

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

2507448 ONTARIO INC.

Respondent

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, and section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C.43

**SUPPLEMENTAL REPORT TO THE SECOND REPORT  
OF THE RECEIVER OF  
581 WELLINGTON STREET WEST, TORONTO, ONTARIO**

(Chambers Appointment Scheduled November 22, 2019 @ 9:30 a.m.)

November 20, 2019

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Lawyers for the Receiver,  
RSM Canada Limited

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**November 20, 2019**

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## I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (the “**Court**”) dated April 8, 2019, issued and entered on April 26, 2019 (the “**Amended Appointment Order**”) and effective on May 3, 2019, RSM Canada Limited (“**RSM**” or the “**Receiver**”) was appointed as receiver over the lands and premises municipally known 581 Wellington Street West, Toronto, Ontario (the “**Real Property**”) and for all of the assets, undertakings and properties of 2507448 Ontario Inc. (“**250**” or the “**Debtor**”) acquired for, or used in relation to the Real Property, including all proceeds thereof (together with the Real Property, the “**Property**”). A copy of the Amended Appointment Order is attached hereto as **Appendix “A”**.
2. The Second Report of the Receiver dated October 10, 2019 (the “**Second Report**”) was filed in connection with a motion by the Receiver seeking approval of the sale of the Real Property. The purpose of the Second Report was to, *inter alia*,:
  - (a) report to the Court on the results of the marketing and sales process and the activities of the Receiver leading to receipt of offers for the Real Property; and
  - (b) seek an Order authorizing and directing the Receiver to enter into and carry out the terms of the Agreement of Purchase and Sale (the “**APS**”) between the Receiver and 2562051 Ontario Inc. (the “**Purchaser**”) dated October 2, 2019 (the “**APS**”), together with any further minor amendments thereto deemed necessary by the Receiver, in its sole opinion, and vesting

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title to the Real Property in the Purchaser, or into such entity as the Purchaser may further direct in writing, free and clear of claims and encumbrances, upon closing of the Transaction and the delivery of a Receiver's certificate to the Purchaser.

3. On November 1, 2019, the Honourable Justice Pattillo J. granted an Order (the "**November 1 Order**") approving the APS, authorizing the Receiver to complete the transaction therein detailed and vesting title to the Real Property in the Purchaser upon closing and delivery of a Receiver's Certificate. Attached as **Appendix "B"** to this Supplemental Report to the Second Report of the Receiver ("**Supplemental Report**") is a copy of the November 1 Order.
4. The purpose of this Supplemental Report is to:
  - (a) inform the Court that the Purchaser has requested that, for the purpose of the transaction, title to the Real Property be conveyed to 2726960 Ontario Inc. (the "**Substituted Purchaser**"), and not the Purchaser, on closing;
  - (b) seek certain amendments to the November 1 Order which are necessary in order to give effect to this intention; and
  - (c) provide the Court with the Receiver's recommendation that the amendments sought to the November 1 Order be approved.
5. This Supplemental Report should be read in conjunction with the Second Report. Attached to this Supplemental Report as **Appendix "C"** is a copy of the Second Report, without Appendices.

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## II. REQUESTED AMENDMENTS AND RECOMMENDATIONS

6. Counsel for the Purchaser and Substituted Purchaser, Cummings Cooper Schusheim Berliner LLP, has advised the Receiver, in support of the requested amendments, that:

- the Purchaser and Substituted Purchaser have the same beneficial ownership;
- no consideration has been, or will be, paid or transferred as between the Purchaser and the Substituted Purchaser in relation to the transaction contemplated by the APS;
- the Purchaser always intended that title to the Real Property would be taken in the name of a single purpose entity incorporated for the purposes of the transaction and did not appreciate that such designation would, if not made prior to the issuance of the November 1 Order, require an amendment to the November 1 Order. Had the Purchaser realized that it was necessary that the November 1 Order approving the transaction reflect such intention, this circumstance would have been addressed prior to the November 1 Order being issued; and
- no party would be adversely affected by the amendments sought to the November 1 Order, should the amendments sought be granted.

7. The Receiver is not aware of any reason to doubt the correctness of any of the statements conveyed by counsel to the Purchaser/Substituted Purchaser.

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8. The transaction with the Substituted Purchaser will, in all other respects but for the identity of the party taking title, be completed on the same terms as those previously approved by this Honorable Court pursuant to the November 1 Order.
  9. The Receiver knows of no reason why the amendments to the November 1 Order should not be granted and recommends that the Court grant the amendments sought and issue the draft Amending Order attached to this Supplemental Report as **Appendix "D"**.

All of which is respectfully submitted to this Court as of this 20<sup>th</sup> day of November, 2019.

**RSM CANADA LIMITED**

In its capacity as Court-appointed Receiver of  
581 Wellington Street West, Toronto, Ontario  
and not in its personal capacity



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT  
Senior Vice President

**TAB A**

APPENDIX "A"

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ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE )

MONDAY, THE

JUSTICE )

*HAINY* )

8<sup>TH</sup> DAY OF APRIL, 2019



**FIRST SOURCE FINANCIAL MANAGEMENT INC.**

Applicant

- and -

**2507448 ONTARIO INC.**

Respondent

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

**AMENDED ORDER**  
(appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing RSM Canada Limited as receiver (in such capacities, the "Receiver") without security, over the lands and premises municipally known as 581 Wellington Street West, Toronto, Ontario, having the legal description of PT LT 23 SEC L PL Military Reserve Toronto Parts 1, 14 & 15, 63R2301;

S/T & T/W CA540861 (the "Real Property"), owned by 2507448 Ontario Inc. (the "Debtor"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of David Mandel sworn January 22, 2019 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, and on reading the consent of the Debtor to the relief sought in this application, 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 and the Application is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

### **APPOINTMENT**

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, RSM Canada Limited is hereby appointed Receiver, without security, of the Real Property and for all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to the Real Property, including all proceeds thereof (together with the Real Property, the "Property").

3. The appointment of RSM Canada Limited as Receiver pursuant to paragraph 2 of this Order shall be effective on the date that the Applicant in this matter, First Source Financial Management Inc., gives written notice to the Respondent, 2507448 Ontario Inc., that all or part of the Mortgage<sup>1</sup> remains outstanding as of that date, provided that such notice may not be delivered later than 5:00pm EST on May 3, 2019. Such written notice may be given by the Applicant or its counsel to Del Terrelonge, authorized representative of the Respondent, by email to d@rhed-22.com.

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<sup>1</sup> Being the mortgage loan from the Applicant in favour of the Respondent, secured by the Real Property, as more particularly described in the affidavit of David Mandel sworn January 22, 2019 in this proceeding.

## **RECEIVER'S POWERS**

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage and operate the Property, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, or cease to perform any contracts of the Debtor in respect of 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 purchase or lease such machinery, equipment, inventories, supplies, premises or other assets in respect of the Property or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor in respect of the Property and to exercise all remedies of the Debtor in respect of the Property in collecting such monies,

including, without limitation, to enforce any security held by the Debtor in respect of the Property;

- (g) to settle, extend or compromise any indebtedness owing to the Debtor in respect of the Property;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor in respect of the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; 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 or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor in respect of the Property;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have in respect of the Property; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

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

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

6. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor relating 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.

7. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto

paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

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

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

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

#### **NO PROCEEDINGS AGAINST THE DEBTOR IN RESPECT OF THE PROPERTY**

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

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

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

### **NO INTERFERENCE WITH THE RECEIVER**

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

### **CONTINUATION OF SERVICES**

13. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor in respect of the Property or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor in respect of the Property are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names in respect of the Property, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.



## **RECEIVER TO HOLD FUNDS**

14. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts"). For greater certainty, all receipts in respect of the Real Property shall be deposited into the Post Receivership Accounts and all Permitted Disbursements (defined below) shall be drawn from the Post Receivership Accounts. "Permitted Disbursements" shall include, but shall not be limited to, realty taxes, utilities, payroll, insurance, maintenance expenses, other reasonable property-specific expenses, and business expenses associated with the Property. The monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

## **EMPLOYEES**

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

## **PIPEDA**

16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to

whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

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

17. 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**

18. 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**

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

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

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

### **FUNDING OF THE RECEIVERSHIP**

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and

is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. 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.

24. 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.

25. 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**

26. 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.

27. 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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

28. 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.

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

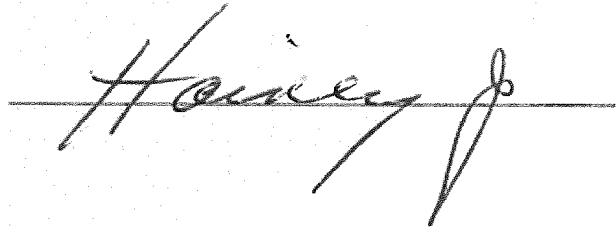
30. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals,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

31. 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.

32. THIS COURT ORDERS that the Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid

by the Receiver from the realizations from the Property with such priority and at such time as this Court may determine.

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

A handwritten signature in cursive script, appearing to read "Hainey J.", is written over a horizontal line.

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

APR 26 2019

PER / PAR: RW

**SCHEDULE "A"**

**RECEIVER CERTIFICATE**

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

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

1. THIS IS TO CERTIFY that RSM Canada Limited, the receiver (the "Receiver") of the Property, as such terms are defined in the Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_ day of \_\_\_\_\_, 2019 appointing the Receiver (the "Order") made in an application having Court file number CV-19-00613044-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

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

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

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

Name:

Title:



FIRST SOURCE FINANCIAL MANAGEMENT INC.  
Applicant

-and- 2507448 ONTARIO INC.  
Respondent

Court File No. CV-19-00613044-00CL

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

**PROCEEDING COMMENCED AT**  
**TORONTO**

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

**Paliare Roland Rosenberg Rothstein LLP**  
155 Wellington Street West  
35<sup>th</sup> Floor  
Toronto, ON M5V 3H1

**Jeffrey Larry (LSO #44608D)**  
Tel.: 416.646.4330  
email: jeff.larry@paliareroland.com

**Daniel Rosenbluth (LSUC# 71044U)**  
Tel.: 416.646.6307  
email: daniel.rosenbluth@paliareroland.com

Fax: 416.646.4301

**Lawyers for the Applicant**

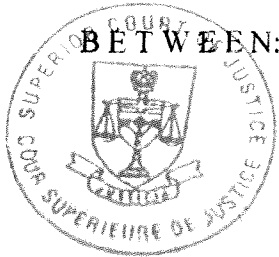
**TAB B**

# APPENDIX “B”

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

THE HONOURABLE ) FRIDAY, THE 1<sup>ST</sup> DAY  
JUSTICE *Rattillo* ) OF NOVEMBER, 2019



**BETWEEN:**

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

2507448 ONTARIO INC.

Respondent

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c.B-3, and section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C.43

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver (the "**Receiver**") of 581 Wellington Street West, Toronto, Ontario including all proceeds thereof (collectively, the "**Property**") owned by 2507448 Ontario Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 2562051 Ontario Inc. (the "**Purchaser**") made as of **October 2, 2019** and appended to the Second Report of the Receiver dated **October 10, 2019** (the "**Second Report**"), and vesting in the Purchaser 2507448 Ontario Inc.'s ("**2507448**") right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Second Report and on hearing the submissions of counsel for the Receiver,

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Receiver's and all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Amended Order of the Honourable Justice Hainey dated April 8, 2019; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Toronto (#66) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "**Real Property**") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

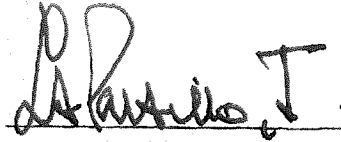
6. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.


7. **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.

  
\_\_\_\_\_

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

NOV 04 2019

PER / PAR: 

**Schedule A – Form of Receiver’s Certificate**

Court File No. CV-19-00613044CL

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

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

2507448 ONTARIO INC.

Respondent

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c.B-3, and section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C.43

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Amended Order of the Honourable Justice Haaney of the Ontario Superior Court of Justice (the "**Court**") dated April 8, 2019, RSM Canada Limited was appointed as the receiver (the "**Receiver**") of 581 Wellington Street West, Toronto, Ontario, including all proceeds thereof (collectively, the "**Property**") owned by 2507448 Ontario Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated November 1, 2019 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale made as of October 2, 2019 (the "**Sale Agreement**") between the Receiver and 2562051 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Receiver’s and the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.



C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement or the Vesting Order.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Date of Closing pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at [TIME] on ► [DATE].

**RSM Canada Limited, solely in its capacity as Court-appointed Receiver of 581 Wellington Street West, Toronto, Ontario and not in its personal or corporate capacity and without personal or corporate liability**

Per: \_\_\_\_\_  
Name: ►  
Title: ►

### **Schedule B – Purchased Assets**

All of the Receiver's (if any) and 2507448 Ontario Inc.'s right, title and interest in and to the Property and the Building (as defined in the Sale Agreement) including, without limitation, the following real property:

MUNICIPAL ADDRESS: 581 Wellington Street West, Toronto, Ontario

LEGAL DESCRIPTION: PT LT 23 SEC L PL MILITARY RESERVE TORONTO PARTS  
1, 14 & 15, 63R2301; S/T & T/W CA540961; CITY OF  
TORONTO

PIN: 21241-0114 (LT)

**Schedule C – Claims to be deleted and expunged from title to Real Property**

The following Instruments are to be discharged upon registration of the Vesting Order:

1. INSTRUMENT NO. AT4215386 REGISTERED ON MAY 10, 2016 BEING A TRANSFER UNDER POWER OF SALE.
2. INSTRUMENT NO. AT4392140 REGISTERED ON 2016/11/03, BEING A CHARGE IN THE PRINCIPAL SUM OF \$575,000.
3. INSTRUMENT NO. AT4392157 REGISTERED ON 2016/11/03 BEING A NOTICE OF ASSIGNMENT OF RENTS (GENERAL)
4. INSTRUMENT NO. AT4393968 REGISTERED ON 2016/11/07, BEING A CHARGE IN THE PRINCIPAL SUM OF \$2,240,750.
5. INSTRUMENT NO. AT4410539 REGISTERED ON 2016/11/24, BEING A POSTPONEMENT.
6. INSTRUMENT NO. AT4436800 REGISTERED ON 2016/12/16, BEING A TRANSFER OF CHARGE.
7. INSTRUMENT NO. AT4460140 REGISTERED ON 2017/01/16 BEING A NOTICE
8. INSTRUMENT NO. AT4464143 REGISTERED ON 2017/01/19, BEING A TRANSFER OF CHARGE.
9. INSTRUMENT NO. AT4481194 REGISTERED ON 2017/02/07, BEING A TRANSFER OF CHARGE.
10. INSTRUMENT NO. AT4513211 REGISTERED ON 2017/03/16, BEING A NOTICE.
11. INSTRUMENT NO. AT4520256 REGISTERED ON 2017/03/27, BEING A TRANSFER OF CHARGE
12. INSTRUMENT NO. AT4535318 REGISTERED ON 2017/04/11, BEING A TRANSFER OF CHARGE.
13. INSTRUMENT NO. AT4570560 REGISTERED ON 2017/05/17, BEING A NOTICE.
14. INSTRUMENT NO. AT4612827 REGISTERED ON 2017/06/29, BEING A TRANSFER OF CHARGE.
15. INSTRUMENT NO. AT4648602 REGISTERED ON 2017/08/08, BEING A TRANSFER OF CHARGE.

16. INSTRUMENT NO. AT4722991 REGISTERED ON 2017/11/01, BEING TRANSFER OF CHARGE.
17. INSTRUMENT NO. AT4731884 REGISTERED ON 2017/11/14, BEING A TRANSFER OF CHARGE.
18. INSTRUMENT NO. AT4761477 REGISTERED ON 2017/12/15, BEING A TRANSFER OF CHARGE.
19. INSTRUMENT NO. AT4764223 REGISTERED ON 2017/12/19 BEING A TRANSFER OF CHARGE
20. INSTRUMENT NO. AT4799171 REGISTERED ON 2018/02/08 BEING A TRANSFER OF CHARGE
21. INSTRUMENT NO. AT4824592 REGISTERED ON 2018/03/20 BEING A NOTICE
22. INSTRUMENT NO. AT4832936 REGISTERED ON 2018/04/03 BEING A TRANSFER OF CHARGE
23. INSTRUMENT NO. AT4834357 REGISTERED ON 2018/04/04 BEING A CHARGE IN THE PRINCIPAL SUM OF \$3,500,000.
24. INSTRUMENT NO. AT4834358 REGISTERED ON 2018/04/04 BEING A NO ASSGN RENT GEN
25. INSTRUMENT NO. AT4834365 REGISTERED ON 2018/04/04 BEING A POSTPONEMENT
26. INSTRUMENT NO. AT4834366 REGISTERED ON 2018/04/04 BEING A POSTPONEMENT
27. INSTRUMENT NO. AT4835341 REGISTERED ON 2018/04/05 BEING A NOTICE
28. INSTRUMENT NO. AT4864798 REGISTERED ON 2018/05/16 BEING A TRANSFER OF CHARGE
29. INSTRUMENT NO. AT4885660 REGISTERED ON 2018/06/14 BEING A TRANSFER OF CHARGE
30. INSTRUMENT NO. AT4943186 REGISTERED ON 2018/08/24 BEING A TRANSFER OF CHARGE
31. INSTRUMENT NO. AT5065440 REGISTERED ON 2019/01/30 BEING A TRANSFER OF CHARGE

32. INSTRUMENT NO. AT5131618 REGISTERED ON 2019/05/08 BEING A APL  
COURT ORDER

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants  
related to the Real Property**

**(unaffected by the Vesting Order)**

Permitted Encumbrances with respect to the Property (as defined in the Sales Agreement) means:

1. The exceptions and qualifications set out in the *Land Titles Act* (Ontario) and/or on the parcel register for the Property;
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown;
3. Any registered or unregistered easements, servitudes, rights-of-way, licences, restrictions that run with the land and other encumbrances and/or agreements with respect thereto (including, without limiting the generality of the foregoing, easements, rights-of-way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables);
4. Inchoate liens for taxes, assessments, public utility charges, governmental charges or levies not at the time due or liens for same which are due but the validity of which are being contested in good faith by the Vendor provided that the Vendor has provided security which in the opinion of the Vendor, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto;
5. Any encroachments, minor defects or irregularities indicated on any survey of the Property or which may be disclosed on an up-to-date survey of the Property;
6. Zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations, work orders, deficiency notices and any other noncompliance;
7. Any breaches of any applicable laws, including, without limitation, outstanding building permits, work orders and deficiency notices;
8. Any subdivision agreements, site plan agreements, development agreements and any other agreements with the municipality, region, publicly regulated utilities or other governmental authorities having jurisdiction;
9. Defects or irregularities in title to the Property;

10. The following instruments registered on title to the Property:
  - i. Instrument No. 63R-2301 being a reference plan.
  - ii. Instrument No. CT824656 registered on 1986/10/24 being an Agreement.
  - iii. Instrument No. 63R-4953 being a reference plan.

FIRST SOURCE FINANCIAL MANAGEMENT INC.  
Applicant

-and- 2507448 ONTARIO INC.  
Respondent

Court File No. CV-19-00613044-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**APPROVAL AND VESTING ORDER**

**TORKIN MANES LLP**  
Barristers & Solicitors  
151 Yonge Street, Suite 1500  
Toronto ON M5C 2W7

Stewart Thom (55695C)  
sthom@torkinmanes.com  
Tel: 416-777-5197  
Fax: 1-877-689-3872

Lawyers for the Receiver, RSM Canada Limited

RCP-E 4C (May 1, 2016)



**TAB C**

# APPENDIX "C"

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

**BETWEEN:**

**FIRST SOURCE FINANCIAL MANAGEMENT INC.**

**Applicant**

**- and -**

**2507448 ONTARIO INC.**

**Respondent**

**SECOND REPORT OF THE RECEIVER OF  
581 WELLINGTON STREET WEST, TORONTO, ONTARIO**

**October 10, 2019**

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## I. INTRODUCTION

### *Background and Appointment of Receiver*

1. Pursuant to an application made by First Source Financial Management Inc. (“**First Source**”), and by Order of the Ontario Superior Court of Justice (“**the Court**”) dated April 8, 2019, issued and entered on April 26, 2019 (the “**Amended Appointment Order**”) and effective on May 3, 2019, RSM Canada Limited (“**RSM**” or the “**Receiver**”) was appointed as receiver over the lands and premises municipally known 581 Wellington Street West, Toronto, Ontario (the “**Real Property**”) and for all of the assets, undertakings and properties of 2507448 Ontario Inc. (“**250**” or the “**Debtor**”) acquired for, or used in relation to the Real Property, including all proceeds thereof (together with the Real Property, the “**Property**”). A copy of the Amended Appointment Order is attached hereto as **Appendix “A”**. Torkin Manes LLP (“**Torkin Manes**”) is the Receiver’s independent legal counsel.
2. The Real Property is a two-storey mixed use commercial building situated in downtown Toronto. 250 is an Ontario corporation and is the owner of the Real Property. According to the Corporation Profile Report for 250 dated November 21, 2018, Del Terrelonge is the president, secretary and sole director of 250. Attached hereto as **Appendix “B”** is a copy of the corporation profile report for 250.
3. First Source is an Ontario corporation in the business of providing mortgage financing. First Source holds a first mortgage in the principal amount of

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\$3,500,000 against the Real Property. As of January 17, 2019, the aggregate amount claimed under the mortgage held by First Source was \$3,690,301.02.

***Post Appointment Activities and Previous Court Appearances***

4. The Amended Appointment Order authorizes the Receiver to, among other things, take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property.
5. Since the date of the Receiver's appointment, the Receiver has taken various steps, as outlined more fully in the Receiver's First Report to Court dated September 17, 2019 (the "**First Report**"), in connection with maintaining and securing the Real Property and marketing the Real Property for sale. A copy of the Receiver's first report to the Court dated September 17, 2019 (the "**First Report**") is attached hereto, with selected appendices only, as **Appendix "C"**.
6. On September 25, 2019, the Receiver brought a motion seeking various relief in anticipation of the imminent conclusion of the sale process for the Real Property and in order to address certain issues that required resolution prior to the completion of any such sale. Specifically, the Receiver sought an Order:
  - a) terminating the lease (the "**Lease**") between 250 and 1586091 Ontario Limited O/A rhed ("**RHED**"), a related-party tenant of the Real Property;
  - b) requiring Mr. Terrelonge to:
    - (i) Identify any Third Party Property located at the Real Property premises and advise the Receiver as to the owner of same; and
    - (ii) comply with a proposed protocol and deadline for the removal of certain property remaining at the Real Property premises and to

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permit the Receiver to treat as abandoned, and to sell or dispose of, any property not so removed; and

c) approving the Sales Process (as defined in the First Report).

7. On September 25, 2019, the Receiver's motion was heard by the Honourable Justice Pattillo, who granted an Order (the "**September 25 Order**"):

a) approving the Sales Process;

b) terminating the Lease; and

c) requiring Mr. Terrelonge to provide information respecting the Third Party Property.

8. The remaining relief sought by the Receiver, which relates to the treatment and removal of certain property located at the Real Property premises (defined in the First Report as the Chattels and Equipment Lease Items) was adjourned to be dealt with on a subsequent appearance, if unable to be otherwise resolved. A copy of the September 25 Order and the Endorsement of Justice Pattillo dated September 25, 2019 (the "**September 25 Endorsement**") are attached hereto as Appendix "D" and Appendix "E", respectively.

9. The Amended Appointment Order, the First Report, the September 25 Order, the September 25 Endorsement and other court documents have been posted on the Receiver's website, which can be found at [rsmcanada.com/581-Wellington-Street-West](http://rsmcanada.com/581-Wellington-Street-West).

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## II. PURPOSE OF REPORT

10. The purpose of this report (the "**Second Report**") is to:

- (a) report to the Court on the activities of the Receiver from September 16, 2019 to October 9, 2019;
- (b) report to the Court on the results of the sales process for the Real Property;
- (c) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period May 3, 2019 to September 30, 2019; and
- (d) seek an order:
  - i. authorizing and directing the Receiver to enter into and carry out the terms of the transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the Receiver and 2562051 Ontario Inc. (the "**Purchaser**") dated October 2, 2019 (the "**APS**"), together with any further minor amendments thereto deemed necessary by the Receiver, in its sole opinion, and vesting title to the Real Property in the Purchaser, or into such entity as the Purchaser may further direct in writing, free and clear of claims and encumbrances, upon closing of the Transaction and the delivery of a Receiver's certificate to the Purchaser;
  - ii. sealing Confidential Appendix "J" to the Second Report until the closing of the sale of the Real Property;



- 
- iii. requiring Mr. Terrelonge to remove, under the Receiver's supervision, the Chattels and any Equipment Lease Items (as defined in the First Report) which are to be released to RHED from the Real Property by no later than 5:00 p.m. on October 25, 2019;
  - iv. authorizing the Receiver to sell or otherwise dispose of any Abandoned Items (as defined in the First Report) and to deposit any proceeds realized from the Abandoned Items to the bank account maintained by the Receiver;
  - v. approving the Second Report and the Receiver's conduct and activities set out therein;
  - vi. approving the R&D (defined below); and
  - vii. approving the fees and disbursements of the Receiver and of Torkin Manes incurred for the period September 1, 2019 to September 30, 2019.

### **Terms of Reference**

11. In preparing this report and making the comments herein, the Receiver has relied upon certain information from third-party sources (collectively, the "Information"). The Receiver has, 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 Generally Accepted Assurance Standards pursuant to the CPA Canada Handbook and, accordingly,

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

12. Defined terms in the Second Report have, unless indicated otherwise herein, the same meanings as set out in the First Report.
13. Unless otherwise stated, all dollar amounts contained in the Second Report are expressed in Canadian dollars.

### III. **MARKETING AND SALES ACTIVITIES**

14. As referenced previously, since its appointment the Receiver has taken steps to market and sell the Real Property. In this regard, on July 12, 2019, the Receiver executed a listing agreement with Avison Young ("**Avison**") to market the Real Property for sale at a listing price of \$5.3 million. The Receiver's engagement of Avison for the purposes of marketing the Real Property, the development of a Baseline APS to be provided to purchasers and the establishment of a September 20, 2019 date for the review of offers were all previously approved as part of the Sales Process approval granted by virtue of the September 25, 2019 Order.
15. Further steps taken by the Receiver/Avison in connection with marketing the Real Property include the following:
  - a) Avison officially launched its marketing campaign on August 13, 2019;
  - b) on August 13, 2019, an email communication ("**E-mail Blast**") was sent to 797 contacts on Avison's mailing list;

- 
- c) on September 5 and 13, 2019, an email communication ("**E-mail Blast**") was sent to over 1,320 contacts on Avison's mailing list;
  - d) a marketing brochure ("**Brochure**") for the Real Property was prepared and made available to parties that received the E-mail Blast and elected to download the Brochure;
  - e) on or about August 21, 2019, the Real Property was listed on the TREB MLS (the "**MLS Listing**");
  - f) the Real Property was listed on Avison's website;
  - g) a "For Sale" sign was put up on the building at the Real Property;
  - h) on August 27 and 29, 2019, an advertisement was placed in the Globe and Mail (the "**Globe Advertisement**") advertising the sale of the Real Property;
  - i) an electronic data room was set up to provide access to confidential information on the Real Property to parties who signed a confidentiality agreement; and
  - j) the sales process ran from August 13 to September 20, 2019.
16. Prospective purchasers who wished to submit an offer for the Real Property were provided with a copy of a Baseline APS (as defined in the First Report) prepared by counsel for the Receiver.
17. After consultation with Avison and having regard to activity from potential purchasers of the Real Property, September 20, 2019 (the "**Offer Review Date**") was set as the date prior to which the Receiver would not review any offers to purchase submitted.

- 
18. Copies of the E-mail Blast, the Brochure and the Globe Advertisement are attached collectively to this report as Appendix "F".
  19. Avison's Final Progress Report dated October 3, 2019, which includes the names of the parties which executed a Confidentiality Agreement, as well as the parties which toured the Real Property is attached to this report as Tab 1 to Confidential Appendix "J".

#### **IV. OFFERS RECEIVED**

20. As at the Offer Review Date, seven offers had been submitted to Avison for the Real Property on the Receiver's form of agreement of purchase and sale. A summary of the offers received is attached at Tab 2 to Confidential Appendix "J" (the "**First Round Offers**").
21. Following receipt of the First Round Offers, and after review and consultation with Avison, parties representing the four offers regarded as having the most favourable terms were contacted and invited to improve or amend their offers and resubmit by noon on September 26, 2019. All four parties elected to amend their original offers to purchase (the "**Second Round Offers**"). A copy of the summary of Second Round Offers is attached at Tab 3 to Confidential Appendix "J".
22. Of the Second Round Offers received, only one offer, the lowest of the four, was unconditional. In consultation with Avison, it was determined that the two highest conditional Second Round Offers, as well as the low unconditional Second Round Offer, would again be approached to determine whether any were

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prepared to either improve their offering price or delete any conditions. While this process was ongoing, the third-highest conditional offer, as well, determined to amend its offer and resubmit.

23. In the result, three of the four offers under consideration at the outset of the second round were amended once more. All resubmitted and final offers (the **"Third Round Offers"**) were received by the Receiver on or before October 2, 2019.
24. A summary of the Third Round Offers is attached at Tab 4 to Confidential Appendix "J".
25. Following its review of the Third Round Offers with Avison and legal counsel, the Receiver executed the APS, dated October 2, 2019, with the Purchaser.
26. The APS is subject to the approval of this Court.

## **V. THE APS**

27. The APS conforms substantially with the Baseline APS approved by the Order of Justice Pattilo dated September 25, 2019. Salient terms of the APS include (all capitalized terms in this section not defined in the APS are as otherwise defined in the Second Report):
  - i) the purchased assets include the Property;
  - ii) a deposit of 10% of the Purchase Price has been received from the Purchaser;
  - iii) the offer is unconditional, except for the APS being conditional on court approval and the issuance of an order vesting title to the purchased assets

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in the Purchaser free and clear of claims and encumbrances, other than those specifically itemized in the APS;

- iv) the Purchaser is buying the Property on an “as is, where is” basis; and
- v) closing of the sale provided for in the APS is scheduled to occur on the twentieth Business Day following the date on which the Vesting Order is granted, or such other date as agreed between the Purchaser and the Receiver.

28. A copy of the executed APS is attached to this report at Tab 5 to Confidential Appendix “J”.

## **VI. APPROVAL OF THE SALE**

29. The Receiver believes that the marketing process undertaken by the Receiver was appropriate for the type of property in question and provided sufficient market exposure to the Real Property. The Real Property was exposed to the market for a period of approximately five weeks, notice of the sale of the Real Property was sent to more than 1,300 parties, and the Real Property was listed for sale on MLS, on Avison’s website and advertised in the Globe and Mail.

30. As a result of the marketing efforts undertaken:

- a) 26 parties signed back the Confidentiality Agreement;
  - (i) 21 tours for prospective purchasers were conducted at the Real Property; and
  - (ii) 7 offers to purchase the Real Property were received from prospective purchasers.

- 
31. The Receiver is of the view that sufficient efforts were made to obtain the best price for the Real Property and the marketing process was conducted fairly. The Receiver regards the APS as the offer received for the Real Property which is the most advantageous to the creditors of 250. The Receiver therefore recommends that this Court approve the APS and grant an Order vesting title in the purchased assets in the Purchaser upon the closing of the Transaction.
  32. The Receiver believes that details of the offers submitted for the Real Property including matters relating thereto should be kept confidential until the closing of the transaction. The Receiver is of the view that public disclosure thereof would have a negative impact on the future marketing of the Real Property should the transaction with the Purchaser not be approved or completed.
  33. The Receiver therefore respectfully requests that Confidential Appendix "J" be sealed until after the closing of the sale of the Real Property.

**VII. MATTERS ADJOURNED FROM THE SEPTEMBER 25, 2019 MOTION: CHATTELS, EQUIPMENT LIST ITEMS AND PROTOCOL RESPECTING REMOVAL OF PERSONAL PROPERTY**

***Third Party Property***

34. The September 25 Order required that Mr. Terrelonge provide the Receiver with a list of any Third Party Property (as defined in the First Report) together with information relating to the owner of same, within two days.
35. The only Third Party Property which has been identified by Mr. Terrelonge as being at the Real Property premises consists of a Rogers digital box, which has since been retrieved by Mr. Terrelonge.

- 
36. Counsel for 250/RHED/Mr. Terrelonge has confirmed to the Receiver that no further Third Party Property remains at the Real Property premises.
  37. The Receiver is therefore proceeding on the assumption that there is no Third Party Property presently located at the Real Property.

***Chattels and Equipment List Items***

38. In Paragraphs 43-53 of the First Report, the Receiver set out its analysis with respect to the Chattels and Equipment List Items (each as defined in the First Report) situated at the Real Property.
39. As per the recommendations set out in the First Report, the Receiver has proposed, absent any objections from any interested party or the purchaser of the Real Property, that all Chattels and certain Equipment List Items (see, in particular paragraph 52 of the First Report) be released to Mr. Terrelonge.
40. Pursuant to the terms of the APS, the Receiver is entitled to exclude from the Transaction any fixtures located at the Real Property. The Purchaser is aware of the Receiver's intentions with respect to the Chattels and Equipment List Items addressed in the First Report. No objections have been received to the proposed manner of dealing with the Chattels and Equipment List Items, although the Receiver has yet to receive confirmation from Mr. Terrelonge/RHED as to their position respecting same.
41. The Receiver therefore requests that an Order be made by the Court that the Receiver is authorized to release to Mr. Terrelonge:
  - a) the Chattels, as defined in the First Report; and



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- b) those Equipment List Items proposed by the Receiver to, in the absence of any objection, be released to RHED as per paragraph 52 of the First Report  
Report  
(together, the “**Personal Property**”).

***Removal of Personal Property***

42. Due to the pending Transaction, the Receiver requires certainty as to the timelines within which the Personal Property will be removed from the Real Property premises. The Receiver therefore requests that the Court issue an Order approving the following protocol for the treatment of any Personal Property presently located at the Real Property premises:
- (i) Mr. Terrelonge shall make arrangements for all Personal Property to be removed from the Real Property prior to 5:00 PM on October 25, 2019;
  - (ii) Mr. Terrelonge shall advise the Receiver of the arrangements which have been made for removal of the Personal Property and shall obtain the consent of the Receiver to such arrangements prior to attending at the Real Property for the purpose of removing same. Absent such consent and notice, the Receiver shall have no obligation to permit access to the Real Property;
  - (iii) removal of the Personal Property shall be performed under the supervision of the Receiver;
  - (iv) any Personal Property located at the Real Property premises which has not been removed before 5:00 P.M. October 25, 2019, shall be deemed to have been abandoned by its owner (“**Abandoned Items**”); and

- 
- (v) the Receiver is authorized to take possession of, remove and to sell or dispose of any Abandoned Items and to deposit any funds realized from the Abandoned Items in the bank account of the Receiver for distribution as may be directed by future Court Order (the "**Personal Property Protocol**").

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

43. Attached as **Appendix "G"** is the Receiver's Interim Statement of Receipts and Disbursements for the period May 3, 2019 to September 30, 2019. During this period, receipts were \$50,094, including advances totaling \$50,000 from First Source under Receiver Certificate No. 1, and disbursements were \$23,699, resulting in a net cash balance of \$26,395.
44. As of the date of this report, the above-noted advance from First Source has not been repaid by the Receiver.
45. The Receiver intends on bringing an application for approval of an interim distribution to be heard prior to, or shortly after, the closing of the sale of the Real Property.

#### **IX. PROFESSIONAL FEES**

46. The Receiver's account for the period September 1 to 30, 2019 totals \$12,796.50 in fees, \$16.83 in disbursements plus HST of \$1,665.73 for a total amount of \$14,479.06 (the "**Receiver's Account**"). A copy of the Receiver's Account, together with a summary of the account, the total billable hours charged per the

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account, and the average hourly rate charged per the account, is set out in the Affidavit of Daniel Weisz sworn October 10, 2019 that is attached as **Appendix "H"**.

47. The account of the Receiver's counsel, Torkin Manes, totals \$18,930.00 in fees and \$800.02 in disbursements and \$2,521.22 for HST for a total of \$22,251.24 (the "**Torkin Manes Account**") for the period September 1 to 30, 2019. A copy of the Torkin Manes Account, together with a summary of the personnel, hours and hourly rates described in the Torkin Manes Account, supported by the Affidavit of Barry Cohen sworn October 10, 2019, is attached as **Appendix "I"**.

#### **X. CONCLUSION**

48. The Receiver respectfully requests that the Court make Orders:
- a) authorizing and directing the Receiver to enter into and carry out the terms of the APS, together with any further minor amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Real Property in the Purchaser, or as the Purchaser may further direct in writing, free and clear of claims and encumbrances, upon closing of the transaction under the APS and the delivery of a Receiver's certificate to the Purchaser;
  - b) sealing Confidential Appendix "**J**" to the Second Report until the closing of the sale of the Real Property;

- 
- c) approving and authorizing the Receiver to carry out those steps contemplated pursuant to the Personal Property Protocol and to release the Personal Property to Mr. Terrelonge;
  - d) approving the Second Report and the Receiver's conduct and activities to October 9, 2019;
  - e) approving the R&D; and
  - f) approving the Receiver's Account and the Torkin Manes Account.

All of which is respectfully submitted to this Court as of this 10<sup>th</sup> day of October, 2019.

**RSM CANADA LIMITED**

In its capacity as Court-appointed Receiver of  
581 Wellington Street West, Toronto, Ontario  
and not in its personal capacity



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT  
Senior Vice President

**TAB D**

# APPENDIX “D”

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE ) FRIDAY, THE 22ND  
 )  
JUSTICE ) DAY OF NOVEMBER, 2019

B E T W E E N:

*(Court Seal)*

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

2507448 ONTARIO INC.

Respondent

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, and section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C.43

**ORDER  
(Amending November 1, 2019 Order of Pattillo J.)**

THIS MOTION, made by RSM Canada Limited in its capacity as the Court-appointed receiver (the "**Receiver**") of 581 Wellington Street West, Toronto, Ontario including all proceeds thereof, owned by 2507448 Ontario Inc. (the "**Debtor**"), for an order amending the Approval and Vesting Order of Justice Pattillo dated November 1, 2019, was heard this day at the court house, 330 University Avenue, 9th Floor, Toronto ON, M5G 1R7.

ON READING the Supplemental Report to the Second Report of the Receiver dated November 20, 2019 and on hearing the submissions of the lawyers for the Receiver and the Applicant,

1. THIS COURT ORDERS that the Approval and Vesting Order of Pattillo J. dated November 1, 2019, attached hereto as Schedule "A", is hereby amended in accordance with the Amended Approval and Vesting Order, attached hereto as Schedule "B".

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*(Signature of Judge)*

RCP-E 59A (July 1, 2007)



Schedule "A"

Court File No. CV-19-00613044CI

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

THE HONOURABLE ) FRIDAY, THE 1<sup>ST</sup> DAY  
JUSTICE *Ratillo* ) OF NOVEMBER, 2019

BETWEEN:

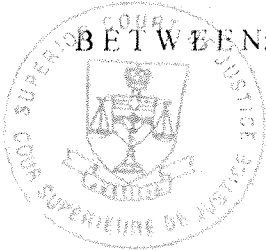
FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

2507448 ONTARIO INC.

Respondent



APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c.B-3, and section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C.43

APPROVAL AND VESTING ORDER

**THIS MOTION**, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver (the "**Receiver**") of 581 Wellington Street West, Toronto, Ontario including all proceeds thereof (collectively, the "**Property**") owned by 2507448 Ontario Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 2562051 Ontario Inc. (the "**Purchaser**") made as of **October 2, 2019** and appended to the Second Report of the Receiver dated **October 10, 2019** (the "**Second Report**"), and vesting in the Purchaser 2507448 Ontario Inc.'s ("**2507448**") right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Second Report and on hearing the submissions of counsel for the Receiver,

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Receiver's and all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Amended Order of the Honourable Justice Hainey dated April 8, 2019; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Toronto (#66) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "**Real Property**") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.


6. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.


7. **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.

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

NOV 04 2019

PER / PAR: 

Schedule A – Form of Receiver’s Certificate

Court File No. CV-19-00613044CL

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

B E T W E E N:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

2507448 ONTARIO INC.

Respondent

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c.B-3, and section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C.43

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Amended Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the "**Court**") dated April 8, 2019, RSM Canada Limited was appointed as the receiver (the "**Receiver**") of 581 Wellington Street West, Toronto, Ontario, including all proceeds thereof (collectively, the "**Property**") owned by 2507448 Ontario Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated November 1, 2019 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale made as of October 2, 2019 (the "**Sale Agreement**") between the Receiver and 2562051 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Receiver’s and the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement or the Vesting Order.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Date of Closing pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at [TIME] on ► [DATE].

**RSM Canada Limited, solely in its capacity as Court-appointed Receiver of 581 Wellington Street West, Toronto, Ontario and not in its personal or corporate capacity and without personal or corporate liability**

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

Name: ►

Title: ►

### Schedule B – Purchased Assets

All of the Receiver's (if any) and 2507448 Ontario Inc.'s right, title and interest in and to the Property and the Building (as defined in the Sale Agreement) including, without limitation, the following real property:

MUNICIPAL ADDRESS: 581 Wellington Street West, Toronto, Ontario

LEGAL DESCRIPTION: PT LT 23 SEC L PL MILITARY RESERVE TORONTO PARTS  
1, 14 & 15, 63R2301; S/T & T/W CA540961; CITY OF  
TORONTO

PIN: 21241-0114 (LT)

**Schedule C – Claims to be deleted and expunged from title to Real Property**

The following Instruments are to be discharged upon registration of the Vesting Order:

1. INSTRUMENT NO. AT4215386 REGISTERED ON MAY 10, 2016 BEING A TRANSFER UNDER POWER OF SALE.
2. INSTRUMENT NO. AT4392140 REGISTERED ON 2016/11/03, BEING A CHARGE IN THE PRINCIPAL SUM OF \$575,000.
3. INSTRUMENT NO. AT4392157 REGISTERED ON 2016/11/03 BEING A NOTICE OF ASSIGNMENT OF RENTS (GENERAL)
4. INSTRUMENT NO. AT4393968 REGISTERED ON 2016/11/07, BEING A CHARGE IN THE PRINCIPAL SUM OF \$2,240,750.
5. INSTRUMENT NO. AT4410539 REGISTERED ON 2016/11/24, BEING A POSTPONEMENT.
6. INSTRUMENT NO. AT4436800 REGISTERED ON 2016/12/16, BEING A TRANSFER OF CHARGE.
7. INSTRUMENT NO. AT4460140 REGISTERED ON 2017/01/16 BEING A NOTICE
8. INSTRUMENT NO. AT4464143 REGISTERED ON 2017/01/19, BEING A TRANSFER OF CHARGE.
9. INSTRUMENT NO. AT4481194 REGISTERED ON 2017/02/07, BEING A TRANSFER OF CHARGE.
10. INSTRUMENT NO. AT4513211 REGISTERED ON 2017/03/16, BEING A NOTICE.
11. INSTRUMENT NO. AT4520256 REGISTERED ON 2017/03/27, BEING A TRANSFER OF CHARGE
12. INSTRUMENT NO. AT4535318 REGISTERED ON 2017/04/11, BEING A TRANSFER OF CHARGE.
13. INSTRUMENT NO. AT4570560 REGISTERED ON 2017/05/17, BEING A NOTICE.
14. INSTRUMENT NO. AT4612827 REGISTERED ON 2017/06/29, BEING A TRANSFER OF CHARGE.
15. INSTRUMENT NO. AT4648602 REGISTERED ON 2017/08/08, BEING A TRANSFER OF CHARGE.



16. INSTRUMENT NO. AT4722991 REGISTERED ON 2017/11/01, BEING TRANSFER OF CHARGE.
17. INSTRUMENT NO. AT4731884 REGISTERED ON 2017/11/14, BEING A TRANSFER OF CHARGE.
18. INSTRUMENT NO. AT4761477 REGISTERED ON 2017/12/15, BEING A TRANSFER OF CHARGE.
19. INSTRUMENT NO. AT4764223 REGISTERED ON 2017/12/19 BEING A TRANSFER OF CHARGE
20. INSTRUMENT NO. AT4799171 REGISTERED ON 2018/02/08 BEING A TRANSFER OF CHARGE
21. INSTRUMENT NO. AT4824592 REGISTERED ON 2018/03/20 BEING A NOTICE
22. INSTRUMENT NO. AT4832936 REGISTERED ON 2018/04/03 BEING A TRANSFER OF CHARGE
23. INSTRUMENT NO. AT4834357 REGISTERED ON 2018/04/04 BEING A CHARGE IN THE PRINCIPAL SUM OF \$3,500,000.
24. INSTRUMENT NO. AT4834358 REGISTERED ON 2018/04/04 BEING A NO ASSGN RENT GEN
25. INSTRUMENT NO. AT4834365 REGISTERED ON 2018/04/04 BEING A POSTPONEMENT
26. INSTRUMENT NO. AT4834366 REGISTERED ON 2018/04/04 BEING A POSTPONEMENT
27. INSTRUMENT NO. AT4835341 REGISTERED ON 2018/04/05 BEING A NOTICE
28. INSTRUMENT NO. AT4864798 REGISTERED ON 2018/05/16 BEING A TRANSFER OF CHARGE
29. INSTRUMENT NO. AT4885660 REGISTERED ON 2018/06/14 BEING A TRANSFER OF CHARGE
30. INSTRUMENT NO. AT4943186 REGISTERED ON 2018/08/24 BEING A TRANSFER OF CHARGE
31. INSTRUMENT NO. AT5065440 REGISTERED ON 2019/01/30 BEING A TRANSFER OF CHARGE

32. INSTRUMENT NO. AT5131618 REGISTERED ON 2019/05/08 BEING A APL  
COURT ORDER

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants  
related to the Real Property**

**(unaffected by the Vesting Order)**

Permitted Encumbrances with respect to the Property (as defined in the Sales Agreement) means:

1. The exceptions and qualifications set out in the *Land Titles Act* (Ontario) and/or on the parcel register for the Property;
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown;
3. Any registered or unregistered easements, servitudes, rights-of-way, licences, restrictions that run with the land and other encumbrances and/or agreements with respect thereto (including, without limiting the generality of the foregoing, easements, rights-of-way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables);
4. Inchoate liens for taxes, assessments, public utility charges, governmental charges or levies not at the time due or liens for same which are due but the validity of which are being contested in good faith by the Vendor provided that the Vendor has provided security which in the opinion of the Vendor, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto;
5. Any encroachments, minor defects or irregularities indicated on any survey of the Property or which may be disclosed on an up-to-date survey of the Property;
6. Zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations, work orders, deficiency notices and any other noncompliance;
7. Any breaches of any applicable laws, including, without limitation, outstanding building permits, work orders and deficiency notices;
8. Any subdivision agreements, site plan agreements, development agreements and any other agreements with the municipality, region, publicly regulated utilities or other governmental authorities having jurisdiction;
9. Defects or irregularities in title to the Property;

10. The following instruments registered on title to the Property:
  - i. Instrument No. 63R-2301 being a reference plan.
  - ii. Instrument No. CT824656 registered on 1986/10/24 being an Agreement.
  - iii. Instrument No. 63R-4953 being a reference plan.

FIRST SOURCE FINANCIAL MANAGEMENT INC.  
Applicant

-and- 2507448 ONTARIO INC.  
Respondent

Court File No. CV-19-00613044-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**APPROVAL AND VESTING ORDER**

**TORKIN MANES LLP**  
Barristers & Solicitors  
151 Yonge Street, Suite 1500  
Toronto ON M5C 2W7

Stewart Thom (55695C)  
sthom@torkinmanes.com  
Tel: 416-777-5197  
Fax: 1-877-689-3872

Lawyers for the Receiver, RSM Canada Limited

RCP-E 4C (May 1, 2016)

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

THE HONOURABLE ) FRIDAY, THE 1<sup>ST</sup> DAY  
 )  
JUSTICE PATTILLO ) OF NOVEMBER, 2019

B E T W E E N:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

2507448 ONTARIO INC.

Respondent

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c.B-3, and section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C.43

**AMENDED APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by **RSM Canada Limited** in its capacity as the Court-appointed receiver (the "**Receiver**") of 581 Wellington Street West, Toronto, Ontario including all proceeds thereof (collectively, the "**Property**") owned by 2507448 Ontario Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 2562051 Ontario Inc., whereas it is intended by 2562051 Ontario Inc. that title to the Purchased Assets be taken in the name of 2726960 Ontario Inc. (the "Purchaser") made as of October 2, 2019 and appended to the Second Report of the Receiver dated October 10, 2019 (the "Second Report"), and vesting in the Purchaser 2507448 Ontario Inc.'s ("2507448") right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Second Report and on hearing the submissions of counsel for the Receiver,

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Receiver's and all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Amended Order of the Honourable Justice Hainey dated April 8, 2019; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Toronto (#66) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B

hereto (the “**Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **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.

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**Schedule A – Form of Receiver’s Certificate**

Court File No. CV-19-00613044CL

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

B E T W E E N:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

2507448 ONTARIO INC.

Respondent

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c.B-3, and section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C.43

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Amended Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the "**Court**") dated April 8, 2019, RSM Canada Limited was appointed as the receiver (the "**Receiver**") of 581 Wellington Street West, Toronto, Ontario, including all proceeds thereof (collectively, the "**Property**") owned by 2507448 Ontario Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated November 1, 2019 (the "Vesting Order"), the Court approved the agreement of purchase and sale made as of October 2, 2019 (the "**Sale Agreement**") between the Receiver and 2562051 Ontario Inc., whereas it is intended by 2562051 Ontario Inc. that title to the Purchased Assets be taken in the name of 2726960 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Receiver’s and the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been

completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement or the Vesting Order.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Date of Closing pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at [TIME] on ► [DATE].

**RSM Canada Limited, solely in its capacity as Court-appointed Receiver of 581 Wellington Street West, Toronto, Ontario and not in its personal or corporate capacity and without personal or corporate liability**

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

Name: ►

Title: ►

### **Schedule B – Purchased Assets**

All of the Receiver's (if any) and 2507448 Ontario Inc.'s right, title and interest in and to the Property and the Building (as defined in the Sale Agreement) including, without limitation, the following real property:

MUNICIPAL ADDRESS: 581 Wellington Street West, Toronto, Ontario

LEGAL DESCRIPTION: PT LT 23 SEC L PL MILITARY RESERVE TORONTO PARTS  
1, 14 & 15, 63R2301; S/T & T/W CA540961; CITY OF  
TORONTO

PIN: 21241-0114 (LT)

### **Schedule C – Claims to be deleted and expunged from title to Real Property**

The following Instruments are to be discharged upon registration of the Vesting Order:

1. INSTRUMENT NO. AT4215386 REGISTERED ON MAY 10, 2016 BEING A TRANSFER UNDER POWER OF SALE.
2. INSTRUMENT NO. AT4392140 REGISTERED ON 2016/11/03, BEING A CHARGE IN THE PRINCIPAL SUM OF \$575,000.
3. INSTRUMENT NO. AT4392157 REGISTERED ON 2016/11/03 BEING A NOTICE OF ASSIGNMENT OF RENTS (GENERAL)
4. INSTRUMENT NO. AT4393968 REGISTERED ON 2016/11/07, BEING A CHARGE IN THE PRINCIPAL SUM OF \$2,240,750.
5. INSTRUMENT NO. AT4410539 REGISTERED ON 2016/11/24, BEING A POSTPONEMENT.
6. INSTRUMENT NO. AT4436800 REGISTERED ON 2016/12/16, BEING A TRANSFER OF CHARGE.
7. INSTRUMENT NO. AT4460140 REGISTERED ON 2017/01/16 BEING A NOTICE
8. INSTRUMENT NO. AT4464143 REGISTERED ON 2017/01/19, BEING A TRANSFER OF CHARGE.
9. INSTRUMENT NO. AT4481194 REGISTERED ON 2017/02/07, BEING A TRANSFER OF CHARGE.
10. INSTRUMENT NO. AT4513211 REGISTERED ON 2017/03/16, BEING A NOTICE.
11. INSTRUMENT NO. AT4520256 REGISTERED ON 2017/03/27, BEING A TRANSFER OF CHARGE
12. INSTRUMENT NO. AT4535318 REGISTERED ON 2017/04/11, BEING A TRANSFER OF CHARGE.
13. INSTRUMENT NO. AT4570560 REGISTERED ON 2017/05/17, BEING A NOTICE.
14. INSTRUMENT NO. AT4612827 REGISTERED ON 2017/06/29, BEING A TRANSFER OF CHARGE.
15. INSTRUMENT NO. AT4648602 REGISTERED ON 2017/08/08, BEING A TRANSFER OF CHARGE.

16. INSTRUMENT NO. AT4722991 REGISTERED ON 2017/11/01, BEING TRANSFER OF CHARGE.
17. INSTRUMENT NO. AT4731884 REGISTERED ON 2017/11/14, BEING A TRANSFER OF CHARGE.
18. INSTRUMENT NO. AT4761477 REGISTERED ON 2017/12/15, BEING A TRANSFER OF CHARGE.
19. INSTRUMENT NO. AT4764223 REGISTERED ON 2017/12/19 BEING A TRANSFER OF CHARGE
20. INSTRUMENT NO. AT4799171 REGISTERED ON 2018/02/08 BEING A TRANSFER OF CHARGE
21. INSTRUMENT NO. AT4824592 REGISTERED ON 2018/03/20 BEING A NOTICE
22. INSTRUMENT NO. AT4832936 REGISTERED ON 2018/04/03 BEING A TRANSFER OF CHARGE
23. INSTRUMENT NO. AT4834357 REGISTERED ON 2018/04/04 BEING A CHARGE IN THE PRINCIPAL SUM OF \$3,500,000.
24. INSTRUMENT NO. AT4834358 REGISTERED ON 2018/04/04 BEING A NO ASSGN RENT GEN
25. INSTRUMENT NO. AT4834365 REGISTERED ON 2018/04/04 BEING A POSTPONEMENT
26. INSTRUMENT NO. AT4834366 REGISTERED ON 2018/04/04 BEING A POSTPONEMENT
27. INSTRUMENT NO. AT4835341 REGISTERED ON 2018/04/05 BEING A NOTICE
28. INSTRUMENT NO. AT4864798 REGISTERED ON 2018/05/16 BEING A TRANSFER OF CHARGE
29. INSTRUMENT NO. AT4885660 REGISTERED ON 2018/06/14 BEING A TRANSFER OF CHARGE
30. INSTRUMENT NO. AT4943186 REGISTERED ON 2018/08/24 BEING A TRANSFER OF CHARGE
31. INSTRUMENT NO. AT5065440 REGISTERED ON 2019/01/30 BEING A TRANSFER OF CHARGE

32. INSTRUMENT NO. AT5131618 REGISTERED ON 2019/05/08 BEING A APL  
COURT ORDER

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants  
related to the Real Property**

**(unaffected by the Vesting Order)**

Permitted Encumbrances with respect to the Property (as defined in the Sales Agreement) means:

1. The exceptions and qualifications set out in the *Land Titles Act* (Ontario) and/or on the parcel register for the Property;
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown;
3. Any registered or unregistered easements, servitudes, rights-of-way, licences, restrictions that run with the land and other encumbrances and/or agreements with respect thereto (including, without limiting the generality of the foregoing, easements, rights-of-way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables);
4. Inchoate liens for taxes, assessments, public utility charges, governmental charges or levies not at the time due or liens for same which are due but the validity of which are being contested in good faith by the Vendor provided that the Vendor has provided security which in the opinion of the Vendor, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto;
5. Any encroachments, minor defects or irregularities indicated on any survey of the Property or which may be disclosed on an up-to-date survey of the Property;
6. Zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations, work orders, deficiency notices and any other noncompliance;
7. Any breaches of any applicable laws, including, without limitation, outstanding building permits, work orders and deficiency notices;
8. Any subdivision agreements, site plan agreements, development agreements and any other agreements with the municipality, region, publicly regulated utilities or other governmental authorities having jurisdiction;
9. Defects or irregularities in title to the Property;



10. The following instruments registered on title to the Property:
  - i. Instrument No. 63R-2301 being a reference plan.
  - ii. Instrument No. CT824656 registered on 1986/10/24 being an Agreement.
  - iii. Instrument No. 63R-4953 being a reference plan.

FIRST SOURCE FINANCIAL MANAGEMENT INC.  
Applicant

-and- 2507448 ONTARIO INC.  
Respondent

Court File No. CV-19-00613044-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**AMENDED APPROVAL AND VESTING ORDER**

**TORKIN MANES LLP**  
Barristers & Solicitors  
151 Yonge Street, Suite 1500  
Toronto ON M5C 2W7

Stewart Thom (55695C)  
sthom@torkinmanes.com  
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Lawyers for the Receiver, RSM Canada Limited

RCP-E 4C (May 1, 2016)

FIRST SOURCE FINANCIAL MANAGEMENT INC.  
Applicant

-and- 2507448 ONTARIO INC.  
Respondent

Court File No. CV-19-00613044-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**ORDER  
(Amending November 1, 2019 Order of Pattillo J.)**

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TORONTO

**SUPPLEMENTAL REPORT TO THE SECOND  
REPORT OF THE RECEIVER OF  
581 WELLINGTON STREET WEST,  
TORONTO, ONTARIO**

(Chambers Appointment Scheduled  
November 22, 2019 @ 9:30 a.m.)

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