

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

B E T W E E N:

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**DUNSIRE (LANDSDOWN) 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***

**MOTION RECORD**

(re discharge of Receiver and other relief)  
(returnable September 9, 2019)

September 9, 2019

**CHAITONS LLP**  
5000 Yonge Street, 10th Floor  
Toronto, Ontario M2N 7E9

**Sam Rappos** (LSO No. 51399S)  
Tel: (416) 218-1137  
Fax: (416) 218-1837  
E-mail: samr@chaitons.com

**Lawyers for RSM Canada Limited,  
Court-appointed Receiver**

**TO: SERVICE LIST**

## SERVICE LIST

<p><b>CHAITONS LLP</b> 5000 Yonge Street, 10<sup>th</sup> Floor Toronto, ON M2N 7E9</p> <p><b>Harvey Chaiton and Sam Rappos</b> Tel: (416) 218-1129 / 218-1137 Fax: (416) 218-1849 / 218-1837 Email: harvey@chaitons.com / samr@chaitons.com</p> <p><b>Lawyers for the Receiver</b></p>	<p><b>RSM CANADA LIMITED</b> 11 King St. West, Suite 700, Box 27 Toronto, ON M5H 4C7</p> <p><b>Bryan Tannenbaum and Jeff Berger</b> Tel: (416) 480-0160 Fax: (416) 480-2646 Email: bryan.tannenbaum@rsmcanada.com / jeff.berger@rsmcanada.com</p> <p><b>Receiver</b></p>
<p><b>ZAID SAYEED</b> Municipal Law Chambers 277 Lakeshore Road East, Suite 211 Oakville, ON L6J 1H9 Email: ZSayeed@mlawc.com</p> <p><b>J. ANTHONY CALDWELL</b> Email: jac@caldwellbarristers.ca</p> <p>Tel: (416) 955-9533 Fax: (416) 900-0972</p> <p><b>Lawyers for the Respondent, Dunsire (Landsdown) Inc.</b></p>	<p><b>FAAN MORTGAGE ADMINISTRATORS INC.</b> 20 Adelaide Street East, Suite 920 Toronto, ON M5C 2T6</p> <p><b>Naveed Mansoor and Lana Bezner</b> Tel: 1-833-495-3338 Email: naveed@faanadvisors.com and lana@faanmortgageadmin.com</p> <p><b>Court-appointed Trustee of Building &amp; Development Mortgages Canada Inc.</b></p>
<p><b>OSLER, HOSKIN &amp; HARCOURT</b> 100 King Street West, 1 First Canadian Place, Suite 6200, P.O. Box 50 Toronto ON M5X 1B8</p> <p><b>Jeremy Dacks and Michael De Lellis</b> Tel: (416) 362-2111 Fax: (416) 862-6666 E-mail: JDacks@osler.com / MDeLellis@osler.com,</p> <p><b>Lawyers for FAAN Mortgage Administrators Inc. as Trustee</b></p>	<p><b>FORTRESS REAL DEVELOPMENTS INC.</b> 25 Brodie Drive, Suite #1 Richmond Hill, Ontario L4B 3K7</p>

<p><b>OLYMPIA TRUST COMPANY (TRUSTEE)</b> 125 9<sup>th</sup> Avenue SE, Suite 2200 Calgary, Alberta T2G 0P6</p>	<p><b>OLDFIELD, GREAVES, D'AGOSTINO &amp; SCRIVEN</b> 172 King Street South, Box 16580 Waterloo, Ontario N2J 4X8</p> <p><b>Edward L. D'Agostino</b> Tel: (519) 576-7200 Fax: (519) 576-0131 Email: edagostino@watlaw.com</p> <p><b>Lawyers for Kieswetter Excavating Inc</b></p>
<p><b>DEPARTMENT OF JUSTICE CANADA</b> 120 Adelaide St W., Suite 400 Toronto, ON M5H 1T1</p> <p><b>Diane Winters</b> Tel: (416) 973-3172 Fax: (416) 973-0810 Email: Diane.Winters@justice.gc.ca</p> <p><b>Lawyers for Canada Revenue Agency</b></p>	<p><b>HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE</b> PO Box 620, 33 King Street West, 6th Floor Oshawa, ON L1H 8E9</p> <p><b>Kevin J. O'Hara</b> Tel: (905) 433-6934 Fax: (905) 436-451 Email: kevin.ohara@ontario.ca</p>
<p><b>AQUICORP., IN TRUST</b> c/o Shawn Keeper Email: shawn.keeper@dunsire.com</p>	<p><b>SPADAFORA &amp; MURPHY LLP</b> 209 Speers Road, Suite 13 Oakville, Ontario L6K 0H5</p> <p><b>Peggy Spadafora</b> Tel: (905) 281-4586 ext. 10 Fax: (905) 281-4587 Email: pspadafora@pssmlaw.com</p> <p><b>Lawyers for Aquicorp., in trust</b></p>
<p><b>PURCHASERS UNDER THE 9 UNIT PURCHASE AGREEMENTS</b></p> <p>Email: odavor@hotmail.ca; fjp88@hotmail.com; comingxu@gmail.com; caxiaoanhu@gmail.com; 715248414@qq.com; dannizhang@hotmail.com; momoliang81@hotmail.com; oines@hotmail.ca;</p>	<p><b>TORYS LLP</b> 79 Wellington St. W., 30th Floor Box 270, TD South Tower Toronto, ON M5K 1N2</p> <p><b>Adam Slavens</b> Tel: (416) 865-7333 Fax: (416) 865-7380</p>

<p>jan_coombs@yahoo.com; JamesShen2003@hotmail.com; brent@premiumtire.ca; cbcaskie@gmail.com</p>	<p>Email: aslavens@torys.com <b>Lawyers for Tarion Warranty Corporation</b></p>
	<p><b>SMITHVALERIOTE LAW FIRM LLP</b> 105 Silvercreek Pkwy. N., Suite 100 Guelph, ON N1H 6S4</p> <p><b>E. J. Stross</b> Tel: (519) 837-3617 Fax: (519) 837-1617 Email: ejstross@svlaw.ca</p> <p><b>Lawyers for the purchasers under 1 of the 9 Unit Purchase Agreements</b></p>

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

B E T W E E N:

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- and -

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**INDEX**

<b>TAB</b>	<b>DOCUMENT</b>
1	Notice of Motion returnable September 9, 2019
2	Second Report of the Receiver dated August 26, 2019
A	Affidavit of Murray Snedden sworn November 24, 2017 (w/o exhibits)
B	Appointment Order dated December 6, 2017
C	First Report dated May 11, 2018
D	Supplementary Report dated May 22, 2018
E	Receiver's Certificate dated June 26, 2018
F	Court Order dated May 25, 2018
G	MarshallZehr Discharge Statement

<b>TAB</b>	<b>DOCUMENT</b>
H	Letter from FAAN dated April 5, 2019
I	Statement of Receipts and Disbursements
J	Affidavit of Bryan A. Tannenbaum
K	Affidavit of Harvey Chaiton
3	Draft Order
4	Blackline to Model Order

# **TAB 1**

Court File No. CV-17-587118-00CL

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

B E T W E E N:

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**DUNSIRE (LANDSDOWN) 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***

**NOTICE OF MOTION**

(re discharge of Receiver and other relief)  
(returnable September 9, 2019)

**RSM CANADA LIMITED (“RSM”)**, in its capacity as Court-appointed receiver (the “**Receiver**”) of the property, assets and undertakings of the Respondent, will make a motion to a Judge of the Commercial List on Monday September 9, 2019 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

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

**THE MOTION IS FOR:**

(a) an order:



- (i) approving the Second Report of the Receiver dated August 26, 2019 (the “**Second Report**”), the Supplement to the First Report of the Receiver dated May 22, 2018 (the “**Supplementary Report**” and together with the Second Report, the “**Reports**”), and the conduct and activities of the Receiver as described therein;
  - (ii) approving the interim Statement of Receipts and Disbursements of the Receiver attached as Appendix “I” to the Second Report;
  - (iii) approving the fees and disbursements of the Receiver and its counsel, as set out in the Second Report and the fee affidavits appended thereto (the “**Fee Affidavits**”);
  - (iv) authorizing and directing the Receiver, following payment of all costs of the administration of the receivership and the fees and disbursements detailed in the Fee Affidavits, to pay the remaining monies in the Receiver’s hands to FAAN Mortgage Administrators Inc.;
  - (v) discharging and releasing the Receiver upon the Receiver filing a discharge certificate with the Court; and
- (b) such further and other relief as counsel may request and this Honourable Court may permit.

**THE GROUNDS FOR THE MOTION ARE:**

1. RSM was appointed as Receiver pursuant to the Order dated December 6, 2017.

2. The activities of the Receiver are detailed in the Reports.
3. The Reports.
4. Rules 1.04, 1.05, 2.01, 2.03, and 37 of the *Rules of Civil Procedure* (Ontario).
5. The *Bankruptcy and Insolvency Act* (Canada) and the *Courts of Justice Act* (Ontario).
6. The inherent and equitable jurisdiction of the Court.
7. Such other grounds as counsel may advise and this Honourable Court may permit.

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

1. The Second Report and the appendices annexed thereto, including without limitation the Fee Affidavits and the Supplementary Report; and
2. such further and other material as counsel may advise and this Honourable Court may permit.

August 27, 2019

**CHAITONS LLP**  
5000 Yonge Street, 10th Floor  
Toronto, ON M2N 7E9

**Sam Rappos** (LSO No. 51399S)  
Tel: (416) 218-1137  
Fax: (416) 218-1837  
E-mail: samr@chaitons.com

**Lawyers for RSM Canada Limited,  
Court-appointed Receiver**

**TO: THE SERVICE LIST**

**MARSHALLZEHR GROUP INC.**  
Applicant

- and -

**DUNSIRE (LANDSDOWN) INC.**  
Respondent

Court File No. CV-17-587118-00CL

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**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
  
PROCEEDING COMMENCED AT TORONTO

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**NOTICE OF MOTION**  
(re discharge of Receiver and other relief)  
(returnable September 9, 2019)

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**CHAITONS LLP**  
5000 Yonge Street, 10<sup>th</sup> floor  
Toronto, Ontario M2N 7E9

**Sam Rappos** (LSO No. 51399S)  
Tel: (416) 218-1137  
Fax: (416) 218-1837  
E-mail: samr@chaitons.com

**Lawyers for RSM Canada Limited,  
Court-appointed Receiver**

# TAB 2

Court File No. CV-17-587118-00CL

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

**BETWEEN:**

**MARSHALLZEHR GROUP INC.**

**Applicant**

- and -

**DUNSIRE (LANDSDOWN) INC.**

**Respondent**

**SECOND REPORT OF THE RECEIVER**

**AUGUST 26, 2019**

**Table of Contents**

<b>INTRODUCTION.....</b>	<b>1</b>
Purpose of Second Report.....	2
Terms of Reference.....	3
<b>RECEIVER’S ACTIVITIES.....</b>	<b>4</b>
<b>SALE OF PROPERTY .....</b>	<b>5</b>
<b>BDMC AND FAAN.....</b>	<b>5</b>
<b>OTHER RECOVERIES.....</b>	<b>7</b>
<b>RECEIVER’S STATEMENT OF RECEIPTS AND DISBURSEMENTS.....</b>	<b>8</b>
<b>PROFESSIONAL FEES.....</b>	<b>8</b>
<b>DISCHARGE OF THE RECEIVER .....</b>	<b>8</b>
<b>REQUESTS OF THE COURT .....</b>	<b>9</b>

**Appendices**

- A. Affidavit of Murray Snedden sworn November 24, 2017 (w/o exhibits)
- B. Appointment Order dated December 6, 2017
- C. First Report dated May 11, 2018
- D. Supplementary Report dated May 22, 2018
- E. Receiver's Certificate dated June 26, 2018
- F. Court Order dated May 25, 2018
- G. MarshallZehr Discharge Statement
- H. Letter from FAAN dated April 5, 2019
- I. Statement of Receipts and Disbursements
- J. Affidavit of Bryan A. Tannenbaum sworn July 25, 2019
- K. Affidavit of Harvey Chaiton sworn August 14, 2019

## INTRODUCTION

1. Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated December 6, 2017 (the “**Appointment Order**”), RSM Canada Limited was appointed receiver (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the “**Property**”), which includes, without limitation, the real property municipally known as Landsdown Drive, Guelph, Ontario and legally described as set out in Schedule “A” of the Appointment Order. The circumstances leading to the appointment of the Receiver are set out in the affidavit of Murray Snedden sworn November 24, 2017 (the “**Snedden Affidavit**”) and filed in support of the receivership application. A copy of the Snedden Affidavit, without exhibits, is attached hereto as **Appendix “A”**. A copy of the Appointment Order is attached hereto as **Appendix “B”**.
2. The Appointment Order authorized the Receiver to, among other things:
  - a) take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - b) manage, operate and carry on the business of the Debtor, including the powers to enter into agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
  - c) take all steps necessary to satisfy the conditions of Draft Plan of Vacant Land Condominium (23CDM-1307) for the Real Property and thereafter register the Vacant Land Condominium;
  - d) out of the monies in its hands, to pay all interest arrears and thereafter make all monthly interest payments as they become due and owing by the Debtor to the Applicant, or as it may direct in writing, in connection with the indebtedness owed by the Debtor under Tranche A of Facility 1 and secured by the charge/mortgage



registered on title to the Real Property on June 27, 2016 as Instrument No. WC472869 (the “**MZ Charge**”); and

- e) to market and sell 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, with the approval of the Court.
3. In addition, paragraph 22 of the Appointment Order empowered the Receiver to borrow an amount not to exceed \$2,000,000 (or such greater amount as the Court may by further Order authorize), which advance(s) will be repaid 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 MZ Charge, the Receiver’s Charge (as defined in the Appointment Order), and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the *Bankruptcy and Insolvency Act*.
  4. The Appointment Order, together with the related court documents, have been posted on the Receiver’s website, which can be found at <http://rsmcanada.com/what-we-do/services/consulting/financial-advisory/restructuring-recovery/current-restructuring-recovery-engagements/dunsire-landdown-inc.html>.

### **Purpose of Second Report**

5. The purpose of this second report of the Receiver (the “**Second Report**”) is to:
  - a) provide the Court with details of the Receiver’s activities since the issuance of its first report dated May 11, 2018 (the “**First Report**”) and the supplementary report dated May 22, 2018 (the “**Supplementary Report**”). A copy of the First Report, without appendices, is attached hereto as **Appendix “C”**, and a copy of the Supplementary Report is attached hereto as **Appendix “D”**;
  - b) update the Court on the sale of the Property to 2637293 Ontario Ltd. (the “**Purchaser**”) and the closing thereof;

- c) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period December 6, 2017 to July 24, 2019;
- d) seek approval of the conduct and activities of the Receiver to July 24, 2019, as described in the Second Report;
- e) seek an order approving the fees and disbursements of (i) the Receiver to July 23, 2019 and estimated to completion; (ii) the Receiver's counsel, Chaitons LLP ("**Chaitons**") to June 30, 2019 and Chaitons' accrual for its estimated fees to complete the receivership administration;
- f) seek an order authorizing and directing the Receiver, after payment of all professional fees and expenses of the estate, to pay any remaining funds to FAAN Mortgage Administrators Inc. ("**FAAN**"), in its capacity as Court-appointed trustee of Building and Development Mortgages Canada Inc. ("**BDMC**"), the second secured lender of the Debtor;
- g) request that the Court discharge the Receiver, subject to completion of certain remaining activities described later in this Second Report and the filing of a receiver's discharge certificate (the "**Receiver's Discharge Certificate**"); and
- h) request that the Court, upon the discharge of the Receiver as provided for above, forever release the Receiver from any and all liability that the Receiver had, now has or may hereafter have, by reason of or in any way arising out of matters that were raised, or could have been raised in the within receivership proceeding.

### **Terms of Reference**

6. In preparing this Second Report and making the comments herein, the Receiver has relied upon unaudited financial information, the books and records of the Debtor, discussions with management and employees of the Debtor and information received from third-party sources (collectively, the "**Information**"). Certain of the information contained in this Second Report may refer to, or is based on, the Information. As the Information has been provided by the Debtor, or other parties, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver

has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

## RECEIVER'S ACTIVITIES

7. A summary of the Receiver's significant activities since the issuance of its First Report are set out below:
- a) working with the Purchaser to finalize the terms and conditions for the sale of the Property;
  - b) corresponding with the City of Guelph regarding an extension to the lapse date for submission of Draft Plan for approval;
  - c) communicating and meeting with various engineering professionals and contractors to commence work toward clearing the various conditions required for Draft Plan approval;
  - d) continuing to discuss with third party consultants the various requirements for the Property and providing them with direction and approvals, as appropriate;
  - e) liaising with surveyors and obtaining quotes for completion of topographical work;
  - f) attending in Court at the motion requesting approval of the sale of the Property to the Purchaser;
  - g) corresponding with Canada Revenue Agency ("CRA") regarding an audit of the Receiver's HST account;
  - h) working with the Debtor to prepare a statement of Sources and Uses of Cash, requested by FAAN;
  - i) doing all things necessary to finalize, complete and close the sale transaction with the Purchaser; and

- j) preparing this Second Report.

## **SALE OF PROPERTY**

8. As stated in the Receiver's First Report, an agreement of purchase and sale ("**APS**") was entered into by the Receiver with Acquicorp Inc., in trust.
9. Subsequent to the execution of the APS, Acquicorp assigned its position as purchaser to the Purchaser.
10. As the Purchaser was a newly formed corporation, it was required to register as a homebuilder with Tarion Warranty Corporation ("**Tarion**") in order that the Receiver could assign certain purchase agreements for units to be constructed in the development from the Debtor to the Purchaser. The Tarion registration process took longer than originally anticipated, which resulted in multiple delays and extensions to the closing of the sale to the Purchaser.
11. The sale transaction eventually closed on June 26, 2018. A copy of the Receiver's Certificate certifying that the transaction has been completed is attached hereto as **Appendix "E"**.
12. Pursuant to paragraph 3 of the Court Order dated May 25, 2018, a copy of which is attached hereto as **Appendix "F"**, following receipt of the net sale proceeds, the Receiver distributed \$7,011,052.46 to MarshallZehr Group Inc. ("**MZ**"), representing the full amount owing in respect of MZ's secured indebtedness. A copy of MZ's discharge statement is attached hereto as **Appendix "G"**.

## **BDMC AND FAAN**

13. As stated in the Receiver's First Report, the second ranking charge/mortgage registered on title was in favour of Sorrenti Law Professional Corporation (42.29%) and Olympia Trust Company (57.71%), as trustees for Fortress Real Developments Inc. ("**Fortress**"). The

second mortgage was subsequently transferred by Fortress to BDMC on November 24, 2017.

14. Notwithstanding that the Receiver and Chaitons had several conversations throughout the receivership with representatives of Fortress and its counsel regarding the sale of the Property, the Receiver was contacted by FAAN on May 18, 2018. At that time, the Receiver was advised that FAAN was the Court-appointed trustee of BDMC.
15. At FAAN's request, the Receiver provided FAAN with the following information:
  - a) a list of all parties who had been contacted during the Receiver's sales process;
  - b) a schedule of estimated net realizations;
  - c) a statement of Sources and Uses of Cash for the 5-year period ended December 6, 2017; and
  - d) materials used throughout the sales process.
16. By letter dated April 5, 2019, a copy of which is attached hereto and marked as **Appendix "H"**, the Receiver received written confirmation from FAAN that as of April 5, 2019, the amount owing to BDMC and secured by the second mortgage was \$2,104,989.33, inclusive of interest and fees. This amount is in excess of the amount that will be available to be distributed by the Receiver upon completion of the administration of the receivership estate. As a result, the Receiver is requesting that the Court authorize it to distribute any remaining funds in its account, or funds that may come into the Receiver's possession, after payment of the balance of any fees and disbursements of the Receiver and its counsel (the **"Surplus Funds"**), to FAAN in its capacity as Court-appointed trustee of BDMC, provided that the amounts to be paid do not exceed the amount owing to FAAN.

## OTHER RECOVERIES

### *CRA*

17. The Receiver filed HST returns claiming a total of \$190,286.47 in HST refunds relating to the period December 6, 2017 to December 31, 2018. Certain of these returns were selected for audit by CRA, and the Receiver worked with CRA to answer questions and resolve any issues identified. On or about August 13, 2018, CRA issued a Statement of Examination Adjustments with respect to the HST return filed for the month ended January 31, 2018. The result of the CRA audit was an adjustment to decrease the refund for the period by \$4,792.34 due to three input tax credits that had been claimed by the Debtor prior to the appointment of the Receiver. No further issues were noted.
18. Upon completion of the CRA audit, the Receiver was advised by CRA that all monies owing to the Receiver in respect of HST refunds would be held until such time as the Debtor's corporate tax return for the year ended December 31, 2017 (the "**Return**") was filed. Shortly thereafter, the Receiver contacted the Debtor to inquire about the status of the Return, and the Debtor advised that its external accountants were in the process of compiling the Company's financial statements and the Return. The Return was only filed on February 12, 2019, once it was completed by the Debtor and its external accountant.
19. On or about February 27, 2019, the Receiver received payment in the amount of \$188,023.78 from the CRA, representing all HST refunds and accumulated interest for the 13 months ended December 31, 2018.

### *TARION*

20. When the Debtor initially registered as a homebuilder with Tarion, the Debtor was required to provide Tarion with a security deposit of \$135,000.00 (the "**Security Deposit**"). As the APS provided for specific treatment of each Tarion insured deposit received by the Debtor from homeowners, Tarion's exposure was effectively eliminated. Therefore, Tarion advised the Receiver that the Security Deposit would be refunded to the Receiver once the Purchaser's registration with Tarion was complete.

21. On or about November 5, 2018, the Receiver received a payment in the amount of \$140,073.38 from Tarion, representing a refund of the \$135,000 Security Deposit, as well as accrued interest in the amount of \$5,073.38.

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

22. Attached as **Appendix "I"** is the Receiver's Interim Statement of Receipts and Disbursements ("**R&D**") for the period December 6, 2017 to July 24, 2019. During this period, receipts were \$9,517,515.20 and disbursements were \$9,026,882.43, resulting in a net cash balance of \$490,632.77.

#### **PROFESSIONAL FEES**

23. The Receiver's accounts total \$125,044.50 in fees and \$125.65 in disbursements, plus HST of \$16,272.12, for a total amount of \$141,442.27 for the period April 16, 2018 to July 23, 2019, and estimated to completion (the "**Receiver's Accounts**"). A copy of the Receiver's Accounts, together with a summary of the accounts, the total billable hours charged per account and the average hourly rate charged per account, is set out in the Affidavit of Bryan A. Tannenbaum sworn July 25, 2019 that is attached hereto as **Appendix "J"**.
24. The accounts of the Receiver's counsel, Chaitons total \$31,622.99 in fees and disbursements and \$4067.37 in HST for a total of \$35,690.36 (the "**Chaitons Accounts**") for the period ended June 30, 2019. A copy of the Chaitons Accounts, together with a summary of the personnel, hours and hourly rates described in the Chaitons Accounts, supported by the Affidavit of Harvey Chaiton sworn on August 14, 2019 is attached hereto as **Appendix "K"**.

#### **DISCHARGE OF THE RECEIVER**

25. The Receiver has substantially completed its administration of the receivership and is in a position to seek its discharge as Receiver.

26. The remaining tasks (the “**Remaining Tasks**”) to be completed by the Receiver are set out below:
- a) prepare and file with CRA the Receiver’s final HST return;
  - b) distribute the Surplus Funds in the Receiver’s possession, as set out in this Second Report; and
  - c) prepare and file the Receiver’s final report, pursuant to s. 246(3) of the *Bankruptcy and Insolvency Act*.
27. In order to not incur the costs of another Court attendance, the Receiver is now seeking an Order for its discharge to become effective upon the Receiver filing with the Court the Receiver’s Discharge Certificate indicating that the Receiver has completed the Remaining Tasks.

#### **REQUESTS OF THE COURT**

28. The Receiver respectfully asks that the Court grant an Order for the following relief:
- a) approving the R&D;
  - b) approving the Receiver’s conduct and activities as described in the Second Report;
  - c) approving the fees and disbursements of the Receiver and Chaitons as set out in the Second Report and the fee affidavits (collectively, the “**Professional Fees**”);
  - d) authorizing and directing the Receiver to distribute to FAAN the Surplus Funds, after payment of all costs in connection with the administration of the receivership and the Professional Fees;
  - e) discharging the Receiver upon the Receiver filing the Receiver’s Discharge Certificate; and



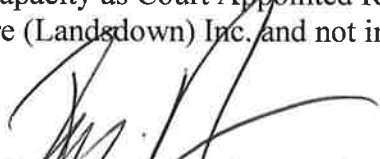
- f) releasing the Receiver from any and all liability that the Receiver now has or may hereafter have by reason of or in any way arising out of the matters that were raised, or could have been raised in the within receivership proceeding.

All of which is respectfully submitted to this Court as of this 26<sup>th</sup> day of August, 2019.

**RSM CANADA LIMITED**

in its capacity as Court Appointed Receiver of  
Dunsire (Landsdown) Inc. and not in its personal capacity

Per:



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

# APPENDIX “A”

Court File No.

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

BETWEEN:

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**DUNSIRE (LANDSDOWN) 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**

**AFFIDAVIT OF MURRAY SNEDDEN**  
(sworn November 24, 2017)

I, **MURRAY SNEDDEN**, of the Town of Aurora, in the Province of Ontario, **MAKE  
OATH AND SAY AS FOLLOWS:**

1. I am the Chief Financial Officer of the Applicant, MarshallZehr Group Inc. ("MarshallZehr"). As a result, the facts set forth herein are within my personal knowledge or determined from the face of the documents attached hereto as exhibits and from information and advice provided to me from others. When matters deposed to herein are based upon information and advice, I have identified the sources of the information and advice and I verily believe same to be true.

- 2 -

2. This affidavit is sworn in support of the application by MarshallZehr for the appointment of Collins Barrow Toronto Limited (“CBTL”) as receiver (“Receiver”) of the property, assets and undertakings of the Respondent, Dunsire (Landsdown) Inc. (the “Debtor”).

### THE PARTIES

3. The Debtor is a corporation governed by the *Business Corporations Act* (Ontario) and has its registered office located in Burlington, Ontario. Attached hereto and marked as Exhibit “A” is a copy of the Corporate Profile Report for the Debtor obtained on November 20, 2017.

4. The Debtor was incorporated on July 9, 2013 for the purpose of acquiring approximately 4.6 acres of land located on Landsdown Drive in Guelph, Ontario (the “Property”). The Property is less than 5.0 km southeast of the University of Guelph campus and downtown Guelph. A copy of the parcel register for the Property is attached hereto and marked as Exhibit “B”.

5. The Debtor acquired the Property to develop it as a residential enclave of 27 single-detached bungalows and bungalofts on the Property, to be known as White Cedar Estates (the “Development”). The Development was to have 26 single-detached homes within a condominium fronting on a private road to be constructed, and one freehold single-detached home fronting on Landsdown Drive.

6. The Debtor is a subsidiary of Dunsire Inc. (“Dunsire”), a residential home developer with development projects throughout Southwestern Ontario.

7. Fortress Real Developments Inc. (“Fortress”), a real estate development company, is also involved with the Development as a partner with Dunsire. MarshallZehr was informed by Shawn Keeper, President of the Debtor, that he, along with Vince Petrozza, Chief Operating Officer of

- 3 -

Fortress, and Jawad Rathore, President and Chief Executive Officer of Fortress, have provided guarantees in connection with the Debtor's registration with Tarion Warranty Corporation ("Tarion").

8. MarshallZehr provides financing to real estate developers, and is a mortgage brokerage and administrator that services syndicated mortgage financing for other lenders.

### **FINANCING THE DEVELOPMENT**

#### Commitment Letter and Funding of the Loan

9. MarshallZehr initially provided financing to the Debtor in July 2013 to allow the Debtor to acquire the Property. As security for that financing, the Debtor granted a \$2.8 million first charge over the Property to MarshallZehr.

10. In the spring of 2016, the Debtor approached MarshallZehr to arrange financing to, among other things:

- (a) refinance the existing MarshallZehr mortgage;
- (b) provide financing for site servicing and soft costs;
- (c) provide construction financing for the hard construction costs and development charges associated with completing the Development; and
- (d) provide letters of credit to the City of Guelph (the "City").

11. At that time, the Debtor had already pre-sold 92% of the Development, a draft plan of vacant land condominium had been approved by the City (subject to the completion of a number of conditions), and the Debtor was prepared to start servicing the Property.

- 4 -

12. Pursuant to a commitment letter dated May 25, 2016 (the “**Commitment Letter**”), MarshallZehr agreed to provide a loan of \$15,870,278 to the Debtor (the “**Loan**”). A copy of the Commitment Letter, as amended, is attached hereto and marked as **Exhibit “C”**.

13. As set out in the Commitment Letter, the Loan was to be comprised of the following three facilities:

- (a) Facility 1: \$6,847,465, which was to be used to refinance the existing MarshallZehr mortgage and provide financing for site servicing and soft costs. Facility 1 was broken down into two tranches:
  - (i) Tranche A in the amount of \$4,727,574, with interest payable at 6.0% per annum; and
  - (ii) Tranche B in the amount of \$2,119,891, with interest payable at 14.0% per annum;
- (b) Facility 2: \$8,111,243, which was to be used to provide construction financing for the hard construction costs and development charges associated with completing the Development; and
- (c) Facility 3: \$911,570, which was to be used for letters of credit to be issued in favour of the City.

14. Pursuant to the terms of the Commitment Letter, the Loan was payable on demand, with an eighteen (18) month term from the initial advance date.

- 5 -

15. To date, \$4,535,160 has been advanced to the Debtor under Facility 1, which is comprised of \$2,415,289 advanced under Tranche A and \$2,119,891 advanced under Tranche B. No funds have been advanced to the Debtor under Facility 2. Additionally, a letter of credit in the original amount of have \$240,411.81 has been issued in favour of the Guelph Hydro under Facility 3.

16. As set out in the Commitment Letter, it was MarshallZehr's intention to syndicate all or a portion of the Loan with other lenders. MarshallZehr has completed a syndication of Tranche A of Facility 1 with another lender, such that the lender is the sole provider of the Tranche A financing to the Debtor.

#### Security

17. As security for the advances made to the Debtor under the Commitment Letter, the Debtor granted, among other things, the following loan and security documents in favour of MarshallZehr:

- (a) a Charge/Mortgage in the amount of \$16.0 million registered on title to the Property on June 27, 2016 as Instrument No. WC472869 (the "MZ Charge"), a copy of which is attached hereto and marked as **Exhibit "D"**; and
- (b) a General Assignment of Rents dated June 27, 2016 and registered as Notice of Assignment of Rents-General registered on title to the Property on June 27, 2016 as Instrument No. WC472870, a copy of which is attached hereto and marked as **Exhibit "E"**;
- (c) Security Agreement dated June 15, 2016, a copy of which is attached hereto and marked as **Exhibit "F"**; and

- 6 -

- (d) Assignment of Material Contracts dated June 15, 2016, a copy of which is attached hereto and marked as **Exhibit "G"**.

18. As additional security, MarshallZehr entered into a deficiency agreement dated June 15, 2016 with the Debtor, Dunsire, and Fortress (the "**Deficiency Agreement**"), pursuant to which each of the parties jointly and severally undertook to personally fund any and all shortfall of costs with respect to the Development. A copy of the Deficiency Agreement is attached hereto and marked as **Exhibit "H"**.

19. Pursuant to the terms of the Commitment Letter, the MZ Charge and the Security Agreement, failure to pay principal or interest when due to MarshallZehr is an event of default.

20. The Debtor has also agreed that, upon default, MarshallZehr is entitled to appoint a receiver in writing and/or make an application for the court appointment of a Receiver.

#### **OTHER CREDITORS**

21. At the time of the completion of the financing, the Property was subject to a charge/mortgage originally in favour of Sorrenti Law Professional Corporation (now in favour of Sorrenti Law Professional Corporation and Olympia Trust Company) (the "**Sorrenti Charge**").

22. In connection with the financing, MarshallZehr obtained a postponement confirming that the Sorrenti Charge is subordinate to the MZ Charge. The postponement was registered on title to the Property on June 28, 2016 as Instrument No. WC472884, a copy of which is attached hereto and marked as **Exhibit "I"**.

23. As a result of the postponement, the MZ Charge is the first-ranking mortgage registered against title to the Property.



- 7 -

24. Based on discussions with representatives of the Debtor, MarshallZehr understands that the Sorrenti Charge represents a syndicated mortgage with a number of individual investors, and that the syndicated mortgagee is related or connected to Fortress.

25. I am advised by Sam Rappos, a lawyer with Chaitons LLP (“Chaitons”), MarshallZehr’s legal counsel, that MarshallZehr has the only financing statement registered against the Debtor under the *Personal Property Security Act (Ontario)* (“PPSA”). Attached hereto and marked as Exhibit “J” is the PPSA search result for the Debtor current as of November 20, 2017.

#### **STATUS OF THE DEVELOPMENT**

26. The Debtor has entered into agreements of purchase and sale (“APS”) with respect to 26 of the 27 units to be constructed in the Development. A copy of redacted APS is attached hereto and marked as Exhibit “K”.

27. As set out in the APS, the purchaser has agreed that the APS, any interest of the purchaser in the APS, and any and all deposits and any purchaser’s lien is subordinated and postponed to any mortgages, and charged registered against title to the Property.

28. MarshallZehr has been informed by Mr. Keeper that the Debtor has collected \$1,040,000 in deposits from the 26 purchasers (\$40,000 per unit), which are guaranteed by Tarion, and a total amount of \$581,524.04 of upgrade deposits from the 26 purchasers, which are not guaranteed by Tarion, totalling \$1,621,524.04. Mr. Keeper confirmed that the Debtor has used these deposits as a source of funds for the Development.

29. In July 2015, City Council approved a proposed Draft Plan of Vacant Land Condominium for the 26 condominium residential single-detached dwellings and the one freehold residential

- 8 -

single-detached dwelling to be constructed on the Property, subject to certain conditions, as listed in Attachment 1 to the minutes from the July 20, 2015 Guelph City Council Meeting, a copy of which is attached hereto and marked as **Exhibit "L"**.

30. At the time the financing was advanced in July 2016, the Debtor had advised MarshallZehr that it expected to have completed all site servicing for the Property within four to five months and was to commence hard construction on the Development in 2017.

31. However, this timeline has not been achieved, as the Debtor experienced a number of delays in clearing the necessary conditions. The Debtor informed MarshallZehr in July 2017 that it had obtained all necessary permits and satisfied all necessary conditions to proceed with earthworks and servicing. Kieswetter Excavating Inc. ("**Kieswetter**") was awarded the tender to complete site preparation, earthworks, and servicing for the Development.

32. Based on information received from Mr. Keeper and from a review of the Property conducted by MarshallZehr's site monitor/cost consultant, MarshallZehr understands that Kieswetter has commenced curb preparation and installation, is expected to begin and complete a waste stabilization pond and related storm sewers in November 2017, and is expected to build out retaining walls in December 2017.

33. On November 13, 2017 Mr. Keeper informed MarshallZehr that: (a) Kieswetter issued an invoice in the amount of \$35,106.94 for clearing and grubbing, tree protection, erosion control, etc. works completed by Kieswetter in August 2017; and (b) Kieswetter issued an invoice in the amount of for \$310,749.69 for earthworks, water/storm/sanitation servicing completed by Kieswetter in September 2017.

- 9 -

34. Mr. Keeper confirmed that neither of the invoices had been paid by the Debtor.
35. Based on the review of the Development completed by its site monitor/consultant, MarshallZehr anticipates that Kieswetter is likely owed between \$635,000 and \$1.0 million with respect to services it has provided to the Development, none of which has been paid by the Debtor.
36. Pursuant to the terms of the Commitment Letter, the Debtor was required to make an interest payment on the MZ Charge for the month of August 2017 by no later than September 1, 2017. The Debtor failed to make the required payment to MarshallZehr.
37. As a result, on September 22, 2017, MarshallZehr sent a letter to the Debtor and Fortress, notifying them that the Debtor was in default under the Commitment Letter as a result of its failure to make the required interest payment. To rectify the default, the August 2017 payment, along with the September 2017 payment, was to be received by no later than October 2, 2017. A copy of the letter is attached hereto and marked as **Exhibit "M"**.
38. The Debtor failed to make the required interest payments for the months of August and September 2017. As a result, on October 4, 2017, MarshallZehr, by its lawyers Chaitons, issued a written demand for payment to the Debtor in the amount of \$4,757,511.86 as at October 16, 2017, and delivered its notice to enforce its security under the BIA. A copy of the demand letter and BIA notice is attached hereto and marked as **Exhibit "N"**.
39. On that same day, Chaitons, on behalf of MarshallZehr, also issued a written demand for payment to Fortress pursuant to the Deficiency Agreement. A copy of the letter is attached hereto and marked as **Exhibit "O"**.

- 10 -

40. Following the expiry of the ten (10) day BIA notice period, on October 17, 2017, Chaitons, on behalf of MarshallZehr, issued a notice of sale under the MZ Charge, a copy of which is attached hereto and marked as **Exhibit "P"**.

41. To date, MarshallZehr has received no payments from the Debtor or Fortress in response for the demands for payment.

#### **JUST AND CONVENIENT TO APPOINT A RECEIVER**

42. MarshallZehr has demanded payment of the Loan from the Debtor and has sent a BIA notice and a notice of sale under the MZ Charge, but has received no payment in response these demands and notices. The Debtor not been paying outstanding invoices to Kieswetter for servicing costs and, if they are not paid promptly, a construction lien may be registered against the Property. The Debtor has admitted that it does not have available liquidity to make the required mortgage payments under the MZ Charge.

43. In these circumstances, I believe it is in the best interests of MarshallZehr and the Debtor's creditors generally that a Receiver be appointed to take control over and realize on the Property on an as is basis, or otherwise.

44. Accordingly, it is just and convenient in the circumstances to appoint a Receiver over the Debtor's property, with the power, in its discretion, to complete the necessary steps to satisfy the conditions of Draft Plan of Vacant Land Condominium and thereafter register the Vacant Land Condominium, which would be for the benefit of all of the Debtor's creditors.

45. MarshallZehr proposes that CBTL be appointed as Receiver. CBTL has agreed to accept the appointment, and a copy of its consent is attached hereto as **Exhibit "Q"**.

- 11 -

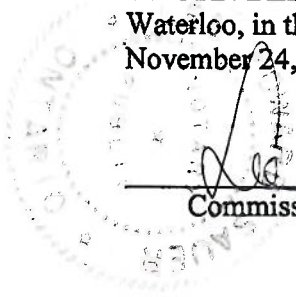
46. MarshallZehr has discussed the proposed appointment of a Receiver with the Tranche A lender. The Tranche A lender has confirmed that it does not oppose the relief being sought by MarshallZehr, provided that the Receiver is authorized by the Court to pay all interest arrears owed to the Tranche A lender and keep interest payments current throughout the receivership proceeding, and that any charge to be granted by the Court be subordinate to the MZ Charge with respect to repayment of the Tranche A indebtedness.

47. In the event that CBTL is appointed as Receiver, MarshallZehr will be requesting that the Court grant a charge over all of the Debtor's property to secure repayment of the Receiver's and its legal counsel's fees and disbursements (the "Receiver's Charge"), which will rank in priority to all other claims and encumbrances against the property other than the MZ Charge with respect to the indebtedness owed to the Tranche A lender.

48. MarshallZehr will also be requesting that the Court authorize the Receiver to borrow up to \$4,000,000, subject to further order of the Court, so that the Receiver will have funds available to, among other things, complete the necessary steps to complete registration of the Vacant Land Condominium, to make the interest payments to the Tranche A lender as described above, to pay Kieswetter for work performed prior to and after the appointment of the Receiver, and to pay professional fees. MarshallZehr has agreed to provide such financing to the Receiver. As security for the borrowings, MarshallZehr will request that the Court grant a charge over all of the Debtor's property, which will rank in priority to all other claims and encumbrances against the property other than the Receiver's Charge and the MZ Charge.

49. This affidavit is sworn in support of MarshallZehr's application for the appointment of a Receiver and for no other or improper purpose.

**SWORN BEFORE ME** at the City of  
Waterloo, in the Province of Ontario on  
November 24, 2017



*[Handwritten Signature]*  
\_\_\_\_\_  
**Commissioner for Taking Affidavits**  
*(or as may be)*

} *[Handwritten Signature]*  
\_\_\_\_\_  
**MURRAY SNEDDEN**

**MARSHALLZEHR GROUP INC.**  
Applicant

-and-

**DUNSIRE (LANDSDOWN) INC.**  
Respondent

Court File No.

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

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

**AFFIDAVIT OF MURRAY SNEDDEN**  
(sworn November 24, 2017)

**CHAITONS LLP**  
5000 Yonge Street, 10th Floor  
Toronto, Ontario M2N 7E9

**Harvey Chaiton (LSUC No. 21592F)**  
Tel: (416) 218-1129  
Fax: (416) 218-1849  
E-mail: harvey@chaitons.com

**Sam Rappos (LSUC No. 51399S)**  
Tel: (416) 218-1137  
Fax: (416) 218-1837  
E-mail: samr@chaitons.com

**Lawyers for the Applicant**

# **APPENDIX “B”**



Court File No. CV-17-587118-00CL

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

THE HONOURABLE MR.

)

WEDNESDAY, THE 6<sup>TH</sup>

JUSTICE MCEWEN

)

DAY OF DECEMBER, 2017

)

MARSHALLZEHR GROUP INC.

Applicant

- and -

DUNSIRE (LANDSDOWN) 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**

**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 ("**RSM**") as receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of Dunsire (Landsdown) Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of Murray Snedden sworn November 24, 2017 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant and such other counsel listed on the Counsel Slip, no one appearing for the other parties listed on the service list although duly served as appears from the affidavit of service of Antoinette De Pinto sworn November 27, 2017, and on reading the consent of RSM to act as the Receiver,

### **SERVICE**

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

### **APPOINTMENT**

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

### **RECEIVER’S POWERS**

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

- 3 -

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to take all steps necessary to satisfy the conditions of Draft Plan of Vacant Land Condominium (23CDM-1307) for the Real Property and thereafter register the Vacant Land Condominium;

- 4 -

- (g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (h) to settle, extend or compromise any indebtedness owing to the Debtor;
- (i) 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;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of this Court, and in 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;

- 5 -

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

- 6 -

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

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

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

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

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

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

7. **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**

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

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

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

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

10. **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**

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

**CONTINUATION OF SERVICES**

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

**RECEIVER TO HOLD FUNDS**

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the

collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

### **EMPLOYEES**

14. **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**

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not

complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

### LIMITATION ON ENVIRONMENTAL LIABILITIES

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

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

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, 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.

### **INTEREST PAYMENTS**

18. **THIS COURT ORDERS** that, subject to further Order of this Court, the Receiver is authorized and directed to, out of the monies in its hands, pay all interest arrears and thereafter make all monthly interest payments as they become due and owing by the Debtor to the Applicant, or as it may direct in writing, in connection with the indebtedness owed by the Debtor under Tranche A of Facility 1 and secured by the charge/mortgage registered on title to the Real Property on June 27, 2016 as Instrument No. WC472869 (the "**MZ Charge**").

### **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 charge on the Property 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 MZ Charge to the extent of the Tranche A indebtedness (inclusive of principal, interest, fees and other charges), and the charges as set out in 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 \$2,000,000 (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 MZ Charge, the Receiver's Charge, 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 "B"** 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.

#### **RETENTION OF LAWYERS**

26. **THIS COURT ORDERS** that the Receiver may retain lawyers to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order. Such lawyers may include Chaitons LLP, lawyers for the Applicant herein, in respect of any matter where there is no conflict of interest. The Receiver shall, however, retain independent lawyers in respect of any legal advice or services where a conflict exists, or may exist.

- 15 -

## SERVICE AND NOTICE

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

28. **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.

29. **THIS COURT ORDERS** that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably

reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

### **GENERAL**

30. **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.

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

32. **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.

33. **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.

34. **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 Debtor's estate with such priority and at such time as this Court may determine.

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



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**SCHEDULE "A"**

PT LT 13 PL 488 PT 3, 61R20544; LT 10 PL 488 PT 4, 61R20544; PT LT 6 PL 488 PT 1 ON 61R20544; PT LT 9 PL 488 PT 2, 61R20544; TOGETHER WITH AN EASEMENT OVER COMMON ELEMENTS CONDO PL NO. 169 AS IN WC458323; SUBJECT TO AN EASEMENT IN GROSS OVER PT 1 61R20870 AS IN WC492853; SUBJECT TO AN EASEMENT IN GROSS OVER PT 1 61R20870 AS IN WC498736; SUBJECT TO AN EASEMENT AS IN WC500683; CITY OF GUELPH

City of Guelph, County of Wellington

PIN 71505-0993 (LT)

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

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

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

1. THIS IS TO CERTIFY that RSM Canada Limited, the receiver (the "**Receiver**") of the assets, undertakings and properties Dunsire (Landsdown) Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 6<sup>th</sup> day of December, 2017 (the "**Order**") made in an application having Court file number CV-17-587118-00CL, 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.

- 2 -

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 Dunsire (Landsdown) Inc., and  
not in its personal capacity

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

Name:

Title:

**MARSHALLZEHR GROUP INC.**  
Applicant

-and-

**DUNSIRE (LANDSDOWN) INC.**  
Respondent

Court File No. CV-17-587118-00CL

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

**PROCEEDING COMMENCED AT  
TORONTO**

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**ORDER**

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**CHAITONS LLP**

5000 Yonge Street, 10th Floor  
Toronto, Ontario M2N 7E9

**Harvey Chaiton (LSUC No. 21592F)**

Tel: (416) 218-1129

Fax: (416) 218-1849

E-mail: harvey@chaitons.com

**Sam Rappos (LSUC No. 51399S)**

Tel: (416) 218-1137

Fax: (416) 218-1837

E-mail: samr@chaitons.com

**Lawyers for the Applicant**

# APPENDIX “C”

Court File No. CV-17-587118-00CL

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

**BETWEEN:**

**MARSHALLZEHR GROUP INC.**

**Applicant**

- and -

**DUNSIRE (LANDSDOWN) INC.**

**Respondent**

**FIRST REPORT OF THE RECEIVER**

**MAY 11, 2018**

## Table of Contents

INTRODUCTION .....	1
PURPOSE OF FIRST REPORT .....	3
TERMS OF REFERENCE .....	4
RECEIVER’S ACTIVITIES .....	5
MARKETING PROCESS AND OFFERS RECEIVED .....	8
COMPARISON OF THE OFFER AND LOI .....	10
MORTGAGEES .....	12
RECEIVER’S STATEMENT OF RECEIPTS AND DISBURSEMENTS .....	13
PROFESSIONAL FEES .....	14
SEALING .....	15
REQUESTS OF THE COURT .....	15

## Appendices

- A. Appointment Order dated December 6, 2017
- B. Affidavit of Murray Snedden sworn November 24, 2017 (w/o exhibits)
- C. Marketing Materials
- D. Agreement of Purchase and Sale dated May 1, 2018 (redacted)
- E. Legal Opinion
- F. Statement of Account
- G. Statement of Receipts and Disbursements
- H. Affidavit of Bryan A. Tannenbaum
- I. Affidavit of Harvey Chaiton
- J. Affidavit of Michael Rotsztain



## INTRODUCTION

1. Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated December 6, 2017 (the “**Appointment Order**”), RSM Canada Limited was appointed receiver (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Dunsire (Landsdown) Inc. (“**Dunsire**” or the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the “**Property**”).
2. The Property includes, without limitation, the real property municipally known as Landsdown Drive, Guelph, Ontario and legally described as set out in Schedule “A” of the Appointment Order (the “**Real Property**”). The Real Property was acquired by the Debtor to develop it as a residential enclave of 27 single-detached bungalows and bungalofs to be known as White Cedar Estates. The circumstances leading to the appointment of the Receiver are set out in the affidavit of Murray Snedden sworn November 24, 2017 (the “**Snedden Affidavit**”) and filed in support of the receivership application. A copy of the Appointment Order is attached hereto as **Appendix “A”**. A copy of the Snedden Affidavit, without exhibits, is attached hereto as **Appendix “B”**.
3. The Appointment Order authorized the Receiver to, among other things:
  - (a) take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) manage, operate and carry on the business of the Debtor, including the powers to enter into agreements, incur any obligations in the ordinary course of business,

cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (c) take all steps necessary to satisfy the conditions of Draft Plan of Vacant Land Condominium (23CDM-1307) for the Real Property and thereafter register the Vacant Land Condominium;
  - (d) authorizing the Receiver, out of the monies in its hands, to pay all interest arrears and thereafter make all monthly interest payments as they become due and owing by the Debtor to the Applicant, or as it may direct in writing, in connection with the indebtedness owed by the Debtor under Tranche A of Facility 1 and secured by the First Mortgage (as defined below); and
  - (e) to market and sell 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, with the approval of the Court.
4. In addition, paragraph 22 of the Appointment Order empowered the Receiver to borrow an amount not to exceed \$2,000,000 (or such greater amount as the Court may by further Order authorize), which advance(s) will be repaid 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 First Mortgage, the Receiver's Charge (as defined in the Appointment Order), and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the *Bankruptcy and Insolvency Act*.

5. The Appointment Order, together with the related court documents, have been posted on the Receiver's website, which can be found at <http://rsmcanada.com/what-we-do/services/consulting/financial-advisory/restructuring-recovery/current-restructuring-recovery-engagements/dunsire-landsdown-inc.html>.

#### **PURPOSE OF FIRST REPORT**

6. The purpose of this first report of the Receiver (the "**First Report**") is to:
- (a) provide to the Court with details of the Receiver's activities since its appointment;
  - (b) provide the Court with a summary of the Receiver's marketing process leading to the receipt of offers for the Real Property (the "**Marketing Process**");
  - (c) provide the Court with a summary of the Receiver's receipts and disbursements for the period December 6, 2017 to May 8, 2018;
  - (d) provide the Court with information in support of its request that the Court grant:
    - (i) an order authorizing and directing the Receiver to enter into and carry out the terms of the agreement of purchase and sale between the Receiver and Aquicorp Inc., in trust (the "**Purchaser**"), dated May 1, 2018 together with amendments thereto (the "**APS**"), approving the sale of the Real Property to the Purchaser pursuant to the APS, and vesting title to the Real Property in the Purchaser, or as it may further direct in writing, free and clear of all claims and encumbrances, other than permitted encumbrances, upon the closing of the purchase and sale transaction contemplated in the APS (the "**Sale Transaction**");

- (ii) an order:
- (1) sealing the Confidential Appendices to the First Report pending further Order of the Court or the closing of the Sale Transaction;
  - (2) approving the First Report and the conduct and activities of the Receiver as described herein;
  - (3) approving the fees and disbursements of the Receiver to April 15, 2018; the Receiver's counsel, Chaitons LLP ("**Chaitons**"), to April 30, 2018; and the Receiver's independent legal counsel, Goldman, Sloan, Nash & Haber LLP ("**GSNH**") to March 31, 2018; and
  - (4) authorizing the Receiver, following the closing of the Sale Transaction, to make distributions to the Applicant, MarshallZehrGroup Inc. ("**MZG**"), as first mortgagee of the Real Property, from the net sale proceeds of the Real Property, up to the maximum amount of MZG's indebtedness secured by the First Mortgage (as defined below) without further Order of this Court, subject to the Receiver maintaining sufficient reserves with respect to any potential priority claims that may exist.

## **TERMS OF REFERENCE**

7. In preparing this First Report and making the comments herein, the Receiver has relied upon unaudited financial information, the books and records of the Debtor, discussions with management and employees of the Debtor and information received from third-party

sources (collectively, the “**Information**”). Certain of the information contained in this First Report may refer to, or is based on, the Information. As the Information has been provided by the Debtor, or other parties, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

### **RECEIVER’S ACTIVITIES**

8. As detailed herein, the Receiver’s primary focus has been to obtain site plan approval and the registration of the Plan of Subdivision for the Real Property, and to market the Real Property for sale. A summary of the Receiver’s significant activities is set out below:
  - (a) consulting with the City of Guelph (the “**City**”) to ascertain property tax arrears and arranging for payment of same;
  - (b) finalizing and entering into a settlement agreement with Wellington Vacant Land Condominium Corporation No. 169 (“**WCC169**”) in respect of the cost-sharing agreement entered into by the Debtor in connection with the common elements of WCC169, including a sewage pumping station, sanitary sewer stub, sewage force main, standby generator and a stub road known as Lane located on the lands described as WCC169, which are part of the services required to be installed pursuant to the site plan agreement with the City, and making payment on the

outstanding amount payable to WCC169 in the sum of \$146,345.66 (inclusive of HST);

- (c) retaining and meeting with Strik Baldinelli Moniz (“**SBM**”), structural and civil engineers, and Mr. Darren Morita, P.Eng., land development manager, Dunsire Developments, to assist the Receiver and to prepare for various meetings/correspondence with Kieswetter Excavating Inc. (“**Kieswetter**”)<sup>1</sup>, Guelph Hydro, and the City, to move the project forward, including coordinating receipt of reports from all sub-contractors in order to complete and formalize the submissions to satisfy the conditions of the Draft Plan Approval;
- (d) initial meetings with SBM, Kieswetter, and MZG to determine the exact status of the Kieswetter contract as at date of the Receiver’s appointment and to get Kieswetter and other subcontractors back to the site as quickly as possible;
- (e) negotiating placements of cash security with the City (\$43,750) and Guelph Hydro (\$187,509) in lieu of the letters of credit that had been provided to them by the Debtor. This necessitated obtaining releases from the parties who had guaranteed the initial letters of credit.;
- (f) arranging for an appraisal of the Real Property;
- (g) doing all things necessary to market the Real Property for sale;

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<sup>1</sup> Kieswetter was retained by the Debtor to complete the site servicing for the Property.

- (h) receipt and review of letters of intent (“**LOIs**”) and offers to purchase the Real Property;
  - (i) discussions with interested parties comparing the LOIs and offers;
  - (j) negotiating the APS for the sale of the Real Property to the Purchaser;
  - (k) communicating and meeting with various engineering professionals and contractors to commence work toward clearing the various conditions required for Draft Plan approval;
  - (l) liaising with surveyors and obtaining quotes for completion of topographical work;
  - (m) corresponding with the City regarding an extension to the lapse date for submission of Draft Plan for approval;
  - (n) obtaining a legal opinion on the validity and enforceability of security held by various mortgagees against the Real Property and having discussions with GSNH regarding same; and
  - (o) drafting this First Report.
9. As at the date of this First Report, there are many conditions that still have to be cleared in respect of the Draft Plan and consequently, the Draft Plan has not yet been approved or registered by the City.

## MARKETING PROCESS AND OFFERS RECEIVED

10. In January 2018, the Receiver commenced its marketing efforts for the Real Property by establishing a data room with information regarding the Real Property and advertising the sale of the Real Property in the National Post on January 25, 2018 and February 1, 2018 (collectively, the “**Newspaper Advertisements**”).
11. The Receiver sent out a brochure marketing the Real Property for sale (the “**Marketing Brochure**”) to 465 parties that were either referred to the Receiver by third parties or part of the Receiver’s network of contacts. Copies of the Newspaper Advertisements and the Marketing Brochure are collectively attached hereto as **Appendix “C”**.
12. The Receiver prepared confidentiality agreements (“**CA**”), a confidential information memorandum (the “**CIM**”), and a form of agreement of purchase and sale to be sent to parties that executed a CA. 38 CAs were executed by interested parties and returned to the Receiver. The Receiver sent to each of these parties a copy of the CIM and provided each party with access to a password protected data room. The data room contained, among other things, copies of the CIM, the Draft Plan conditions, engineering and environmental reports, additions of Draft Plan approval, and information on planning and property taxes.
13. The Receiver set February 28, 2018 as the date for submission of offers (the “**Bid Deadline Date**”). Prior to the Bid Deadline Date, the Receiver contacted all of the parties that had accessed the data room to ascertain whether there was any additional information that they required in order to make a decision and whether they would be making offers on the Real Property.



14. In connection with its marketing efforts, the Receiver has obtained an appraisal on the Real Property from Antec Appraisal Group (the “**Appraisal**”). The Receiver will be filing the Appraisal with the Court as **Confidential Appendix 1**.
15. Two parties provided offers to the Receiver by the Bid Deadline Date. However, the purchase price in both offers was unacceptable to the Receiver, and the Receiver asked each offeror to improve their submission. One offeror (“**Offeror 1**”) decided not to resubmit an offer, while the second offeror (“**Offeror 2**”) resubmitted a revised letter of intent (“**LOI**”), as opposed to using the Receiver’s template agreement of purchase and sale. A summary of Offeror 1’s submission will be filed with the Court as **Confidential Appendix 2**.
16. Offeror 2 submitted an LOI dated March 7, 2018. A copy of Offeror 2’s LOI will be filed with the Court as **Confidential Appendix 3**.
17. The Receiver entered into negotiations with Offeror 2 and its solicitors to have them prepare an offer in the form of the template agreement of purchase and sale prepared by the Receiver. To date, the Receiver has not received an agreement of purchase and sale from Offeror 2.
18. Prior to the Bid Deadline Date, Mr. Shawn Keeper, president of the Debtor, indicated that he was trying to refinance the project and would be making an offer to the Receiver. While he was unable to make an offer prior to the Bid Deadline Date, the Receiver received an agreement of purchase and sale dated April 1, 2018 from the Purchaser, a company that the Receiver understands is owned by Mr. Keeper.

## COMPARISON OF THE OFFER AND LOI

19. The Receiver reviewed the LOI received from Offeror 2 and the offer received from the Purchaser. For the reasons set out below, the Receiver accepted the offer received from the Purchaser and, following negotiations with respect to the terms of the agreement of purchase and sale, on May 4, 2018, the Receiver entered into the APS with the Purchaser. A copy of the APS, with the financial terms redacted, is attached hereto as **Appendix "D"**. An unredacted copy of the APS will be filed with the Court as **Confidential Appendix 4**.
20. The LOI from Offeror 2 had a purchase price that was materially greater (approximately 30%) than the purchase price under the APS. However, the Receiver decided to accept the offer from the Purchaser rather than the LOI from Offeror 2 for the following reasons:
- (a) **Only Offer** – the APS is the only offer to purchase the Real Property, as Offeror 2 only submitted an LOI;
  - (b) **Due Diligence** - the APS is not conditional on due diligence, and the Purchaser is a corporation owned by Mr. Keeper, the principal of the Debtor. The LOI from Offeror 2 was conditional on a 45-day due diligence period following receipt of all required documents to review the material and investigate the Real Property. Offeror 2 had the right to terminate the transaction during the due diligence period;
  - (c) **Deposit** – the deposit to be received from the Offeror was an immaterial amount given the amount of the proposed purchase price, and the deposit would be returned to Offeror 2 if it terminated the transaction during the due diligence period. The Purchaser has provided a deposit in the amount of 5% of the purchase price;

- (d) **Financing** – the APS is not conditional on financing, and the Purchaser has provided evidence to the Receiver that it has arranged the necessary financing to complete its purchase of the Real Property;
  - (e) **Site Servicing** – the Purchaser is acquiring the Real Property on an “as is, where is” basis, and no further work is required to be completed by the Receiver. The LOI from Offeror 2 was conditional on the Receiver completing all site servicing, grading and off site works for the Real Property, which would have required the Receiver incurring a significant amount of costs, estimated, based on the Appraisal, to be between \$1.2 million and \$1.6 million, which accounts for a large part of the difference in the purchase prices; and
  - (f) **Assumption of Liabilities** – the Purchaser has agreed to (i) assume the contract between the Debtor and Kieswetter to complete the servicing of the Real Property; (ii) assume 14 of the 26 agreements of purchase and sale that were entered into by the Debtor with respect to dwellings to be constructed on the Real Property; and (iii) be liable to refund the deposits to the purchasers whose agreements of purchase and sale will not be assumed by the Purchaser and will be terminated, and will pay a bonus payment to each of these purchasers in an amount equal to 25% of their respective deposits, by December 31, 2018.
21. As detailed below, MZG is the first mortgagee of, and has the primary economic interest in, the Real Property. MZG has informed the Receiver that it supports the Receiver entering into the APS with the Purchaser.
22. The Receiver is of the view that the APS should be approved by the Court, as:

- (a) the Real Property has been adequately exposed to the market based on the steps taken by the Receiver, as described herein;
- (b) the APS represents the only offer received for the Real Property; and
- (c) the APS represents the best realization for the Real Property for the Debtor's stakeholders, which includes MZG, Kiewswetter, and the purchasers of units.

## MORTGAGEES

23. A title search for the Real Property dated November 27, 2017 discloses the following mortgages registered against the Real Property:

- (a) Instrument No. WC472869 registered June 27, 2017 is a Charge/Mortgage in favour of MZG securing the principal amount of \$16,000,000 (the "**First Mortgage**"). The First Mortgage is expressed to be collateral security for obligations referred to in a mortgage commitment dated May 9, 2016, as amended from time to time; and
- (b) Instrument No. WC394834 registered on January 17, 2014 is a Charge/Mortgage in favour of Sorrenti Law Professional Corporation as bare trustee, securing the principal amount of \$1,731,000 and bearing interest at the rate of 8% per annum (the "**Second Mortgage**"). The Second Mortgage has a maturity date of August 14, 2016.<sup>2</sup>

---

<sup>2</sup> The Receiver understands that the Second Charge was granted in connection with a syndicated mortgage loan, and as a result the charge has been transferred a number of times.

24. A Postponement of Interest was registered on June 28, 2016 as Instrument Number WC472884 in which the Second Mortgage was postponed in favour of the First Mortgage. There are no other charges/mortgages registered on title to the Real Property.
25. The Receiver has received a legal opinion (the “**Legal Opinion**”) from GSNH that, subject to the assumptions and qualifications contained in the Legal Opinion, the First Mortgage and the Second Mortgage are valid and enforceable against the Real Property and also a trustee in bankruptcy, and that the First Mortgage has priority over the Second Mortgage. A copy of the Legal Opinion is attached hereto as **Appendix “E”**.
26. The Second Mortgage is held by the mortgagee in trust for Fortress Real Developments Inc. (“**Fortress**”). The Receiver understands that representatives of MZG and Chaitons have been in contact with Fortress representatives to advise them of the status of offers, and that Fortress might not recover any monies towards their indebtedness based on the offers received. Notwithstanding that both Chaitons and MZG were advised that an offer for the Real Property would be forthcoming from Fortress, no such offer has been received to date.
27. The Receiver requested updated statements of account from MZG with respect to the First Mortgage, a copy of which is attached hereto as **Appendix “F”**.

#### **RECEIVER’S STATEMENT OF RECEIPTS AND DISBURSEMENTS**

28. Attached as **Appendix “G”** is the Receiver’s Interim Statement of Receipts and Disbursements (“**R&D**”) for the period December 6, 2017 to May 8, 2018. During this period, receipts, including \$1,596,972.90 advanced to the Receiver by MZG, were \$1,829,308.87 and disbursements were \$1,782,689.67, resulting in a net cash balance of

\$46,619.20. The Receiver is also in possession of a \$361,500.00 deposit from the Purchaser, which is being held in trust in a separate trust account.

### **PROFESSIONAL FEES**

29. The Receiver's accounts total \$91,976.00 in fees and \$206.09 in disbursements, plus HST of \$11,983.68, for a total amount of \$104,165.77 from December 6, 2017 to April 15, 2018 (the "**Receiver's Accounts**"). A copy of the Receiver's Accounts, together with a summary of the accounts, the total billable hours charged per account and the average hourly rate charged per account, is set out in the Affidavit of Bryan A. Tannenbaum that is attached hereto as **Appendix "H"**.
30. The accounts of the Receiver's counsel, Chaitons, total \$22,496.54 in fees and disbursements and \$2,884.92 in HST for a total of \$25,381.46 (the "**Chaitons Accounts**") for the period ended April 30, 2018. A copy of the Chaitons Accounts, together with a summary of the personnel, hours and hourly rates described in the Chaitons Accounts, is set out in the Affidavit of Harvey Chaiton that is attached hereto as **Appendix "I"**.
31. The accounts of the Receiver's counsel for the independent legal opinion, GSNH LLP total \$5,803.41 in fees and disbursements, plus HST of \$754.44, for a total amount of \$6,557.85. A copy of the account, together with a summary of the personnel, hours and hourly rates described in the account, is set out in the Affidavit of Michael Rotsztain that is attached hereto as **Appendix "J"**.

**SEALING**

32. The Receiver will be requesting that the Court grant an order sealing the confidential appendices referred to above pending further order of the Court or the closing of the Sale Transaction, as the information contained in the documents is commercially sensitive and would negatively impact the Receiver's ability to re-market the Real Property in the event the Sale Transaction does not close.

**REQUESTS OF THE COURT**

33. The Receiver respectfully requests that the Court grant the orders described in paragraph 6(d) hereof.

All of which is respectfully submitted to this Court as of this / <sup>TH</sup> / day of May, 2018.

**RSM CANADA LIMITED**

in its capacity as Court Appointed Receiver of  
Dunsire (Landsdown) Inc. and not in its personal capacity

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

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

# APPENDIX “D”



Court File No. CV-17-587118-00CL

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

**BETWEEN:**

**MARSHALLZEHR GROUP INC.**

**Applicant**

- and -

**DUNSIRE (LANDSDOWN) INC.**

**Respondent**

**SUPPLEMENT TO THE FIRST REPORT OF THE RECEIVER**

**MAY 22, 2018**

## INTRODUCTION

1. Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) dated December 6, 2017, RSM Canada Limited was appointed receiver, without security, of all of the assets, undertakings and properties of Dunsire (Landsdown) acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof.
2. This report (the “**Supplemental Report**”) is a supplement to the First Report of the Receiver dated May 11, 2018 (the “**First Report**”), and should be read together with the First Report. Capitalized terms used and not otherwise defined herein have the meanings ascribed to such terms in the First Report.
3. The purpose of this Supplemental Report is to:
  - (a) provide the Court with additional information regarding the treatment under the Sale Transaction of the agreements of purchase and sale that were entered into by the Debtor with respect to dwellings to be constructed on the Real Property (collectively, the “**Unit Purchase Agreements**”); and
  - (b) provide the Court with additional information regarding the Second Mortgage.

## UNIT PURCHASE AGREEMENTS

4. As stated in the First Report and the Snedden Affidavit, the Debtor intended to develop 27 single-detailed bungalows and bungalofts on the Real Property.
5. Prior to the Receiver’s appointment, the Debtor had entered into Unit Purchase Agreements with respect to 26 of the 27 units (the “**Units**”) to be constructed in the development.

6. Pursuant to each of the Unit Purchase Agreements, each purchaser (a “**Unit Purchaser**” and collectively, “**Unit Purchasers**”) agreed that their agreement, their interest in the agreement, and any and all deposits and any purchaser’s lien is subordinated and postponed to any mortgages and charges registered against title to the Property.

7. At the time of the appointment of the Receiver, the Debtor had collected \$1,040,000 in deposits from the Unit Purchasers (\$40,000 per unit), which are guaranteed by Tarion Warranty Corporation (“**Tarion**”), and a total of \$581,524.04 of upgrade deposits from the Unit Purchasers, which are not guaranteed by Tarion, totalling \$1,621,524.04. The Debtor used these deposits as a source of funds for the development.

8. Prior to the appointment of the Receiver, the Debtor negotiated amendments to the existing Unit Purchase Agreements with respect to 14 of the Units, such that these Unit Purchasers agreed to increase the purchase price under their respective Unit Purchase Agreements. Additionally, with respect to 3 of the Units, the Debtor entered into a mutual release and termination agreement with each of the purchasers, that provided that the Debtor would return all deposit funds it received, together with a premium of 25% of the respective deposit amounts.

9. As noted in the First Report, the president of the Purchaser is Mr. Shawn Keeper, who was the president of the Debtor. As part of the Sale Transaction, the Purchaser is assuming the Unit Purchase Agreements for the 14 Units referred to above, and has assumed the Debtor’s obligation to repay the deposits plus the 25% premium to the Unit Purchasers of the 3 Units.

10. With respect to the remaining 9 Units, counsel to the Purchaser has confirmed that Mr. Keeper had discussions with the Unit Purchasers regarding an increase in purchase prices or agreed termination, but that no agreement was reached with any of these Unit Purchasers.

11. Pursuant to the terms of the APS, the Receiver has agreed to request that the Court grant an order authorizing it, in the name of the Debtor, to terminate the Unit Purchase Agreements for the 9 Units. As part of the Sale Transaction, the Purchaser will be returning the deposits paid by the Unit Purchasers of the 9 Units, together with the 25% premium.

12. Given that the Unit Purchasers of the 9 Units agreed in their Unit Purchase Agreements that their rights are subordinate to the rights of MZG, and given that the development has not progressed beyond site servicing and curbing, and that the Unit Purchasers will be receiving their deposits back plus a 25% premium from the Purchaser, the Receiver is of the view that the termination of the Unit Purchase Agreements for the 9 Units is fair and equitable in the circumstances.

## **SECOND MORTGAGE**

13. As noted in the First Report and the Snedden Affidavit, the mortgagee under the Second Mortgage was originally Sorrenti Law Professional Corporation (“**Sorrenti**”). The Receiver has been informed by Chaitons that the Second Mortgage stated that “Sorrenti Law Professional Corporation holds this mortgage in trust as bare trustee”.

14. Following the registration of the Second Mortgage, a number of transfers of charge were registered on title of the Property. The most recently filed transfer of charge was registered on November 24, 2017, indicating that Sorrenti has transferred its interest in the Second Mortgage, which constituted 39.41% of the Second Mortgage, to Building & Development Mortgages Canada Inc. (“**BDMCI**”). The remaining 60.59% of the Second Mortgage was in the name of Olympia Trust Company.

15. In paragraph 26 of the First Report, the Receiver indicated that “[t]he Second Mortgage is held by the mortgagee in trust for Fortress Real Developments Inc.” This statement was made based on information provided by counsel to Fortress that it was connected to BDMCI. Additionally, as noted in the Snedden Affidavit, Fortress was involved with the development, the principals of Fortress had provided personal guarantees relating to the Debtor’s registration with Tarion, and the Second Mortgage represented a syndicated mortgage with many individual investors, and the mortgagee of the Second Mortgage was related to Fortress.

16. Following service of the First Report, the Receiver and its counsel were contacted by counsel to FAAN Mortgage Administrators Inc., who had been appointed as trustee of BDMCI (the “**Trustee**”) pursuant to Court order dated April 20, 2018.

17. Counsel to the Trustee requested that the Receiver and Chaitons provide any documentary support regarding the statements that BDMCI held the Second Mortgage in trust for Fortress. Chaitons has informed counsel to the Trustee that the Receiver does not have any documentation that confirms the statement, and that such statement was based on an incorrect inference drawn concerning the relationship between Fortress, Sorrenti and BDMCI and appears to have been made in error.

All of which is respectfully submitted to this Court as of this 22<sup>nd</sup> day of May, 2018.

**RSM CANADA LIMITED**

in its capacity as Court Appointed Receiver of  
Dunsire (Landsdown) Inc. and not in its personal capacity

Per:

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

# APPENDIX “E”

Court File No. CV-17-587118-00CL

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

B E T W E E N:

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**DUNSIRE (LANDSDOWN) 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**

**RECEIVER'S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice McEwen of the Ontario Superior Court of Justice (the "**Court**") dated December 6, 2017, RSM Canada Limited was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Dunsire (Landsdown) Inc. (the "**Debtor**").

B. Pursuant to an Amended and Restated Order of the Court dated May 25, 2018, the Court approved the agreement of purchase and sale made as of May 1, 2018 (the "**Sale Agreement**") between the Receiver and Aquicorp. Inc., in trust, as assigned to 2637293 Ontario Inc (the "**Purchaser**") and provided for the vesting in the Purchaser of 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 Article 4 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.

**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 Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 4 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at 3:08 p.m. on June 26, 2018.

**RSM CANADA LIMITED, in its capacity as Receiver of the undertaking, property and assets of Dunsire (Landsdown) Inc., and not in its personal capacity**

Per: 

Name: Bryan Tannenbaum

Title: President

I have authority to bind the Corporation.



# APPENDIX ‘F’

Court File No. CV-17-587118-00CL

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

THE HONOURABLE MR. )

FRIDAY, THE 25<sup>TH</sup>

JUSTICE HAINEY )

DAY OF MAY, 2018



BETWEEN:

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**DUNSIRE (LANDSDOWN) 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**

**ORDER**

**THIS MOTION**, made by RSM Canada Limited in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Dunsire (Landsdown) Inc. (the "**Debtor**"), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the First Report of the Receiver dated May 14, 2018 (the "**First Report**") and the appendices thereto, the Supplement to the First Report dated May 22, 2018, and on hearing the submissions of counsel for the Receiver, Aquicorp Inc., and such other counsel listed on the

Counsel Slip, no one appearing for any other person on the service list, although properly served as appears from the affidavits of Antoinette DePinto sworn May 16 and 23, 2018 filed:

1. **THIS COURT ORDERS** that the First Report, and the conduct and activities of the Receiver as set out in the First Report, be and is hereby approved.

2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the First Report and the fee affidavits appended thereto, are hereby approved.

3. **THIS COURT ORDERS** that upon the closing of Sale Transaction (as defined in the First Report), the Receiver is hereby authorized to make distributions to the Applicant, from the net sale proceeds of the Sale Transaction, up to the maximum amount of the Applicant's secured indebtedness, subject to the Receiver maintaining sufficient reserves with respect to any potential priority claims that may exist.

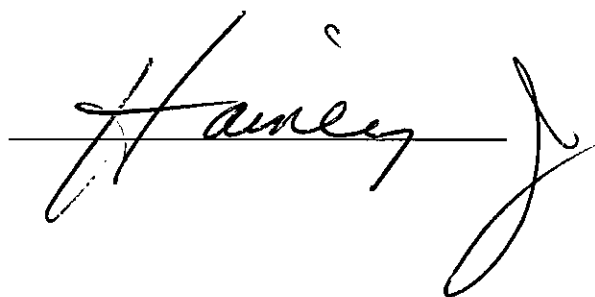
4. **THIS COURT ORDERS** that the Confidential Appendices to the First Report are hereby sealed and shall not form part of the public record pending closing of the Sale Transaction or further order of the Court.

5. **THIS COURT ORDERS** that the Receiver is hereby authorized, in the name and on behalf of the Debtor, to terminate or disclaim the agreements of purchase and sale entered into between the Debtor and the following purchasers with respect to the listed units:

- (a) Jian Ping Feng (Unit 4);
- (b) Ming Xu and Xiaoyan Hu (Unit 13);
- (c) Xiuhua Yang and Zhi Tian (Unit 17);

- 3 -

- (d) Jianming and Baozhu Zhang (Unit 18);
- (e) Su Fang Liang (Unit 22);
- (f) Ines and Davor Ojkic (Unit 23);
- (g) Brent and Christianne Caskie (Unit 24);
- (h) Jianmin Shen and Xiaquian Yu (Unit 25); and
- (a) Michael and Janice Coombs (Unit 26).

A handwritten signature in black ink, appearing to read "Hanley", written over a horizontal line.

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

MAY 25 2018

PER / PAR:

A handwritten signature in black ink, appearing to be initials "ml", written below the "PER / PAR:" label.

2 MARSHALLZEHR GROUP INC.  
Applicant

-and-

DUNSIRE (LANDSDOWN) INC.  
Respondent  
Court File No. CV-17-587118-00CL

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

PROCEEDING COMMENCED AT  
TORONTO

**ORDER**

**CHAITONS LLP**  
5000 Yonge Street, 10th Floor  
Toronto, Ontario M2N 7E9

**Harvey Chaiton** (LSO No. 21592F)  
Tel: (416) 218-1129  
Fax: (416) 218-1849  
E-mail: harvey@chaitons.com

**Sam Rappos** (LSO No. 51399S)  
Tel: (416) 218-1137  
Fax: (416) 218-1837  
E-mail: samr@chaitons.com

**Lawyers for RSM Canada Limited,**  
**Court-appointed Receiver**

# APPENDIX “G”



**DISCHARGE STATEMENT as at June 25, 2018**

*Prepared on June 25, 2018*

**Terms:** \$15,870,278 1st Mortgage for Servicing and Construction financing.  
\$1,796,973 1st Mortgage to provide working capital for Receiver financing

**White Cedar Estates**  
**24, 26, 28 and 32 Landsdown Drive, Guelph, Ontario**

	<u>MZGI 87</u>	<u>MZGI 174</u>	<u>Total</u>
Principal	\$ 4,766,418.81	\$ 1,796,972.90	\$ 6,563,391.71
Unpaid Interest	\$ 306,459.75	\$ 38,105.55	\$ 344,565.30
<b>Subtotal</b>	<b>\$ 5,072,878.56</b>	<b>\$ 1,835,078.45</b>	<b>\$ 6,907,957.01</b>
Administration Fee Payable on Default			\$ 50,000.00
Final Discharge Fee			\$ 250.00
Cost Recovery - Legal Fees			\$ 47,625.28
Cost Recovery - Site Visits			\$ 2,155.39
Cost Recovery - Courier Fees			\$ 1,017.01
Less Balance held in MZG Trust Account			\$ -
<b>Balance due on June 25, 2018</b>			<b>\$ 7,009,004.69</b>
Interest Per Diem	\$ 1,350.32	\$ 697.45	\$ 2,047.77
Effective rate	10.34%	14.17%	11.39%

You are authorized and directed to make the balance due payable to our solicitor;  
***Chaitons LLP "In Trust"***, OR as they may further direct.

**MARSHALLZEHR GROUP INC.**

Per: 

Mortgage Administrator #: 11955

E. & O. E.

If Total Payable is not received by the Proposed Settlement Date, then a per diem rate set out above will be charged. This Statement is valid for a period of 30 days from the Proposed Settlement Date. Please confirm the Total Payable prior to remitting funds. Balances projected and are based on the assumption that all outstanding amounts/payments due up to the Proposed Settlement Date are paid out therein. MarshallZehr Group Inc. will not provide a discharge of the mortgage until the entire outstanding balance, including in costs have been paid and honored.

# APPENDIX “H”





April 5, 2019

**Dunsire (Landsdown) Inc.**  
203A - 465 Phillip Street,  
Waterloo, ON N2L 6C7

Dear sir/madam:

**Re: Dunsire (Landsdown) Inc. loan from Building & Development Mortgages Canada Inc. in Trust, et al (the "Lenders") secured by a charge/mortgage on 24, 26, 28, and 32 Landsdown Drive, Guelph, ON**

---

**DISCHARGE STATEMENT**

The following represents the amount due and payable on **April 5<sup>th</sup>, 2019** for a full payout and discharge of your financial obligations in connection with the mortgage loan registered as **Instrument No. WC394834**:

Principal amount outstanding	\$1,731,000.00
Interest accrued	\$365,433.33
<b>Amount payable to Lenders</b>	<b>\$2,096,433.33</b>
Legal fees incurred by BDMC	\$3,360.00
Discharge Statement preparation fee	\$450.00
Administration fees	\$4,746.00
<b>Total payable to discharge loan</b>	<b><u>\$2,104,989.33</u></b>

A *per diem* charge of **\$384.67** will apply if funds not received before **2pm** on **April 5<sup>th</sup>, 2019**.

Please make certified cheque or bank draft payable to **Building & Development Mortgages Canada Inc., in Trust**, or alternatively to **BDMC, in Trust**.

The above amounts specifically exclude professional fees for the Trustee and its legal counsel which will be payable at the time of discharge.

*E&OE*

# APPENDIX “T”

RSM Canada Limited  
 Court-Appointed Receiver of Dunsire (Landsdown) Inc.  
 Interim Statement of Receipts and Disbursements  
 for the period from December 6, 2017 to July 24, 2019

**Receipts**

1. Sale of Property	\$ 7,316,156.84
2. Advances from secured creditor - Note (a)	1,828,231.71
3. Security deposit refund - Tarion	135,000.00
4. HST Refund	229,354.45
5. Interest	8,772.20
6. Total receipts	<u>\$ 9,517,515.20</u>

**Disbursements**

7. Site servicing costs - Note (b)	\$ 1,132,521.71
8. Security Deposits - Note (c)	231,258.81
9. Interest paid to MarshallZehr	108,236.44
10. Outside consulting - Note (d)	64,457.81
11. Miscellaneous disbursements - Note (e)	6,935.96
12. Municipal Taxes	5,059.73
13. Appraisal fees	4,556.40
14. Filing fee - Official Receiver	70.00
15. HST paid	191,907.67
16. Receiver fees	210,902.50
17. Legal Fees	59,922.94
18. Total disbursements	<u>\$ 2,015,829.97</u>

**Excess of receipts over disbursements before payments to secured creditor** \$ 7,501,685.23

19. Payments to Secured Creditor 7,011,052.46

**Balance** \$ 490,632.77

Represented by:

20. Term Deposit	\$ 200,000.00
21. Cash in bank account	290,632.77
22. Total	<u>\$ 490,632.77</u>

**Notes:**

(a) Advances from MarshallZehr secured by Receiver Certificate No. 1

(b) Site servicing costs are comprised of the following:

Kieswetter Excavating Inc.	\$ 997,112.28
Wellington Condo Corporation 169	129,509.43
GHD Limited	5,900.00
	<u>\$ 1,132,521.71</u>

(c) Security deposits of \$187,508.81 and \$43,750.00 were provided to Guelph Hydro and the City of Guelph, respectively. These amounts were recovered from the purchaser upon the sale of the Property.

(d) Payments to outside consultants include:

Strik, Baldinelli, Moniz Ltd.	\$ 22,734.70
Dougan & Associates	9,898.25
J.D. Barnes Limited	6,110.00
Darren Morita, P.Eng	25,714.86
	<u>\$ 64,457.81</u>

(e) Miscellaneous Disbursements include Administrative, Advertising, Postage, Bank Charges, Photocopy, Travel and Courier Costs

# APPENDIX “J”

Court File No. CV-17-587118-00CL

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

**BETWEEN:**

**MARSHALLZEHR GROUP INC.**

**Applicants**

**-and-**

**DUNSIRE (LANDSDOWN) INC.**

**Respondent**

**AFFIDAVIT OF BRYAN A. TANNENBAUM  
(Sworn on July 25<sup>th</sup>, 2019)**

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

1. I am the President of RSM Canada Limited (“**RSM**”) and, as such, I have personal knowledge of the matters to which I hereinafter depose, save and except those matters based upon information and belief, in which case I have stated the source of such facts, all of which I verily believe to be true.
2. Pursuant to the order of the Court dated December 6, 2017, RSM was appointed receiver (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Dunsire (Landsdown) Inc. (the “**Company**”) acquired for, or used in relation to a business carried on by the Company, including all proceeds thereof.

3. Details of the Receiver's activities are set out in the Receiver's First Report and Second Report to the Court.
4. Attached hereto and marked as Exhibit "A" to this my affidavit are copies of invoices issued by RSM for fees and disbursements incurred by the Receiver in respect of the receivership proceedings for the period April 16, 2018 to June 30, 2019, and estimated to completion (the "Period"). The total fees and disbursements charged for the Period are \$125,170.15, plus HST of \$16,272.12 for a total of \$141,442.27.
5. Attached hereto and marked as Exhibit "B" is a schedule summarizing the invoices in Exhibit "A", the total billable hours charged, the total fees charged and the average hourly rate charged.
6. In the course of its administration of the receivership during the Period, the Receiver expended 383.30 hours in respect of the receivership administration, which aggregates to fees of \$125,044.50. The Receiver's average hourly billing rate during the Period was \$326.23.
7. The invoices are a fair and accurate description of the services provided, and to be provided, and the amounts charged by RSM for the Period.
8. I make this affidavit in support of a motion for an Order approving the Receiver's fees and disbursements and for no other or improper purpose.

**SWORN BEFORE ME** at the City of Toronto, in the Province of Ontario, on the 25<sup>th</sup> day of July, 2019



Commissioner for Taking Affidavits  
(or as may be)

Daniel Raphael Weisz, a Commissioner, etc.,  
Province of Ontario, for RSM Canada LLP  
and RSM Canada Limited.  
Expires January 5, 2021.



**BRYAN A. TANNENBAUM**

**EXHIBIT "A"****Detailed Invoices**

**THIS IS EXHIBIT "A" REFERRED TO IN THE  
AFFIDAVIT OF BRYAN A. TANNENBAUM SWORN  
BEFORE ME THIS 25<sup>th</sup> DAY OF JULY, 2019**



---

A Commissioner, etc.

*Daniel Raphael Weisz, a Commissioner, etc.,  
Province of Ontario, for RSM Canada LLP  
and RSM Canada Limited.  
Expires January 5, 2021*



GST/HST: 80784 1440 RT 0001

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

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

www.rsmcanada.com

**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** May 30, 2018

**Client File** 302437-43740

**Invoice** 4

**No.** C000688

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period April 16, 2018 to May 15, 2018.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
4/16/2018	Jeffrey Berger	Review of the draft discharge statement from MarshallZehr Group ("MZ"); corresponding with R. Sathasivam of MZ regarding changes to same.
4/17/2018	Bryan Tannenbaum	Telephone call with H. Chaiton of Chaitons LLP re Aquicorp Agreement of Purchase and Sale ("APS") re whether the assignment amendments are good for selling to the Court as deposits acknowledged/returned to the purchasers per Schedules D and E and removal of Schedules E and F.
4/18/2018	Cindy Baeta	Prepare disbursement cheques.
4/18/2018	Bryan Tannenbaum	Telephone call from H. Chaiton re APS and requested the existing APS for each home that was contracted by Dunsire prior to the receivership and a copy of the Kieswetter Excavating Inc. ("Kieswetter") contract; receipt and review of revised APS from H. Chaiton.
4/19/2018	Bryan Tannenbaum	Meeting with J. Berger re cash flow analysis of Aquicorp APS; receipt and review of email and call with M. Snedden of MZ.
4/19/2018	Jeffrey Berger	Preparing HST returns for December, January, February, and March; review of amended APS provided by H. Chaiton.
4/23/2018	Bryan Tannenbaum	Edit report to court; review APS changes; discussion with H. Chaiton.
4/24/2018	Jeffrey Berger	Review of changes to the Aquicorp APS provided by H. Chaiton; discussion with B. Tannenbaum and H. Chaiton regarding same; review of the proposed purchase price from Aquicorp in relation to the outstanding debts.
4/24/2018	Bryan Tannenbaum	Receipt and review of G. Robinson email on behalf of Condo Corp inquiring as to status; review revised APS and discuss the numbers with J. Berger; telephone call with H. Chaiton re clarification on LC amounts or cash equivalents being in addition to the purchase price.



May 30, 2018  
 Invoice 4  
 Page 2

Date	Professional	Description
4/25/2018	Jeffrey Berger	Review of the Draft Plan conditions and the updated status of various conditions within; discussion with R. Kieswetter regarding the outstanding work to be completed on site.
4/26/2018	Bryan Tannenbaum	Email to MZ re status of APS; email from H. Chaiton regarding LC's concern of the Purchaser and discuss with J. Berger a responding email thereto.
4/26/2018	Jeffrey Berger	Discussion with B. Tannenbaum regarding the references to LC's in the Aquicorp APS; corresponding with H. Chaiton regarding the LC and removing the wording from the APS; review of emails from D. Morita and E. Harrison regarding the status of Guelph Hydro's work on site, and a proposed walk-through of the site once work is completed.
4/27/2018	Cindy Baeta	Prepare disbursement cheques.
4/27/2018	Jeffrey Berger	Call with D. Morita to discuss the status of Guelph Hydro's work on site, Drexler's work on site, the Receiver's request for an extension to draft plan approval with the City of Guelph, scheduling Union Gas to complete their infrastructure work, and various other matters; discussing same with B. Tannenbaum; corresponding with CRA regarding the Dunsire account.
4/27/2018	Bryan Tannenbaum	Review and sign cheques.
4/27/2018	Daniel Weisz	Review and sign cheques.
5/1/2018	Jeffrey Berger	Arranging for the receipt of the Aquicorp deposit; corresponding with H. Chaiton, B. Tannenbaum and P. Spadafora regarding outstanding documents required.
5/2/2018	Jeffrey Berger	Filing HST returns for December, 2017, and January - April, 2018; discussion with B. Tannenbaum regarding same; corresponding with CRA regarding netfile access; review of the revised APS from Aquicorp and discussion with B. Tannenbaum regarding same.
5/3/2018	Bryan Tannenbaum	To record receipt and review of P. Spadafora email regarding schedules being sent separately; receipt and review of email regarding deposit wiring instructions; review blackline of final offer sent by P. Spadafora; emails re deposits; email regarding City of Guelph extension; receipt and review of S. Keeper email regarding parkland cash in lieu; subsequent email from S. Keeper re vacant land condo agreement.
5/4/2018	Cindy Baeta	Prepare disbursement cheques; prepare bank reconciliation.
5/4/2018	Jeffrey Berger	Review of the final APS from Aquicorp and discussion with B. Tannenbaum regarding same; discussion with B. Tannenbaum regarding the appraisal for parkland dedication, HST returns, status of site servicing, etc.; conference call with B. Tannenbaum and S. Keeper regarding the parkland appraisal; corresponding with M. Snedden regarding the status of the Aquicorp offer; updating the Receiver's first report; phone call with D. Morita regarding the status of site servicing, appraisal for parkland dedication, and upcoming meeting with Guelph Hydro.
5/4/2018	Bryan Tannenbaum	Meeting with J. Berger to review: HST refund, R&D update, purchase deposit to be in interest bearing account, City of Guelph extension of draft plan approval date of June 11, 2018, S. Keeper email regarding cash in lieu of parkland and vacant land condo agreement and need for appraisal for those lands; telephone call from S. Keeper re closing date, etc., and draft plan appraisal for the dedication of parkland from Antec; receipt and review of

Date	Professional	Description
		hardcopy of APS; email re concerns/comments to Chaitons; receipt and review of Chaitons response from S. Lavine; discuss with J. Berger; covering letter to Chaitons returning the fully executed APS; telephone call with H. Chaiton re Court date and returning APS to P. Spadafora and discuss report, etc.
5/7/2018	Jeffrey Berger	Review of the Receiver's draft report and discussing same with S. Rappos of Chaitons and B. Tannenbaum; drafting a Fee Affidavit for the period of November 23, 2017 through April 15, 2018.
5/7/2018	Bryan Tannenbaum	Discussion with J. Berger regarding interest-bearing account for the deposit and difficulty unless invested for a minimum of 30 days; email re his discussions with Chaitons and email to Aquicorp for them to acknowledge no interest if transaction closes under 30 days, etc.; receipt and review of revisions to our draft report made by Chaitons; discuss with J. Berger and review Affidavit of Fees; emails from S. Keeper re appraisal for parkland dedication, signed back APS amendments, etc.
5/8/2018	Jeffrey Berger	Updating the R&D to be included in the Receiver's First Report; discussing same with B. Tannenbaum; corresponding with S. Rappos regarding changes to the Receiver's First Report.
5/8/2018	Bryan Tannenbaum	Sign affidavit of fees; review updated R&D; receipt and review of S. Keeper email re R. Lord work and appraisal.
5/9/2018	Jeffrey Berger	Corresponding with S. Rappos regarding changes to the Receiver's report.
5/10/2018	Bryan Tannenbaum	Email from R. Sathasivam re status; email from Chaitons requiring Affidavit of Fees from GSNH; email same to M. Rotsztain; review revised draft received from S. Rappos after taking into account our previous comments.
5/10/2018	Jeffrey Berger	Corresponding with R. Sathasivam regarding the status of the Aquicorp offer and to request an updated payout statement from MZ; finalizing the Receiver's First Report and discussing same with S. Rappos and B. Tannenbaum.
5/11/2018	Cindy Baeta	Prepare disbursement cheques.
5/11/2018	Jeffrey Berger	Corresponding with R. Sathasivam regarding interest payable to MZ and the anticipated timeline for closing of the sale to Aquicorp; review of changes to the Receiver's First Report provided by S. Rappos and discussion with B. Tannenbaum regarding same; updating the SR&D through May 11, 2018.
5/11/2018	Bryan Tannenbaum	Email from S. Keeper re update request for Morrison; responding email provided regarding Court date and timing to close; email from S. Keeper regarding attendance in Court and response that not mandatory; further email from S. Keeper re getting Morrison to start legals, etc., and my response that we will be ready to close after Court approval so he should have his Morrison financing ready to go; email from Dunsire re final HST returns and discuss with J. Berger; review, edit and finalize report to Court, sign and send to Chaitons; arrange for Affidavit of Fees original to be sent to Chaitons.
5/15/2018	Jeffrey Berger	Review of final discharge statement from MZ and discussion with B. Tannenbaum regarding same; corresponding with R. Sathasivam regarding the sales process and the MZ discharge statement; review of email from G. Robinson regarding Dunsire's commitment to the adjacent properties, and discussion with B. Tannenbaum regarding same.
5/15/2018	Bryan Tannenbaum	Review report email from S. Rappos regarding MZ statement; receipt and review of MZ payout statement and discuss with J. Berger; request revision to remove fee estimate(s); receipt and review of email from G. Robinson of the

May 30, 2018  
Invoice 4  
Page 4

<b>Date</b>	<b>Professional</b>	<b>Description</b>
		Condo Corp regarding status and response sent; email from G. Robinson providing explanation and forward same to S. Keeper.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

May 30, 2018  
 Invoice 4  
 Page 5

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	35.50	\$ 525	\$ 18,637.50
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.10	\$ 495	49.50
Jeffrey K. Berger, CPA, CA	Senior Analyst	57.30	\$ 195	11,173.50
Cindy Baeta	Estate Administrator	1.80	\$ 110	198.00
<b>Total hours and professional fees</b>		<b>94.70</b>		<b>\$ 30,058.50</b>
HST @ 13%				3,907.61
<b>Total payable</b>				<b>\$ 33,966.11</b>

#### PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

#### WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.  
 RSM CANADA LIMITED



GST/HST: 80784 1440 RT 0001

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

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

www.rsmcanada.com

**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** July 6, 2018

**Client File** 302437-43740

**Invoice** 5

**No.** 5428751

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period May 16, 2018 to May 31, 2018.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
5/16/2018	Bryan Tannenbaum	Receipt and review of Motion Record to service list; forward same to MarshallZehr Group ("MZ"); email to Chaitons LLP re closing date inquiry; email from Chaitons re cancelling purchasers agreements, etc.
5/18/2018	Bryan Tannenbaum	Email to J. Berger re status of HST refund; receipt of Dunsire email regarding same; discussion with J. Berger regarding letter to Canada Revenue Agency ("CRA") regarding HST refund for time prior to our appointment being directed to us vs. company; telephone call from S. Rappos and H. Chaiton of Chaitons regarding FAAN requesting information, etc.; conference call with FAAN Advisors for BDMC (Naveed and Lanna) with J. Berger and myself regarding Court Report and sale process, etc.; dictate notes of meeting and send to Chaitons; assemble information for FAAN re teaser names, CA names and estimated realizations; telephone call with H. Chaiton re same; email from S. Rappos re delay issue on service of individual purchasers, etc.
5/18/2018	Jeffrey Berger	Corresponding with CRA regarding the status of the HST accounts and associated refunds; discussion with B. Tannenbaum regarding same; conference call with representatives of FAAN mortgage regarding BDMC's position; drafting letter to Chaitons regarding the call with FAAN.
5/22/2018	Bryan Tannenbaum	Receipt and review of S. Rappos email re adjournment and supplemental report; review R&D update provided by J. Berger; email from Chaitons sending information to Osler, Hoskin & Harcourt LLP ("Oslers"); email from Chaitons regarding Oslers question about BDMC debt being held in trust for FRDI; telephone call with S. Rappos re brief adjournment as home purchasers just contacted/served over the weekend and clarification sought by Oslers and FAAN regarding paragraph 26 of the report, etc.; email from S. Keeper re remobilization, draft plan approval and extension on June 11th City Council agenda, etc.; receipt and review of Oslers email to Chaitons acknowledging information sent; telephone call from H. Chaiton re his conversation with

Date	Professional	Description
		Oslers; conference call with H. Chaiton and M. Snedden of MZ re background about BDMC and investors position; conference call with C. Hayes, H. Chaiton, R. Sathasivam, M. Snedden, and J. Berger re BDMC position and no realizations for the investors and our response to support the sale price; review and edit Supplemental Report; telephone call with S. Rappos re same; review amendments and sign and return, etc.; discuss Kieswetter Excavating Inc. ("Kieswetter") and Guelph Hydro meeting for tomorrow on site.
5/22/2018	Jeffrey Berger	Review of update provided by S. Keeper regarding the status of the extension to draft plan approval, work completed by Guelph Hydro, draft reference plan, and parkland appraisal; corresponding with J. Durward and S. Keeper regarding D. Morita's termination; phone call with H. Chaiton, M. Snedden and R. Sathasivam regarding inquiries from BDMC about the proposed sale to Aquicorp; review of email from M. Snedden regarding MZ's comments on the proposed sale to Aquicorp and discussion with B. Tannenbaum regarding same.
5/23/2018	Jeffrey Berger	Responding to H. Chaiton regarding the Receiver's position with respect to BDMC's inquiry into the sale to Aquicorp.
5/23/2018	Bryan Tannenbaum	Receipt and review of S. Keeper's emails providing clarification on arrangements for the 9 terminated deals; forward same to Chaitons; receipt and review Supplemental Report email to the service list; receipt and review of MZ email regarding their sales efforts and difficulties with the site, etc.; email to MZ regarding their meetings/correspondence with Fortress representatives; subsequent receipt of three MZ emails responding about Fortress meetings, etc.; email to Chaitons regarding all of this to provide to Oslers/FAAN, etc.; telephone call from H. Chaiton regarding clarification on my email so that he can respond to Oslers; receipt and review of Chaitons email to Oslers re explanation; forward same to MZ; receipt and review of Oslers reply email and Chaitons response thereto; telephone call from Naveed M of FAAN re status of information and negotiation with S. Keeper; telephone call to H. Chaiton to discuss Naveed's request; email to Naveed that calls and email sent to S. Keeper; receipt and review of Chaitons letter to the service list clarifying the 9 units deposits only to be returned without interest/bonus; telephone call with S. Keeper to advise him of FAAN's position to request equity/profit participation and his response to check with Morrison, etc.; telephone call from J. Berger re discuss response on costs to complete information request from FAAN; email to H. Chaiton re draft email to FAAN about my conversation with S. Keeper; discussion regarding Tarion security deposits with J. Berger and follow up to determine amount, etc., and entitlement thereto; receipt and review of email from N. Manzoor requesting information for outstanding service costs; receipt and review of S. Keeper email providing a response to my inquiry about increasing price to accommodate FAAN concerns; share this email with Chaitons; receipt and review of H. Chaiton comments re same.
5/24/2018	Bryan Tannenbaum	Telephone call with S. Keeper to discuss his response email and seek clarification; emails to Chaitons re sending the service costs analysis and S. Keeper's response to increasing offer, etc.; telephone call from H. Chaiton re same; email to FAAN providing details of land servicing costs; email to FAAN regarding S. Keeper not able to increase offer as Morrison will not provide further funding; email from J. Berger re Tarion security of \$135K; email from Chaitons re Kieswetter lawyer inquiry as to whether lien amount was

Date	Professional	Description
		paid; receipt and review of our factum sent to the service list; receipt and review of S. Rappos response to Mr. Feng, home purchaser; response sent to FAAN regarding possibility of promissory note, etc.; telephone call from S. Rappos re stats for Court tomorrow; telephone call from H. Chaiton re FAAN request for source/use analysis and bank statement review, etc.; receipt and review of Oslers letter re request for adjournment, etc.; telephone call with H. Chaiton regarding the Oslers letter; email to S. Keeper re court tomorrow and name of his lawyer; telephone call with S. Keeper re same; receipt and review of S. Keeper email providing names of his lawyer who will be in Court and subsequent receipt of confirming email from Anthony Caldwell that he will attend for Aquicorp; receipt and review of service list email providing approval and vesting order; receipt and review of the second draft order sought that was circulated to the service list; receipt and review of J. Berger email regarding results from site visit today and status of outstanding work; receipt and review of K. Hassan email with LOI at 10:35 pm; a few subsequent emails with counsel re same and our position, etc.
5/24/2018	Jeffrey Berger	Attending on site at the property in Guelph to meet with B. Hyland, C. Kieswetter and J. Stevenson to review the work completed by Guelph Hydro and discuss the next steps to be completed by Kieswetter; responding to various requests from FAAN regarding the sale to Aquicorp, the Receiver's sales process, and documents from the debtor; discussions with B. Tannenbaum regarding same; review of LOI provided by Symmetry Developments and discussion with B. Tannenbaum regarding same.
5/25/2018	Jeffrey Berger	Attending in court for the approval of the sale to Aquicorp; phone call with B. Tannenbaum and M. Snedden regarding the outcome of the hearing.
5/25/2018	Bryan Tannenbaum	Receipt and review of J. Shen email re original purchaser wanting options for return of deposits; receipt and review of S. Rappos and S. Keeper responses to J. Shen; similar email from Ming Xu; attend Court for approval of sale with Chaitons, Tony Caldwell, lawyer for Aquicorp, A. Slavens for Tarion and Messrs. Xu, terminated purchaser including various discussions, in chambers, in Court to get on the record the decisions, etc.; telephone call to M. Snedden to report status, etc.
5/28/2018	Bryan Tannenbaum	Receipt and review of the Approval and Vesting Order and Endorsement sent to service list; forward same to M. Snedden in response to his request for this; email from Chaitons re P. Spadafora trying to find out who is acting for Morrison.
5/29/2018	Bryan Tannenbaum	Email to Chaitons on closing date update.
5/29/2018	Jeffrey Berger	Updating the Receiver's website with materials relating to the recent orders and endorsements of the Court, approval of sale, etc.
5/30/2018	Bryan Tannenbaum	Telephone call from R. Lebow acting for the lender/borrower and request for APS.
5/30/2018	Jeffrey Berger	Review of correspondence from Aquicorp/Morrison regarding the anticipated closing date and other matters relating to the sale to Aquicorp; corresponding with R. Sathasivam regarding the payment of June, 2018 interest and the discharge process once the sale to Aquicorp closes.
5/31/2018	Cindy Baeta	Prepare disbursement cheques.

July 6, 2018  
 Invoice 5  
 Page 4

Date	Professional	Description
5/31/2018	Bryan Tannenbaum	<p>Email from G. Robinson of Condo Corp; responding email sent indicating transaction not yet closed; receipt and review of Tory's letter dated May 30, 2018 addressed to purchaser's counsel; provide copy of same to S. Keeper; receipt and review of S. Rappos email to P. Spadafora re 2637293 Ontario now taking title; receipt and review of S. Keeper email re Tarion application, etc.; receipt and review of email from G. Bank of Morrison re retaining R. Lebow and requiring 30 days but will try to close earlier; telephone call from R. Lebow, solicitor for Morrison regarding seeking copy of the APS and background information pertaining to the transaction; receipt and review of S. Keeper email to G. Bank re APS stated 10 days to close; receipt and review of P. Spadafora email to H. Chaiton re timing of financing and Tarion, etc.; receipt and review of H. Chaiton email to P. Spadafora surprised by financing delay and pointing out that APS stated a 10 day closing after Court approval; receipt and review of H. Chaiton email to P. Spadafora re hope to hear back from them tomorrow with resolution of timing to close; receipt and review of S. Keeper email re Tarion letter and registration looking good, etc.; telephone call with H. Chaiton re heard anything from P. Spadafora regarding closing date; telephone call from C. Hayes regarding status of closing; receipt and review of P. Spadafora email regarding potential extension required.</p>
		<p>To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.</p>



July 6, 2018  
 Invoice 5  
 Page 5

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	38.70	\$ 525	\$ 20,317.50
Jeffrey K. Berger, CPA, CA	Senior Analyst	27.60	\$ 195	5,382.00
Cindy Baeta	Estate Administrator	0.20	\$ 110	22.00
<b>Total hours and professional fees</b>		<b>66.50</b>		\$ 25,721.50
HST @ 13%				3,343.80
<b>Total payable</b>				<b>\$ 29,065.30</b>

#### PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

#### WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.  
 RSM CANADA LIMITED



GST/HST: 80784 1440 RT 0001

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

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

www.rsmcanada.com

**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** July 24, 2018

**Client File** 302437-43740

**Invoice** 6

**No.** 5437695

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period June 1, 2018 to June 30, 2018.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
6/1/2018	Cindy Baeta	Prepare disbursement cheques.
6/1/2018	Bryan Tannenbaum	Receipt and review of email from S. Lavine of Chaitons to P. Spadafora regarding status.
6/1/2018	Bryan Tannenbaum	Receipt and review of email from P. Spadafora regarding still waiting for instructions and Morrison, etc.; email to MarshallZehr Group ("MZ") stating current status.
6/1/2018	Bryan Tannenbaum	Meeting with J. Berger to discuss a status response to R. Sathasivam as to closing date and difficulties given Aquicorp's requirement for Tarion approval and financing; receipt & review of H. Chaiton of Chaitons email attaching P. Spadafora email about possibility of formal extension on Friday.
6/4/2018	Jeff Berger	Review of the terms of extension to the Aquicorp APS and discussing same with B. Tannenbaum; review of per diem interest rates for the proposed extension period; review of emails from R. Sathasivam and responding to same.
6/4/2018	Bryan Tannenbaum	Receipt and review of P. Spadafora email confirming all terms and conditions of extension as per our request to June 11, 2018; receipt and review of P. Spadafora email requesting confirmation of interest rate; forward email providing same.
6/4/2018	Bryan Tannenbaum	Email to Chaitons re per diem amount and confirmation that adjustments are to be as at June 4, 2018; telephone attendance with S. Lavine re ability to tender and extension fee to be at \$2,500 vs. \$5,000, etc.; receipt and review of S. Lavine email to P. Spadafora re extension terms; forward same to MZ for their files; email to J. Berger re HST refund and his response, etc.
6/4/2018	Bryan Tannenbaum	Receipt and review of email from S. Lavine to P. Spadafora that we will be tendering by 5 pm; email to S. Keeper to call me and subsequent phone

July 24, 2018  
 Invoice 6  
 Page 2

Date	Professional	Description
		conversation with S. Keeper re the extension and his need to provide instructions to his counsel and his confirmation that this is now done.
6/4/2018	Bryan Tannenbaum	Receipt and review of P. Spadafora email requesting extension to June 11th; circulate this email to MZ for input.
6/4/2018	Bryan Tannenbaum	Email to J. Berger re interest rate and fees for consideration of granting extension; receipt and review of C. Hayes email responding about initial interest and costs, etc.
6/4/2018	Bryan Tannenbaum	Receipt and review of email from S. Lavine that she has not heard back from Aquicorp's lawyer; receipt and review of P. Spadafora email to S. Lavine indicating that she is trying to get a hold of her client.
6/5/2018	Jeff Berger	Review of emails from B. Hyland, J. Stevenson, M. Schildroth and L. Dorland regarding the status of various aspects of site servicing; corresponding with J. Durward and S. Keeper regarding the HST refund to be forwarded to the Receiver.
6/5/2018	Bryan Tannenbaum	Email to Chaitons asking if they need information from us for the closing.
6/6/2018	Jeff Berger	Review of closing adjustments and corresponding with B. Tannenbaum and C. Wilson of Chaitons regarding same.
6/6/2018	Bryan Tannenbaum	Receipt and review of C. Wilson email regarding adjustments on closing; receipt and review of J. Berger email attaching 2018 realty bills; email from J. Berger to Chaitons re same.
6/7/2018	Cindy Baeta	Prepare disbursement cheques.
6/7/2018	Jeff Berger	Providing information to Chaitons regarding adjustments on closing.
6/7/2018	Bryan Tannenbaum	Telephone call C. Wilson re closing adjustments.
6/7/2018	Bryan Tannenbaum	Receipt and review of FAAN email regarding timing of closing, etc.; telephone call with S. Keeper re Tarion status and financing and previous deposits were used because of freeholds and Aquicorp assignment; receipt and review of S. Rappos of Chaitons email to service list regarding Aquicorp assignment to 2637293 Ontario Inc.
6/8/2018	Jeff Berger	Review of statement of adjustments from Chaitons and corresponding with C. Wilson regarding same; review of various vendor accounts to ensure that all are in good standing prior to the close of the sale to Aquicorp.
6/8/2018	Bryan Tannenbaum	Receipt and review of R. Sathasivam email re updated discharge statement and status update; email sent responding thereto; receipt and review of C. Wilson draft closing documentation including 1. Vendor's Direction re Funds; 2. Vendor's Acknowledgment re Vendor's Closing Conditions; 3. Assignment and Assumption of Purchased Assets; 4. Assignment and Assumption of Contract; 5. Assignment and Assumption of Purchase Agreements; 6. Purchaser's Bring Down Certificate; 7. Acknowledgment re Purchaser's Closing Conditions; 8. HST Declaration and Indemnity; 9. Purchaser's Undertaking to Readjust; 10. Purchaser's Non-Merger Acknowledgement; 11. Purchaser's As-Is-Where-Is Certificate; and 12. Receiver's Certificate.
6/8/2018	Bryan Tannenbaum	Receipt and review of S. Rappos email regarding stressing to P. Spadafora status to close, etc.; receipt and review of C. Wilson email with revised adjustments and respond approving for her to send same to the Purchasers lawyer.

July 24, 2018  
 Invoice 6  
 Page 3

Date	Professional	Description
6/8/2018	Bryan Tannenbaum	Receipt and review of L. Bezner of FAAN email inquiring about issues and my responding email thereto; email to R. Sathasivam regarding Tarion and Morrison financing status and aiming for Monday closing.
6/8/2018	Bryan Tannenbaum	Receipt and review of Chaitons email regarding adjustments; discuss with J. Berger regarding Kieswetter Excavating Inc. ("Kieswetter") billings and other engineer billings; receipt and review of J. Berger email to Chaitons re same.
6/8/2018	Bryan Tannenbaum	Receipt and review of C. Wilson email attaching purchaser's lawyer request for a one day extension; responding email approving same; advising MZ of same.
6/11/2018	Bryan Tannenbaum	Receipt and review of S. Lavine email to P. Spadafora re one day closing extension; receipt and review of C. Wilson email attaching revised adjustments summary; receipt and review of P. Spadafora email confirming acceptance to extend until Tuesday, etc.
6/11/2018	Bryan Tannenbaum	Responding email to S. Keeper re same; execute revised closing documentation and direction of funds as requested by Chaitons.
6/11/2018	Bryan Tannenbaum	Receipt and review of issued and entered Amended and Restated Approval and Vesting Order circulated to the service list; receipt and review of S. Keeper email regarding outstanding HST cheque and notifying us that they still do not have Tarion approval.
6/12/2018	Bryan Tannenbaum	Receipt and review of R. Sathasivam email regarding MZ discharge statement; email responding thereto to date for today.
6/12/2018	Bryan Tannenbaum	Receipt and review of S. Keeper email re making best efforts with Tarion; email to Chaitons forwarding S. Keeper email and stating that closing appears unlikely today; receipt and review of S. Lavine email to C. Wilson to send documents to P. Spadafora to keep pressure on.
6/12/2018	Bryan Tannenbaum	Email to MZ re current status and advising likely another extension required; telephone call from S. Keeper re Tarion and he will be speaking with H. Bogarosh, President of Tarion at 2 pm today; receipt and review of R. Sathasivam email re discharge statement.
6/12/2018	Bryan Tannenbaum	Receipt and review of S. Lavine email re another extension; email approving same and email to MZ re same; review J. Berger email to P. Spadafora re adjustment explanation for property taxes and JD Barnes payment; email to S. Keeper re HST refund cheque not received.
6/13/2018	Bryan Tannenbaum	Emails regarding yet another extension request with Chaitons and P. Spadafora; email from S. Keeper; telephone call from S. Keeper re his discussions with Tarion, etc.; email to Chaitons regarding reaching out to A. Slavens who represents Tarion.
6/14/2018	Cindy Baeta	Prepare disbursement cheques; process receipts to Ascend.
6/14/2018	Bryan Tannenbaum	Receipt and review of MZ email re status; response sent; telephone attendance with M. Snedden of MZ re status.
6/14/2018	Bryan Tannenbaum	Dealing with a further extension; email from S. Keeper re his meeting with Tarion and need for extension; forward to Chaitons and MZ; telephone call from MZ re extension strategy; email to Chaitons re strategy for extension to July 15, 2018.
6/15/2018	Bryan Tannenbaum	Review email to Chaitons re same; receipt and review of Chaitons email to P. Spadafora re same; receipt and review of P. Spadafora email providing Morrison confirmation.

July 24, 2018  
 Invoice 6  
 Page 4

Date	Professional	Description
6/15/2018	Bryan Tannenbaum	Email to P. Spadafora as a gentle reminder to get the Morrison extension to the financing condition; telephone call with J. Berger regarding further servicing work given extension to July 16, 2018 and undertaking for purchaser to pay as part of adjustments.
6/18/2018	Bryan Tannenbaum	Receipt and review of email from R. Sathasivam regarding extension arrangements; responding email re same.
6/19/2018	Bryan Tannenbaum	Email to S. Lavine re follow up to P. Spadafora email regarding her clients undertaking to be responsible for Kieswetter future work; receipt and review of S. Lavine email to P. Spadafora re same; P. Spadafora email that she is still awaiting client instructions as he is out of country.
6/20/2018	Bryan Tannenbaum	Email from S. Keeper re Antec appraisal services for parklands; responding email sent that we waive conflict and this work is directly for S. Keeper's account; emails regarding Kieswetter change order/need for S. Keeper to confirm with P. Spadafora regarding adjustment.
6/21/2018	Bryan Tannenbaum	Receipt and review of S. Keeper email re Tarion registration received; email to Chaitons re date of closing; email to MZ re S. Keeper email; email from R. Sathasivam re information required and request discharge statement for Monday.
6/21/2018	Bryan Tannenbaum	Receipt and review of P. Spadafora email confirming closing date for Monday.
6/22/2018	Cindy Baeta	Prepare bank reconciliation; post receipts to Ascend; post disbursements.
6/22/2018	Bryan Tannenbaum	Email S. Keeper to provide Tarion registration letter; telephone call from C. Wilson regarding adjustments and Kieswetter change orders, etc.; receipt and review of S. Keeper email regarding Tarion registration letter; receipt and review of C. Wilson email to P. Spadafora re adjustments.
6/22/2018	Bryan Tannenbaum	Receipt and review of email from J. Stevenson re Kieswetter remobilization; receipt and review of similar email from Matt of Kieswetter; email to J. Stevenson and S. Keeper that may now be better for purchaser to contract Kieswetter given Monday closing.
6/22/2018	Bryan Tannenbaum	Email to S. Keeper re Kieswetter clarification regarding cutoff; receipt and review of statement of adjustments from C. Wilson; email to C. Wilson with comments regarding change order 15 and 16; receipt and review of P. Spadafora email seeking instructions as client out of country.
6/25/2018	Jeff Berger	Reconciling the MZ discharge statement from May 24, 2018 to June 25, 2018; drafting a letter of direction to BMO re redemption of GIC's; follow-up with CRA re: outstanding HST returns and discussing same with B. Tannenbaum.
6/25/2018	Bryan Tannenbaum	C. Wilson email re funding/closing tomorrow and responding okay; email same to MZ; email from MZ not happy with delay; email to Chaitons re same; letter to BMO re collapse term deposit.
6/25/2018	Bryan Tannenbaum	Receipt and review of C. Wilson email to P. Spadafora with revised adjustments; further emails regarding adjustment for Lord Surveying; telephone call re same from C. Wilson; discuss with J. Berger; email to MZ re discharge statement.
6/25/2018	Bryan Tannenbaum	Receipt and review of C. Wilson email to P. Spadafora with revised adjustments; receipt and review of P. Spadafora response to remove Kieswetter change order #11, 15 and 16 from Statement of Adjustments; my

July 24, 2018  
 Invoice 6  
 Page 5

Date	Professional	Description
		email responding to this with my agreement per my previous emails; telephone call from C. Wilson re statement of adjustments.
6/26/2018	Bryan Tannenbaum	Receipt and review of MZ wire instructions; receipt and review of several emails relating to extension of closing to today and Morrison lawyer in funds; receipt and review of MZ discharge statement corrected for date; forward same to Chaitons; review Chaitons accounting of proceeds.
6/26/2018	Bryan Tannenbaum	Email Chaitons regarding legal fee explanation for real estate time; telephone call with Sherri re fees; email to S. Keeper inquiring into the delay; receipt and review of R. Sathasivam email and response sent as to status/delay; receipt and review of few emails between solicitors re wire delay.
6/26/2018	Bryan Tannenbaum	Confirmation of receipt of funds; telephone call from C. Wilson re same; send letter to BMO regarding wire transfer to MZ; email to MZ re wire transfer of funds by MZ and our offices, etc.
6/26/2018	Bryan Tannenbaum	Receipt and review of revised statement of adjustments from Chaitons; review accounting from J. Berger's email; receipt and review of MZ email regarding timing of closing; telephone call with C. Wilson re same; responding email sent to MZ; receipt and review of Chaitons trust statement.
6/27/2018	Jeff Berger	Reconciling the Receiver's accounts after the closing of the sale transaction; corresponding with numerous vendors to inform them of the sale of the property and establishing a cut-off for invoicing; discussion with B. Tannenbaum re outstanding payments.
6/27/2018	Bryan Tannenbaum	Email to G. Robinson, representing Condo Corp cost sharing, etc., re property sold; emails with BMO re seeking confirmation of wire transfer.
6/28/2018	Cindy Baeta	Post receipts in Ascend.
6/28/2018	Bryan Tannenbaum	Various emails to creditors re sale and finalize liabilities.
6/29/2018	Bryan Tannenbaum	Accounting and surplus accounting.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

July 24, 2018  
 Invoice 6  
 Page 6

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	22.50	\$ 550	\$ 12,375.00
Jeffrey K. Berger, CPA, CA	Senior Associate	21.70	\$ 250	5,425.00
Cindy Baeta	Estate Administrator	2.00	\$ 110	220.00
<b>Total hours and professional fees</b>		<b>46.20</b>		\$ 18,020.00
<b>Disbursements</b>				
Travel			\$ 83.95	
<b>Total disbursements</b>				83.95
<b>Total professional fees and disbursements</b>				18,103.95
HST @ 13%				2,353.51
<b>Total payable</b>				<b>\$ 20,457.46</b>

\* Rates effective June 1, 2018

#### PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

#### WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.  
 RSM CANADA LIMITED



GST/HST: 80784 1440 RT 0001

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

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

www.rsmcanada.com

**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** August 22, 2018

**Client File** 302437-43740

**Invoice** 7

**No.** 5453954

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period July 1, 2018 to July 31, 2018.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
06/27/2018*	Pisani, Asiyya	Facilitate wire transfer with BMO.
07/03/2018	Jeff Berger	Draft letters of direction to Guelph Hydro and City of Guelph re transfer of cash security to Purchaser; preparing final payouts to various vendors; filing the May, 2018 HST return; call with Canada Revenue Agency ("CRA") re audit of December 2017 - April 2018 HST returns.
07/03/2018	Bryan Tannenbaum	Meeting with J. Berger to review accounting and final invoices to be paid; letters to Guelph Hydro and City of Guelph; email clean up and request for reporting letter from Chaitons LLP on the transaction.
07/04/2018	Jeff Berger	Review of final vendor invoices; reconciling recent transactions; reviewing the schedule of expected excess receipts and discussing same with B. Tannenbaum.
07/04/2018	Bryan Tannenbaum	Review J. Berger email to Dunsire regarding errors in recent billing and discuss with J. Berger.
07/05/2018	Cindy Baeta	Prepare disbursement cheques; record journal entries re sale to 2637293 Ontario Inc.
07/05/2018	Jeff Berger	Corresponding with vendors re final payments on account; phone call with CRA re HST audit and required information for same; phone call with J. Durward of Dunsire re HST information, outstanding consulting invoices, and vendor payments made by the Receiver; updating the Receiver's schedule of receipts and disbursements through July 5, 2018.
07/05/2018	Bryan Tannenbaum	Review and approve letters and final payments to suppliers and discuss same with J. Berger; review R&D and estimated realizations with J. Berger; review invoice; discuss with J. Berger CRA questioning HST refund for January; discussion with J. Berger re Dunsire request for supplier invoices paid by the Receiver; review J. Berger's email to Tarion; receipt and review of email from S. Keeper re Kieswetter Excavating Inc. ("Kieswetter") payments; review



August 22, 2018  
 Invoice 7  
 Page 2

Date	Professional	Description
		S. Keeper email to Kieswetter; receipt and review of Tarion email re refund of deposits.
07/06/2018	Jeff Berger	Preparing summary of payments to vendors for distribution to Purchaser; follow-up with Chaitons re outstanding legal fees and transaction records.
07/10/2018	Jeff Berger	Drafting the Receiver's Second Report; responding with CRA regarding the audit inquiry for January 2018 HST return.
07/11/2018	Jeff Berger	Revising the Receiver's Second Report and discussing same with B. Tannenbaum; corresponding with S. Rappos of Chaitons LLP regarding the Receiver's Second Report.
07/11/2018	Bryan Tannenbaum	Receipt and review of J. Berger email re status of Tarion deposit refund of \$35K and responding email; review and edit draft Second Report and discuss changes/suggestions with J. Berger; telephone call from D. Gagulam of Royal LePage Commercial re status/prospective purchaser.
07/12/2018	Cindy Baeta	Prepare bank reconciliation.
07/12/2018	Bryan Tannenbaum	Review accounting and estimated realizations schedule; discuss with J. Berger.
07/13/2018	Cindy Baeta	Prepare bank reconciliation.
07/13/2018	Jeff Berger	Review of accounts and arranging for the deposit of funds into a short-term investment.
07/13/2018	Bryan Tannenbaum	Review accounting and invoice.
07/18/2018	Jeff Berger	Follow-up with J. Durward re status of HST reports requested, as well as the outstanding invoice for consulting services provided by J. Stevenson; responding to requests for invoices from R. Wotherspoon.
07/19/2018	Jeff Berger	Review of HST reports provided by J. Durward and cross-referencing same with the Receiver's accounts to ensure that ITC's were not claimed twice in error; finalizing the Receiver's response to CRA re HST audit for January, 2018.
07/19/2018	Bryan Tannenbaum	Email from J. Berger re status of Tarion and HST; discussion with J. Berger re HST submission and information obtained from Dunsire re past claims; review CRA letter with J. Berger and sign.
07/23/2018	Jeff Berger	Review of email from S. Keeper regarding the status of the receivership and responding to same.
07/23/2018	Bryan Tannenbaum	Receipt and review of S. Keeper email regarding outstanding matters re windup, HST, Tarion deposit, etc.; discuss response with J. Berger.
07/25/2018	Jeff Berger	Phone call with S. Keeper to discuss the status of site servicing, the purchaser's Tarion registration status, and other matters.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

August 22, 2018  
 Invoice 7  
 Page 3

**FEE SUMMARY**

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	7.40	\$ 550	\$ 4,070.00
Jeffrey K. Berger, CPA, CA	Senior Associate	35.20	\$ 250	8,800.00
Asiyya Pisani, CPA, CA	Senior Associate	0.70	\$ 250	175.00
Cindy Baeta	Estate Administrator	0.70	\$ 110	77.00
<b>Total hours and professional fees</b>		<b>44.00</b>		<b>\$ 13,122.00</b>
<b>Disbursements</b>				
Couriers			\$ 19.70	
<b>Total disbursements</b>				19.70
<b>Total professional fees and disbursements</b>				13,141.70
HST @ 13%				1,708.42
<b>Total payable</b>				<b>\$ 14,850.12</b>

\* Not billed on previous invoice.

PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

WIRE PAYMENT DETAILS

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GST/HST: 80784 1440 RT 0001

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 F +1 416 480 2646

www.rsmcanada.com

**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** September 14, 2018

**Client File** 302437-43740

**Invoice** 8

**No.** 5468071

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period August 1, 2018 to August 31, 2018.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
08/17/2018	Cindy Baeta	Prepare bank reconciliation.
08/20/2018	Bryan Tannenbaum	Review Tarion email re refund of deposit and status; email J. Berger re same.
08/21/2018	Jeff Berger	Review of emails from S. Keeper regarding IntrepidQS demand for payment; discussing same with B. Tannenbaum; phone call with S. Keeper regarding Intrepid's demand, as well as the outstanding invoice for J. Stevenson's consulting services; updating the SR&D through August 21, 2018 and discussing same with B. Tannenbaum.
08/21/2018	Bryan Tannenbaum	Receipt and review of S. Keeper email re Intrepid demand for payment; discuss with J. Berger; request SR&D from J. Berger.
08/22/2018	Jeff Berger	Review of correspondence from FAAN and discussing response to same with B. Tannenbaum; corresponding with S. Keeper regarding the Purchaser's registration status with Tarion.
08/23/2018	Cindy Baeta	Prepare disbursement cheque.
08/27/2018	Bryan Tannenbaum	Email from S. Keeper re Tarion deposits to be funded by Morrison; email to J. Berger and S. Keeper re status of any outstanding liabilities, etc.
08/30/2018	Cindy Baeta	Prepare disbursement cheques.
08/30/2018	Bryan Tannenbaum	Review emails regarding Chaitons accounts; review and sign cheques.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

September 14, 2018  
 Invoice 8  
 Page 2

**FEE SUMMARY**

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	1.10	\$ 550	\$ 605.00
Jeffrey K. Berger, CPA, CA	Senior Associate	2.30	\$ 250	575.00
Cindy Baeta	Estate Administrator	0.50	\$ 110	55.00
<b>Total hours and professional fees</b>		<b>3.90</b>		\$ 1,235.00
HST @ 13%				160.55
<b>Total payable</b>				<b>\$ 1,395.55</b>

PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

WIRE PAYMENT DETAILS

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 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

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

www.rsmcanada.com

**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** November 6, 2018

**Client File** 302437-43740

**Invoice** 9

**No.** 5515661

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period September 1, 2018 to September 30, 2018.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
09/06/2018	Bryan Tannenbaum	Review accounting and summary of outstanding matters; email same to J. Berger re status.
09/12/2018	Bryan Tannenbaum	Receipt and review of Tarion email that they still have not received the deposit.
09/13/2018	Bryan Tannenbaum	Receipt and review of L. Bezner email and response sent; telephone call with J. Berger re status and need to report information next week; meeting with J. Berger to discuss status and preliminary investigation of source and use, etc.
09/13/2018	Jeff Berger	Review of the GL details provided by J. Durward for the years 2013 – 2017; discussion with B. Tannenbaum re sources and uses schedule.
09/13/2018	Asiyya Pisani	Prepare statement of cash sources and uses for 5 years along with an intercompany analysis for 3 years.
09/14/2018	Cindy Baeta	Prepare disbursement cheque; prepare bank reconciliation.
09/14/2018	Jeff Berger	Attending on site at Dunsire's head office to meet with J. Durward to review the accounting records for Dunsire (Landsdown) Inc.
09/14/2018	Asiyya Pisani	Consolidation of 5 years of statement of cash sources and uses.
09/15/2018	Jeff Berger	Review of the debtor's books and records; compiling a statement of sources and uses of cash for the period of 2013 - 2017.
09/16/2018	Jeff Berger	Compiling a statement of sources and uses of cash for the period of 2013 - 2017.
09/17/2018	Jeff Berger	Compiling a statement of sources and uses of cash based on the debtor's financial records.
09/17/2018	Asiyya Pisani	GL analysis of miscellaneous items and internal discussions on same.

November 6, 2018  
 Invoice 9  
 Page 2

Date	Professional	Description
09/17/2018	Bryan Tannenbaum	Telephone call from Jennifer of Canada Revenue Agency ("CRA") regarding missing HST returns for June and July 2018; email re same to J. Berger to follow up directly with CRA.
09/18/2018	Jeff Berger	Compiling a statement of sources and uses of cash; review of intercompany transactions and discussion with J. Durward regarding same.
09/20/2018	Bryan Tannenbaum	Meeting with J. Berger to review status of our source and use investigation and his summary of same.
09/20/2018	Jeff Berger	Compiling a statement of sources and uses of cash; updating the R&D and statement of estimated realizations through September 20, 2018.
09/21/2018	Cindy Baeta	Prepare disbursement cheque.
09/21/2018	Bryan Tannenbaum	Review correspondence to FAAN re R&D, estimated realizations and sources and use schedule; edit and discuss with J. Berger.
09/21/2018	Jeff Berger	Finalizing the statement of sources and uses of cash, the Receiver's R&D, and the statement of estimated realizations; discussion with B. Tannenbaum regarding same.
09/25/2018	Jeff Berger	Review of intercompany transactions and discussion with J. Durward regarding same; discussion with A. Pisani regarding the analysis of intercompany transactions.
09/26/2018	Jeff Berger	Review of intercompany transactions.
09/26/2018	Donna Nishimura	Deposit cheque at the bank.
09/28/2018	Cindy Baeta	Process receipts to Ascend; prepare disbursement cheques.
09/28/2018	Bryan Tannenbaum	Discussion with J. Berger on status of HST refund, Tarion, intercompany analysis, cheque from City of Guelph for purchaser, etc.; review and sign cheques.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

November 6, 2018  
 Invoice 9  
 Page 3

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	5.10	\$ 550	\$ 2,805.00
Jeffrey K. Berger, CPA, CA	Senior Associate	31.70	\$ 250	7,925.00
Asiyya Pisani, CPA, CA	Senior Associate	7.40	\$ 250	1,850.00
Cindy Baeta/Donna Nishimura	Estate Administrator	0.70	\$ 110	77.00
<b>Total hours and professional fees</b>		<b>44.90</b>		\$ 12,657.00
HST @ 13%				1,645.41
<b>Total payable</b>				<b>\$ 14,302.41</b>

PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

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 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

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

www.rsmcanada.com

**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** November 9, 2018

**Client File** 302437-43740

**Invoice** 10

**No.** 5517918

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period October 1, 2018 to October 31, 2018.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
09/19/2018*	Asiyya Pisani	Prepare intercompany analysis.
09/25/2018*	Asiyya Pisani	Discussions with J. Berger re review of books and records; prepare breakdown of expense accounts.
10/01/2018	Asiyya Pisani	Prepare intercompany analysis; prepare breakdown of expense accounts.
10/02/2018	Jeff Berger	Review of intercompany transactions for the period of 2013 - 2017 and discussion with A. Pisani regarding same.
10/02/2018	Asiyya Pisani	Prepare intercompany analysis and reconciliation; prepare breakdown of cash accounts and completeness check for GL's; additional time spent addressing missing entries and other bookkeeping errors.
10/03/2018	Bryan Tannenbaum	Discussion with J. Berger re quantum of interim payout and status of source and use analysis.
10/03/2018	Asiyya Pisani	Prepare intercompany reconciliation; discussions on findings of analysis with J. Berger.
10/03/2018	Jeff Berger	Review of intercompany analysis completed by A. Pisani; follow up with Canada Revenue Agency regarding the status of outstanding HST refunds.
10/09/2018	Bryan Tannenbaum	Receipt and review of J. Berger email to Tarion re status of refund; discussion with J. Berger re sources/uses analysis; receipt and review of Tarion email advising receipt of replacement today and review to release refund to us.
10/09/2018	Jeff Berger	Corresponding with Tarion regarding the refund of Dunsire (Landsdown) Inc.'s security deposit.
10/12/2018	Cindy Baeta	Prepare disbursement cheque.
10/17/2018	Bryan Tannenbaum	Receipt and review of FAAN email to J. Berger as to status of source and use analysis.



November 9, 2018  
Invoice 10  
Page 2

Date	Professional	Description
10/23/2018	Bryan Tannenbaum	Receipt and review of Tarion email that refund will now be sent; email to Tarion to mail it to our offices; discuss status with J. Berger re other outstanding items.
10/24/2018	Jeff Berger	Review of BDMC motion record and discussion with B. Tannenbaum regarding same.
10/26/2018	Cindy Baeta	Prepare bank reconciliation; filing.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

November 9, 2018  
 Invoice 10  
 Page 3

**FEE SUMMARY**

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	1.10	\$ 550	\$ 605.00
Jeffrey K. Berger, CPA, CA	Manager	4.10	\$ 295	1,209.50
Asiyya Pisani, CPA, CA	Senior Associate	16.10	\$ 250	4,025.00
Cindy Baeta	Estate Administrator	0.30	\$ 110	33.00
<b>Total hours and professional fees</b>		<u>21.60</u>		\$ 5,872.50
HST @ 13%				763.43
<b>Total payable</b>				<b>\$ 6,635.93</b>

\*Not billed on previous invoice.

\*\*Change in hourly rate effective October 1, 2018.

PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt, Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.  
 RSM CANADA LIMITED



GST/HST: 80784 1440 RT 0001

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

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

www.rsmcanada.com

**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** January 8, 2019

**Client File** 302437-43740

**Invoice** 11

**No.** 5555875

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period November 1, 2018 to November 30, 2018.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
11/05/2018	Jeff Berger	Review of correspondence received from Tarion re refund of debtor's security deposit; updating the Receiver's Schedule of Receipts and Disbursements ("SRD").
11/13/2018	Usama Emad	Prepare cheque requisitions.
11/19/2018	Usama Emad	Prepare SRD and forward to J. Berger.
11/20/2018	Jeff Berger	Review and finalization of the SRD and the statement of estimated realizations; discussion with U. Emad regarding same.
11/28/2018	Jeff Berger	Review of intercompany and miscellaneous expenses in preparation for meeting with Dunsire's controller.
11/29/2018	Jeff Berger	Meeting with J. Durward to review intercompany and miscellaneous expenses; discussion with U. Emad regarding intercompany expenses and analysis to be completed re same.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

January 8, 2019  
 Invoice 11  
 Page 2

**FEE SUMMARY**

<b>Professional</b>	<b>Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
Jeffrey K. Berger, CPA, CA	Manager	7.80	\$ 295	2,301.00
Usama Emad, CPA	Senior Associate	1.00	\$ 195	195.00
<b>Total hours and professional fees</b>		<b>8.80</b>		\$ 2,496.00
HST @ 13%				324.48
<b>Total payable</b>				<b>\$ 2,820.48</b>

PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.  
 RSM CANADA LIMITED



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**F** +1 416 480 2646

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**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** January 16, 2019

**Client File** 302437-43740

**Invoice** 12

**No.** 5560968

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period December 1, 2018 to December 31, 2018.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
12/04/2018	Usama Emad	Prepare analysis of intercompany transactions for the period of 2013 to 2017.
12/05/2018	Anne Baptiste	Prepare bank reconciliation.
12/05/2018	Usama Emad	Review of the debtor's books and records relating to intercompany transactions and miscellaneous cash receipts; summarized the intercompany expenses.
12/05/2018	Jeff Berger	Review of intercompany expense analysis and discussion with U. Emad re same.
12/19/2018	Bryan Tannenbaum	Inquiry from Oslers re status; email to J. Berger re same and status, etc.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

January 16, 2019  
 Invoice 12  
 Page 2

**FEE SUMMARY**

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	0.20	\$ 550	\$ 110.00
Jeffrey K. Berger, CPA, CA	Manager	1.30	\$ 295	383.50
Usama Emad, CPA	Senior Associate	7.50	\$ 195	1,462.50
Anne Baptiste	Estate Administrator	0.20	\$ 110	22.00
<b>Total hours and professional fees</b>		<u>9.20</u>		\$ 1,978.00
HST @ 13%				257.14
<b>Total payable</b>				<b>\$ 2,235.14</b>

PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

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 RSM CANADA LIMITED



GST/HST: 80784 1440 RT 0001

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**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** February 8, 2019

**Client File** 302437-43740

**Invoice** 13

**No.** 5578402

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period January 1, 2019 to January 31, 2019.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
01/02/2019	Jeff Berger	Follow-up with J. Durward regarding outstanding information relating to intercompany payments and miscellaneous receipts.
01/07/2019	Bryan Tannenbaum	Receipt and review of J. Durward email regarding timing for information to be received by RSM.
01/11/2019	Anne Baptiste	Prepare disbursement cheque; prepare November bank reconciliation.
01/11/2019	Jeff Berger	Review of information provided by the Debtor re miscellaneous receipts and intercompany expenses.
01/14/2019	Usama Emad	Review the reconciliation of intercompany transactions to discuss with J. Berger; vouch the selected samples to support provided.
01/14/2019	Bryan Tannenbaum	Receipt and review of email from L. Bezner of FAAN Mortgage Administrators Inc. regarding status of information re intercompany expenses and miscellaneous receipts; forward to J. Berger for reply.
01/14/2019	Jeff Berger	Prepare an analysis of the miscellaneous receipts and intercompany expenses, based on information provided by the Debtor.
01/15/2019	Bryan Tannenbaum	Email to S. Keeper re tax returns.
01/15/2019	Jeff Berger	Review of intercompany reconciliation and discussion with J. Durward and U. Emad regarding same; finalizing the analysis of the miscellaneous receipts and intercompany expenses.
01/16/2019	Jeff Berger	Discussion with S. Naqvi of Dunsire regarding information provided re intercompany expenses and miscellaneous receipts.
01/18/2019	Anne Baptiste	Prepare disbursement cheques.
01/22/2019	Jeff Berger	Review of further information provided by the Debtor regarding intercompany expenses and miscellaneous receipts.

February 8, 2019  
Invoice 13  
Page 2

Date	Professional	Description
01/23/2019	Bryan Tannenbaum	Discuss status of sources and uses review and the filing of the debtor's 2017 income tax return ("ITR"); email to S. Keeper re ITR long overdue.
01/24/2019	Anne Baptiste	Prepare December bank reconciliation; filing.
01/31/2019	Jeff Berger	Discussion with B. Tannenbaum regarding the final schedule of intercompany expenses and miscellaneous receipts to be provided to FAAN et al.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.



February 8, 2019  
 Invoice 13  
 Page 3

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	0.70	\$ 550	\$ 385.00
Jeffrey K. Berger, CPA, CA	Manager	7.60	\$ 295	2,242.00
Usama Emad, CPA	Senior Associate	2.00	\$ 195	390.00
Anne Baptiste	Estate Administrator	0.70	\$ 110	77.00
<b>Total hours and professional fees</b>		<b>11.00</b>		\$ 3,094.00
HST @ 13%				402.22
<b>Total payable</b>				<b>\$ 3,496.22</b>

#### PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

#### WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

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 RSM CANADA LIMITED



GST/HST: 80784 1440 RT 0001

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 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

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

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**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** March 13, 2019

**Client File** 302437-43740

**Invoice** 14

**No.** 5605792

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "**Debtor**") or ("**WCE**") for the period February 1, 2019 to February 28, 2019.

<b>Date</b>	<b>Professional</b>	<b>Description</b>
02/08/2019	Anne Baptiste	Prepare disbursement cheques.
02/12/2019	Bryan Tannenbaum	Receipt and review of Dunsire email re tax returns filed.
02/13/2019	Jeff Berger	Review of final 2017 corporate tax return and E-File confirmation of same; phone call with Canada Revenue Agency ("CRA") to inquire about the status of the HST refunds owing to the Receiver; update the Receiver's Statement of Receipts and Disbursements through February 13, 2019, as well as the Statement of Estimated Realizations; discussion with B. Tannenbaum re same.
02/20/2019	Bryan Tannenbaum	Receipt and review of CRA 2017 T2 Notice of Assessment; discussion with J. Berger re same.
02/21/2019	Anne Baptiste	Prepare December bank reconciliation.
02/28/2019	Jeff Berger	Drafting the Receiver's Second Report.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

March 13, 2019  
 Invoice 14  
 Page 2

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	0.30	\$ 550	\$ 165.00
Jeffrey K. Berger, CPA, CA	Manager	8.00	\$ 295	2,360.00
Anne Baptiste	Estate Administrator	0.50	\$ 110	55.00
<b>Total hours and professional fees</b>		<b>8.80</b>		\$ 2,580.00
HST @ 13%				335.40
<b>Total payable</b>				<b>\$ 2,915.40</b>

#### PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_

Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

#### WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

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 RSM CANADA LIMITED



GST/HST: 80784 1440 RT 0001

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 Toronto, ON M5H 4C7

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**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** May 8, 2019

**Client File** 302437-43740

**Invoice** 15

**No.** 5691906

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the "Debtor") or ("WCE") for the period March 1, 2019 to March 31, 2019.

Date	Professional	Description
03/04/2019	Bryan Tannenbaum	Review and edit the Second Report, including reviewing the First and Supplementary Reports.
03/08/2019	Anne Baptiste	Prepare February bank reconciliation.
03/11/2019	Bryan Tannenbaum	Read changes and then review my comments to the Second Report draft with J. Berger.
03/11/2019	Jeff Berger	Updating the Receiver's Second Report and discussing same with B. Tannenbaum.
03/18/2019	Jeff Berger	Discussion with S. Rappos of Chaitons LLP re Receiver's Second Report.
03/22/2019	Anne Baptiste	Prepare disbursement cheques.
03/29/2019	Jeff Berger	Discussion with L. Bezner of FAAN regarding the status of the receivership, the current balance of the BDMC loan, etc.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

May 8, 2019  
 Invoice 15  
 Page 2

**FEE SUMMARY**

<b>Professional</b>	<b>Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	1.90	\$ 550	\$ 1,045.00
Jeffrey K. Berger, CPA, CA	Manager	3.40	\$ 295	1,003.00
Anne Baptiste	Estate Administrator	0.40	\$ 110	44.00
<b>Total hours and professional fees</b>		<u><b>5.70</b></u>		\$ 2,092.00
HST @ 13%				271.96
<b>Total payable</b>				<b>\$ 2,363.96</b>

PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.  
 RSM CANADA LIMITED



GST/HST: 80784 1440 RT 0001

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 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

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 F +1 416 480 2646

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**To** Dunsire (Landsdown) Inc. o/a White Cedar Estates  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** July 24, 2019

**Client File** 302437-43740

**Invoice** 16

**No.**

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of Dunsire (Landsdown) Inc. o/a White Cedar Estates (the “Debtor”) or (“WCE”) for the period April 1, 2019 to July 23, 2019 and estimated to completion.

Date	Professional	Description
04/04/2019	Anne Baptiste	Filing re banking.
04/11/2019	Anne Baptiste	Prepare March bank reconciliation.
05/01/2019	Bryan Tannenbaum	Receipt and review of L. Bezner email re status; discuss response with J. Berger and timing to discharge, etc.
05/13/2019	Anne Baptiste	Prepare disbursement cheque; prepare April bank reconciliation; filing re banking.
05/22/2019	Anne Baptiste	Filing re banking.
06/14/2019	Anne Baptiste	Prepare May bank reconciliation.
<i>Estimated to completion:</i>		
		Finalize Second Report to the Court and Affidavit of Fees; update Statement of Receipts and Disbursements and calculate fees estimated to completion.
		Preparation of Final Statement of Receiver pursuant to 246(3) of the Bankruptcy and Insolvency Act and filing same with Office of the Superintendent of Bankruptcy.
		Filing of final HST return and form RC145 to close account.
		Prepare disbursement cheques and bank reconciliations.
		Final file administration including closing estate bank account.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

July 24, 2019  
 Invoice 16  
 Page 2

**FEE SUMMARY**

Professional	Level	Hours	Rate	Fees
<u>Actual fees incurred to July 23, 2019</u>				
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	0.20	\$ 550	110.00
Anne Baptiste	Estate Administrator	0.80	\$ 110	88.00
		<u>1.00</u>		198.00
<u>Add: Estimated fees to completion</u>				
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	5.00	\$ 550	2,750.00
Jeffrey K. Berger, CPA, CA	Manager	10.00	\$ 295	2,950.00
Anne Baptiste	Estate Administrator	2.00	\$ 110	220.00
		<u>17.00</u>		5,920.00
Total hours and professional fees		<b>18.00</b>		6,118.00
<b>Disbursements</b>				
Courier			<u>\$ 22.00</u>	
<b>Total disbursements</b>				22.00
<b>Total hours, fees and disbursements incurred and estimated to completion</b>		<u>18.00</u>		6,140.00
HST @ 13%				798.20
<b>Total payable</b>				<b>6,938.20</b>

PAYMENT BY VISA / MC ACCEPTED

Card Number \_\_\_\_\_ Expiry Date \_\_\_\_\_  
 Name on Card \_\_\_\_\_ Amount \_\_\_\_\_


WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

**EXHIBIT "B"**

**THIS IS EXHIBIT "B" REFERRED TO IN THE  
AFFIDAVIT OF BRYAN A. TANNENBAUM SWORN  
BEFORE ME THIS 25<sup>th</sup> DAY OF JULY, 2019**



---

A Commissioner, etc.

Daniel Raphael Weisz, a Commissioner, etc.  
Province of Ontario, for RSM Canada LLP  
and RSM Canada Limited.  
Expires January 5, 2021



## EXHIBIT "B"

In the Matter of the Receivership of  
Dunsire (Landsdown) Inc.  
Summary of Receiver's Fees  
For the period April 16, 2018 to June 30, 2019 and Estimated to Completion

Invoice No.	Billing Period	Total Fees	Disbursements	HST	Hours	Average Hourly Rate	Total
4	April 16, 2018 to May 15, 2018	\$ 30,058.50	\$ -	\$ 3,907.61	94.70	\$ 317.41	\$ 33,966.11
5	May 16, 2018 to May 31, 2018	25,721.50	-	3,343.80	66.50	386.79	29,065.30
6	June 1, 2018 to June 30, 2018	18,020.00	83.95	2,353.51	46.20	390.04	20,457.46
7	July 1, 2018 to July 31, 2018	13,122.00	19.70	1,708.42	44.00	298.23	14,850.12
8	August 1, 2018 to August 31, 2018	1,235.00	-	160.55	3.90	316.67	1,395.55
9	September 1, 2018 to September 30, 2018	12,657.00	-	1,645.41	44.90	281.89	14,302.41
10	October 1, 2018 to October 31, 2018	5,872.50	-	763.43	21.60	271.88	6,635.93
11	November 1, 2018 to November 30, 2018	2,496.00	-	324.48	8.80	283.64	2,820.48
12	December 1, 2018 to December 31, 2018	1,978.00	-	257.14	9.20	215.00	2,235.14
13	January 1, 2019 to January 31, 2019	3,094.00	-	402.22	11.00	281.27	3,496.22
14	February 1, 2019 to February 28, 2019	2,580.00	-	335.40	8.80	293.18	2,915.40
15	March 1, 2019 to March 31, 2019	2,092.00	-	271.96	5.70	367.02	2,363.96
16	April 1, 2019 to June 30, 2019 and Estimated to Completion	6,118.00	22.00	798.20	18.00	339.89	6,938.20
<b>Total</b>		<b>\$ 125,044.50</b>	<b>\$ 125.65</b>	<b>\$ 16,272.12</b>	<b>383.30</b>	<b>\$ 326.23</b>	<b>\$ 141,442.27</b>

# APPENDIX “K”

Court File No. CV-17-587118-00CL

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

B E T W E E N:

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**DUNSIRE (LANDSDOWN) 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**

**AFFIDAVIT OF HARVEY CHAITON**  
(sworn August 14, 2019)

I, **HARVEY CHAITON**, of the City of Toronto, in the Province of Ontario **MAKE  
OATH AND SAY AS FOLLOWS:**

1. I am a partner with the law firm of Chaitons LLP ("**Chaitons**"), lawyers for RSM Canada Limited ("**RSM**") as receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of Dunsire (Landsdown) Inc., and as such have knowledge of the matters to which I hereinafter depose.
2. Attached hereto as the following exhibits are copies of the following accounts issued by Chaitons to the Receiver totalling \$35,690.36 (comprised of fees of \$30,458.50 disbursements of \$1,164.49 and HST of \$4,067.37) with respect to this proceeding:

- (a) **Exhibit "A"** - account for the period up to and including May 31, 2018; and
- (b) **Exhibit "B"** – account for the period up to and including June 30, 2018.

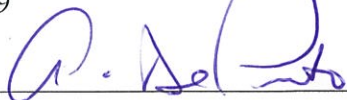
3. Additionally, attached hereto as **Exhibit "C"** is a statement of unbilled time and disbursements for the period July 3, 2018 to and including March 18, 2019 totalling \$1,195.26 36 (comprised of fees of \$1,057.75 and HST of \$137.51).

4. Attached hereto as **Exhibit "D"** is a summary of additional information with respect to the accounts referred to in paragraph 2 above, indicating all members of Chaitons who have worked on this matter, their year of call to the bar, total time charged and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

5. I confirm that the accounts described in paragraph 2 above and the statement described in paragraph 3 hereof accurately reflect the services provided by Chaitons in this matter and the fees and disbursements claimed by it from May 4, 2018 to March 18, 2019.

6. I confirm that, assuming that the Receiver' s discharge motion proceeds on an unopposed basis, it is believed that the legal fees and disbursements to complete the administration of the receivership proceeding will be \$5,000 plus HST.

SWORN before me at the City )  
of Toronto, in the Province of )  
Ontario, this 14<sup>th</sup> day of August, )  
2019 )

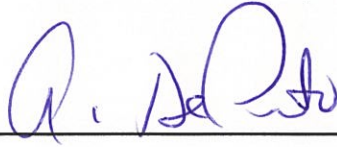
  
\_\_\_\_\_

A Commissioner For Taking Affidavits, etc.

  
\_\_\_\_\_  
**HARVEY CHAITON**

Antoinette DePinto, a Commissioner, etc.,  
Province of Ontario, for Chaitons LLP,  
Barristers and Solicitors.  
Expires September 10, 2020.

THIS IS EXHIBIT "A" TO  
THE AFFIDAVIT OF HARVEY CHAITON  
SWORN BEFORE ME THIS 14<sup>th</sup>  
DAY OF AUGUST, 2019

A handwritten signature in blue ink, appearing to be "A. DeRosa", written over a horizontal line.

A Commissioner Etc.

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9  
www.chaitons.com



INVOICE NUMBER: 267011

May 31, 2018

RSM Canada Limited  
11 King St. West  
Suite 700, Box 27  
Toronto, Ontario M5h 4C7

Re: **ENFORCEMENT OF WHITE CEDAR ESTATES**  
Our file: 007246-41259

**FOR PROFESSIONAL SERVICES RENDERED** on this matter up to and including May 31, 2018:

<b>PROFESSIONAL FEES</b>		
SUBJECT TO HST	\$21,607.00	
SUB-TOTAL		\$21,607.00
<b>DISBURSEMENTS</b>		
NON TAXABLE	\$285.48	
SUBJECT TO HST	\$546.78	
<input type="checkbox"/> <input type="checkbox"/>		\$832.26
HST at 13.00%		\$2,879.99
<b>GRAND TOTAL</b>		<b>\$25,319.25</b>

Amount payable on the current invoice	\$25,319.25
Plus outstanding invoices on this matter	\$0.00
<b>Amount Due</b>	<b><u>\$25,319.25</u></b>
<b>Trust Balance</b>	

GST No R124110933

INVOICE NUMBER: 267011

E. & O.E. Payment due on receipt of the account. In accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#4216519v1



**PROFESSIONAL FEES:**

May 4, 18	HGC	Telephone call with B. Tannenbaum; email to P. Spadafora;
May 4, 18	SL	To review of comments from J. Berger to the agreement of purchase and sale with Aquicorp; to e-mail correspondence to J. Berger enclosing my comments in connection therewith and proposed revisions to the agreement of purchase and sale; to review of the agreement of purchase and sale in connection therewith;
May 5, 18	SPR	Reviewed draft receiver's report; reviewed and drafted correspondence;
May 7, 18	SPR	Reviewed file documents; revised draft receiver's report; reviewed and drafted correspondence;
May 10, 18	HGC	Review draft receiver's report;
May 10, 18	SPR	Reviewed and revised draft report; reviewed and drafted correspondence;
May 11, 18	SPR	Reviewed and revised draft report and discussed same with client; reviewed and drafted correspondence;
May 15, 18	SPR	Finalized report and appendices; drafted notice of motion; prepared motion record for service; reviewed and drafted correspondence;
May 16, 18	HGC	Review draft notice of motion; provide comments to S. Rappos;
May 16, 18	HGC	Email to P. Spadafora;
May 16, 18	SPR	Reviewed and drafted correspondence regarding upcoming motion;
May 17, 18	SPR	Reviewed and drafted correspondence to counsel to purchaser; drafted correspondence to all unit holders that are to have purchase agreements terminated; reviewed file documents;
May 18, 18	HGC	Various emails and telephone calls with lawyers for FAAN and with B. Tannenbaum with respect to sale approval motion;
May 18, 18	SPR	Drafted Fresh as Amended Notice of Motion; reviewed and drafted correspondence regarding terminating sale agreements and providing information and documentation to trustee of second mortgagee;
May 22, 18	HGC	Telephone conference call with J. Dacks re sale process; telephone call with B. Tannenbaum followed by telephone conference call with C. Hayes and M. Snedden requesting additional information to be provided to FAAN supporting sale transaction;



May 22, 18	SPR	Reviewed and drafted correspondence to unit purchasers; discussed matters with client; reviewed instruments registered on title to property; discussed matters with counsel to Tarion; drafted supplemental report and discussed same with client; attended to service of supplemental motion record;
May 23, 18	HGC	Review emails and telephone call with B. Tannenbaum re information for Oslers concerning proposed sales;
May 23, 18	HGC	Emails with Oslers and telephone call with M. DeLellis re sale approval;
May 23, 18	SPR	Reviewed file documents; reviewed documents received from client regarding sale process; reviewed and drafted correspondence; drafted correspondence to service list regarding termination of unit agreements; discussed matters with counsel to Tarion; discussed matters with H. Chaiton;
May 24, 18	HGC	Telephone call with B. Tannenbaum re proposed response to email from N. Mansoor;
May 24, 18	HGC	Review and amend draft factum;
May 24, 18	HGC	Various telephone calls with M. DeLellis and B. Tannenbaum with respect to sale process; receipt and review letter from P. Riesteren; conference with S. Rappos;
May 24, 18	HGC	Telephone calls with M. DeLellis and B. Tannenbaum with respect to sale process; receipt and review letter from P. Riesterer; conference with S. Rappos;
May 24, 18	SPR	Drafted factum for motion and reviewed case law; reviewed and drafted various correspondence; discussed matters with counsel to unit purchasers; prepared book of authorities; reviewed correspondence from Osler and discussed with H. Chaiton; drafted court orders and circulated to service list; reviewed new LOI received;
May 24, 18	AMK	To search updated parcel register; to e-mail to S. Rappos enclosing parcel register aforesaid;
May 25, 18	HGC	Attend court on sale approval motion;
May 25, 18	SPR	Prepared for and attended at motion before Commercial List Court; attended to having orders issued and entered; reviewed and drafted correspondence; discussed matters with client;
May 28, 18	HGC	Telephone message for P. Spadafora re closing;



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4.



May 28, 18 HGC Telephone call with Fortress investor;  
May 30, 18 SPR Reviewed and drafted correspondence;

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<b>TOTAL PROFESSIONAL FEES</b>	<b>\$21,607.00</b>
HST at 13.00%	2,808.91

**DISBURSEMENTS:****Subject to HST:**

Kap Litigation Services Taxable	\$35.00	
Internet Search Fee Taxable	\$92.60	建
Teraview Charges Taxable	\$71.65	
Courier and Taxi Charges Taxable	\$336.43	
Photocopying Charges Taxable	\$11.10	
		\$546.78

**Non-Taxable:**

File Motion Record(s) Non-taxable	\$160.00	
Teraview Charges Non-taxable	\$22.25	
Government Disbursement Internet Search Non-tax.	\$103.23	
		\$285.48

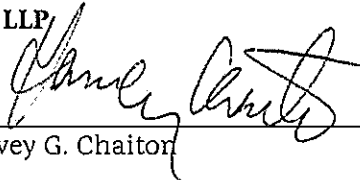
<b>TOTAL DISBURSEMENTS</b>	<b>\$832.26</b>
HST at 13.00%	71.08

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<b>GRAND TOTAL</b>	<b>\$25,319.25</b>
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CHAITONS LLP

per:


  
Harvey G. Chaiton

GST No R124110933

INVOICE NUMBER: 267011

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, Interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#4216519v1

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5.



**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
HARVEY G. CHAITON	\$695.00	8.94	\$6,212.50
SHERRI LAVINE	\$425.00	1.68	\$712.50
SAM RAPPOS	\$495.00	29.61	\$14,657.00
ALEXANDRA KRANCEVIC	\$250.00	0.10	\$25.00
Total:		40.33	\$21,607.00

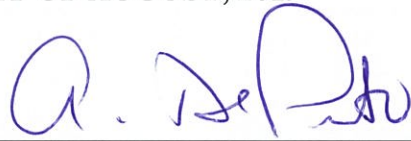
GST No R124110933

INVOICE NUMBER: 267011

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Doc#4216519v1

THIS IS EXHIBIT "B" TO  
THE AFFIDAVIT OF HARVEY CHAITON  
SWORN BEFORE ME THIS 14<sup>th</sup>  
DAY OF AUGUST, 2019



A handwritten signature in blue ink, appearing to read "A. DeRito", is written above a horizontal line.

A Commissioner Etc.

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9  
 www.chaitons.com



**INVOICE NUMBER: 268239**

**June 30, 2018**

RSM CANADA LIMITED  
 11 KING ST. WEST  
 SUITE 700, BOX 27  
 TORONTO, ONTARIO M5H 4C7

**Re: ENFORCEMENT OF WHITE CEDAR ESTATES**  
**Our file: 007246-41259**

**FOR PROFESSIONAL SERVICES RENDERED** on this matter up to and including June 30, 2018:

**PROFESSIONAL FEES**

SUBJECT TO HST	\$8,851.50	
SUB-TOTAL		\$8,851.50

**DISBURSEMENTS**

NON TAXABLE	\$50.00	
SUBJECT TO HST	\$282.23	
SUB-TOTAL		\$332.23
HST at 13.00%		\$1,187.38

<b>GRAND TOTAL</b>		<b>\$10,371.11</b>
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Amount payable on the current invoice	\$10,371.11
Plus outstanding invoices on this matter	\$0.00
<b>Amount Due</b>	<b><u>\$10,371.11</u></b>
<b>Trust Balance</b>	

GST No R124110933

INVOICE NUMBER: 268239

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.



**PROFESSIONAL FEES:**

- Jun 1, 18 To e-mail correspondence to the purchaser's counsel re status of extension request; to review of file; to e-mail correspondence with B. Tannenbaum in respect of same; to review of letter from Tarion Warranty Corporation;
- Jun 4, 18 To e-mail correspondence with the purchaser's counsel and B. Tannenbaum confirming the terms of the proposed extension; to e-mail correspondence to C. Wilson in connection therewith;
- Jun 5, 18 To meeting with C. Wilson re preparation of the statement of adjustments; to review of the agreement of purchase and sale in connection therewith;
- Jun 5, 18 To review of agreement of purchase and sale and advising S. Lavine of issue regarding approval and vesting order; to preparation of the closing documents;
- Jun 6, 18 To e-mail correspondence with C. Wilson re assignment of the purchase agreement and required amendment to the existing approval and vesting order; to review of existing vesting order; to further e-mail correspondence with C. Wilson re statement of adjustments;
- Jun 6, 18 Reviewed and drafted correspondence regarding sale transaction;
- Jun 6, 18 To correspondence to and from N. Uyeno regarding the assignment by Aquicorp to 2637293 Ontario Inc. and to advising H. Chaiton and S. Rappos; to correspondence to and from J. Berger attaching tax information; to preparation of application for vesting order and messaging to N. Uyeno;
- Jun 7, 18 To review, revision and finalization of draft closing documents; to meetings with C. Wilson in respect of same; to review and revision of the draft statement of adjustments; to meeting with C. Wilson re amendment to the approval and vesting order;
- Jun 7, 18 Reviewed and drafted correspondence; drafted amended and restated approval and vesting order;
- Jun 7, 18 Review amended and restated approval and vesting order;

3.



- Jun 7, 18 To finish preparation of the draft closing documents; to further correspondence to from J. Berger regarding the tax bills and to telephone call to Guelph to confirm the outstanding amounts; to preparation of statement of adjustments and forwarding to B. Tannenbaum and J. Berger; to correspondence to N. Uyeno attaching draft closing documents and forwarding to B. Tannenbaum for review and comment;
- Jun 8, 18 To e-mail correspondence and meeting with C. Wilson to discuss further changes to the statement of adjustments to account for certain outstanding invoices; to e-mail correspondence with B. Tannenbaum re extension terms; to e-mail correspondence to the purchaser's counsel in connection therewith;
- Jun 8, 18 Reviewed and drafted correspondence;
- Jun 8, 18 To receipt of correspondence from J. Berger regarding adjustments and to revising same and forwarding to J. Berger and B. Tannenbaum; to telephone call with P. Spadafora to confirm closing for Monday and advising B. Tannenbaum; to correspondence to P. Spadafora attaching the adjustments; to receipt of a copy of the assignment of the agreement of purchase and sale from N. Uyeno; to receipt of correspondence from P. Spadafora requesting an extension to closing and forwarding same to B. Tannenbaum; to receipt of correspondence from B. Tannenbaum regarding the one day extension;
- Jun 11, 18 Revised draft order; reviewed and drafted correspondence;
- Jun 11, 18 Attend to have amended vesting order signed, issued and entered;
- Jun 11, 18 To e-mail correspondence with C. Wilson re execution of the closing documents; to e-mail correspondence to the purchaser's counsel re settlement thereof; to meeting with C. Wilson re status of Tarion consent; to e-mail correspondence with B. Tannenbaum in connection therewith;
- Jun 11, 18 To revising the statement of adjustments and forwarding to B. Tannenbaum and P. Spadafora; to correspondence to N. Uyeno enquiring on comments to closing documents and to receipt confirming same are acceptable; to correspondence to B. Tannenbaum attaching execution copies of the closing documents and to receipt of executed PDF copies; to review of correspondence from B. Tannenbaum regarding Tarion registration and to correspondence to P. Spadafora to enquire on the status of same and closing;

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GST No R124110933

INVOICE NUMBER: 268239

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4.



- Jun 12, 18 To review of client's executed closing documents; to coordination of the delivery of same to the purchaser; to confirmation of the further extension terms; to review and revision of draft undertaking with respect to the existing tax arrears; to meeting with C. Wilson in connection therewith; to review of the further revised statement of adjustments;
- Jun 12, 18 To correspondence to P. Spadafora attaching executed copies of the closing documents; to receipt of correspondence from P. Spadafora advising the Tarion registration has not yet been obtained; to receipt of tri-party DRA and to review of same and forwarding the law society's form of multi party DRA; to preparation of draft undertaking to pay taxes and forward same to P. Spadafora for review;
- Jun 13, 18 To review of closing documents executed by the purchaser; to e-mail correspondence with the receiver and the purchaser's counsel re further extension of closing;
- Jun 13, 18 To review of correspondence regarding extension of closing; to receipt of executed Purchaser documents;
- Jun 13, 18 To receipt and review of signed closing documents from purchaser's counsel;
- Jun 14, 18 To e-mail correspondence to P. Spadafora summarizing the extension terms; to e-mail correspondence with B. Tannenbaum in connection therewith;
- Jun 14, 18 To review of further correspondence regarding extension of closing;
- Jun 15, 18 To e-mail correspondence with J. Berger re additional amounts payable to Kieswetter and JD Barnes; to e-mail correspondence to the purchaser's counsel in connection therewith;
- Jun 15, 18 To review of further correspondence regarding extension of closing;
- Jun 18, 18 To e-mail correspondence to S. Rappos re status of closing;
- Jun 18, 18 Reviewed and drafted correspondence regarding transaction;
- Jun 19, 18 To e-mail correspondence with the purchaser's counsel re outstanding amounts payable to Kieswetter and JD Barnes;
- Jun 20, 18 To e-mail correspondence with B. Tannenbaum re closing date extension and confirmation from Morrison of the extension of its financing commitment;
- Jun 21, 18 To e-mail correspondence to C. Wilson re scheduled closing date;

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 GST No R124110933

INVOICE NUMBER: 268239

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, Interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.



Jun 21, 18 To review of correspondence from B. Tannenbaum advising of Tarion approval and closing; to correspondence from P. Spadafora re extension of closing;

Jun 22, 18 To correspondence to P. Spadafora to enquire on the additional Kieswetter invoices; to revising the adjustments and forwarding to B. Tannenbaum and J. Berger;

Jun 25, 18 To settlement of statement of adjustments; to e-mail correspondence with client, the purchaser's counsel and R. Lebow re proposed extension; to telephone conversation with R. Lebow in connection therewith;

Jun 25, 18 Review of correspondence;

Jun 25, 18 Reviewed correspondence;

Jun 25, 18 To correspondence to and from P. Spadafora regarding Kieswetter adjustments; to revising the adjustments; to correspondence to and from B. Tannenbaum regarding the adjustments and closing; to receipt of MZG discharge statement; to correspondence to B. Tannenbaum and P. Spadafora attaching the revised adjustments; to receipt of correspondence from P. Spadafora asking for one day's extension;

Jun 26, 18 Review of matters re closing;

Jun 26, 18 To finalization of trust statement and revised statement of adjustments; to coordination of closing;

To all matters of a general nature not more particularly referred to herein;

**TOTAL PROFESSIONAL FEES****\$8,851.50**

HST at 13.00%

1,150.70

**DISBURSEMENTS:****Subject to HST:**

Legal Research Taxable	\$61.50
Kap Litigation Services Taxable	\$120.00
Examination and Transcript Fee Taxable	\$47.30
Courier and Taxi Charges Taxable	\$40.16



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6.



Parking Charges Taxable \$13.27 \$282.23

**Non-Taxable:**

Bank Service Charges Non-taxable \$50.00 \$50.00

**TOTAL DISBURSEMENTS \$332.23**  
HST at 13.00% 36.69

**GRAND TOTAL \$10,371.11**

**CHAITONS LLP**

per: \_\_\_\_\_  
Harvey Chaiton

GST No R124110933

INVOICE NUMBER: 268239

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

THIS IS EXHIBIT "C" TO  
THE AFFIDAVIT OF HARVEY CHAITON  
SWORN BEFORE ME THIS 14<sup>th</sup>

DAY OF AUGUST, 2019

A handwritten signature in blue ink, appearing to read "A. DeLuca", is written above a horizontal line.

A Commissioner Etc.

\*-----MATTER DESCRIPTION-----\*  
ENFORCEMENT OF WHITE CEDAR ESTATES

\*-----BILLING INSTRUCTIONS-----\*

*-----CLIENT INFORMATION-----*	--CLIENT NUMBER--	--ORIGINATING--	--BILLING--	--SUPERVISING--
MARSHALLZEHR GROUP INC.	007246	017	050	050
		HARVEY G. CHAITON	ROBERT MILLER	ROBERT MILLER

\*-----CLIENT ADDRESS-----\*  
MARSHALLZEHR GROUP INC.  
465 PHILLIP STREET, SUITE 206  
  
WATERLOO, ONTARIO, N2L 6C7

\*-----MATTER ADDRESS-----\*  
MARSHALLZEHR GROUP INC.  
465 PHILLIP STREET, SUITE 206  
  
WATERLOO, ONTARIO, N2L 6C7

*-----MATTER INFORMATION-----*	PHONE: (519) 342-1000	PHONE: (519) 342-1000
REFERRED BY:		CONTACT: RISHAN SATHASIVAM

STATUS: OP	RATE: 1	TEMPLATE: CS	MIN FEE:
DATE OPENED: Oct 3, 2017	DEPT: 00	TIME FORMAT: 0	MIN COST:
DATE CLOSED:	LOCATION: 1	DISB FORMAT: 0	MIN TOTAL:
LAST RATE: Oct 5, 2004	PRACTICE: 19	INTRST CODE: 0	FEE MARKUP: .00
HOLD FEES:	FEE FREQ: M	INT FREE DAY: 30	COST MARKUP: .00
HOLD COSTS:	COST FREQ: M	FIXED COSTS: N	FIXED FEES:
TRUST RET ACCT: 11100	TRUST RETAIN: .00	ARRANGEMENT: H	CURRENCY: CAD
FEE TAX STATUS: HST			MAXIMUM BILLINGS:

General

Last Bill Date: 09/26/18

\*-----TIME ENTRIES-----\*

\*-----TAXABLE TIME ENTRIES-----\*

INDEX	INIT	DATE	STAT	WORKED		BILLED		CUMULATIVE	DESCRIPTION
				HOURS	AMOUNT	HOURS	AMOUNT		
601610	126 (SL )	07/03/18	B	.40	170.00	.38	161.50	161.50	To review of letters to Guelph Hydro and the City of Guelph re cash security; to e-mail correspondence to J. Berger enclosing our comments in connection therewith;
608220	147 (SPR)	08/29/18	B	.80	396.00	.40	198.00	359.50	Discussed matters with client; reviewed and drafted correspondence;
608231	147 (SPR)	08/30/18	B	.70	346.50	.35	173.25	532.75	Reviewed and commented on draft report; reviewed and drafted correspondence;
629498	147 (SPR)	03/18/19	B	1.00	525.00	1.00	525.00	1057.75	Discussed matters with Jeff Berger;

revised draft report;

TAXABLE FEE SUBTOTAL 1057.75

\*-----NON-TAXABLE TIME ENTRIES-----\*

INDEX	INIT	DATE	WORKED		BILLED		CUMULATIVE	DESCRIPTION
			STAT	HOURS	HOURS	AMOUNT		
			-----		-----			
			NON-TAXABLE FEE SUBTOTAL		.00			
			-----		-----			
			TOTAL FEES		1057.75			
			-----		-----			

\*-----COST ENTRIES-----\*

\*-----TAXABLE COST ENTRIES-----\*

INDEX	DATE	STAT	AMOUNT	SUM	DESCRIPTION	CODE	TKPER	VOUCHER
			-----					
Total Taxable Costs			.00					
			-----					

\*-----NON-TAXABLE COST ENTRIES-----\*

INDEX	DATE	STAT	AMOUNT	SUM	DESCRIPTION	CODE	TKPER	VOUCHER
			-----					
Total Non-Taxable Costs			.00					
			-----					
Total Costs			.00					
			=====					

BALANCE DUE FROM PREVIOUS STATEMENT	10371.11
LESS PAYMENT(S)	10371.11
BALANCE FORWARD	.00
TIMECARD SUB-TOTAL ( 2.13 )	1057.75
TAX ON FEES	137.51
NON-TAXABLE COSTS	.00
TAXABLE COSTS	.00
TOTAL COSTS	.00
TAX ON COSTS	.00
TOTAL TO BE BILLED	1195.26
TOTAL DUE	1195.26

THIS IS EXHIBIT "D" TO  
THE AFFIDAVIT OF HARVEY CHAITON  
SWORN BEFORE ME THIS 14<sup>th</sup>  
DAY OF AUGUST, 2019

A handwritten signature in blue ink, appearing to read "A. DeRube", is written above a horizontal line.

A Commissioner Etc.

**SUMMARY**

<b>Lawyer</b>	<b>Year of Call</b>	<b>Hours Billed</b>	<b>Hourly Rate</b>	<b>Amount Billed</b>
Harvey Chaiton	1982	12.54	\$695	\$8,713.50
Robert Miller	1984	3.45	\$640	\$2,208.00
Sam Rappos	2005	31.11	\$495	\$15,399.50
Sherri Lavine	2008	9.68	\$425	\$4,112.50
Alexandra Krancevic	2017	0.10	\$250	\$25.00
<b>Total Hours and Amounts Billed</b>		<b>56.88</b>		<b>\$30,458.50</b>
<b>Average Hourly Rate</b>			<b>\$535</b>	
<b>Total Costs</b>				<b>\$1,164.49</b>
<b>Total Taxes (HST)</b>				<b>\$4,067.37</b>
<b>TOTAL</b>				<b>\$35,690.36</b>

# TAB 3

Court File No. CV-17-587118-00CL

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

THE HONOURABLE ) MONDAY, THE 9<sup>th</sup>  
 )  
JUSTICE ) DAY OF SEPTEMBER, 2019  
 )

B E T W E E N:

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**DUNSIRE (LANDSDOWN) 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***

**DISCHARGE ORDER**

**THIS MOTION**, made by RSM Canada Limited (“**RSM**”) in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Dunsire Landsdown Inc. (the "**Debtor**"), for an order:

1. approving the activities of the Receiver as set out in the Second Report of the Receiver dated August 26, 2019 (the "**Second Report**") and the Supplement to the First Report dated May 22, 2018 (collectively, the "**Reports**");



2. approving the fees and disbursements of the Receiver and its counsel;
3. approving the Receiver's interim Statement of Receipts and Disbursements;
4. approving the distribution of the remaining proceeds available in the estate of the Debtor;
5. discharging RSM as Receiver of the undertaking, property and assets of the Debtor; and
6. releasing RSM from any and all liability, as set out in paragraph 6 of this Order,

was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Reports, the affidavits of the Receiver and its counsel as to fees appended to the Second Report (the "**Fee Affidavits**"), and on hearing the submissions of counsel for the Receiver and such other counsel listed on the Counsel Slip, no one else from the service list appearing although duly served as evidenced by the Affidavit of ● sworn August ●, 2019, filed;

1. **THIS COURT ORDERS** that the conduct and activities of the Receiver, as set out in the Reports, are hereby approved.
2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the Second Report and the Fee Affidavits, are hereby approved.
3. **THIS COURT ORDERS** that the interim Statement of Receipts and Disbursements attached as Appendix "I" to the Second Report is hereby approved.
4. **THIS COURT ORDERS** that, after payment of the fees and disbursements and costs and expenses of the receivership estate herein approved, the Receiver shall pay the monies remaining in its hands to FAAN Mortgage Administrators Inc.

5. **THIS COURT ORDERS** that upon payment of the amounts set out in paragraphs 3 and 4 hereof and upon the Receiver filing a certificate certifying that it has completed the other activities described in the Report, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of RSM Canada Limited in its capacity as Receiver.

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

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# TAB 4

Revised: May 11, 2010

Court File No. ~~\_\_\_\_\_~~ CV-17-587118-00CL

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

THE HONOURABLE ) ~~WEEKDAY~~ MONDAY, THE #9<sup>th</sup>  
 )  
 JUSTICE ) DAY OF ~~MONTH~~ SEPTEMBER, ~~20YR~~ 2019

B E T W E E N:

**PLAINTIFF**

Plaintiff

MARSHALLZEHR GROUP INC.Applicant

- and -

**DEFENDANT**

Defendant

DUNSIRE (LANDSDOWN) 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*

**DISCHARGE ORDER**

**THIS MOTION**, made by ~~[RECEIVER'S NAME]~~ RSM Canada Limited ("RSM") in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of ~~[DEBTOR]~~ Dunsire Landsdown Inc. (the "**Debtor**"), for an order:

- 2 -

1. approving the activities of the Receiver as set out in the ~~report~~Second Report of the Receiver dated ~~[DATE]~~(the "Report" August 26, 2019 (the "Second Report") and the Supplement to the First Report dated May 22, 2018 (collectively, the "Reports"));
2. approving the fees and disbursements of the Receiver and its counsel;
3. approving the Receiver's interim Statement of Receipts and Disbursements;
4. ~~3.~~ approving the distribution of the remaining proceeds available in the estate of the Debtor; ~~and~~
5. ~~4.~~ discharging ~~[RECEIVER'S NAME]~~RSM as Receiver of the undertaking, property and assets of the Debtor~~;~~ and
6. ~~5.~~ releasing ~~[RECEIVER'S NAME]~~RSM from any and all liability, as set out in paragraph ~~56~~56 of this Order~~;~~<sup>1</sup>,

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the ~~Report~~Reports, the affidavits of the Receiver and its counsel as to fees appended to the Second Report (the "**Fee Affidavits**"), and on hearing the submissions of counsel for the Receiver and such other counsel listed on the Counsel Slip, no one else from the service list appearing although duly served as evidenced by the Affidavit of ~~[NAME]~~[NAME]<sup>2</sup> sworn ~~[DATE]~~[DATE], August [DATE], 2019, filed<sup>2</sup>;

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

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

1. **THIS COURT ORDERS** that the conduct and activities of the Receiver, as set out in the ~~Report~~Reports, are hereby approved.
2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the Second Report and the Fee Affidavits, are hereby approved.
3. **THIS COURT ORDERS** that the interim Statement of Receipts and Disbursements attached as Appendix "I" to the Second Report is hereby approved.
4. **THIS COURT ORDERS that**, after payment of the fees and disbursements and costs and expenses of the receivership estate herein approved, the Receiver shall pay the monies remaining in its hands to ~~[NAME OF PARTY]~~<sup>3</sup> FAAN Mortgage Administrators Inc.
5. ~~4-~~ **THIS COURT ORDERS** that upon payment of the amounts set out in ~~paragraph 3~~ paragraphs 3 and 4 hereof ~~{and upon the Receiver filing a certificate certifying that it has completed the other activities described in the Report}~~, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of ~~[RECEIVER'S NAME]~~ RSM Canada Limited in its capacity as Receiver.
6. ~~5-~~ **THIS COURT ORDERS AND DECLARES** that ~~[RECEIVER'S NAME]~~ RSM is hereby released and discharged from any and all liability that ~~[RECEIVER'S NAME]~~ RSM now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of

~~[RECEIVER'S NAME]~~RSM while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, ~~[RECEIVER'S NAME]~~RSM is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.<sup>4</sup>

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

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

Document comparison by Workshare Compare on Monday, August 26, 2019  
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<b>Input:</b>	
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Document 2 ID	PowerDocs://DOCS/4562334/1
Description	DOCS-#4562334-v1-RSM/Dunsire_-_Order_dated_September_9,_2019
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Format changed	0
Total changes	127



MARSHALLZEHR GROUP INC.  
Applicant

-and-

DUNSIRE (LANDSDOWN) INC.  
Respondent  
Court File No. CV-17-587118-00CL

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

**PROCEEDING COMMENCED AT  
TORONTO**

**MOTION RECORD**  
(re discharge of Receiver and other relief)  
(returnable September 9, 2019)

**CHAITONS LLP**  
5000 Yonge Street, 10th Floor  
Toronto, Ontario M2N 7E9

**Sam Rappos (LSO No. 51399S)**  
Tel: (416) 218-1137  
Fax: (416) 218-1837  
E-mail: samr@chaitons.com

**Lawyers for RSM Canada Limited,  
Court-appointed Receiver**