16/2021	Echa Odeh	Prepare HST return and email to J. Berger for review.
9/17/2021	Jeff Berger	Call with A. Soutter re instructions not to proceed with HST issue and next steps for discharge and final distribution; discuss same with B. Tannenbaum.
9/20/2021	Bryan Tannenbaum	Receipt and review of J. Berger email regarding 3-month interest penalty issue and request for legal opinion from Owens Wright LLP; discuss same with J. Berger.
9/20/2021	Jeff Berger	Receipt and review of email from A. Soutter re final motion and discharge, etc.; discuss same with B. Tannenbaum and respond to A. Soutter.
9/23/2021	Echa Odeh	File HST return and save confirmation to the file.
9/28/2021	Echa Odeh	Commence preparation of draft of Receiver's Third Report.
9/29/2021	Echa Odeh	Complete preparation of draft of Receiver's Third Report; prepare draft affidavit of fees.
9/30/2021	Jeff Berger	Review and edit the Receiver's Third Report; email to E. Odeh re same.
9/30/2021	Echa Odeh	Review of J. Berger comments on third report; make amendments to third report and email to B. Tannenbaum for review; prepared interim statement of receipts and disbursements.

November 1, 2021  
 Invoice 14  
 Page 3

Date	Professional	Description
10/6/2021	Anne Baptiste	Prepare bank reconciliation.
10/8/2021	Echa Odeh	File HST return and save confirmation to the file; prepare S. 246(2) report.
10/13/2021	Echa Odeh	Prepare cheque requisition and deposit slip.
10/13/2021	Anne Baptiste	Post receipt.
10/25/2021	Echa Odeh	Prepare cheque requisition for payment of legal fees.
10/27/2021	Daniel Weisz	Process electronic payment.
10/27/2021	Anne Baptiste	Post disbursement.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	0.40	\$ 625	\$ 250.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.60	\$ 595	357.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Senior Manager	6.10	\$ 425	2,592.50
Echa Odeh	Senior Associate	14.30	\$ 250	3,575.00
Anne Baptiste/Donna Nishimura	Estate Administrator	2.70	\$ 110	297.00
<b>Total hours and professional fees</b>		<b>24.10</b>		<b>\$ 7,071.50</b>
HST @ 13%				919.30
<b>Total payable</b>				<b>\$ 7,990.80</b>

#### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

#### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

To RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

Date March 4, 2022

Client File 7873881  
 Invoice 15  
 No. 6583393

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period November 1, 2021 to February 28, 2022.

Date	Professional	Description
11/1/2021	Anne Baptiste	Post disbursements.
11/2/2021	Daniel Weisz	Process electronic payment.
11/2/2021	Donna Nishimura	Prepare cheque requisition and process paperwork for payment.
11/3/2021	Anne Baptiste	Post disbursement.
11/3/2021	Jeff Berger	Review and edit S. 246(2) report; email to E. Odeh and B. Tannenbaum re same.
11/4/2021	Echa Odeh	Fax S. 246(2) report to the Office of the Superintendent of Bankruptcy.
11/4/2021	Bryan Tannenbaum	Review, approve and sign S. 246(2) report.
11/11/2021	Bryan Tannenbaum	Review accounting and banking information; review estimated remaining distribution to second secured creditor.
11/16/2021	Anne Baptiste	Prepare bank reconciliation.
11/24/2021	Echa Odeh	Prepare cheque requisition.
11/24/2021	Anne Baptiste	Post disbursement.
12/6/2021	Anne Baptiste	Prepare bank reconciliation.
12/7/2021	Echa Odeh	File HST return.
1/14/2022	Anne Baptiste	Prepare bank reconciliation.
2/1/2022	Daniel Weisz	Process electronic payment.
2/1/2022	Echa Odeh	Prepared cheque requisition for payment.
2/1/2022	Bryan Tannenbaum	Receipt and review of D. Ullmann of Blaney McMurtry LLP email to Thornton Grout Finnigan LLP ("TGF") re the proposed payment to 247888 Ontario without prejudice to whether or not the other holdback for 261533 Ontario is payable to 261, etc.; receipt and review of Cambridge Lawyers letter on behalf

March 4, 2022  
 Invoice 15  
 Page 2

Date	Professional	Description
		of Jianji Ma and Cunyi Hu action against Lemine inquiring as to status, etc.; discussions on the foregoing with J. Berger.
2/1/2022	Jeff Berger	Receipt and review of D. Ullmann email; discuss same with B. Tannenbaum; receipt and review of letter from Cambridge Lawyers; forward same to B. Tannenbaum and TGF for comments; review distribution order in advance of call with TGF and B. Tannenbaum tomorrow.
2/2/2022	Bryan Tannenbaum	Webex call with TGF and J. Berger regarding status of file, response to D. Ullmann and response to Cambridge Lawyers on creditor inquiry, etc.; review of W. Greenspoon-Soer of Garfinkle Biderman LLP email regarding funds on hand; review A. Soutter response as to status; review A. Soutter email re cases for 3-month interest.
2/2/2022	Jeff Berger	Conference call with B. Tannenbaum, R. Kennedy and A. Soutter re third party claim and other matters.
2/3/2022	Anne Baptiste	Post disbursement.
2/4/2022	Bryan Tannenbaum	Review correspondence regarding D. Ullmann; review interim statement of receipts & disbursements and estimated payments, etc.
2/10/2022	Echa Odeh	File HST returns for October, November and December 2021, and January 2022.
2/13/2022	Anne Baptiste	Prepare bank reconciliation.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	3.50	\$ 625	\$ 2,187.50
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.20	\$ 595	119.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Vice President	1.80	\$ 425	765.00
Echa Odeh	Senior Associate	1.30	\$ 250	325.00
Anne Baptiste/Donna Nishimura	Estate Administrator	1.40	\$ 110	154.00
<b>Total hours and professional fees</b>		<b>8.20</b>		<b>\$ 3,550.50</b>
HST @ 13%				461.57
<b>Total payable</b>				<b>\$ 4,012.07</b>

#### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

#### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited



RSM CANADA LIMITED  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

GST/HST: 80784 1440 RT 0001

**To** RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** August 12, 2022

**Client File** 7873881

**Invoice** 16

**No.** 6744898

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period March 1, 2022 to July 31, 2022.

Date	Professional	Description
3/1/2022	Echa Odeh	Prepare receipt processing form and deposit slip.
3/4/2022	Donna Nishimura	Prepare cheque requisition and process paperwork for payment.
3/7/2022	Daniel Weisz	Process electronic payment.
3/10/2022	Bryan Tannenbaum	Telephone call with J. Berger re status update and moving to our discharge, etc.
3/15/2022	Echa Odeh	File HST return for February 2022.
3/17/2022	Anne Baptiste	Post disbursement; post receipts.
3/24/2022	Anne Baptiste	Prepare bank reconciliation.
4/11/2022	Anne Baptiste	Prepare bank reconciliation.
4/25/2022	Echa Odeh	File March 2022, HST return.
5/5/2022	Anne Baptiste	Prepare bank reconciliation.
5/5/2022	Echa Odeh	Prepare interim statement of receipts and disbursements and 246(2) report.
5/10/2022	Echa Odeh	File HST Return for April 2022.
5/13/2022	Jeff Berger	Call with A. Soutter of Thornton Grout Finnigan LLP ("TGF") and B. Tannenbaum re status of 3-month interest issue and discharge of Receiver, etc.
5/13/2022	Bryan Tannenbaum	Conference call with A. Soutter and J. Berger re 3-month arrears issue and first secured creditor position.
5/13/2022	Bryan Tannenbaum	Receipt and review of A. Soutter email; send email to H. Goldberg and J. Fried for instructions and confirmation of their position to the 3-month accelerated funds.
5/27/2022	Bryan Tannenbaum	Follow up email to H. Goldberg regarding first secured position on 3 month's interest issue; receipt and review of H. Goldberg response.
5/31/2022	Bryan Tannenbaum	Receipt and review and edit draft 246 (2) report; comments sent to J. Berger; execute final version.

August 12, 2022  
 Invoice 16  
 Page 2

Date	Professional	Description
6/7/2022	Echa Odeh	File HST return for May 2022.
6/12/2022	Anne Baptiste	Prepare bank reconciliation.
6/30/2022	Bryan Tannenbaum	Review file; follow up email to first secured creditor regarding the disputed right to 3-months' interest on its mortgage.
7/5/2022	Bryan Tannenbaum	Receipt and review of H. Goldberg email re answer by Thursday; response sent.
7/11/2022	Bryan Tannenbaum	Email to H. Goldberg re looking for an update on his position about remaining funds.
7/13/2022	Anne Baptiste	Prepare bank reconciliation.
7/13/2022	Echa Odeh	File HST return.
7/26/2022	Bryan Tannenbaum	Send email to A. Soutter as no response from H. Goldberg; discuss with J. Berger status of draft report pending this information.
7/27/2022	Bryan Tannenbaum	Zoom call with R. Kennedy of TGF, A. Soutter and J. Berger regarding proceeding to file report in absence of hearing back from first secured creditor, need for independent legal opinion, etc.; follow up conversation with J. Berger.
7/27/2022	Jeff Berger	Call with R. Kennedy, A. Soutter and B. Tannenbaum re next steps in absence of a response from the secured creditor; discuss same with B. Tannenbaum.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	3.40	\$ 625	\$ 2,125.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.10	\$ 595	59.50
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Vice President	1.20	\$ 425	510.00
Echa Odeh	Senior Associate	1.80	\$ 250	450.00
Anne Baptiste/Donna Nishimura	Estate Administrator	1.30	\$ 110	143.00
<b>Total hours and professional fees</b>		<b>7.80</b>		<b>\$ 3,287.50</b>
HST @ 13%				427.38
<b>Total payable</b>				<b>\$ 3,714.88</b>

#### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

#### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED  
 Licensed Insolvency Trustee  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited  
 Court-appointed Receiver of  
 3070 Ellesmere Developments Inc.  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** October 7, 2022

**Client File** 7873881

**Invoice** 17

**No.** 6791575

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 3070 Ellesmere Developments Inc. for the period August 1, 2022 to September 30, 2022.

Date	Professional	Description
8/3/2022	Echa Odeh	File July 2022 HST return.
8/4/2022	Anne Baptiste	Prepare bank reconciliation.
8/15/2022	Jeff Berger	Review and edit Third Report to Court; prepare final statement of Receipts and Disbursements; discuss same with B. Tannenbaum.
8/23/2022	Donna Nishimura	Prepare cheque requisition and process paperwork for payment.
8/24/2022	Anne Baptiste	Post disbursement.
8/24/2022	Daniel Weisz	Process electronic payment.
8/25/2022	Echa Odeh	Prepare cheque requisition for payment of legal fees.
9/7/2022	Anne Baptiste	Prepare bank reconciliation.
9/7/2022	Jeff Berger	Call with B. Tannenbaum, R. Kennedy of Thornton Grout Finnigan LLP ("TGF") and J. Stam of Norton Rose Fulbright Canada LLP ("Norton Rose") re final report and motion for distribution and discharge.
9/7/2022	Bryan Tannenbaum	Webex with R. Kennedy, J. Stam and J. Berger to retain Norton Rose to obtain discharge and payment to the second secured, etc.
9/9/2022	Echa Odeh	Calculate August HST return.
9/19/2022	Bryan Tannenbaum	Read and edit Third Report.
9/23/2022	Jeff Berger	Update draft Third Report and send to B. Tannenbaum for review and comments.
9/23/2022	Bryan Tannenbaum	Receipt and review of Norton Rose engagement letter; discuss same with J. Berger; review and edit draft third report; review Norton Rose engagement letter regarding independent counsel.
9/28/2022	Echa Odeh	File HST return.
9/30/2022	Jeff Berger	Review and edit draft Third Report; email to J. Stam re draft report and engagement letter.



October 7, 2022  
 Invoice 17  
 Page 2

Date	Professional	Description
9/30/2022	Bryan Tannenbaum	Review changes to final report and edit same.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	4.30	\$ 625	\$ 2,687.50
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.10	\$ 595	59.50
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Vice President	5.60	\$ 425	2,380.00
Echa Odeh	Senior Associate	0.80	\$ 250	200.00
Anne Baptiste/Donna Nishimura	Estate Administrator	0.60	\$ 110	66.00
<b>Total hours and professional fees</b>		<b>11.40</b>		\$ 5,393.00
HST @ 13%				701.09
<b>Total payable</b>				<b>\$ 6,094.09</b>

#### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

#### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
 RSM Canada Limited

APPENDIX "I"

Court File No.: CV-19-00627187-00CL

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

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended**

**B E T W E E N:**

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**AFFIDAVIT OF REBECCA L. KENNEDY  
(Sworn October 12, 2022)**

I, **Rebecca L. Kennedy**, of the City of Pickering, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a partner in the law firm of Thornton Grout Finnigan LLP (“**TGF**”), counsel for RSM Canada Limited in its capacity as Court-appointed Receiver (the “**Receiver**”) of the Respondent in these proceedings (the “**Receivership Proceedings**”). As such, I have knowledge of the matters to which I hereinafter depose, except where stated to be on information and belief, and where so stated, I verily believe it to be true.

2. Attached hereto as Exhibit “**A**” are copies of the bills of costs (the “**Bills of Costs**”) issued to the Receiver by TGF for fees and disbursements incurred by TGF in the course of these Receivership Proceedings for the period from August 1, 2020 to September 30, 2022 (the “**Fee Approval Period**”).

3. As evidenced by the Bills of Costs attached at Exhibit "A", in the course of the Fee Approval Period, TGF counsel and law clerks have expended a total of 141.60 hours in connection with these Receivership Proceedings, and have incurred CAD \$81,560.00 in fees, CAD \$2,940.68 in disbursements and CAD \$10,983.11 in taxes, for a total of CAD \$95,483.79.
4. Attached hereto as Exhibit "B" is a schedule summarizing the Bills of Costs and the total billable hours charged.
5. Attached hereto as Exhibit "C" is a schedule summarizing the respective years of call, where applicable, and billing rates of each of the TGF professionals who acted for the Receiver during the Fee Approval Period.
6. To the best of my knowledge, the rates charged by TGF in the course of these Receivership Proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services. I believe the total hours, fees and disbursements incurred by TGF on this matter are reasonable and appropriate in the circumstances.
7. This Affidavit is sworn in support of a motion, *inter alia*, approving TGF's fees and disbursements incurred in respect of the Receivership Proceedings during the Fee Approval Period.

SWORN via videoconference by  
 REBECCA L. KENNEDY located in the  
 City of Pickering, in the Province of  
 Ontario, before me at the City of Pickering,  
 in the Province of Ontario, this 12th day of  
 October 2022, in accordance with O. Reg  
 431/20, *Administering Oath or Declaration  
 Remotely*.



\_\_\_\_\_  
 Commissioner for Taking Affidavits, etc.



\_\_\_\_\_  
 REBECCA L. KENNEDY

Roxane Gabriela Manea, a Commissioner, etc.,  
 Province of Ontario, for  
 Thornton Grout Finnigan LLP,  
 Barristers and Solicitors.  
 Expires June 5, 2024.

THIS IS EXHIBIT "A" REFERRED TO  
IN THE AFFIDAVIT OF  
REBECCA L. KENNEDY  
SWORN BEFORE ME  
THIS 12TH DAY OF OCTOBER, 2022.

Court File No. CV-19-00627187-00CL

Roxana Gabriela Manes, a Commissioner, etc.,  
Province of Ontario, for  
Thornion Groat Finnigan LLP,  
Barristers and Solicitors.  
Expires June 5, 2024.

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**(COMMERCIAL LIST)**

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

**- and -**

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**NINTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending August 31, 2020**

Aug-03-20	Email from A. Soutter with revised drafts of all motion materials; review same and provide comments on all; email to R. Kennedy and A. Soutter as to draft materials;	0.70	DJM
	Review and revision to the Receiver's Report and discussion with D.J. Miller and R. Kennedy regarding same;	0.90	AIS
Aug-04-20	Emails to and from R. Kennedy and A. Soutter as to further revisions to materials, call with A. Soutter as to questions on same; review and further revise; emails to and from J. Fried as to mortgage statements; review legal opinion and emails to A. Soutter as to same; further review of updated materials; emails to and from J. Fried's office and the Receiver as to status of any CRA claim;	0.80	DJM
	Review and respond to email correspondence;	0.50	RK
	Revision to the Receiver's Report and discussion with D.J. Miller regarding same; emails with J. Berger regarding appendices to the Receiver's report and the independent legal opinion regarding the mortgage; emails with J. Fried and others regarding the mortgage statements for discharge purposes;	2.50	AIS

Aug-05-20	Discussions with A. Soutter as to opinion in support of distribution, all aspects of relief to be sought, finalizing motion materials; consider funding and items to be paid on closing, mortgage statements, amounts included and Receiver's borrowings; emails as to same;	0.90	DJM
	Review of protocol; review of email correspondence; telephone call from and to A. Soutter; review of affidavits for Report;	1.30	RK
	Emails with J. Berger regarding the independent opinion and discussion regarding same with D.J. Miller and R. Kennedy; instructions to prepare the July 2020 account for use in the fee affidavit; email to J. Fried regarding the form of discharge statements to be prepared and an updated fee affidavit; discussion with R. Kennedy regarding outstanding matters prior to finalizing the motion record; telephone conversation with J. Berger and B. Tannenbaum regarding the outstanding pay-out statements and fee affidavits; email to J. Berger regarding J. Larry's marshaling/subordination arguments; receipt and review of the RSM fee affidavit; draft email to J. Fried regarding the 247 mortgage statement;	2.40	AIS
	Review of email from A. Soutter; review of file; updating Fee Affidavit; email to A. Soutter regarding account; review email from A. Soutter;	0.20	BJB
Aug-06-20	Emails from and to A. Soutter, the Receiver and J. Fried as to revised Vesting Order, opinion on mortgage, pay-out amounts and closing aspects; review legal opinion and emails to counsel to confirm same; various emails as to pay-out statements; review and finalize all Bills of Costs for Fee Affidavit and discussion with A. Soutter as to same; review materials in respect of Receiver's borrowings and review information as to borrowings to date;	1.20	DJM
	Review and respond to email correspondence; discuss file with D.J. Miller; emails regarding opinion and pay out statements;	0.80	RK
	Telephone call with J. Berger regarding the Receiver's Certificate; email to R. Lebow regarding a revised opinion; review of the inter-lender agreement and receivership order regarding priority of receiver's certificate; review of the Fee Affidavit and Bills of Costs;	2.60	AIS
	Updating Affidavit and updating exhibits to fee affidavit; email to A. Soutter; email from A. Soutter; compiling Fee Affidavit; email to TGF team enclosing compiled Fee Affidavit and excel spreadsheet; review of email from D.J. Miller; email to A. Soutter; review of email from A. Soutter and update draft Fee Affidavit with revised invoices; email to TGF team;	1.30	BJB

Aug-07-20	Emails from J. Fried to J. Lee as to pay-out statement; emails to and from the Receiver and discussions with A. Soutter as to payment of next realty tax payment and timing for closing; consideration as to Receiver's borrowings and availability;	0.50	DJM
	Telephone call with A. Soutter; review and respond to email correspondence; revise fee affidavit;	0.60	RK
	Review of all fee affidavits and revision to the notice of motion and receiver's report;	1.40	AIS
Aug-08-20	Call with A. Soutter and instructions regarding motion materials and fee affidavits;	0.20	BJB
Aug-09-20	Emails from J. Fried and counsel for the purchaser as to form of Approval and Vesting Order; email to counsel as to paragraph 4 of Order and receive confirmation as to identity of title holder on closing;	0.50	DJM
Aug-10-20	Various emails as to obtaining finalized legal opinion, mortgage statements, receiver's report and materials required for motion; discussion with R. Kennedy as to various outstanding issues and how best to complete same; emails to and from A. Soutter;	0.90	DJM
	Review affidavit; telephone call from A. Soutter; swear affidavit; emails from and to D.J. Miller;	0.70	RK
	Review of emails between real estate counsel and revision to the draft order accordingly; revision to the Notice of Motion; discussion with R. Kennedy regarding the fee affidavit; call and emails with J. Berger regarding the second priority mortgagee; emails with J. Fried regarding the outstanding statements; commissioning R. Kennedy's affidavit; review of emails with counsel to J. Lee's client regarding their pay-out statement;	1.70	AIS
	Review of email from R. Kennedy; email from A. Soutter; updating Fee Affidavit with R. Kennedy's instructions; email to A. Soutter and R. Kennedy;	0.60	BJB
Aug-11-20	Numerous emails to and from J. Fried as to sale of property, schedules to Receiver's Report, finalizing documentation for motion, obtaining discharge statements and opinion and all outstanding aspects for finalizing and serving motion materials; review emails to and from various stakeholders as to upcoming motion; telephone discussion with J. Fried as to real estate aspects; consider terms of Order to be sought and any input to be received from stakeholders; revise documents and circulate redlines; emails to and from A. Soutter as to finalizing outstanding matters and materials;	1.30	DJM

	Review and respond to email correspondence; review of sources and uses; emails to and from A. Soutter;	0.60	RK
	Review of emails regarding the Owens Wright opinion and the mortgage statements; review of caselaw regarding amounts charged pursuant to s.17 of the Mortgages Act (Ontario) as opposed to pursuant to contract; email to the Service List regarding the motion on September 3, 2020; email to J. Larry;	0.90	AIS
Aug-12-20	Receive legal opinion on mortgage in support of order for distribution; review revised statement of receipts and disbursement; emails to and from A. Soutter as to finalizing all aspects;	0.50	DJM
	Review of caselaw regarding three months' interest charges pursuant to statute and contract; receipt and review of Owens Wright opinion; receipt and review of 247's pay-out statement and related discussion with J. Fried; review of the pay-out statements for 247 and 261 and revision to the Receiver's Report;	3.60	AIS
	Call with A. Soutter; review of file, including Report and appendices; prepare Motion Record Cover, Index; commence preparation of Motion Record; call with A. Soutter regarding status of outstanding appendices and Report;	1.10	BJB
Aug-13-20	Emails to and from A. Soutter as to final revisions and review of all materials for service; review emails exchanged with J. Larry; revise and finalize all documents; emails as to individual purchase agreements;	0.90	DJM
	Review of all orders to confirm style of cause; review of PIN regarding same; email to D.J. Miller regarding same;	0.40	RK
	Discussion regarding the Sources and Uses form; reviewing draft motion record; revision to the Notice of Motion, Receiver's Report, and draft orders and discussion with client and co-counsel regarding same;	3.90	AIS
	Email from A. Soutter; updating Motion Record Index, preparing Index for Receiver's Report; adding all additional documents to Motion Record; email to A. Soutter; email from A. Soutter to add in Confidential Appendices for review; updating Motion Record; email to A. Soutter regarding Confidential Appendices; email from A. Soutter enclosing additional documents; updating Motion Record; email from A. Soutter regarding changes to various documents; reupdating Motion Record; email to A. Soutter; review of email from A. Soutter; review of email from D.J. Miller; email to D.J. Miller; call with A. Soutter; updating Motion Record (service copy);	2.40	BJB



	email to A. Soutter;		
Aug-14-20	Emails to and from J.. Larry as to materials to be served; discussion with A Soutter as to service issues; review email as to terms of Purchase Agreement;	0.60	DJM
	Telephone call with D.J. Miller; review and respond to email correspondence;	0.50	RK
	Review of correspondence with J. Larry; review of the Motion Record; receipt and review of an individual purchaser agreement;	1.20	AIS
	Review email from A. Soutter; updating Notice of Motion and both draft Orders; updating Motion Record; email to A. Soutter; call with A. Soutter; email from A. Soutter and respond to same; revising Index and Notice of Motion as per A. Soutter; updating Motion Record; preparing draft email to Service List; call with A. Soutter; updating Motion Record; email from A. Soutter regarding additional change to Report; updating Motion Record and emailing same to A. Soutter; call with A. Soutter; updating Motion Record and discussing next steps; serving motion record;	2.60	BJB
Aug-17-20	Review of email from OSIB; prepare correspondence to OSIB and arrange for Motion Record to be faxed; review of out of offices - updating Service List; emails with A. Soutter; setting up Sync.com website; emails with D.J. Miller;	1.20	BJB
Aug-18-20	Review of email correspondence;	0.50	RK
Aug-19-20	Review letter as to release of funds; email to R Kennedy as to same;	0.10	DJM
	Preparing Counsel Slip; email to A. Soutter; updating Calendar invite; email to A. Soutter; emails with A. Soutter regarding OSIB; email from E. Cartwright regarding OSIB; compiling unredated Motion Record; email to A. Soutter;	0.80	BJB
Aug-20-20	Email from D Ullman as to APS accepted by the Receiver and prior offer made to his client; emails with the Receiver as to same; Emails as to deposits and individual purchase agreements;	0.40	DJM
	Review of letter from bonding company; email to team regarding same; review of correspondence from D. Ullmann; prepare for and attend call regarding same; email from D.J. Miller; draft reply to Ullman;	1.80	RK
Aug-21-20	Review responding email to inquiry from T. Liu's counsel; review prior correspondence with T. Liu's counsel;	0.30	DJM

	Review and respond to emails regarding response to D. Ullmann;	0.50	RK
Aug-24-20	Preparing the Factum; review of unredacted Motion Record;	5.00	AIS
	Email to and from A. Soutter;	0.10	BJB
Aug-25-20	Emails from and to counsel for judgment creditor as to disclosure of APS and request for call; emails to and from R. Kennedy as to same; email from A. Soutter as to draft Factum;	0.50	DJM
	Telephone call from A. Soutter; email from D.J. Miller; review and revise Factum; email to A. Soutter;	2.00	RK
Aug-26-20	Emails to and from R. Kennedy as to request by judgement creditor for information and call to be scheduled; discussion with R. Kennedy as to call that was held and consideration as to same; email from subordinate lender as to request for information as to purchase price and payments on closing; emails to and from J. Fried and the TGF team as to same;	0.50	DJM
	Email from D.J. Miller; email to N. Read-Ellis; email from and to J. Berger; telephone call with N. Read-Ellis; update email to team regarding same; emails regarding default interest; review of emails regarding same; further emails regarding interest issue and factum; telephone call with A. Soutter regarding service of purchasers;	1.60	RK
	Discussion regarding sharing the purchase price with a creditor of the Debtor; review of the mortgage commitment regarding the interest claimed by the Applicant and discussion regarding same with J. Fried and others; email to G. Harris regarding contact information for the individual purchasers;	1.20	AIS
Aug-27-20	Call with R. Kennedy and A Soutter as to amounts claimed in pay-out statements and Receiver's position on same; emails from and to the Receiver as to request received from W. Greenspoon and responding to same; emails to and from J Fried as to same; email from W. Greenspoon as to position to be taken on motion;	0.60	DJM
	Review and respond to email correspondence; emails regarding interest issue; attend call with D.J. Miller and A. Soutter regarding same;	2.10	RK
	Emails with C. Da Silva regarding service; review of J. Fried's draft email to W. Greenspoon-Soer, discussion regarding same with DJ Miller and R. Kennedy, and revision thereto; receipt and review of an email from J. Larry;	2.10	AIS
	Internal emails regarding service of materials on the OSB;	0.20	RGM

Aug-28-20	Review and respond to email correspondence; review of release; email to J. Berger regarding same; email to G. Harris regarding same; email regarding interest funds;	0.80	RK
	Telephone call with J. Larry and discussion regarding the issues he has raised;	0.20	AIS
Aug-30-20	Communications with R. Manea;	0.10	BJB
	Emails from and to Commercial List scheduling clerk regarding hearing on September 4; emails and brief call with A. Soutter regarding same, materials for judge and compendium; emails with A. Soutter regarding Affidavit of Service with respect to Motion and factum; upload factum at shared link for court;	0.50	RGM
Aug-31-20	Telephone call with A. Soutter and discussion as to email received from trust claimant, outstanding issues for hearing and best means of advancing same; review draft email to subsequent mortgagee as to holdback for amounts in dispute for 3 months' interest and other charges; multiple emails with the Receiver and counsel as to same; review and revise draft Order relating to distributions to address this holdback; emails to mortgagees as to Receiver's intention to holdback; further updates to draft Order and email to parties as to same; receive and review written submissions and pleadings served by counsel for trust claimants and emails to the TGF team, the Receiver and J. Fried as to same; receive and review email from D. Ullman to the Receiver as to questions raised for motion on behalf of Mr. Liu; consider same and emails to and from the Receiver, J. Fried, independent counsel for the Receiver and R. Kennedy as to same;	1.50	DJM
	Review and respond to email correspondence; emails regarding release; email from D. Uillmann; emails from D.J. Miller regarding response;	0.80	RK
	Preparing a response to J. Larry, discussing same with D.J. Miller and sending same; revision to the draft distribution order;	0.80	AIS
	Review of email from A. Soutter regarding updating Counsel Slip; updating Counsel Slip and email to A. Soutter; call with A. Soutter regarding status of file and outstanding tasks; review of email from J. Fried;	0.30	BJB
	Prepare Affidavit of service and exhibits for service of Receiver's motion record and factum in connection with the motion returnable Sept. 3; circulate to A. Soutter and B.J. Brinkman for review, signature and commissioning;	1.00	RGM

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
D. J. Miller	12.70	11,430.00	
Rebecca Kennedy	15.50	10,462.50	
Alexander Soutter	30.40	14,440.00	
Bobbie-Jo Brinkman (Law Clerk)	10.90	3,270.00	
Roxana Manea (Law Clerk)	1.70	510.00	
<b>TOTAL FEE HEREIN</b>		<b>\$40,112.50</b>	
<b>HST on Fees</b>		<b><u>\$5,214.63</u></b>	
<b>Total Fees and HST</b>			<b>\$45,327.13</b>
 <b><u>Disbursements:</u></b>			
Computer Research		\$90.96	
Teranet Property Search		\$28.30	
Teranet Property Search*		\$15.30	
Conference Calls		\$58.71	
<b>Total Taxable Disbursements</b>		<b>\$177.97</b>	
<b>HST on Disbursements</b>		<b>\$23.14</b>	
<b>Total Non-Taxable Disbursements</b>		<b><u>\$15.30</u></b>	
<b>Total Disbursements and HST</b>			<b><u>\$216.41</u></b>
<b>Total Fees, Disbursements &amp; HST</b>			<b>\$45,543.54</b>
 <b>OUR ACCOUNT HEREIN</b>			 <b><u>\$45,543.54</u></b>

**Thornton Grout Finnigan LLP**

Per: Rebecca Kennedy

E. & O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 35611

Date: Sep 11/20

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

<b>2478888 ONTARIO INC.</b>	-and-	<b>3070 ELLESMERE DEVELOPMENTS INC.</b>
<b>Applicant</b>		<b>Respondent</b>

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**NINTH BILL OF COSTS OF THE SOLICITORS FOR  
THE COURT-APPOINTED RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**TENTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending (fill in the period)**

Sep-01-20	Emails to and from R. Kennedy, A. Soutter, J. Fried, R. Lebow, the Receiver and counsel for other parties as to motion on Thursday; review and revise draft Supplement to the Receiver's Report to address latest communications from stakeholders; further revisions to draft Orders to be sought; review law on one issue; receive and review pleadings provided by trust claimants' counsel; conference call with the Receiver and J. Fried as to issues for motion;	1.40	DJM
	Review of emails and consider responses; telephone call with A. Soutter; consider replies; emails regarding same; further call with A. Soutter regarding emails; prepare for and attend call with RSM and J. Fried; telephone call and email to R. Uukkvi; review of supplemental report;	3.00	RK
	Review of an email from D. Ullmann, discussion with R. Kennedy and others regarding same and review of the Owens Wright opinion; review of an email from Y. Wang and related	6.80	AIS

written submissions, review of the application of a constructive trust claim in a receivership and discussion regarding same with R. Kennedy and others; telephone conference with B. Tannenbaum, DJ Miller, J. Fried and others regarding the positions taken by stakeholders; preparing the Receiver's Second Report;

	Review of email from Y. Wang; email to A. Soutter; updating counsel slip; email to A. Soutter; uploading materials received from Y. Wang onto Sync.com; email to Y. Wang; email to A. Soutter regarding Factum; email from R. Manea and respond to same; uploading word Factum; finalizing and swearing affidavit;	1.10	BJB
	Emails with B.J. Brinkman and A. Soutter regarding filing of Motion Record through online portal;	0.20	RGM
Sep-02-20	Emails from mortgagees as to their lack of knowledge or notice of application for certificate of pending litigation and impact of same; emails to and from Receiver's independent counsel as to various issues raised by parties in connection with motion and his position on same; review draft Supplement to the Receiver's Second Report and revise same; discussions with R. Kennedy and A. Soutter as to various aspects; review and revise draft Order to be sought, and address holdback for interest amount; call with Receiver, J. Fried and A. Soutter as to draft Supplement to Receiver's Report and issues to be addressed; receive comments from the Receiver on the draft Supplement and implement same; update from J. Fried as to position of subordinate lender on relief sought; review materials obtained in respect of prior application by trust claimants for CPL and consider same; discussion with A. Soutter and J. Fried as to same; revise Supplement to the Receiver's Second Report; coordinate service of outstanding materials with A. Soutter; review email response sent by Receiver to D. Ullman in response to request; consider means of addressing trust claimants' claim in the Supplement and Order to be sought; receive and review correspondence from counsel to subordinate mortgagee and include same in Supplement to be served; discussion with A. Soutter and R. Kennedy as to preparing for motion tomorrow and arguments to be advanced; further email from B. Tannenbaum and consider requested information; discuss with the Receiver and provide same;	2.60	DJM
	Emails from and to TGF team; telephone call with D.J. Miller and A. Soutter; review and respond to email correspondence; review of motion records; review of issues to prepare for court;	2.50	RK

	Revision to the Receiver's Second Supplemental Report and discussion regarding same with R. Kennedy and DJ Miller; receipt and review of correspondence from W. Greenspoon-Soer and corresponding revision to the Receiver's Supplemental Report; assisting with preparation for the motion by summarizing the parties' positions; emails to Justice Hainey with the motion materials;	3.30	AIS
	Assist with preparation of unredacted motion record; instructions from A. Soutter regarding Supplemental Report of the Receiver and assemble same for service; further instructions from A. Soutter regarding service; emails regarding service list; serve supplemental report and upload same in sync.com file for the proceedings; prepare Affidavit of Service and attend commissioning call; emails with A. Soutter and B.J. Brinkman regarding affidavit of service prepared in connection with motion record and factum; upload affidavits of service in sync.com file; emails from parties on service list and revise service list; emails with A. Soutter regarding email communication from G. Hodder;	3.00	RGM
Sep-03-20	Emails from and to R. Kennedy as to case and opinion to be provided to D. Ullman per his request; emails to A. Soutter and R. Kennedy as to case on similar trust claim issue; finalize discussions for motion today; emails from counsel for subordinate lender under first mortgage; discussion with R. Kennedy as to results of motion and Order obtained; consider manner of addressing portion of interest payments challenged; emails to and from the Receiver and J. Fried as to completion of sale transaction, payment of amounts disbursed and to be retained, and providing accounting for same in due course;	1.00	DJM
	Various emails and telephone calls to prepare for court hearing; prepare for and attend court hearings; debrief calls and emails regarding same;	4.30	RK
	Discussion regarding response to D. Ullmann's email; review of the Camilla Court Homes decision; emails with W. Greenspoon-Soer regarding the Trust Claim Plaintiffs' evidence on the motion for leave to issue a certificate of pending litigation; assisting R. Kennedy in preparing for the motion by gathering documents and discussing structure of argument;	2.20	AIS
	Internal emails regarding revisions to Service List;	0.10	RGM
Sep-04-20	Discussion with A. Soutter as to timing of closing of transaction, consideration as to any potential earlier closing and results of discussion with J. Fried as to same; email to first mortgagee and to the Receiver and J. Fried as to holdback,	0.40	DJM



	timing for closing, finalizing all aspects of same;		
Sep-13-20	Emails from and to A. Soutter;	0.30	RK
Sep-14-20	Email from counsel for investors as to Order of Justice Hainey; discussion with R. Kennedy and A. Soutter as to same;	0.20	DJM
	Email from Y. Wang; various emails from and to TGF team;	0.50	RK
	Preparing email to remaining purchasers with deposits advising of the disclaimer of their agreement, discussion regarding same with R. Kennedy and J. Berger, and email regarding same to G. Harris after the disclaimer was sent; receipt and review of an email from Y. Wang regarding the outcome of the motion;	0.60	AIS
Sep-15-20	Call with A. Soutter as to Direction re: Funds to be prepared, reconciling amounts to be directed to be paid to each party, accounting for Receiver's Certificate #2 and holdbacks; call with the RSM team and J. Fried as to Directions and flow of funds; further call with the Receiver as to same; review and revise various draft forms of Direction and Statement as to proposed Distributions; consider same and provide comments; email from A. Soutter as to call from counsel for trust claimant as to their position on Order obtained and closing of transaction; review Sources & Uses document filed on motion, mortgage statements provided and Receiver's proposed R&D; emails from and to M. Coleman as to no appeal of Vesting Order; finalize all documentation for closing of APS transaction;	2.20	DJM
	Review of email correspondence;	0.30	RK
	Telephone call with Y. Wang regarding their decision not to appeal the orders; call with J. Berger regarding the Directions re Funds; call with DJ Miller, J. Fried and others regarding the Directions re Funds; review and revision of the Direction re Funds;	1.70	AIS
Sep-16-20	Emails from and to J. Fried as to payment of closing proceeds to RSM and reconciliation to be undertaken by RSM; numerous emails as to amounts to be paid, mortgage statements to be addressed, and various holdbacks; discussion with A. Soutter as to same; review and revise draft Statement of Receipts and Disbursements as to amounts to be paid; call with J. Berger as to Receiver's Certificate #2 and accounting for same; review and approve payments to be made; receive and review signed Direction from 2478888 Ontario Inc. as to closing proceeds and repayment; email from M. Young as to payment of property taxes;	1.20	DJM

- 5 -

	Review of the proposed distributions and discussion regarding same; telephone call with M. Liu regarding the deposit protocol;	0.60	AIS
Sep-17-20	Emails from and to RSM as to amounts to be distributed; confirm payments made; email from counsel to subordinate mortgagee; emails from J. Fried as to closing and post-closing payments;	0.40	DJM
	Emails regarding closing;	0.30	RK
Sep-18-20	Emails from counsel to subordinate lender under first mortgage as to payment; emails from and to J. Fried and the Receiver as to same; receive and review reconciliation of amounts distributed by the Receiver;	0.40	DJM
	Email regarding closing proceeds;	0.20	RK
Sep-25-20	Emails regarding certificate and purchase price;	0.30	RK
Sep-29-20	Preparing the Receiver's Certificate and emails with J. Berger regarding same;	0.30	AIS
	Emails with A. Soutter regarding filing of Receiver's Certificate pursuant to the AVO with the Court and process to make it publicly available given the challenges imposed by COVID closures; review AVO dated September 3, 2020 signed by Justice Hainey, receiver's website for the proceedings and further emails with A. Soutter regarding entering the AVO as a formality that may be necessary for registration on title (required by LRO);	1.30	RGM
	detailed email to Commercial List requesting formal entry of the AVO, electronic filing of the Receiver's Certificate and stamping same as "received"; receive and review entered AVO and stamped/filed Certificate and provide same to A. Soutter; consider sealed Confidential Appendices, language in Second Report regarding closing of transaction and email to A. Soutter regarding same;		
Sep-30-20	Emails from and to A. Soutter regarding sealed appendices to Second Report, sealing language in Order and order necessary to unseal same; further instructions from A. Soutter regarding entering of Ancillary Order and Order Approving Distributions; email to Commercial List requesting entry of additional Orders; receive and review entered orders and provide to A. Soutter;	0.60	RGM

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
D. J. Miller	9.80	8,820.00
Rebecca Kennedy	11.70	7,897.50

- 6 -

Alexander Soutter	15.50	7,362.50	
Bobbie-Jo Brinkman (Law Clerk)	1.10	330.00	
Roxana Manea (Law Clerk)	5.20	1,560.00	
<b>TOTAL FEE HEREIN</b>		<b>\$25,970.00</b>	
<b>HST on Fees</b>		<b><u>\$3,376.10</u></b>	
<b>Total Fees and HST</b>			<b>\$29,346.10</b>

**Disbursements:**

Conference Calls		\$74.82	
Conference Calls		\$10.18	
Conference Calls		\$20.40	
<b>Total Taxable Disbursements</b>		<b>\$105.40</b>	
<b>HST on Disbursements</b>		<b>\$13.70</b>	
<b>Total Non-Taxable Disbursements</b>		<b><u>\$0.00</u></b>	
<b>Total Disbursements and HST</b>			<b><u>\$119.10</u></b>
<b>Total Fees, Disbursements &amp; HST</b>			<b>\$29,465.20</b>

**OUR ACCOUNT HEREIN** **\$29,465.20**

**Thornton Grout Finnigan LLP**

Per: Rebecca Kennedy

E. & O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001  
 Invoice No. 35736  
 Date: Oct 08/20

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

**- and -**

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**ELEVENTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending (fill in the period)**

Oct-01-20	Emails to J. Berger and others regarding the Receiver's Certificate and giving instructions to have same served on the Service List;	0.30	AIS
	Instructions from A. Soutter; circulate entered Orders and filed Receiver's Certificate to the Service List;	0.20	RGM
Oct-05-20	Email from D. Ullman as to purchase price obtained;	0.10	DJM
	Review and consider email from D. Ullmann;	0.10	RK
Oct-06-20	Review receiver's website for the proceeding and follow-up email to A. Soutter regarding posting of September 3 orders and Receiver's Certificate on website;	0.10	RGM
Oct-07-20	Emails with the Receiver and R. Kennedy as to email from D. Ullman and the Receiver's position on same; consider prior offer relative to one accepted by the Receiver;	0.30	DJM
	Review of email from D. Ullmann and J. Berger; draft email to D. Ullmann; emails to team regarding same;	0.80	RK
	Review of email from D. Ullmann and proposed response and	0.20	AIS

discussion regarding same;

Oct-08-20	Emails from and to R. Kennedy and RSM and J. Fried as to inquiry from D. Ullman, terms of agreement and response to same;	0.20	DJM
	Review of 116 offer; revise email to D. Ullmann; email to team regarding same; email to D. Ullmann	0.50	RK
Oct-13-20	Emails regarding releases;	0.20	RK
Oct-15-20	Receipt and review of release letters prepared by Harris Sheaffer LLP; emails with G. Harris regarding further purchaser releases;	0.40	AIS

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
D. J. Miller	0.60	540.00	
Rebecca Kennedy	1.60	1,080.00	
Alexander Soutter	0.90	427.50	
Roxana Manea (Law Clerk)	0.30	90.00	
TOTAL FEE HEREIN		\$2,137.50	
HST on Fees		<u>\$277.88</u>	
<b>Total Fees and HST</b>			<b>\$2,415.38</b>
 <b><u>Disbursements:</u></b>			
Computer Research		\$39.31	
Total Taxable Disbursements		\$39.31	
HST on Disbursements		\$5.11	
Total Non-Taxable Disbursements		<u>\$0.00</u>	
<b>Total Disbursements and HST</b>			<b><u>\$44.42</u></b>
<b>Total Fees, Disbursements &amp; HST</b>			<b>\$2,459.80</b>
 <b>OUR ACCOUNT HEREIN</b>			 <b><u>\$2,459.80</u></b>

**Thornton Grout Finnigan LLP**

Per: Rebecca Kennedy

E. & O. E. HST No. 87042 1039RT \*HST Exempt  
 Matter No. 2003-001  
 Invoice No. 35979  
 Date: Nov 30/20

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

(COMMERCIAL LIST)

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**TWELFTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending December 31, 2020**

Dec-15-20	Review of email correspondence; review of draft notice of motion; draft email to A. Soutter;	0.30	RK
	Receipt and review of a request to lift the stay from L. Li, considering the request and discussion regarding same with R. Kennedy;	0.70	AIS
Dec-17-20	Email from and to A. Soutter; telephone call with A. Soutter; prepare for and attend call with B. Tannenbaum; debrief with A. Soutter; review and revise letter;	1.00	RK
	Review of the request to lift the stay by L. Li; telephone call with B. Tannenbaum and R. Kennedy regarding the status of the receivership and the request to lift the stay; draft letter to L. Li providing consent to lift the stay;	1.50	AIS
Dec-22-20	Emails from L. Li; email to A. Soutter regarding same;	0.30	RK

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Rebecca Kennedy	1.60	1,080.00
Alexander Soutter	2.20	1,045.00

<b>TOTAL FEE HEREIN</b>	<b>\$2,125.00</b>	
<b>HST on Fees</b>	<b><u>\$276.25</u></b>	
<b>Total Fees and HST</b>		<b>\$2,401.25</b>
 <b><u>Disbursements:</u></b>		
Computer Research	\$9.65	
Owens, Wright LLP - Inv 128300	\$2,593.05	
<b>Total Taxable Disbursements</b>	<b>\$2,602.70</b>	
<b>HST on Disbursements</b>	<b>\$338.35</b>	
<b>Total Non-Taxable Disbursements</b>	<b><u>\$0.00</u></b>	
<b>Total Disbursements and HST</b>		<b><u>\$2,941.05</u></b>
 <b>Total Fees, Disbursements &amp; HST</b>		 <b>\$5,342.30</b>
 <b>OUR ACCOUNT HEREIN</b>		 <b><u>\$5,342.30</u></b>

**Thornton Grout Finnigan LLP**

Per: Rebecca L. Kennedy

E. & O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 36311

Date: Jan 25/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

2478888 ONTARIO INC.	-and-	3070 ELLESMERE DEVELOPMENTS INC.
<b>Applicant</b>		<b>Respondent</b>

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**TWELFTH BILL OF COSTS OF THE SOLICITORS FOR  
THE COURT-APPOINTED RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver



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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**THIRTEENTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending (fill in the period)**

Feb-11-21	Following up with J. Berger regarding the outstanding CRA issue;	0.10	AIS
Feb-24-21	Prepare for and attend call with J. Berger; review of materials regarding HST issue;	0.50	RK
	Email to J. Berger regarding the outstanding Owens Wright account and following up regarding the status of this matter;	0.10	AIS
Mar-02-21	Review of HST materials; draft letter;	1.00	RK
Mar-08-21	Telephone call with J. Berger; finalize letter; instructions regarding same;	0.60	RK

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Rebecca Kennedy	2.10	1,417.50
Alexander Soutter	0.20	95.00
TOTAL FEE HEREIN		\$1,512.50
HST on Fees		<u>\$196.63</u>
<b>Total Fees and HST</b>		<b>\$1,709.13</b>

**Disbursements:**

Total Fees, Disbursements &amp; HST

\$1,709.13

**OUR ACCOUNT HEREIN****\$1,709.13****Thornton Grout Finnigan LLP**

Per: Rebecca L. Kennedy

E. &amp; O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 36687

Date: Apr 15/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

<b>2478888 ONTARIO INC.</b>	-and-	<b>3070 ELLESMERE DEVELOPMENTS INC.</b>
<b>Applicant</b>		<b>Respondent</b>

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**THIRTEENTH BILL OF COSTS OF THE SOLICITORS  
FOR THE COURT-APPOINTED RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**FOURTEENTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending (fill in the period)**

Apr-12-21	Email to J. Berger; email to D. Ullmann; email from and to A. Soutter;	0.40	RK
	Review of correspondence from L. Li and discussion regarding same with DJ Miller and R. Kennedy;	0.20	AIS
Apr-13-21	Email to L. Li;	0.10	AIS

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Rebecca Kennedy	0.40	270.00
Alexander Soutter	0.30	142.50
TOTAL FEE HEREIN		\$412.50
HST on Fees		<u>\$53.63</u>
<b>Total Fees and HST</b>		<b>\$466.13</b>

OUR ACCOUNT HEREIN

\$466.13

Thornton Grout Finnigan LLP



Per: Rebecca L. Kennedy

E. &amp; O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 36781

Date: May 11/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

2478888 ONTARIO INC.

Applicant

-and-

3070 ELLESMERE DEVELOPMENTS INC.

Respondent

Court File No. CV-19-00627187-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced in Toronto

FOURTEENTH BILL OF COSTS OF THE SOLICITORS  
FOR THE COURT-APPOINTED RECEIVER

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**FIFTEENTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending (May 31, 2021)**

May-11-21	Email from and to J. Berger;	0.20	RK
-----------	------------------------------	------	----

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Rebecca Kennedy	0.20	135.00
<b>TOTAL FEE HEREIN</b>		<b>\$135.00</b>
<b>HST on Fees</b>		<b>\$17.55</b>
<b>Total Fees and HST</b>		<b>\$152.55</b>
 <b><u>Disbursements:</u></b>		
<b>Total Fees, Disbursements &amp; HST</b>		<b>\$152.55</b>

**OUR ACCOUNT HEREIN**

**\$152.55**

**Thornton Grout Finnigan LLP**



Per: Rebecca L. Kennedy

E. & O. E.    HST No. 87042 1039RT    \*HST Exempt

Matter No.            2003-001

Invoice No.            36982

Date:                    Jun 24/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.



IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

<b>2478888 ONTARIO INC.</b>	<b>Applicant</b>	- and-	<b>3070 ELLESMERE DEVELOPMENTS INC.</b>	<b>Respondent</b>
-----------------------------	------------------	-----------	---	-------------------

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**FIFTEENTH BILL OF COSTS OF THE  
SOLICITORS FOR THE COURT-APPOINTED  
RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**SIXTEENTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending (July 31, 2021)**

Jun-18-21	Prepare for and attend call with A. Soutter and J. Berger;	1.00	RK
	Telephone call with R. Kennedy and J. Berger regarding the CRA issues and related discussion with R. Kennedy;	1.00	AIS
Jul-02-21	Emails with J. Berger regarding the letter to D. Ullmann;	0.10	AIS
Jul-06-21	Review of letter; email to A. Soutter regarding same;	0.30	RK
	Review of emails between T. Liu and the Receiver regarding HST issues; emails with J. Berger regarding the draft letter to D. Ullmann and revision to same;	0.50	AIS
Jul-07-21	Review of letter; emails regarding same; telephone call with A. Soutter;	0.30	RK
	Discussion with R. Kennedy regarding the HST letter to D. Ullmann; call with J. Berger regarding the HST letter to D. Ullmann;	0.20	AIS
Jul-23-21	Review and respond to email correspondence; prepare for and attend videoconference;	0.50	RK
	Videoconference with J. Berger regarding remedies for the	0.30	AIS

debtor's failure to produce documents;

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
Rebecca Kennedy	2.10	1,417.50	
Alexander Soutter	2.10	997.50	
<b>TOTAL FEE HEREIN</b>		<b>\$2,415.00</b>	
<b>HST on Fees</b>		<b>\$313.95</b>	
<b>Total Fees and HST</b>			<b>\$2,728.95</b>
<b><u>Disbursements:</u></b>			
<b>Total Fees, Disbursements &amp; HST</b>			<b>\$2,728.95</b>
<b>OUR ACCOUNT HEREIN</b>			<b><u>\$2,728.95</u></b>

Thornton Grout Finnigan LLP



Per: Rebecca L. Kennedy

E. & O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 37122

Date: Aug 09/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

2478888 ONTARIO INC.

Applicant

-and-

3070 ELLESMERE DEVELOPMENTS INC.

Respondent

Court File No. CV-19-00627187-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced in Toronto

SIXTEENTH BILL OF COSTS OF THE SOLICITORS  
FOR THE COURT-APPOINTED RECEIVER

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**SEVENTEENTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending August 31, 2021**

Aug-03-21	Emails and telephone call with W. Greenspoon-Soer regarding the CRA claim;	0.30	AIS
Aug-05-21	Email regarding discussion with secured creditor;	0.10	RK
	Email to J. Berger regarding the CRA claim and consultation with W. Greenspoon-Soer;	0.10	AIS
Aug-09-21	Email from G. Harris regarding a report to Tarion;	0.10	AIS
Aug-18-21	Emails with J. Berger;	0.10	AIS
Aug-20-21	Email to W. Greenspoon-Soer regarding relevant figures surrounding CRA's claim and HST remittances by the company;	0.10	AIS
Aug-23-21	Emails with W. Greenspoon-Soer;	0.10	AIS
Aug-26-21	Email from W. Greenspoon-Soer; email to J. Berger;	0.20	AIS

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
Rebecca Kennedy	0.10	67.50	
Alexander Soutter	1.00	475.00	
TOTAL FEE HEREIN		\$542.50	
HST on Fees		<u>\$70.53</u>	
<b>Total Fees and HST</b>			<b>\$613.03</b>
<b><u>Disbursements:</u></b>			
<b>Total Fees, Disbursements &amp; HST</b>			<b>\$613.03</b>
<b>OUR ACCOUNT HEREIN</b>			<b><u>\$613.03</u></b>

**Thornton Grout Finnigan LLP**



Per: Rebecca L. Kennedy

E. & O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 37322

Date: Sep 24/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

<b>2478888 ONTARIO INC.</b>	<b>Applicant</b>	- and-	<b>3070 ELLESMERE DEVELOPMENTS INC.</b>	<b>Respondent</b>
-----------------------------	------------------	-----------	---	-------------------

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**SEVENTEENTH BILL OF COSTS OF THE  
SOLICITORS FOR THE COURT-APPOINTED  
RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**EIGHTEENETH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending September 30, 2021**

Sep-16-21	Email to J. Berger regarding next steps;	0.10	AIS
Sep-20-21	Consider issue of 3 month interest; discuss same with A. Soutter;	0.30	RK
	Discussion with R. Kennedy regarding a distribution and discharge motion; email to J. Berger;	0.20	AIS
Sep-23-21	Email to R. Lebow;	0.30	AIS

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Rebecca Kennedy	0.30	202.50
Alexander Soutter	0.60	285.00
TOTAL FEE HEREIN		\$487.50
HST on Fees		<u>\$63.38</u>
<b>Total Fees and HST</b>		<b>\$550.88</b>



**Disbursements:****Total Fees, Disbursements & HST****\$550.88****OUR ACCOUNT HEREIN****\$550.88****Thornton Grout Finnigan LLP**

Per: Rebecca L. Kennedy

E. &amp; O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 37405

Date: Oct 18/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

<b>2478888 ONTARIO INC.</b>	<b>Applicant</b>	-and-	<b>3070 ELLESMERE DEVELOPMENTS INC.</b>	<b>Respondent</b>
-----------------------------	------------------	-------	---	-------------------

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**EIGHTEENTH BILL OF COSTS OF THE  
SOLICITORS FOR THE COURT-APPOINTED  
RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**NINETEENTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending October 31, 2021**

Oct-07-21	Email to R. Lebow;	0.10	AIS
Oct-08-21	Emails from and to A. Soutter;	0.30	RK
Oct-12-21	Voicemail to R. Lebow;	0.10	AIS
Oct-21-21	Update call with A. Soutter; email from and to D.J. Miller;	0.40	RK
	Discussion with R. Kennedy regarding remaining funds and motion to discharge the receiver; preparing an agenda for an internal call;	0.60	AIS
Oct-25-21	Emails with DJ Miller regarding the 3 months' interest issue;	0.20	AIS
Oct-27-21	Prepare for and attend update call with D.J. Miller and A. Soutter;	0.50	RK
	Discussion with DJ Miller and R. Kennedy regarding next steps towards a motion for a discharge;	0.40	AIS

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Rebecca Kennedy	1.20	810.00
Alexander Soutter	1.40	665.00

<b>TOTAL FEE HEREIN</b>		<b>\$1,475.00</b>
<b>HST on Fees</b>		<b><u>\$191.75</u></b>

<b>Total Fees and HST</b>		<b>\$1,666.75</b>
---------------------------	--	-------------------

**Disbursements:**

<b>Total Fees, Disbursements &amp; HST</b>		<b>\$1,666.75</b>
--	--	-------------------

<b>OUR ACCOUNT HEREIN</b>		<b><u>\$1,666.75</u></b>
---------------------------	--	--------------------------

**Thornton Grout Finnigan LLP**



Per: Rebecca L. Kennedy

E. & O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 37567

Date: Nov 22/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

<b>2478888 ONTARIO INC.</b>	<b>Applicant</b>	-and-	<b>3070 ELLESMERE DEVELOPMENTS INC.</b>	<b>Respondent</b>
-----------------------------	------------------	-------	---	-------------------

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**FIFTEENTH BILL OF COSTS OF THE  
SOLICITORS FOR THE COURT-APPOINTED  
RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**TWENTIETH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending November 30, 2021**

Nov-02-21	Telephone call with, and email to, J. Berger regarding the Tarion statutory declaration and the motion for the receiver's discharge;	0.20	AIS
	<b><u>Lawyer</u></b>	<b><u>Hours</u></b>	<b><u>Amount</u></b>
	Alexander Soutter	0.20	95.00
	TOTAL FEE HEREIN		\$95.00
	HST on Fees		<u>\$12.35</u>
	<b>Total Fees and HST</b>		<b>\$107.35</b>
	<b><u>Disbursements:</u></b>		
	<b>Total Fees, Disbursements &amp; HST</b>		<b>\$107.35</b>

## OUR ACCOUNT HEREIN

\$107.35

Thornton Grout Finnigan LLP



Per: Rebecca L. Kennedy

E. &amp; O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 37628

Date: Dec 14/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

<b>2478888 ONTARIO INC.</b>	<b>Applicant</b>	-and-	<b>3070 ELLESMERE DEVELOPMENTS INC.</b>	<b>Respondent</b>
-----------------------------	------------------	-------	---	-------------------

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**TWENTIETH BILL OF COSTS OF THE  
SOLICITORS FOR THE COURT-APPOINTED  
RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver



Court File No. CV-19-00627187-00CL

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

2478888 ONTARIO INC.

Applicant

- and -

3070 ELLESMERE DEVELOPMENTS INC.

Respondent

**TWENTY FIRST BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending December 31, 2021**

Dec-09-21	Draft letter to D. Ullmann and W. Greenspoon-Soer;	0.50	AIS
Dec-20-21	Email to J. Berger with draft letter to D. Ullmann and W. Greenspoon-Soer;	0.10	AIS

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Alexander Soutter	0.60	285.00
TOTAL FEE HEREIN		\$285.00
HST on Fees		<u>\$37.05</u>
<b>Total Fees and HST</b>		<b>\$322.05</b>

OUR ACCOUNT HEREIN

\$322.05

Thornton Grout Finnigan LLP



Per: Rebecca L. Kennedy

E. &amp; O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 37812

Date: Jan 25/22

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

<b>2478888 ONTARIO INC.</b>	<b>Applicant</b>	-and-	<b>3070 ELLESMERE DEVELOPMENTS INC.</b>	<b>Respondent</b>
-----------------------------	------------------	-------	---	-------------------

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**TWENTY-TWO HUNDRED AND TWENTY BILL OF COSTS OF THE  
SOLICITORS FOR THE COURT-APPOINTED  
RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**TWENTY SECOND BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending February 28, 2022**

Jan-31-22	Review and respond to email correspondence;	0.30	RK
	Email to K. Chan regarding preparing a Notice of Motion and draft order for a final distribution, fee approval and discharge;	0.10	AIS
	Emails with A. Soutter and K. Chan (student) regarding drafting materials for final distribution, fee approval and receiver discharge motion; detailed email to K. Chan regarding draft materials and provide precedents;	0.90	RGM
Feb-01-22	Email from D. Ullmann and discussion regarding same with A. Soutter;	0.60	RK
	Email from D. Ullmann and discussion regarding same with R. Kennedy;	0.60	AIS
Feb-02-22	Prepare for and attend call with RSM; discussion with A. Soutter regarding same;	0.80	RK
	Discussion with R. Kennedy regarding responding to D. Ullmann and next steps; videoconference with J. Berger and others regarding same;	0.80	AIS

Feb-22-22	Emails with R. Kennedy regarding next steps and a distribution motion;	0.10	AIS
Feb-28-22	Discussion with R. Kennedy regarding next steps;	0.20	AIS

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
Rebecca Kennedy	1.70	1,147.50	
Alexander Soutter	1.80	855.00	
Roxana Manea (Law Clerk)	0.90	270.00	
TOTAL FEE HEREIN		\$2,272.50	
HST on Fees		<u>\$295.43</u>	
<b>Total Fees and HST</b>			<b>\$2,567.93</b>
 <b><u>Disbursements:</u></b>			
<b>Total Fees, Disbursements &amp; HST</b>			<b>\$2,567.93</b>
 <b>OUR ACCOUNT HEREIN</b>			 <b><u>\$2,567.93</u></b>

**Thornton Grout Finnigan LLP**

Per:



Per: Rebecca Kennedy

E. & O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 38040

Date: Mar 22/22

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

<b>2478888 ONTARIO INC.</b>	<b>Applicant</b>	-and-	<b>3070 ELLESMERE DEVELOPMENTS INC.</b>	<b>Respondent</b>
-----------------------------	------------------	-------	---	-------------------

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**TWENTY SECOND BILL OF COSTS OF THE  
SOLICITORS FOR THE COURT-APPOINTED  
RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

**Respondent**

**TWENTY THIRD BILL OF COSTS OF THE SOLICITORS  
TO THE COURT APPOINTED RECEIVER**

**For the period ending June 30, 2022**

Mar-01-22	Telephone call with J. Fried and email to J. Fried;	0.20	AIS
Mar-04-22	Email to J. Fried;	0.10	AIS
Mar-25-22	Email to J. Fried following up on the applicants' position;	0.10	AIS
May-13-22	Discussion with R. Kennedy regarding the final distribution; videoconference with B. Tannenbaum and J. Berger regarding the final distribution and email to them with a status update regarding outstanding issues before such a distribution can be made;	0.70	AIS
May-27-22	Emails from B. Tannenbaum and H. Goldberg;	0.10	AIS

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Alexander Soutter	1.20	570.00
<b>TOTAL FEE HEREIN</b>		<b>\$570.00</b>

HST on Fees

\$74.10**Total Fees and HST****\$644.10****Disbursements:****Total Fees, Disbursements & HST****\$644.10****OUR ACCOUNT HEREIN****\$644.10****Thornton Grout Finnigan LLP**

Per: Rebecca Kennedy

E. &amp; O. E. HST No. 87042 1039RT \*HST Exempt

Matter No. 2003-001

Invoice No. 38463

Date: Jul 13/22

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.



IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

<b>2478888 ONTARIO INC.</b>  <b>Applicant</b>	-and-	<b>3070 ELLESMERE DEVELOPMENTS INC.</b>  <b>Respondent</b>
Court File No. CV-19-00627187-00CL		
<b>ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)</b>  Proceedings commenced in Toronto		
<b>TWENTY-ONE BILL OF COSTS OF THE SOLICITORS FOR THE COURT-APPOINTED RECEIVER</b>		
<p><b>THORNTON GROUT FINNIGAN LLP</b>          TD West Tower, Toronto-Dominion Centre          100 Wellington Street West, Suite 3200          Toronto, Ontario M5K 1K7          Fax: (416) 304-1313</p> <p><b>D.J. Miller (LSO# 34393P)</b>          Tel: (416) 304-0559 / Email: <a href="mailto:djmiller@tgf.ca">djmiller@tgf.ca</a></p> <p><b>Rebecca L. Kennedy (LSO# 61146S)</b>          Tel: (416) 304-0603 / Email: <a href="mailto:rkennedy@tgf.ca">rkennedy@tgf.ca</a></p> <p>Lawyers for RSM Canada Limited, as Receiver</p>		

Court File No. CV-19-00627187-00CL

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

**IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,  
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3,  
as amended**

**BETWEEN:**

**2478888 ONTARIO INC.**

**Applicant**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

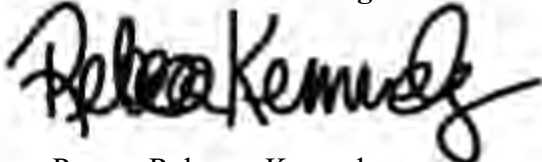
**Respondent**

**TWENTY-FOURTH BILL OF COSTS OF THE SOLICITORS  
TO THE COURT-APPOINTED RECEIVER**

**For the period ending September 30, 2022**

Sep-07-22	Prepare for and attend call regarding discharge motion;	0.50	RK
Sep-29-22	Telephone call from J. Berger; review of report; email regarding same;	1.00	RK

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
Rebecca Kennedy	1.50	1,012.50	
<b>TOTAL FEE HEREIN</b>		<b>\$1,012.50</b>	
<b>HST on Fees</b>		<b><u>\$131.63</u></b>	
<b>Total Fees and HST</b>			<b>\$1,144.13</b>
 <b>OUR ACCOUNT HEREIN</b>			 <b><u>\$1,144.13</u></b>

**Thornton Grout Finnigan LLP**


Per: Rebecca Kennedy

E. & O. E. HST No. 87042 1039RT \*HST Exempt  
 Matter No. 2003-001  
 Invoice No. 38748  
 Date: Oct 12/22

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

2478888 ONTARIO INC.	-and-	3070 ELLESMERE DEVELOPMENTS INC.
Applicant		Respondent

Court File No. CV-19-00627187-00CL

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

Proceedings commenced in Toronto

**TWENTY-FOURTH BILL OF COSTS OF  
THE SOLICITORS FOR  
THE COURT-APPOINTED RECEIVER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

# Exhibit "B"

THIS IS EXHIBIT "B" REFERRED TO  
IN THE AFFIDAVIT OF  
REBECCA L. KENNEDY  
SWORN BEFORE ME  
THIS 12TH DAY OF OCTOBER, 2022. **191**

Summary of professional fees by invoice for the period: August 1, 2020 to September 30, 2022

Invoice #	Period of Service	Total Hours	Fees	Disb.	HST	Total (Fees, HST, Disb.)	Average Hourly Rate
9th Bill of Costs	For period ended August 31, 2020	71.2	\$ 40,112.50	\$ 193.27	\$ 5,237.77	\$ 45,543.54	\$ 563.38
10th Bill of Costs	For period ended Sept. 30, 2020	43.3	\$ 25,970.00	\$ 105.40	\$ 3,389.80	\$ 29,465.20	\$ 599.77
11th Bill of Costs	For period Oct-Nov, 2020	3.4	\$ 2,137.50	\$ 39.31	\$ 282.99	\$ 2,459.80	\$ 628.68
12th Bill of Costs	For period ended Dec. 31, 2020	3.8	\$ 2,125.00	\$ 2,602.70	\$ 614.60	\$ 5,342.30	\$ 559.21
13th Bill of Costs	For period March-Apr, 2021	2.3	\$ 1,512.50	\$ -	\$ 196.63	\$ 1,709.13	\$ 657.61
14th Bill of Costs	For period ended April 30, 2021	0.7	\$ 412.50	\$ -	\$ 53.63	\$ 466.13	\$ 589.29
15th Bill of Costs	For period ended May 31, 2021	0.2	\$ 135.00	\$ -	\$ 17.55	\$ 152.55	\$ 675.00
16th Bill of Costs	For period ended July 31, 2021	4.2	\$ 2,415.00	\$ -	\$ 313.95	\$ 2,728.95	\$ 575.00
17th Bill of Costs	For period ended August 31, 2021	1.1	\$ 542.50	\$ -	\$ 70.53	\$ 613.03	\$ 493.18
18th Bill of Costs	For period ended Sept. 31, 2021	0.9	\$ 487.50	\$ -	\$ 63.38	\$ 550.88	\$ 541.67
19th Bill of Costs	For period ended October 31, 2021	2.6	\$ 1,475.00	\$ -	\$ 191.75	\$ 1,666.75	\$ 567.31
20th Bill of Costs	For period ended Nov. 30, 2021	0.2	\$ 95.00	\$ -	\$ 12.35	\$ 107.35	\$ 475.00
21st Bill of Costs	For period ended Dec. 31, 2021	0.6	\$ 285.00	\$ -	\$ 37.05	\$ 322.05	\$ 475.00
22nd Bill of Costs	For period ended Feb. 28, 2022	4.4	\$ 2,272.50	\$ -	\$ 295.43	\$ 2,567.93	\$ 516.48
23rd Bill of Costs	For period ended June 30, 2022	1.2	\$ 570.00	\$ -	\$ 74.10	\$ 644.10	\$ 475.00
24th Bill of Costs	For period ended Sept. 30, 2022	1.5	\$ 1,012.50	\$ -	\$ 131.63	\$ 1,144.13	\$ 675.00
<b>TOTAL</b>		<b>141.6</b>	<b>\$ 81,560.00</b>	<b>\$ 2,940.68</b>	<b>\$ 10,983.11</b>	<b>\$ 95,483.79</b>	

Roxane Gabriela Manca, a Commissioner, etc.,  
Province of Ontario, for  
Thornton Grout Finnigan LLP,  
Barristers and Solicitors.  
Expires June 5, 2024.


# Exhibit "C"

THIS IS EXHIBIT "C" REFERRED TO  
IN THE AFFIDAVIT OF **192**  
REBECCA L. KENNEDY  
SWORN BEFORE ME  
THIS 12TH DAY OF OCTOBER, 2022

## Summary of total professional fees by position - period: August 1, 2020 to September 30, 2022

Legal Professional	Position	Year of Call	Rate/hour 2020	Rate/hour 2021	Rate/hour 2022	Hours Billed
D.J. Miller	Partner	1993	\$ 900.00	n/a	n/a	23.10
Rebecca Kennedy	Partner	2009	\$ 675.00	\$ 675.00	\$ 675.00	40.00
Alexander Soutter	Associate	2017	\$ 475.00	\$ 475.00	\$ 475.00	58.40
Roxana Manea	Law clerk	N/A	\$ 300.00	n/a	\$ 300.00	8.10
Bobbie-Jo Brinkman	Law clerk	N/A	\$ 300.00	n/a	n/a	12.00
<b>Total</b>						<b>141.60</b>

Roxane Gabriela Mares, a Commissioner, etc.,  
Province of Ontario, for  
Thornton Grout Finnigan LLP,  
Barristers and Solicitors.  
Expires June 5, 2024.



IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

2478888 ONTARIO INC.

- and -

3070 ELLESMERE DEVELOPMENTS INC.

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**AFFIDAVIT OF REBECCA L. KENNEDY  
(Sworn October 12, 2022)**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

Lawyers for RSM Canada Limited, in its capacity as  
Court-appointed Receiver

*IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended*

**2478888 ONTARIO INC.**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**THIRD REPORT OF THE RECEIVER DATED  
OCTOBER 14, 2022**

**NORTON ROSE FULBRIGHT CANADA LLP**  
222 Bay Street, Suite 3000, P.O. Box 53  
Toronto, ON M5K 1E7

**Jennifer Stam** LSO# 46735J

[Jennifer.stam@nortonrosefulbright.com](mailto:Jennifer.stam@nortonrosefulbright.com)

Tel: 416-202-6707

Fax: 416-216-3930

Lawyers for the Receiver, RSM Canada Limited

**TAB 3**



Court File No. CV-19-00627187-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR. )

THURSDAY, THE 3<sup>RD</sup>

JUSTICE HAINEY )

DAY OF SEPTEMBER, 2020

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**ORDER  
(Approving Distributions)**

THIS MOTION, made by RSM Canada Limited in its capacity as the Court-appointed receiver (the “**Receiver**”) without security, of the undertaking, property and assets of 3070 Ellesmere Developments Inc. (the “**Debtor**”) for an order, *inter alia*, approving the distributions proposed in the Receiver’s Second Report, was heard this day by videoconference due to the COVID-19 crisis.

ON READING the Receiver’s Second Report, the Supplement to the Receiver’s Second Report dated September 2, 2020, the Fee Affidavit of Bryan Tannenbaum, sworn August 5, 2020, the Fee Affidavit of Joseph Fried, sworn August 6, 2020, the Fee Affidavit of Rebecca L. Kennedy sworn August 10, 2020, and the written submissions of the Trust Claim Plaintiffs (as that term is defined in the Supplement to the Receiver’s Second Report) and on hearing the submissions of counsel for the Receiver, and all other parties listed on the Counsel Slip, no one else appearing for any other person, although all parties appearing on the Service List in this

proceeding were duly served as it appears from the Affidavit of Service of Bobbie-Jo Brinkman sworn September 1, 2020:

### **SERVICE**

1. **THIS COURT ORDERS** that service of the Notice of Motion and the Motion Record including the Receiver's Second Report is hereby validated so that this Motion is properly returnable today and hereby dispenses with further service thereof. All capitalized terms used herein and not otherwise defined are as defined in the Receiver's Second Report.

### **DISTRIBUTION**

2. **THIS COURT ORDERS** that the Receiver be and hereby is authorized to distribute to 2478888 Ontario Inc. ("**247**") the sum of \$8,234,646.57 and shall not pay 247, and shall hold in reserve, the \$229,290.53 claimed by 247 on account of the three months' interest charge pending further order of this Court.

3. **THIS COURT ORDERS** that the Receiver be and hereby is authorized to distribute up to the maximum amount of \$7,603,561.82 to 2615333 Ontario Inc. ("**261**"), in such instalments from time to time as the Receiver may determine without further order of this Court and shall not pay 261, and shall hold in reserve an amount up to a maximum of, the \$177,764.97 claimed by 261 on account of the three months' interest charge and charge for default proceeding pending further order of this Court.

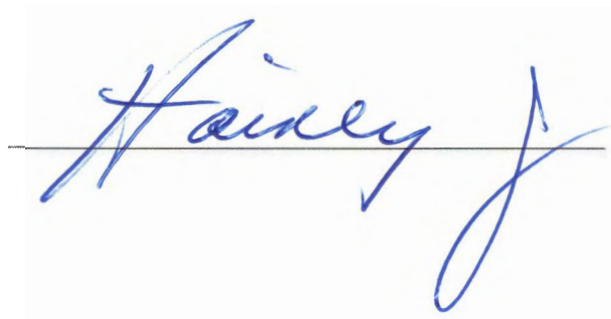
### **GENERAL**

4. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada 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.

5. **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.

6. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

7. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at: [www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/](http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/)) shall be valid and effective service.

A handwritten signature in blue ink, reading "Hainey J.", is written over a horizontal line. The signature is cursive and includes a large, stylized flourish at the end.

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

2478888 ONTARIO INC.

Applicant

- and -

3070 ELLESMERE DEVELOPMENTS INC.

Respondent

Court File No.: CV-19-00627187-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced at Toronto, Ontario

ORDER  
(Approving Distributions)

**THORNTON GROUPT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Fax: (416) 304-1313

**D.J. Miller (LSO# 34393P)**  
Tel: (416) 304-0559 / Email: [djmiller@tgf.ca](mailto:djmiller@tgf.ca)

**Rebecca L. Kennedy (LSO# 61146S)**  
Tel: (416) 304-0603 / Email: [rkennedy@tgf.ca](mailto:rkennedy@tgf.ca)

**Alexander Soutter (LSO#72403T)**  
Tel: (416) 304-0595 / Email: [asoutter@tgf.ca](mailto:asoutter@tgf.ca)

Lawyers for RSM Canada Limited, as Receiver

**TAB 4**

Court File No.: CV-19-00627187-00CL

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

*IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended*

THE HONOURABLE MR.	)	FRIDAY, THE 28 <sup>th</sup>
JUSTICE CAVANAGH	)	
	)	DAY OF OCTOBER, 2022

B E T W E E N:

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**ORDER  
(Approval of Activities and Fees, Distribution and Discharge)**

**THIS MOTION**, made by RSM Canada Limited, (“**RSM**”) in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”), of all property, assets and undertakings (collectively, the “**Property**”) of 3070 Ellesmere Developments Inc. (the “**Company**” or the “**Debtor**”) for an order:

- a) Abridging the time for service and filing of this notice of motion and the motion record, authorizing service via electronic mail and dispensing with further service of same;
- b) Authorizing and directing the Receiver, on behalf of the Company, to distribute the Holdback Amount (as defined in the Third Report) to 2615333 Ontario Inc. ("**261**");
- c) Approving the conduct and activities of the Receiver as set out in the Third Report of the Receiver dated October 14, 2022 (the "**Third Report**");
- d) Approving the Receiver's interim statement of receipts and disbursements for the period September 27, 2019 to September 30, 2022 (the "**R&D**");
- e) Approving the fees and disbursements of the Receiver and its counsel Thornton Grout Finnigan LLP ("**TGF**") as set out in the affidavit of Bryan A. Tannenbaum sworn October 13, 2022 (the "**Tannenbaum Affidavit**"), affidavit of Rebecca L. Kennedy sworn October 12, 2022 (the "**Kennedy Affidavit**" and together with the Tannenbaum Affidavit, the "**Fee Affidavits**") for the period of time set out therein, plus an accrual to complete the Remaining Duties (as defined in the Third Report);
- f) Terminating these proceedings and discharging RSM from the powers, duties and obligations attendant to its appointment as Receiver upon the filing of the Receiver's Discharge Certificate.

**ON READING** the Third Report, and on hearing the submissions of counsel for the Receiver, and those other parties present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Katie Parent sworn October ●,

2022, filed:

### **NOTICE AND SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated such that this Motion is properly returnable today, hereby dispenses with further service thereof, and authorizes substitute service via electronic mail.

### **DISTRIBUTION OF HOLDBACK AMOUNT**

2. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to distribute the Holdback Amount to 2615333 Ontario Inc.

### **APPROVAL OF THE RECEIVER'S REPORT AND ACTIVITIES**

3. **THIS COURT ORDERS** that the Third Report and the activities and conduct of the Receiver described therein be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approvals.

### **RECEIPTS AND DISBURSEMENTS**

4. **THIS COURT ORDERS** that Receiver's interim statement of receipts and disbursements for the period September 27, 2019 to September 30, 2022 be and are hereby approved;

### **APPROVAL OF FEES AND DISBURSEMENTS**

5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and the fees and disbursements of TGF, as set out in the Fee Affidavits be and are hereby approved.



6. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, Norton Rose Fulbright Canada LLP, estimated not to exceed \$40,000, plus HST, for the completion of the remaining activities in connection with the receivership, are hereby approved.

#### **RECEIVER'S DISCHARGE**

7. **THIS COURT ORDERS** that, effective upon the filing of the Receiver of a certificate (the "**Discharge Certificate**") in the form attached hereto as Schedule "A", confirming the completion of the terms and conditions of its discharge have been met, as set out in the Third Report, the Receiver shall be discharged as receiver of all property, assets and undertakings of the Company, provided however that notwithstanding its discharge lien herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stay of proceedings in favour of RSM in its capacity as Receiver.

8. **THIS COURT ORDERS AND DECLARES** that upon the filing of the Discharge Certificate, RSM is hereby released and discharged from any and all liability that RSM now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of RSM while acting in its capacity as the Receiver, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, RSM is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

**MISCELLANEOUS**

9. **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.

---

## Schedule "A" - Form of Receiver's Discharge Certificate

Court File No.: CV-19-00627187-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,  
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended**

BETWEEN:

**2478888 ONTARIO INC.**

Applicant

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Respondent

**RECEIVER'S DISCHARGE CERTIFICATE**

**RECITALS**

**WHEREAS**, pursuant to an Order of the Court made on September 13, 2019, effective on September 27, 2019 (the "**Receivership Order**"), RSM Canada Limited ("**RSM**") was appointed as receiver (in such capacity, the "**Receiver**"), of all property, assets and undertakings (collectively, the "**Property**");

**AND WHEREAS**, pursuant to an Order of the Court dated **[DATE]**, the Court, among other things, ordered that the Receiver shall be discharged as Receiver of all property, assets and undertakings of the Company, as set out in the Receivership Order, upon the filing of the discharge certificate confirming the completion of the terms and conditions of the discharge have been met.

**THE RECEIVER CERTIFIES** the following:

1. The terms and conditions of the discharge have been met, as set out in the Third Report of the Receiver dated October ●, 2022.

**DATED** as of [TIME] on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**RSM CANADA LIMITED**, solely in its capacity as court-appointed receiver of all property, assets and undertakings of 3070 Ellesmere Developments Inc. and not in its personal capacity

Per:

---

Name:

Title:

*IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended*

**2478888 ONTARIO INC.**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**RECEIVER'S DISCHARGE CERTIFICATE**

**NORTON ROSE FULBRIGHT CANADA LLP**  
222 Bay Street, Suite 3000, P.O. Box 53  
Toronto, ON M5K 1E7

**Jennifer Stam** LSO# 46735J

[Jennifer.stam@nortonrosefulbright.com](mailto:Jennifer.stam@nortonrosefulbright.com)

Tel: 416-202-6707

Fax: 416-216-3930

Lawyers for the Receiver, RSM Canada Limited

*IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended*

**2478888 ONTARIO INC.**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**ORDER  
(Approval of Activities and Fees, Distribution and  
Discharge)**

**NORTON ROSE FULBRIGHT CANADA LLP**  
222 Bay Street, Suite 3000, P.O. Box 53  
Toronto, ON M5K 1E7

**Jennifer Stam** LSO# 46735J

[Jennifer.stam@nortonrosefulbright.com](mailto:Jennifer.stam@nortonrosefulbright.com)

Tel: 416-202-6707

Fax: 416-216-3930

Lawyers for the Receiver, RSM Canada Limited

**TAB 5**

Court File No. —: CV-19-00627187-00CL

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

*IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended*

THE HONOURABLE ) ~~WEEKDAY~~FRIDAY, THE #28<sup>th</sup>  
 )  
MR. ) DAY OF ~~MONTH~~OCTOBER, 20~~YR~~22  
 )  
JUSTICE —CAVANAGH

B E T W E E N:

**PLAINTIFF**

Plaintiff

2478888 ONTARIO INC.

Applicant

- and -

**DEFENDANT**

Defendant

**DISCHARGE**

3070 ELLESMERE DEVELOPMENTS INC.

Respondent

**ORDER**  
(Approval of Activities and Fees, Distribution and Discharge)



THIS MOTION, made by ~~[RECEIVER'S NAME]~~RSM Canada Limited, (“RSM”) in its capacity as the Court-appointed receiver (in such capacity, the ~~“Receiver”~~), of ~~the undertaking, all~~ property ~~and~~, assets ~~of [DEBTOR]~~ and undertakings (collectively, the **“Property”**) of 3070 Ellesmere Developments Inc. (the **“Company”** or the **“Debtor”**); for an order:

- a) Abridging the time for service and filing of this notice of motion and the motion record, authorizing service via electronic mail and dispensing with further service of same;
- b) Authorizing and directing the Receiver, on behalf of the Company, to distribute the Holdback Amount (as defined in the Third Report) to 2615333 Ontario Inc. (“261”);
- c) ~~1. approving~~ Approving the conduct and activities of the Receiver as set out in the ~~report~~ Third Report of the Receiver dated ~~[DATE]~~ October 14, 2022 (the **“Third Report”**);
- d) Approving the Receiver’s interim statement of receipts and disbursements for the period September 27, 2019 to September 30, 2022 (the “R&D”);
- e) ~~2. approving~~ Approving the fees and disbursements of the Receiver and its counsel Thornton Grout Finnigan LLP (“TGF”) as set out in the affidavit of Bryan A. Tannenbaum sworn October 13, 2022 (the **“Tannenbaum Affidavit”**), affidavit of Rebecca L. Kennedy sworn October 12, 2022 (the **“Kennedy Affidavit”** and together with the Tannenbaum Affidavit, the **“Fee Affidavits”**) for the period of time set out therein, plus an accrual to complete the Remaining Duties (as defined in the Third Report);

~~3. approving the distribution of the remaining proceeds available in the estate of the Debtor;  
[and]~~

~~4.~~

f) Terminating these proceedings and discharging [RECEIVER'S NAME] as Receiver of the undertaking, property and assets of the Debtor; ~~and~~

~~5. releasing [RECEIVER'S NAME] from any and all liability, as set out in paragraph 5 of this Order]<sup>1</sup>;~~

~~was heard this day at 330 University Avenue, Toronto, Ontario. RSM from the powers,  
duties and obligations attendant to its appointment as Receiver upon the filing of  
the Receiver's Discharge Certificate.~~

**ON READING** the Third Report, ~~the affidavits of the Receiver and its counsel as to fees (the "Fee Affidavits"),~~ and on hearing the submissions of counsel for the Receiver, and those other parties present, no one ~~else~~ appearing for any other person on the service list, although properly served as ~~evidenced by~~ appears from the Affidavit of [NAME] Katie Parent sworn ~~[DATE] October ●, 2022, filed<sup>2</sup>;~~—:

## NOTICE AND SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated such that this Motion is properly returnable

<sup>1</sup> ~~If this relief is being sought, stakeholders should be specifically advised, and given ample notice. See also Note 4, below.~~

<sup>2</sup> ~~This model order assumes that the time for service does not need to be abridged.~~

today, hereby dispenses with further service thereof, and authorizes substitute service via electronic mail.

### DISTRIBUTION OF HOLDBACK AMOUNT

2. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to distribute the Holdback Amount to 2615333 Ontario Inc.

### APPROVAL OF THE RECEIVER'S REPORT AND ACTIVITIES

3. ~~1.~~ **THIS COURT ORDERS** that the Third Report and the activities and conduct of the Receiver described therein be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approvals.

### RECEIPTS AND DISBURSEMENTS

4. **THIS COURT ORDERS** that Receiver's interim statement of receipts and disbursements for the period September 27, 2019 to September 30, 2022 be and are hereby approved;

### APPROVAL OF FEES AND DISBURSEMENTS

5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and the fees and disbursements of TGF, as set out in the ~~Report,~~ Fee Affidavits be and are hereby approved.

6. ~~2.~~ **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, ~~as set out in the Report and the Fee Affidavits~~ Norton Rose Fulbright Canada LLP, estimated not to exceed \$40,000, plus HST, for the completion of the remaining activities in connection with the receivership, are hereby approved.

~~3. THIS COURT ORDERS that, after payment of the fees and disbursements herein approved, the Receiver shall pay the monies remaining in its hands to [NAME OF PARTY]<sup>3</sup>.~~

### RECEIVER'S DISCHARGE

7. ~~4.~~ **THIS COURT ORDERS** that ~~upon payment of the amounts set out in paragraph 3 hereof [and, effective upon the filing of the Receiver filing of a certificate certifying that it has completed the other activities described in the~~ (the "Discharge Certificate") in the form attached hereto as Schedule "A", confirming the completion of the terms and conditions of its discharge ~~have been met, as set out in the Third Report~~], the Receiver shall be discharged as ~~R~~receiver of ~~the undertaking~~ all property ~~and~~, assets and undertakings of the ~~Debtor~~Company, provided however that notwithstanding its discharge lien herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of ~~[RECEIVER'S NAME]~~RSM in its capacity as Receiver.

8. ~~5.~~ **THIS COURT ORDERS AND DECLARES** that ~~[RECEIVER'S NAME]~~upon the filing of the Discharge Certificate, RSM is hereby released and discharged from any and all liability that ~~[RECEIVER'S NAME]~~RSM now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of ~~[RECEIVER'S NAME]~~RSM while acting in its capacity as the Receiver ~~herein~~, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, ~~[RECEIVER'S NAME]~~RSM is hereby forever released and discharged from any and all liability relating to

~~<sup>3</sup> This model order assumes that the material filed supports a distribution to a specific secured creditor or other party.~~

matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.<sup>4</sup>

---

---

<sup>4</sup>~~The model order subcommittee was divided as to whether a general release might be appropriate. On the one hand, the Receiver has presumably reported its activities to the Court, and presumably the reported activities have been approved in prior Orders. Moreover, the Order that appointed the Receiver likely has protections in favour of the Receiver. These factors tend to indicate that a general release of the Receiver is not necessary. On the other hand, the Receiver has acted only in a representative capacity, as the Court's officer, so the Court may find that it is appropriate to insulate the Receiver from all liability, by way of a general release. Some members of the subcommittee felt that, absent a general release, Receivers might hold back funds and/or wish to conduct a claims bar process, which would unnecessarily add time and cost to the receivership. The general release language has been added to this form of model order as an option only, to be considered by the presiding Judge in each specific case. See also Note 1, above.~~

| MISCELLANEOUS

| 9. 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.

| \_\_\_\_\_  
| \_\_\_\_\_

Court File No.: CV-19-00627187-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,  
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended

BETWEEN:

2478888 ONTARIO INC.

Applicant

- and -

3070 ELLESMERE DEVELOPMENTS INC.

Respondent

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

WHEREAS, pursuant to an Order of the Court made on September 13, 2019, effective on September 27, 2019 (the "**Receivership Order**"), RSM Canada Limited ("**RSM**") was appointed as receiver (in such capacity, the "**Receiver**"), of all property, assets and undertakings (collectively, the "**Property**");

AND WHEREAS, pursuant to an Order of the Court dated **[DATE]**, the Court, among other things, ordered that the Receiver shall be discharged as Receiver of all property, assets and undertakings of the Company, as set out in the Receivership Order, upon the filing of the discharge certificate confirming the completion of the terms and conditions of the discharge have been met.

THE RECEIVER CERTIFIES the following:

1. The terms and conditions of the discharge have been met, as set out in the Third Report of the Receiver dated October ●, 2022.

**DATED** as of [TIME] on the \_\_\_ day of \_\_\_\_\_, 20\_\_.

**RSM CANADA LIMITED**, solely in its capacity as court-appointed receiver of all property, assets and undertakings of 3070 Ellesmere Developments Inc. and not in its personal capacity

Per:

\_\_\_\_\_  
Name:

Title:



*IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended*  
2478888 ONTARIO INC. - and - 3070 ELLESMERE DEVELOPMENTS INC.

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**RECEIVER'S DISCHARGE CERTIFICATE**

**NORTON ROSE FULBRIGHT CANADA LLP**

222 Bay Street, Suite 3000, P.O. Box 53  
Toronto, ON M5K 1E7

**Jennifer Stam** LSO# 46735J

Jennifer.stam@nortonrosefulbright.com

Tel: 416-202-6707

Fax: 416-216-3930

Lawyers for the Receiver, RSM Canada Limited

IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended  
2478888 ONTARIO INC. - and - 3070 ELLESMERE DEVELOPMENTS INC.

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**ORDER**  
**(Approval of Activities and Fees, Distribution and Discharge)**

**NORTON ROSE FULBRIGHT CANADA LLP**  
 222 Bay Street, Suite 3000, P.O. Box 53  
 Toronto, ON M5K 1E7

**Jennifer Stam** LSO# 46735J  
 Jennifer.stam@nortonrosefulbright.com  
 Tel: 416-202-6707  
 Fax: 416-216-3930

Lawyers for the Receiver, RSM Canada Limited

*IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c. C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended*

**2478888 ONTARIO INC.**

- and -

**3070 ELLESMERE DEVELOPMENTS INC.**

Applicant

Respondent

Court File No.: CV-19-00627187-00CL

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

Proceedings commenced at Toronto, Ontario

**MOTION RECORD**

returnable October 28, 2022  
(Approval of Activities and Fees, Distribution and Discharge)

**NORTON ROSE FULBRIGHT CANADA LLP**

222 Bay Street, Suite 3000, P.O. Box 53  
Toronto, ON M5K 1E7

**Jennifer Stam** LSO# 46735J

[Jennifer.stam@nortonrosefulbright.com](mailto:Jennifer.stam@nortonrosefulbright.com)

Tel: 416-202-6707

Fax: 416-216-3930

Lawyers for the Receiver, RSM Canada Limited