Shea, Patrick

From: Shea, Patrick
Sent: August-08-14 5:30 PM
To: Peter Waldmann; Daniel Weisz; Bernie Romano (bernie@romanolaw.ca)
Subject: Re: PAC vs PATL - Re proposed election

I believe that any disputes of this nature should be brought before Mr Justice Myers. I will write to His Honour on Monday to request an appointment. I have Mr Waldmann's available dates. Can I please have dates from Mr Romano? The process should be one that will result in achieving the intent of His Honour's decision and it would be in everyone's best interests to have a meeting that is properly convened and conducted.

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Peter Waldmann
Sent: Friday, August 8, 2014 17:23
To: Daniel Weisz; Bernie Romano (bernie@romanolaw.ca)
Cc: Shea, Patrick
Subject: RE: PAC vs PATL - Re proposed election

I object to Mr Romano receiving this and being asked for comments until and unless he specifies for whom he is acting. As you know, his clients before the Honourable Justice Myers quit The Polish Alliance of Canada, and by necessity quit Branch 1-7 of the Polish Alliance of Canada, and the Court has so ruled.

Further, they are not eligible to reapply for membership by the Court Order, and so have no interest in this matter.

If they wish to take a position, it is my client's position they would have to bring a motion under the *Rules of Civil Procedure* for status to intervene.

However, if Mr Romano is representing someone other than the Defendants in the litigation, I would think he would have to disclose exactly whom he is representing, and if they are not parties to the litigation, he would have to seek intervener status for them, unless he is conflicted representing both the Defendants and these people, if they exist at all.

There is a rule in the Rule of Civil Procedure concerning this, and I will seek instructions whether I should serve the appropriate notice or demand on Mr Romano to advise at who his client may be, and if refused, to bring the appropriate motion to the Masters' court.

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Daniel Weisz [mailto:dweisz@collinsbarrow.com]
Sent: Friday, August 08, 2014 3:56 PM
To: Peter Waldmann; Bernie Romano (bernie@romanolaw.ca)

Cc: Shea, Patrick
Subject: PAC vs PATL - Re proposed election

Counsel,

As we have previously indicated to you, the Receiver is in the process of preparing its report to the Court. In that regard, we are taking this opportunity to forward to you at this time the portions of the report relating to the election referred to by the Court. As this document is still draft, the Receiver reserves the right to amend the attached paragraphs and to bring it current for matters that may arise between now and the finalization of the report.

The appendices being provided to you include the Receiver's analysis of the Membership Ledger and the handwritten list provided on June 20, 2014. If you require copies of the other appendices referred to in the draft report, please let us know and we will forward them to you.

We would ask that you review the schedules and advise us if you are aware of any factual inaccuracies contained therein, particularly with respect to the comments attributed to Mr. Waldmann's schedules (by Mr. Waldmann) and the list provided on June 20 , 2014 (by Mr. Romano).

Mr. Romano, you will note that the draft report presently references your correspondence to the Receiver dated July 25, 2014 which was sent "without prejudice". We request that you advise whether the Receiver may include that letter in the Receiver's report.

Thank you,

Danny

Daniel Weisz, *Senior Vice-President* | **Collins Barrow Toronto Limited**
T: 416-646-8778 F: 416-480-2646 E: dweisz@collinsbarrow.com
11 King St. W., Suite 700, Box 27, Toronto, Ontario, Canada, M5H 4C7

An independent member of Baker Tilly International

Connect with me on LinkedIn: http://ca.linkedin.com/in/danielweisz

Shea, Patrick

From: Shea, Patrick
Sent: August-08-14 4:23 PM
To: 'Peter Waldmann'
Cc: Daniel Weisz
Subject: RE: PAC vs PATL et al

There is no issue with a response on Monday.

This is not really intended to be adversarial process. We simply want to be copied on correspondence directly to our client, particularly given some of the assertions you have been making of late.

I am, frankly, not sure of the relevance of the comment re Gowlings and I'm sure you think that it is some coy threat, but I have no idea what you mean and would prefer a more direct, and constructive, approach to dealing with issues. I'm afraid that I am but a simple insolvency lawyer and am not able to master the nuances of expression employed by experienced litigators.

Thank you and have a good weekend.

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: August-08-14 3:20 PM
To: Shea, Patrick
Cc: Daniel Weisz
Subject: RE: PAC vs PATL et al

Mr Shea,

Given your remarks, and the position you have taken, I will have to respond by Monday as I am involved in an important and urgent matter today, which does not involve your client.

I have used up my time to write my letter to the Receiver Collins Barrow, as I had indicated earlier I would provide. I regret being sidetracked by your expressed concerns, but I will have to also send my letter concerning use of the Lakeshore Property of my client's company, Polish Assocation of Toronto Limited, for Friday, August 29, 2014. However, I trust the weekend can pass without the Receiver being overwhelmed by demands to use one room of the Lakeshore Property, and the booking can be kept on hold until then. I regret having to take up your time, which no doubt you will attempt to bill the Receiver, who in turn will attempt to pass on to us. However, I have had dealings with Gowlings before, and appreciate the difficulty you may be in.

So, my apologies for not being able to get my letter to you, particularly as I now have to get further instructions from my client given the positions you have taken. However, I will give you my best efforts to send the Receiver a letter by Monday, April 11th.

I trust the above will be satisfactory.

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue

Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Friday, August 08, 2014 2:27 PM
To: Peter Waldmann
Cc: Daniel Weisz
Subject: RE: PAC vs PATL et al

Mr. Waldman, you do not need to turn everything into a battle. We are not alleging that you have breach professional ethics. Your correspondence with our client has become extremely aggressive and accusatory. We asked you to copy us on your correspondence with our client and you refused to do so. We pointed out that the Rules, in fact, require that you not communicate directly with our client. You questions whether such a Rule existed indicating that you reviewed the Rules only 3 weeks ago and are now asking that we point out the specific Rule that is applicable. I'm sure you just missed it when you reviewed the Rules 3 weeks ago or perhaps your copy of the Rules is not complete. The Rule is 6.03(7), which was last amended in September of 2011. It provides:

*(7) Subject to subrules (7.1) and (8), if a person is represented by a legal practitioner in respect of a matter, a lawyer **shall not, except through or with the consent of the legal practitioner,***

*(a) **approach or communicate or deal with the person on the matter**, or*

(b) attempt to negotiate or compromise the matter directly with the person. (emphasis added)

The commentary to Sub-Rule 7 reads, in part:

***Subrule (7) applies to communications with any person, whether or not a party to a formal adjudicative proceeding, contract, or negotiation, who is represented by a legal practitioner concerning the matter to which the communication relates**. A lawyer may communicate with a represented person concerning matters outside the representation. This subrule does not prevent parties to a matter from communicating directly with each other.*

The prohibition on communications with a represented person applies only where the lawyer knows that the person is represented in the matter to be discussed. This means that the lawyer has actual knowledge of the fact of the representation, but actual knowledge may be inferred from the circumstances. This inference may arise where there is substantial reason to believe that the person with whom communication is sought is represented in the matter to be discussed. Thus, a lawyer cannot evade the requirement of obtaining the consent of the other legal practitioner by closing his or her eyes to the obvious. (emphasis added)

The Rue appears to be fairly well-known by practitioners. I am asking you, as a condition of communicating directly with our client the Receiver, that you copy us on any correspondence. Consider it a condition imposed by us to our consent to any direct communications as is required by 6.03(7) or a professional courtesy. That is, in my experience, the standard practice in situations involving receivers and trustees – direct communication with respect to non-contentious matters is undertaken, but the Receiver's counsel is copied.

I trust that the foregoing is satisfactory. I believe that an apology would be appropriate.

E. Patrick Shea
Partner

416-369-7399
gowlings.com

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: August-08-14 2:02 PM
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

Please identify what specific part of the rule and the exact part of its wording that you are relying upon so that we can inform the Court accurately about our dispute over your allegation of breach of professional ethics.

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Friday, August 08, 2014 12:49 PM
To: Peter Waldmann
Cc: Daniel Weisz
Subject: Re: PAC vs PATL et al

Thank you very much. I was referring to the Rule that requires that lawyers not communicate directly with represented clients. We will ensure that the Court is made fully aware of our e-mail exchange.

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Peter Waldmann
Sent: Friday, August 8, 2014 12:43
To: Shea, Patrick
Cc: Daniel Weisz
Subject: RE: PAC vs PATL et al

Mr Shea,

I doubt the *Rules of Professional Conduct* prohibit me from contacting the Receiver of my client's property and the receiver of my client's members directly.

If you are aware of any such rule, please either send me the number of it, or a copy of it, and whether it was passed by Convocation within the last 3 weeks, since that was the last time I looked.

I have not threatened litigation, and it is perverse of you to suggest I did. I indicated we were not happy with the Receiver's bill. I indicated if the Receiver wishes to add your bill to his bill and then require or expect my client to pay it, we would likely assess it, as we are entitled to under the Solicitors Act, and which your professional responsibility under the Rules of Professional Conduct impliedly is to do everything you can to facilitate any such assessment. An assessment is not in my book "litigation", however, some may consider it so. I still think your use in this context of the expression is wrong-headed, aggressive, defensive and inappropriate given your role as a lawyer advising the Receiver, whose fiduciary obligations are directed towards my clients and my clients' members.

The Receiver is free to consult you as he wishes. If the Receiver chooses to initiate litigation, then your comments may be more apt. To date, I am not aware that the Receiver has done much towards considering he uses such powers as he has in the act. To my information, the Receiver has not even collected The Polish Alliance of Canada or the Branch 1-7 of the Polish Alliance of Canada's property and documents which it just took a look at in Mr Romano's office and did not seize. Of course, I am not referring to Minute Book which is being held on Mr Romano's undertaking to the Court, which I would expect to be excepted from this. But why the Receiver is delict in his duties by leaving all these documents in the possession of the Defendants, is beyond me and your client's explanation, not yours, would be requested.

It is only for the request in the last sentence that I am copying Mr Weisz.

Once the Receiver commences an action, then I would accept that I should communicate with you. Until then, I will only do so when instructed by my client in order to minimize any legal fees from Gowliings.

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

This message is confidential and may be solicitor-client privileged. If you receive it by mistake, please contact us.

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Friday, August 08, 2014 10:10 AM
To: Peter Waldmann
Cc: Daniel Weisz
Subject: RE: PAC vs PATL et al

Thank you very much for your e-mail;

We are counsel to the Receiver and it would be normal for counsel to at least copy counsel the Receiver, particularly given your threats of litigation. I believe, in fact, that the Rules of Professional Conduct basically prohibit you from communicating directly with our client. It is, of course, common practice in receivership proceedings for counsel to communicate directly with the receiver, but I have, frankly, never encountered a situation where counsel, particularly counsel making adverse assertions against the receiver, has refused to at least copy counsel on correspondence. We will include your e-mails in our Report to the Court to ensure His Honour is fully aware of the situation vis-à-vis your client and the issues it appears to have with the Receiver..

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Peter Waldmann [mailto:peter@peterwaldmann.com]
Sent: August-08-14 9:59 AM
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

Mr Shea,

I appreciate your response. However, I do not intend to copy to your office and unnecessarily cause you to docket a "0.1" to reading my letter to your client.

If the Receiver needs your advice, then it is up to him to seek it. He can forward my email to you without increasing his "0.1" time spent in reading my letter to him. However, I will send him both a faxed and pdf emailed version, so his work in forwarding my letter to you, should he require your legal assistance in reading it and interpreting it, will only involve 1 or 2 extra pushes on his keyboard.

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Friday, August 08, 2014 9:37 AM
To: Peter Waldmann
Cc: Daniel Weisz; Shea, Patrick
Subject: RE: PAC vs PATL et al

Thank you for your e-mail and we look forward to seeing your letter. You may direct all correspondence to the Receiver, but we would ask that you copy our office.

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: August-08-14 9:19 AM
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

Patrick,

You are free to do what you consider to be in your client, the Receiver's best interest in light of the Receiver's specific responsibilities under the June 20, 2014 Order of Justice Myer for which the Defendants are seeking Leave to Appeal in October to Division Court.

However, if you are setting a date, please note that my calendar does not make me available on the following dates in August: 11th, 12th, 13th, 14th, 15th, 18th, 19th, 20th, 22nd, 25th, and 28th. I am available all other dates in August.

My client reserves the right to seek costs of any such hearing against the Receiver, if it considers it appropriate. My client also reserves the right to seek an Assessment of Gowlings' account pursuant to its rights under the Solicitors Act, if any accounts are rendered by Gowlings to the Receiver, if the Receiver at any point seeks reimbursement of any part of such costs from The Polish Alliance of Canada.

Given you or your client have failed to disclose anything to date about the Receivers activities up until now, except for providing us with the Membership Ledger found on the Lakeshore premises, and what exegesis we can draw from the Receiver's invoices, which I have indicated to both yourself and Danny Weisz we consider to be excessive and which we have had minimal explanation of the reasons for the time spent in having discussions, for example, with Richard Rusek who has not been a member of The Polish Alliance of Canada or Branch 1-7 of The Polish Alliance of Canada since the year 2000 and for some reason is present either in the capacity of trespasser or in the capacity of an associate or lawyer

for Mr Romano's clients who you are aware are also not members of The Polish Alliance of Canada or of my client's Branch 1-7 of The Polish Alliance of Canada, whose presence at the Lakeshore Premises is also unexplained to us by you, my clients are concerned they are being charged for time spent which your client should be charging to the non-member Defendants.

I confirm my request to you and Danny Weisz in our conference call yesterday by The Polish Alliance of Canada for use of the Lakeshore Premises between 10am and 4pm on Friday, August 29, 2014. You requested I write you a letter explaining our specific need for the Premises. I will send such a letter to you later today, as per your request. Please advise whether it should be addressed to you or to Collins Barrow, since you are not the Receiver and this type of request I would think would ordinarily be directed to the Receiver and not require the Receiver to incur unnecessarily legal expenses which it may in the future attempt to foist on my client. Please note that the Receiver does not have a blank cheque to spend money on legal fees which it may pass on to others.

My understanding is that the Lakeshore Premises are not booked by any other tenant for Friday, August 29, 2014 between 10am and 3pm, and that in any event we would only require one room, and it is not conceivable that the entire building is rented or committed to any activities.

I note we have received no information from the Receiver to date as to the amount or source of rental income, bank funds or other monies the Receiver has received from the subject properties since June 20, 2014.

We are aware that the property, at least in part, has apparently been rented to a commercial movie company. We are not aware of what company, and who did the arrangements. We note this only because the movie company vehicles were seen by some of our members in good standing occupying the parking areas.

I note that you and Danny Weisz agreed that some representatives of my client may attend for 2 days at the Lakeshore Premises to inspect and review the documentation there. It is was agreed that nothing would be taken, but that we would be at liberty to take copies of any documents we would wish to copy. This would be unintrusive, since copies would likely be taken simply by cell-phone pictures and require no equipment.

Would Monday, August 11, 2014 and Tuesday, August 12, 2014 between 10 am and 5 pm be convenient? If not, please suggest alternative times or dates next week.

I also note my request that you do not need to send any person from the Receiver's office to supervise this inspection, but it would be sufficient to send whoever in the Receiver's office would be at the lowest hourly rate, like an intern or student, since their only responsibility would be to ensure no property or documents are being removed.

Your earliest response would be appreciated.

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Thursday, August 07, 2014 3:39 PM
To: Peter Waldmann
Subject: Re: PAC vs PATL et al

As per our discussion, I would like to write to His Honour and request an appointment with him this month. Do you have any objection?

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Peter Waldmann
Sent: Thursday, August 7, 2014 13:50
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

Okay, that's fine. But, when do you plan to call me, per your earlier message?

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Thursday, August 07, 2014 1:50 PM
To: Peter Waldmann
Subject: RE: PAC vs PATL et al

Sorry Peter. I meant to ask Danny to meet me at my office.....

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: August-07-14 1:48 PM
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

You mean in 15 minutes from now? Make it 40 minutes and I can get there, since I'm in the middle of something. What floor are you on?

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Thursday, August 07, 2014 1:47 PM
To: Daniel Weisz; Peter Waldmann
Subject: RE: PAC vs PATL et al

Can you come over here at 1400? I have to stick close in case there are issues with filing the materials.....

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Daniel Weisz [mailto:dweisz@collinsbarrow.com]
Sent: August-07-14 9:22 AM
To: Peter Waldmann
Cc: Shea, Patrick
Subject: RE: PAC vs PATL et al

Peter,

Thank you for your e-mail.

I am meeting Patrick this afternoon to discuss the file and our draft report.

I suggest that we call you later today to let you know where we are at, and to get an understanding of the questions your client wishes to explore with us.

We will call you at your office unless you want us to call you at a different number. Let me know.

Thanks,

Danny

Daniel Weisz, *Senior Vice-President* | Collins Barrow Toronto Limited
T: 416-646-8778 F: 416-480-2646 E: dweisz@collinsbarrow.com
11 King St. W., Suite 700, Box 27, Toronto, Ontario, Canada, M5H 4C7

An independent member of Baker Tilly International

Connect with me on LinkedIn: http://ca.linkedin.com/in/danielweisz

From: Peter Waldmann [mailto:peter@peterwaldmann.com]
Sent: Wednesday, August 06, 2014 10:03 PM
To: Daniel Weisz
Subject: RE: PAC vs PATL et al
Importance: High

Hello Danny,

My clients have a number of questions which they would like me to explore with you.

When is it convenient for me to come down and meet with you and your assistant at your King St. West offices? Is sometime tomorrow or Friday possible? Any time during the day between 10 am and 7 pm. At this point my calendar is free except for tomorrow morning at 9 am and Friday morning at 9 am.

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Daniel Weisz [mailto:dweisz@collinsbarrow.com]
Sent: Wednesday, July 30, 2014 11:38 AM
To: Peter Waldmann; Bernie Romano (bernie@romanolaw.ca)
Cc: Shea, Patrick
Subject: PAC vs PATL et al

Peter/Bernie,

I am writing to let you know that Patrick is out of the country this week and will respond next week to the various correspondence you forwarded to him last week.

Please note also that our two accounts rendered to date do not appear to have been paid, and refer to the June 20, 2014 Court Order which states that our accounts are to be paid forthwith. We therefore request that payment of those accounts be made to us.

Thank you,

Danny

Daniel Weisz, *Senior Vice-President* | Collins Barrow Toronto Limited
T: 416-646-8778 F: 416-480-2646 E: dweisz@collinsbarrow.com
11 King St. W., Suite 700, Box 27, Toronto, Ontario, Canada, M5H 4C7

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An independent member of Baker Tilly International

Connect with me on LinkedIn: http://ca.linkedin.com/in/danielweisz

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Shea, Patrick

From: Shea, Patrick
Sent: August-08-14 2:27 PM
To: 'Peter Waldmann'
Cc: 'Daniel Weisz'
Subject: RE: PAC vs PATL et al

Mr. Waldman, you do not need to turn everything into a battle. We are not alleging that you have breach professional ethics. Your correspondence with our client has become extremely aggressive and accusatory. We asked you to copy us on your correspondence with our client and you refused to do so. We pointed out that the Rules, in fact, require that you not communicate directly with our client. You questions whether such a Rule existed indicating that you reviewed the Rules only 3 weeks ago and are now asking that we point out the specific Rule that is applicable. I'm sure you just missed it when you reviewed the Rules 3 weeks ago or perhaps your copy of the Rules is not complete. The Rule is 6.03(7), which was last amended in September of 2011. It provides:

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*(a) **approach or communicate or deal with the person on the matter**, or*

(b) attempt to negotiate or compromise the matter directly with the person. (emphasis added)

The commentary to Sub-Rule 7 reads, in part:

***Subrule (7) applies to communications with any person, whether or not a party to a formal adjudicative proceeding, contract, or negotiation, who is represented by a legal practitioner concerning the matter to which the communication relates**. A lawyer may communicate with a represented person concerning matters outside the representation. This subrule does not prevent parties to a matter from communicating directly with each other.*

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The Rue appears to be fairly well-known by practitioners. I am asking you, as a condition of communicating directly with our client the Receiver, that you copy us on any correspondence. Consider it a condition imposed by us to our consent to any direct communications as is required by 6.03(7) or a professional courtesy. That is, in my experience, the standard practice in situations involving receivers and trustees – direct communication with respect to non-contentious matters is undertaken, but the Receiver's counsel is copied.

I trust that the foregoing is satisfactory. I believe that an apology would be appropriate.

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Peter Waldmann [mailto:peter@peterlwaldmann.com]
Sent: August-08-14 2:02 PM
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

Please identify what specific part of the rule and the exact part of its wording that you are relying upon so that we can inform the Court accurately about our dispute over your allegation of breach of professional ethics.

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Friday, August 08, 2014 12:49 PM
To: Peter Waldmann
Cc: Daniel Weisz
Subject: Re: PAC vs PATL et al

Thank you very much. I was referring to the Rule that requires that lawyers not communicate directly with represented clients. We will ensure that the Court is made fully aware of our e-mail exchange.

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Peter Waldmann
Sent: Friday, August 8, 2014 12:43
To: Shea, Patrick
Cc: Daniel Weisz
Subject: RE: PAC vs PATL et al

Mr Shea,

I doubt the *Rules of Professional Conduct* prohibit me from contacting the Receiver of my client's property and the receiver of my client's members directly.

If you are aware of any such rule, please either send me the number of it, or a copy of it, and whether it was passed by Convocation within the last 3 weeks, since that was the last time I looked.

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Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Friday, August 08, 2014 10:10 AM
To: Peter Waldmann
Cc: Daniel Weisz
Subject: RE: PAC vs PATL et al

Thank you very much for your e-mail;

We are counsel to the Receiver and it would be normal for counsel to at least copy counsel the Receiver, particularly given your threats of litigation. I believe, in fact, that the Rules of Professional Conduct basically prohibit you from communicating directly with our client. It is, of course, common practice in receivership proceedings for counsel to communicate directly with the receiver, but I have, frankly, never encountered a situation where counsel, particularly counsel making adverse assertions against the receiver, has refused to at least copy counsel on correspondence. We will include your e-mails in our Report to the Court to ensure His Honour is fully aware of the situation vis-à-vis your client and the issues it appears to have with the Receiver..

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: August-08-14 9:59 AM
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

Mr Shea,

I appreciate your response. However, I do not intend to copy to your office and unnecessarily cause you to docket a "0.1" to reading my letter to your client.

If the Receiver needs your advice, then it is up to him to seek it. He can forward my email to you without increasing his "0.1" time spent in reading my letter to him. However, I will send him both a faxed and pdf emailed version, so his work in forwarding my letter to you, should he require your legal assistance in reading it and interpreting it, will only involve 1 or 2 extra pushes on his keyboard.

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From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
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However, if you are setting a date, please note that my calendar does not make me available on the following dates in August: 11th, 12th, 13th, 14th, 15th, 18th, 19th, 20th, 22nd, 25th, and 28th. I am available all other dates in August.

My client reserves the right to seek costs of any such hearing against the Receiver, if it considers it appropriate. My client also reserves the right to seek an Assessment of Gowlings' account pursuant to its rights under the Solicitors Act, if any accounts are rendered by Gowlings to the Receiver, if the Receiver at any point seeks reimbursement of any part of such costs from The Polish Alliance of Canada.

Given you or your client have failed to disclose anything to date about the Receivers activities up until now, except for providing us with the Membership Ledger found on the Lakeshore premises, and what exegesis we can draw from the Receiver's invoices, which I have indicated to both yourself and Danny Weisz we consider to be excessive and which we have had minimal explanation of the reasons for the time spent in having discussions, for example, with Richard Rusek who has not been a member of The Polish Alliance of Canada or Branch 1-7 of The Polish Alliance of Canada since the year 2000 and for some reason is present either in the capacity of trespasser or in the capacity of an associate or lawyer for Mr Romano's clients who you are aware are also not members of The Polish Alliance of Canada or of my client's Branch 1-7 of The Polish Alliance of Canada, whose presence at the Lakeshore Premises is also unexplained to us by you, my clients are concerned they are being charged for time spent which your client should be charging to the non-member Defendants.

I confirm my request to you and Danny Weisz in our conference call yesterday by The Polish Alliance of Canada for use of the Lakeshore Premises between 10am and 4pm on Friday, August 29, 2014. You requested I write you a letter explaining our specific need for the Premises. I will send such a letter to you later today, as per your request. Please advise whether it should be addressed to you or to Collins Barrow, since you are not the Receiver and this type of request I would think would ordinarily be directed to the Receiver and not require the Receiver to incur unnecessarily legal expenses which it may in the future attempt to foist on my client. Please note that the Receiver does not have a blank cheque to spend money on legal fees which it may pass on to others.

My understanding is that the Lakeshore Premises are not booked by any other tenant for Friday, August 29, 2014 between 10am and 3pm, and that in any event we would only require one room, and it is not conceivable that the entire building is rented or committed to any activities.

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We are aware that the property, at least in part, has apparently been rented to a commercial movie company. We are not aware of what company, and who did the arrangements. We note this only because the movie company vehicles were seen by some of our members in good standing occupying the parking areas.

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Sent from my BlackBerry 10 smartphone on the Bell network.

From: Peter Waldmann
Sent: Thursday, August 7, 2014 13:50
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

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Subject: RE: PAC vs PATL et al

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I am meeting Patrick this afternoon to discuss the file and our draft report.

I suggest that we call you later today to let you know where we are at, and to get an understanding of the questions your client wishes to explore with us.

We will call you at your office unless you want us to call you at a different number. Let me know.

Thanks,

Danny

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T: 416-646-8778 F: 416-480-2646 E: dweisz@collinsbarrow.com
11 King St. W., Suite 700, Box 27, Toronto, Ontario, Canada, M5H 4C7

An independent member of Baker Tilly International

Connect with me on LinkedIn: http://ca.linkedin.com/in/danielweisz

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: Wednesday, August 06, 2014 10:03 PM
To: Daniel Weisz
Subject: RE: PAC vs PATL et al
Importance: High

Hello Danny,

My clients have a number of questions which they would like me to explore with you.

When is it convenient for me to come down and meet with you and your assistant at your King St. West offices? Is sometime tomorrow or Friday possible? Any time during the day between 10 am and 7 pm. At this point my calendar is free except for tomorrow morning at 9 am and Friday morning at 9 am.

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From: Daniel Weisz [mailto:dweisz@collinsbarrow.com]
Sent: Wednesday, July 30, 2014 11:38 AM
To: Peter Waldmann; Bernie Romano (bernie@romanolaw.ca)
Cc: Shea, Patrick
Subject: PAC vs PATL et al

Peter/Bernie,

I am writing to let you know that Patrick is out of the country this week and will respond next week to the various correspondence you forwarded to him last week.

Please note also that our two accounts rendered to date do not appear to have been paid, and refer to the June 20, 2014 Court Order which states that our accounts are to be paid forthwith. We therefore request that payment of those accounts be made to us.

Thank you,

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224

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Information contained in this communication, unless expressly stated otherwise, is not intended or written to be used as tax advice. Any tax advice expressly stated as such herein is based on the facts provided to us either verbally or in writing and on current tax law including judicial and administrative interpretation. Tax law is subject to continual change, at times on a retroactive basis and may result in additional taxes, interest or penalties. Should the facts communicated to us be incorrect or incomplete or should the law or its interpretation change, our advice may be inappropriate. We are not responsible for updating our advice for changes in law or interpretation after the date hereof.

Shea, Patrick

From: Peter Waldmann [peter@peteriwaldmann.com]
Sent: August-08-14 2:02 PM
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

Please identify what specific part of the rule and the exact part of its wording that you are relying upon so that we can inform the Court accurately about our dispute over your allegation of breach of professional ethics.

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From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
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To: Peter Waldmann
Cc: Daniel Weisz
Subject: Re: PAC vs PATL et al

Thank you very much. I was referring to the Rule that requires that lawyers not communicate directly with represented clients. We will ensure that the Court is made fully aware of our e-mail exchange.

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Peter Waldmann
Sent: Friday, August 8, 2014 12:43
To: Shea, Patrick
Cc: Daniel Weisz
Subject: RE: PAC vs PATL et al

Mr Shea,

I doubt the *Rules of Professional Conduct* prohibit me from contacting the Receiver of my client's property and the receiver of my client's members directly.

If you are aware of any such rule, please either send me the number of it, or a copy of it, and whether it was passed by Convocation within the last 3 weeks, since that was the last time I looked.

I have not threatened litigation, and it is perverse of you to suggest I did. I indicated we were not happy with the Receiver's bill. I indicated if the Receiver wishes to add your bill to his bill and then require or expect my client to pay it, we would likely assess it, as we are entitled to under the Solicitors Act, and which your professional responsibility under the Rules of Professional Conduct impliedly is to do everything you can to facilitate any such assessment. An assessment is not in my book "litigation", however, some may consider it so. I still think your use in this context of the expression is

wrong-headed, aggressive, defensive and inappropriate given your role as a lawyer advising the Receiver, whose fiduciary obligations are directed towards my clients and my clients' members.

The Receiver is free to consult you as he wishes. If the Receiver chooses to initiate litigation, then your comments may be more apt. To date, I am not aware that the Receiver has done much towards considering he uses such powers as he has in the act. To my information, the Receiver has not even collected The Polish Alliance of Canada or the Branch 1-7 of the Polish Alliance of Canada's property and documents which it just took a look at in Mr Romano's office and did not seize. Of course, I am not referring to Minute Book which is being held on Mr Romano's undertaking to the Court, which I would expect to be excepted from this. But why the Receiver is delict in his duties by leaving all these documents in the possession of the Defendants, is beyond me and your client's explanation, not yours, would be requested.

It is only for the request in the last sentence that I am copying Mr Weisz.

Once the Receiver commences an action, then I would accept that I should communicate with you. Until then, I will only do so when instructed by my client in order to minimize any legal fees from Gowliings.

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333

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This message is confidential and may be solicitor-client privileged. If you receive it by mistake, please contact us.

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We are counsel to the Receiver and it would be normal for counsel to at least copy counsel the Receiver, particularly given your threats of litigation. I believe, in fact, that the Rules of Professional Conduct basically prohibit you from communicating directly with our client. It is, of course, common practice in receivership proceedings for counsel to communicate directly with the receiver, but I have, frankly, never encountered a situation where counsel, particularly counsel making adverse assertions against the receiver, has refused to at least copy counsel on correspondence. We will include your e-mails in our Report to the Court to ensure His Honour is fully aware of the situation vis-à-vis your client and the issues it appears to have with the Receiver..

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: August-08-14 9:59 AM
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

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Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

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From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Friday, August 08, 2014 9:37 AM
To: Peter Waldmann
Cc: Daniel Weisz; Shea, Patrick
Subject: RE: PAC vs PATL et al

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Thanks,

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11 King St. W., Suite 700, Box 27, Toronto, Ontario, Canada, M5H 4C7

An independent member of Baker Tilly International

Connect with me on LinkedIn: http://ca.linkedin.com/in/danielweisz

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: Wednesday, August 06, 2014 10:03 PM
To: Daniel Weisz
Subject: RE: PAC vs PATL et al
Importance: High

Hello Danny,

My clients have a number of questions which they would like me to explore with you.

When is it convenient for me to come down and meet with you and your assistant at your King St. West offices? Is sometime tomorrow or Friday possible? Any time during the day between 10 am and 7 pm. At this point my calendar is free except for tomorrow morning at 9 am and Friday morning at 9 am.

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From: Daniel Weisz [mailto:dweisz@collinsbarrow.com]
Sent: Wednesday, July 30, 2014 11:38 AM
To: Peter Waldmann; Bernie Romano (bernie@romanolaw.ca)
Cc: Shea, Patrick
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Peter/Bernie,

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Information contained in this communication, unless expressly stated otherwise, is not intended or written to be used as tax advice. Any tax advice expressly stated as such herein is based on the facts provided to us either verbally or in writing and on current tax law including judicial and administrative interpretation. Tax law is subject to continual change, at times on a retroactive basis and may result in additional taxes, interest or penalties. Should the facts communicated to us be incorrect or incomplete or should the law or its interpretation change, our advice may be inappropriate. We are not responsible for updating our advice for changes in law or interpretation after the date hereof.

Shea, Patrick

From: Shea, Patrick
Sent: August-08-14 10:10 AM
To: 'Peter Waldmann'
Cc: 'Daniel Weisz'
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From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Thursday, August 07, 2014 1:50 PM
To: Peter Waldmann
Subject: RE: PAC vs PATL et al

Sorry Peter. I meant to ask Danny to meet me at my office.....

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: August-07-14 1:48 PM
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

You mean in 15 minutes from now? Make it 40 minutes and I can get there, since I'm in the middle of something. What floor are you on?

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Thursday, August 07, 2014 1:47 PM
To: Daniel Weisz; Peter Waldmann
Subject: RE: PAC vs PATL et al

Can you come over here at 1400? I have to stick close in case there are issues with filing the materials.....

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Daniel Weisz [mailto:dweisz@collinsbarrow.com]
Sent: August-07-14 9:22 AM
To: Peter Waldmann
Cc: Shea, Patrick
Subject: RE: PAC vs PATL et al

Peter,

Thank you for your e-mail.

I am meeting Patrick this afternoon to discuss the file and our draft report.

I suggest that we call you later today to let you know where we are at, and to get an understanding of the questions your client wishes to explore with us.

We will call you at your office unless you want us to call you at a different number. Let me know.

Thanks,

Danny

Daniel Weisz, *Senior Vice-President* | Collins Barrow Toronto Limited
T: 416-646-8778 F: 416-480-2646 E: dweisz@collinsbarrow.com
11 King St. W., Suite 700, Box 27, Toronto, Ontario, Canada, M5H 4C7

An independent member of Baker Tilly International

Connect with me on LinkedIn: http://ca.linkedin.com/in/danielweisz

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: Wednesday, August 06, 2014 10:03 PM
To: Daniel Weisz
Subject: RE: PAC vs PATL et al
Importance: High

Hello Danny,

My clients have a number of questions which they would like me to explore with you.

When is it convenient for me to come down and meet with you and your assistant at your King St. West offices? Is sometime tomorrow or Friday possible? Any time during the day between 10 am and 7 pm. At this point my calendar is free except for tomorrow morning at 9 am and Friday morning at 9 am.

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Daniel Weisz [mailto:dweisz@collinsbarrow.com]
Sent: Wednesday, July 30, 2014 11:38 AM
To: Peter Waldmann; Bernie Romano (bernie@romanolaw.ca)
Cc: Shea, Patrick
Subject: PAC vs PATL et al

Peter/Bernie,

I am writing to let you know that Patrick is out of the country this week and will respond next week to the various correspondence you forwarded to him last week.

Please note also that our two accounts rendered to date do not appear to have been paid, and refer to the June 20, 2014 Court Order which states that our accounts are to be paid forthwith. We therefore request that payment of those accounts be made to us.

Thank you,

Danny

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Connect with me on LinkedIn: http://ca.linkedin.com/in/danielweisz

Shea, Patrick

From: Shea, Patrick
Sent: August-08-14 9:37 AM
To: Peter Waldmann
Cc: Daniel Weisz; Shea, Patrick
Subject: RE: PAC vs PATL et al

Thank you for your e-mail and we look forward to seeing your letter. You may direct all correspondence to the Receiver, but we would ask that you copy our office.

E. Patrick Shea
Partner
416-369-7399
gowlings.com

From: Peter Waldmann [mailto:peter@peteriwaldmann.com]
Sent: August-08-14 9:19 AM
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

Patrick,

You are free to do what you consider to be in your client, the Receiver's best interest in light of the Receiver's specific responsibilities under the June 20, 2014 Order of Justice Myer for which the Defendants are seeking Leave to Appeal in October to Division Court.

However, if you are setting a date, please note that my calendar does not make me available on the following dates in August: 11th, 12th, 13th, 14th, 15th, 18th, 19th, 20th, 22nd, 25th, and 28th. I am available all other dates in August.

My client reserves the right to seek costs of any such hearing against the Receiver, if it considers it appropriate. My client also reserves the right to seek an Assessment of Gowlings' account pursuant to its rights under the Solicitors Act, if any accounts are rendered by Gowlings to the Receiver, if the Receiver at any point seeks reimbursement of any part of such costs from The Polish Alliance of Canada.

Given you or your client have failed to disclose anything to date about the Receivers activities up until now, except for providing us with the Membership Ledger found on the Lakeshore premises, and what exegesis we can draw from the Receiver's invoices, which I have indicated to both yourself and Danny Weisz we consider to be excessive and which we have had minimal explanation of the reasons for the time spent in having discussions, for example, with Richard Rusek who has not been a member of The Polish Alliance of Canada or Branch 1-7 of The Polish Alliance of Canada since the year 2000 and for some reason is present either in the capacity of trespasser or in the capacity of an associate or lawyer for Mr Romano's clients who you are aware are also not members of The Polish Alliance of Canada or of my client's Branch 1-7 of The Polish Alliance of Canada, whose presence at the Lakeshore Premises is also unexplained to us by you, my clients are concerned they are being charged for time spent which your client should be charging to the non-member Defendants.

I confirm my request to you and Danny Weisz in our conference call yesterday by The Polish Alliance of Canada for use of the Lakeshore Premises between 10am and 4pm on Friday, August 29, 2014. You requested I write you a letter explaining our specific need for the Premises. I will send such a letter to you later today, as per your request. Please advise whether it should be addressed to you or to Collins Barrow, since you are not the Receiver and this type of request I would think would ordinarily be directed to the Receiver and not require the Receiver to incur unnecessarily legal expenses which it may in the future attempt to foist on my client. Please note that the Receiver does not have a blank cheque to spend money on legal fees which it may pass on to others.

My understanding is that the Lakeshore Premises are not booked by any other tenant for Friday, August 29, 2014 between 10am and 3pm, and that in any event we would only require one room, and it is not conceivable that the entire building is rented or committed to any activities.

I note we have received no information from the Receiver to date as to the amount or source of rental income, bank funds or other monies the Receiver has received from the subject properties since June 20, 2014.

We are aware that the property, at least in part, has apparently been rented to a commercial movie company. We are not aware of what company, and who did the arrangements. We note this only because the movie company vehicles were seen by some of our members in good standing occupying the parking areas.

I note that you and Danny Weisz agreed that some representatives of my client may attend for 2 days at the Lakeshore Premises to inspect and review the documentation there. It is was agreed that nothing would be taken, but that we would be at liberty to take copies of any documents we would wish to copy. This would be unintrusive, since copies would likely be taken simply by cell-phone pictures and require no equipment.

Would Monday, August 11, 2014 and Tuesday, August 12, 2014 between 10 am and 5 pm be convenient? If not, please suggest alternative times or dates next week.

I also note my request that you do not need to send any person from the Receiver's office to supervise this inspection, but it would be sufficient to send whoever in the Receiver's office would be at the lowest hourly rate, like an intern or student, since their only responsibility would be to ensure no property or documents are being removed.

Your earliest response would be appreciated.

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Shea, Patrick [mailto:Patrick.Shea@gowlings.com]
Sent: Thursday, August 07, 2014 3:39 PM
To: Peter Waldmann
Subject: Re: PAC vs PATL et al

As per our discussion, I would like to write to His Honour and request an appointment with him this month. Do you have any objection?

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Peter Waldmann
Sent: Thursday, August 7, 2014 13:50
To: Shea, Patrick
Subject: RE: PAC vs PATL et al

Okay, that's fine. But, when do you plan to call me, per your earlier message?

Peter I. Waldmann
Barrister & Solicitor
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Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

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Connect with me on LinkedIn: http://ca.linkedin.com/in/danielweisz

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Information contained in this communication, unless expressly stated otherwise, is not intended or written to be used as tax advice. Any tax advice expressly stated as such herein is based on the facts provided to us either verbally or in writing and on current tax law including judicial and administrative interpretation. Tax law is subject to continual change, at times on a retroactive basis and may result in additional taxes, interest or penalties. Should the facts communicated to us be incorrect or incomplete or should the law or its interpretation change, our advice may be inappropriate. We are not responsible for updating our advice for changes in law or interpretation after the date hereof.

APPENDIX P

Collins Barrow Toronto Limited
Court Appointed Receiver and Manager of
Branch 1-7 of the Polish Alliance of Canada and
Polish Association of Toronto, Limited
Receiver's Cash Receipts and Disbursements
For the period June 20, 2014 to August 15, 2014

Receipts		
Rental income - tenants	$	7,800.00
Rental income - parking		2,505.00
Rental income - facilities		3,296.84
Total receipts	$	13,601.84
Disbursements		
Transfer to PATL account	$	7,000.00
Total disbursements	$	7,000.00
Excess of Receipts over Disbursements	**$**	**6,601.84**

This Appendix forms part of the Receiver's report to the Court dated August 21, 2014
and should only be read in conjunction therewith.

APPENDIX Q

Collins Barrow Toronto Limited
Court Appointed Receiver and Manager of
Branch 1-7 of the Polish Alliance of Canada and
Polish Association of Toronto, Limited
Cash Receipts and Disbursements - PATL Account
For the period June 20, 2014 to August 15, 2014

Receipts		
Transfer from Receiver's Account	$	7,000.00
Total receipts	$	7,000.00
Disbursements		
Office administration	$	1,500.00
Bank fees		12.10
Utilities		3,673.73
Property taxes		6,516.00
Bookkeeper		160.00
Maintenance and cleaning		450.00
Renovations		1,175.14
Total disbursements	$	13,486.97
Net cash inflow (outflow)	$	(6,486.97)
Opening cash balance		16,807.90
Ending cash balance	**$**	**10,320.93**

This Appendix forms part of the Receiver's report to the Court dated August 21, 2014
and should only be read in conjunction therewith.

APPENDIX R

Court File No. CV-08-361644

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

- and –

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS AND RICHARD RUSEK

Defendants

AFFIDAVIT OF DANIEL WEISZ
(Sworn on August 22, 2014)

I, DANIEL WEISZ, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Senior Vice-President of Collins Barrow Toronto Limited ("**CBTL**"), in its capacity as Court-appointed Receiver and Manager (in such capacity, the "**Receiver**"), of all of the assets, undertakings and properties of Branch 1-7 of The Polish Alliance of Canada and Polish Association of Toronto, Limited and, as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto and marked as **Exhibit "A"** are detailed invoices (the "**Invoices**") issued to the Plaintiff and Defendants by CBTL for fees and disbursements incurred by CBTL in the course of the proceedings between June 20, 2014 and July 31, 2014 (the "**Appointment Period**"). The total fees charged by CBTL to the Respondents during the Appointment Period were $46,295.00, plus disbursements of $9,189.25, plus HST of $7,212.95 totaling $62,697.20.

3. The Invoices are a fair and accurate description of the services provided and the amounts charged by CBTL.

4. Attached hereto and marked as **Exhibit "B"** is a schedule summarizing each invoice in Exhibit "A", the total billable hours charged per invoice, the total fees charged per Invoice and the average hourly rate charged per invoice.

5. 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 August 22, 2014

Commissioner for Taking Affidavits
(or as may be)
PSHEA

DANIEL WEISZ

EXHIBIT "A"

Detailed Invoices

Collins Barrow

Collins Barrow Toronto Limited
Collins Barrow Place
11 King Street West
Suite 700, PO Box 27
Toronto, Ontario
M5H 4C7 Canada

T. 416.480.0160
F. 416.480.2646

www.collinsbarrow.com

To The Polish Alliance of Canada
c/o Peter I. Waldmann Professional Corporation
183 Augusta Avenue
Toronto, ON M5T 2L4

To Polish Association of Toronto Limited et al
c/o Bernie Romano Professional Corporation
22 Goodmark Place, Suite 11
Toronto, ON M9W 6R2

GST/HST: 80784 1440 RT 0001

Attention: Mr. Bernie Romano

Date July 7, 2014

Client File 111867
Invoice No. 1
6500068

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of Branch 1-7 of The Polish Alliance of Canada and Polish Association of Toronto Limited (the "**Defendant**") for the period June 20, 2014 to June 30, 2014.

Date	Professional	Description
06/20/2014	Weisz, Daniel	Telephone call with P. Waldmann of Peter I. Waldmann Professional Corporation regarding the Court's request for the proposed Receiver to attend in Court; prepare form of draft order per P. Waldmann's request and forward draft to P. Waldmann for his consideration.
06/20/2014	Weisz, Daniel	Prepare for and attend in Court re litigation between the Plaintiff and Defendant and attend upon receipt of the Court Order and Endorsement made, review of Court Order.
06/20/2014	Weisz, Daniel	Prepare to attend at the Branch 1-7 ("Branch") office following the appointment of the Receiver; meet with B. Wong on status; travel to and attend at 2282 Lakeshore to change locks; meet with Marik Miasik ("**Mr. Miasik**"), Maria Miasik, Richard Rusek, Andrew Miasik, Albert Flis and Bernie Romano who were at the premises.
06/20/2014	Weisz, Daniel	Reply to email from P. Waldmann regarding his enquiry regarding the change of locks to the premises.
06/20/2014	Wong, Brenda	Telephone call to locksmith; attend on site to meet with representatives on site and change locks; take photos; tour of premises.
06/21/2014	Weisz, Daniel	Telephone call with B. Wong prior to her attendance at the Branch's premises.
06/21/2014	Weisz, Daniel	Telephone call with P. Shea of Gowling Lafleur Henderson LLP regarding the appointment of the Receiver.
06/21/2014	Weisz, Daniel	Telephone call with B. Wong during her attendance at the premises.
06/21/2014	Wong, Brenda	Attend at the Branch office during scheduled event; tour premises; meet with P. Shea; review court orders and endorsements; discussions with Mr. Miasik regarding scheduled events, history and background; take photos of premises.

Date	Professional	Description
06/22/2014	Weisz, Daniel	Attend at Branch office during scheduled event and meet with Mr. Miasik; review decisions relating to the ongoing litigation and the appointment of the Receiver; telephone call with P. Shea on various matters; begin drafting report to Court.
06/23/2014	Weisz, Daniel	Discussion with B. Wong on insurance; update report to Court.
06/23/2014	Weisz, Daniel	Prepare list of matters to consider and discuss with B. Wong on same; telephone discussion with P. Shea on status and various matters; review draft website posting and update; telephone call with Mr. Miasik re his not attending at the Branch office today and email to B. Wong on same; message left for P. Waldmann; telephone call with a potential property manager to enquire about services to be provided; meet with B. Wong on her discussion with Royal Bank of Canada ("**RBC**").
06/23/2014	Wong, Brenda	Discussion with D. Weisz regarding status and outstanding matters; telephone call to security companies regarding obtaining quote for security monitoring; prepare and fax letter to RBC; telephone calls with representatives of RBC.
06/23/2014	Wong, Brenda	Telephone call to and emails with Fairview Insurance Brokers regarding adding Receiver to the existing insurance policy; telephone call with P. Shea regarding status and receivership duties under the Order; prepare introduction for website; review insurance policy; discussion with D. Weisz regarding property manager.
06/24/2014	Weisz, Daniel	Telephone call with P. Waldmann regarding status of considerations re: election of new Branch executive, email to P. Shea regarding same; discussions with B. Wong regarding her attendance at the Branch premises; telephone call with J. Tertigas of Tert & Ross Ltd. ("**T&R**") to obtain information re: engagement of T&R to attend at the premises on the Receiver's behalf and discussion with B. Wong on same; review draft correspondence and update.
06/24/2014	Weisz, Daniel	Telephone call with B. Romano regarding his question with respect to a bank draft in his possession and email to P. Shea on same.
06/24/2014	Wong, Brenda	Meet with a potential property management company at 2282 Lakeshore Blvd. W. for a tour of the property; discussion with D. Weisz regarding status, security, scheduled events, etc.; draft email to T&R; prepare letter to persons renting parking space at 2282 Lakeshore.
06/25/2014	Weisz, Daniel	Telephone call with P. Shea on status; discussion with B. Wong on her attendance at the premises later today; review court orders and reasons; draft reply to B. Romano enquiry regarding bank draft in his possession and forward draft to P. Shea; telephone call with B. Wong regarding alarm going off; status of Mr. Miasik attending at the Branch premises; discussion with P. Shea on status; email to P. Waldmann regarding status of retainer and constitution to be delivered.
06/25/2014	Wong, Brenda	Telephone call and emails with insurance broker regarding questions on the policy; review list of outstanding information to obtain from Mr. Miasik.
06/25/2014	Wong, Brenda	Attend at 2282 Lakeshore Blvd. W. to meet with security company and tour the premises; meet with T&R to tour building and discuss Receiver's requirements; discussion with Mr. Miasik regarding membership records, office hours, tenants and information required.

July 7, 2014
The Polish Alliance of Canada
Invoice 1
Page 3

Date	Professional	Description
06/26/2014	Wong, Brenda	Telephone call to Mr. Miasik regarding flooding in basement; discussion regarding adequacy of insurance coverage; telephone call to RBC regarding request to add signing officers to bank account.
06/26/2014	Wong, Brenda	Meet with D. Weisz to provide status update; review membership records; telephone call with J. Tertigas regarding staffing and keys; email to J. Tertigas regarding keys; telephone call from J. Tertigas regarding Liberty equipment and flooding in basement.
06/26/2014	Weisz, Daniel	Discussion with B. Wong on her attendance at the Branch office yesterday; review ledgers regarding Branch 1-7 membership; conference call with P. Shea and B. Wong regarding various matters including insurance; discussion with P. Shea regarding property searches; exchange correspondence with P. Waldmann regarding status of retainer cheque and delivery of Polish Alliance of Canada constitution.
06/27/2014	Weisz, Daniel	Telephone call with R. Rusek.
06/27/2014	Wong, Brenda	Attend at 2282 Lakeshore Blvd. W. to meet with Mr. Miasik to gather information on tenants, parking lot renters, cash receipts, constitution/by-laws and other matters.
06/30/2014	Weisz, Daniel	Meet with B. Wong to discuss land title searches, insurance, residential tenants, parking lot occupants; set up call for Wednesday with P. Waldmann and P. Shea; review Polish Alliance of Canada constitutions.
06/30/2014	Wong, Brenda	Review title searches; discussion with D. Weisz regarding status; telephone call from J. Tertigas regarding status update; telephone call and letter to Fairview regarding insurance coverage for vacant land.
		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 7, 2014
The Polish Alliance of Canada
Invoice 1
Page 4

Fee Summary

Professional		Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CIRP		Senior Vice President	24.80	$ 495	$ 12,276.00
Brenda Wong, CIRP		Senior Manager	24.00	$ 350	8,400.00
Total hours and professional fees			**48.80**		$ 20,676.00
Less: Complimentary adjustment					(2,000.00)
Adjusted Fee					$ 18,676.00
Disbursements					
Locksmith	$ 1,058.00				
Property attendance	1,389.00				
Total disbursements					2,447.00
Total professional fees and disbursements					$ 21,123.00
HST @ 13%					2,745.99
Total payable					**$ 23,868.99**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

PLEASE RETURN ONE COPY WITH REMITTANCE

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

Collins Barrow

374 277

Collins Barrow

Collins Barrow Toronto Limited
Collins Barrow Place
11 King Street West
Suite 700, PO Box 27
Toronto, Ontario
M5H 4C7 Canada

T. 416.480.0160
F. 416.480.2646

www.collinsbarrow.com

To The Polish Alliance of Canada
c/o Peter I. Waldmann Professional Corporation
183 Augusta Avenue
Toronto, ON M5T 2L4

To Polish Association of Toronto Limited et al
c/o Bernie Romano Professional Corporation
22 Goodmark Place, Suite 11
Toronto, ON M9W 6R2

GST/HST: 80784 1440 RT 0001

Attention: Mr. Bernie Romano

Date July 21, 2014

Client File 111867
Invoice No. 2
6500079

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of Branch 1-7 of The Polish Alliance of Canada and Polish Association of Toronto Limited (the "**Defendant**") for the period July 1, 2014 to July 15, 2014.

Date	Professional	Description
07/02/2014	Wong, Brenda	Review Polish Alliance of Canada ("**PAC**") constitution and discussion with D. Weisz regarding same; emails to Fairview Insurance Brokers Inc. ("**Fairview**") regarding insurance coverage; review Tert & Ross Ltd. ("**T&R**") invoice; telephone call to Royal Bank of Canada ("**RBC**") and Bankruptcy Highway to find out status of bank account; prepare list of parking rentals.
07/02/2014	Weisz, Daniel	Prepare for and attend conference call with P. Waldmann of Peter I. Waldmann Professional Corporation, B. Wong and P. Shea of Gowling Lafleur Henderson LLP to discuss process regarding election of new executive for Branch 1-7; email to P. Waldmann enclosing ledger sheet of members as provided to the Receiver; discussion with B. Wong on insurance matters and PAC constitution.
07/02/2014	Wong, Brenda	Conference call with D. Weisz, P. Shea and P. Waldmann regarding membership list and process for meeting; review email from Fairview and draft response; send draft to P. Shea for review.
07/03/2014	Weisz, Daniel	Telephone call with P. Shea regarding various matters; draft email to B. Romano to view records and exchange of emails to set up meeting time; meet with D. Zrebiec and brief her.
07/03/2014	Weisz, Daniel	Update report; email to P. Shea regarding Court Order clarification.
07/03/2014	Weisz, Daniel	Review Court Order regarding records in B. Romano's possession and exchange emails with P. Shea regarding same.
07/03/2014	Zrebiec, Danika	Meeting with D. Weisz and B. Wong; telephone calls to obtain addresses for parties using the parking lot situated at the branch clubhouse premises.

Date	Professional	Description
07/03/2014	Wong, Brenda	Telephone call with Marek Miasik ("**Mr. Miasik**") regarding scheduling time to meet and membership list; send letters to parking lot renters.
07/04/2014	Weisz, Daniel	Review emails; review summary of activities to June 30 and update.
07/04/2014	Zrebiec, Danika	Translation of document provided by B. Wong.
07/04/2014	Weisz, Daniel	Discussion with P. Shea and B. Wong regarding banking.
07/04/2014	Wong, Brenda	Telephone discussion with P. Shea regarding setting up Receiver's bank account; telephone call from J. Tertigas of T&R regarding upcoming events.
07/07/2014	Wong, Brenda	Prepare letter to Bank of Montreal ("**BMO**") to set up trust account; telephone call to RBC regarding status of bank account; letter to Polish Association of Toronto Limited ("**PATL**") setting out banking arrangements; letters to parking lot renters.
07/07/2014	Wong, Brenda	Attend at 2282 Lake Shore, meet with Mr. Miasik, R. Rusek and C. Zboch to answer questions regarding election, operations and procedures; review files at the premises; discussion regarding receipts and disbursements.
07/07/2014	Weisz, Daniel	Finalize summary of activities and draft cover letter to counsel; review and update letter to Mr. Miasik regarding banking.
07/08/2014	Wong, Brenda	Discussion with D. Weisz to update regarding meeting with Mr. Miasik, R. Rusek and C. Zboch; emails to T&R regarding procedures for receipts and Wednesday office hours.
07/08/2014	Wong, Brenda	Letter to parking lot tenant; send PAC constitution to R. Rusek and C. Zboch; email to R. Rusek regarding Receiver's fees and T&R rate.
07/08/2014	Zrebiec, Danika	Telephone calls to obtain addresses.
07/08/2014	Weisz, Daniel	Meet with B. Wong to discuss her attendance at 2282 Lake Shore and meeting with R. Rusek and C. Zboch.
07/09/2014	Wong, Brenda	Review status and update information on parking lot tenants.
07/10/2014	Weisz, Daniel	Prepare for, travel to and attend at B. Romano's office with P. Shea and D. Zrebiec; review records at that office.
07/10/2014	Weisz, Daniel	Discussion with B. Wong on various matters.
07/10/2014	Zrebiec, Danika	Travel to and attend at B. Romano's office with P. Shea and D. Weisz; review records.
07/10/2014	Weisz, Daniel	Preliminary review of letter received from P. Waldmann.
07/10/2014	Wong, Brenda	Email to Fairview to inquire regarding status of insurance; letter to RBC to follow up on Receiver's request regarding changes to signing authorities on PATL's bank account.
07/11/2014	Weisz, Daniel	Review correspondence from P. Waldmann; review court documents; review P. Shea's proposed reply to P. Waldmann and provide comments; read Notice of Appeal filed.
07/11/2014	Weisz, Daniel	Telephone call with P. Waldmann and email to P. Shea information received from B. Romano's office yesterday; review notes to file.
07/11/2014	Wong, Brenda	Search for renter addresses on Canada 411; prepare notice to renters and email to T&R to place on vehicles on lot; attend at 2282 Lake Shore to review books and records and pick up cheques.
07/14/2014	Wong, Brenda	Review rent cheques received.
07/14/2014	Nishimura, Donna	Deposit cheques at the bank.

Date	Professional	Description
07/15/2014	Wong, Brenda	Email to T&R regarding arrangements for cash deposits; obtain license plate search and send letter to owner of vehicle; review T&R invoice; telephone calls from RBC regarding status of account.
07/15/2014	Weisz, Daniel	Correspondence with P. Shea regarding letter status;
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

Fee Summary

Professional		Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CIRP		Senior Vice President	9.60	$ 495	$ 4,752.00
Brenda Wong, CIRP		Senior Manager	11.10	$ 350	3,885.00
Danika Zrebiec		Accountant	5.25	$ 140	735.00
Donna Nishimura		Administrative Assistant	0.10	$ 90	9.00
Total hours and professional fees			**26.05**		$ 9,381.00
Disbursements					
Mileage	$ 20.45				
Parking	67.87				
Ascend Level 3 Licence	275.00				
Licence plate search	10.71				
Property attendance	2,425.00				
Total disbursements					2,799.03
Total professional fees and disbursements					$ 12,180.03
HST @ 13%					1,583.40
Total payable					**$ 13,763.43**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

PLEASE RETURN ONE COPY WITH REMITTANCE

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

Collins Barrow

Collins Barrow

Collins Barrow Toronto Limited
Collins Barrow Place
11 King Street West
Suite 700, PO Box 27
Toronto, Ontario
M5H 4C7 Canada

T. 416.480.0160
F. 416.480.2646

www.collinsbarrow.com

To The Polish Alliance of Canada
c/o Peter I. Waldmann Professional Corporation
183 Augusta Avenue
Toronto, ON M5T 2L4

To Polish Association of Toronto Limited et al
c/o Bernie Romano Professional Corporation
22 Goodmark Place, Suite 11
Toronto, ON M9W 6R2

GST/HST: 80784 1440 RT 0001

Attention: Mr. Bernie Romano

Date August 15, 2014

Client File 111867
Invoice No. 3
6500086

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of Branch 1-7 of The Polish Alliance of Canada and Polish Association of Toronto Limited (the "**Defendant**") for the period July 16, 2014 to July 31, 2014.

Date	Professional	Description
07/11/2014*	Zrebiec, Danika	Attend at the clubhouse premises to review certain records.
07/16/2014	Weisz, Daniel	Telephone discussion with R. Slattery of Minden Gross LLP; telephone call with P. Shea of Gowling Lafleur Henderson LLP on status; email from P. Shea regarding telephone call from R. Rusek.
07/16/2014	Wong, Brenda	Telephone calls with Royal Bank of Canada ("**RBC**") regarding setting up of new signing authorities and disbursements to clear; telephone call with Marek Miasik ("**Mr. Miasik**") regarding banking, disbursements, attendance records and status of meeting; review and approve invoices for payment.
07/17/2014	Weisz, Daniel	Meet with J. Tertigas of Tert & Ross Ltd. ("**T&R**") regarding receipts; telephone call with J. Tertigas regarding same; voicemail for RBC regarding banking; email regarding issue.
07/17/2014	Wong, Brenda	Review emails regarding disbursements; email to RBC regarding cheques to be allowed to clear.
07/17/2014	Weisz, Daniel	Review summary of activities; review quote regarding repairs to residence and approve repairs; telephone call with B. Wong regarding RBC.
07/18/2014	Weisz, Daniel	Meet with B. Wong to discuss various issues regarding banking, parking request from 2285 Lakeshore and conference call with P. Shea and B. Wong to discuss same.
07/18/2014	Weisz, Daniel	Email to B. Romano's office regarding status of documents requested.
07/18/2014	Wong, Brenda	Emails/telephone calls with RBC regarding cheques to clear and signing authorities; telephone calls with Mr. Miasik regarding signing officers and cleaners; review and record receipts for deposit; discussion with P. Shea and D. Weisz regarding signing officers; email to T&R regarding disbursements.

Date	Professional	Description
07/21/2014	Weisz, Daniel	Prepare for and attend at RBC Lakeshore branch regarding signing of documents with respect to Receiver becoming sole signing authority on the RBC bank account.
07/21/2014	Tannenbaum, Bryan	Sign RBC banking documents at RBC Plaza.
07/21/2014	Wong, Brenda	Review draft summary of activities; attend at RBC to sign paperwork regarding changing signing authorities and pay utility bills.
07/21/2014	Weisz, Daniel	Telephone discussion with P. Waldmann of Peter I. Waldmann Professional Corporation regarding status of receivership; preliminary review of correspondence received from P. Waldmann.
07/21/2014	Weisz, Daniel	Finalize summary of activities and draft email and forward to P. Waldmann and B. Romano.
07/22/2014	Weisz, Daniel	Conference call with P. Shea regarding status and subsequent discussion with P. Shea and B. Wong on various matters; meet with J. Tertigas and B. Wong; work on report to court.
07/22/2014	Wong, Brenda	Review schedule summarizing membership status and check to ledger.
07/22/2014	Wong, Brenda	Review letter from P. Waldmann regarding membership lists; discussion with D. Weisz and P. Shea regarding status and next steps; discussion with D. Weisz and J. Tertigas regarding status; telephone call to Mr. Miasik regarding access to locked cabinets; review disbursements to be paid.
07/22/2014	Czura, Lauren	Compile listing of all members named in schedules and on membership cards.
07/23/2014	Wong, Brenda	Attend at 2282 Lakeshore to review books and records and discussions with Mr. and Mrs. Miasik regarding cleaners, access to building, events, office hours, bills to pay, etc.
07/23/2014	Weisz, Daniel	Meeting with B. Wong regarding her attendance this afternoon at the premises; update report to court.
07/23/2014	Wong, Brenda	Review and respond to email from RBC regarding signing authorities; review and prepare analysis of summary of members and check to source ledger and P. Waldmann letter.
07/24/2014	Weisz, Daniel	Sign cheques; meeting with B. Wong on her attendance yesterday at the premises.
07/24/2014	Weisz, Daniel	Review spreadsheet regarding membership ledger and meet with B. Wong on same.
07/24/2014	Wong, Brenda	Telephone call to RBC to inquire regarding transactions and balance; review disbursements to pay and cash on hand; discuss membership schedule with D. Weisz.
07/25/2014	Weisz, Daniel	Work on report to court; review ledger in detail and update schedule and discuss with B. Wong on same; telephone call with P. Waldmann; email to P. Shea regarding same; review correspondence from P. Waldmann; review correspondence from B. Romano; review file.
07/26/2014	Wong, Brenda	Make edits to schedule prepared by the Receiver of the PATL membership list.
07/28/2014	Wong, Brenda	Make changes to membership list; review rent status; send letter to parking lot tenant; review T&R invoice; emails and telephone call with T&R regarding cash receipts, locksmith and dance group; email with broker regarding insurance certificate; make changes to report.

August 15, 2014
The Polish Alliance of Canada
Invoice 3
Page 3

Date	Professional	Description
07/28/2014	Weisz, Daniel	Discussion with B. Wong on report, review and update.
07/29/2014	Weisz, Daniel	Review correspondence; reconcile P. Waldmann schedule to July 21 letter to Receiver's list and discussion with B. Wong on same; prepare for telephone call with P. Shea.
07/29/2014	Weisz, Daniel	Prepare for and attend conference call with P. Shea and B. Wong regarding status of membership eligibility to vote and next steps.
07/29/2014	Wong, Brenda	Telephone call with P. Shea and D. Weisz regarding draft report.
07/30/2014	Weisz, Daniel	Email to P. Waldmann and B. Romano regarding P. Shea's timing regarding reply to emails and reference to unpaid accounts; update report.
07/30/2014	Wong, Brenda	Attend at PATL and discussion with Mr. Miasik regarding parking, property taxes, disbursements and membership list.
07/31/2014	Wong, Brenda	Review rental receipts and disbursements; update membership list and discussion with D. Weisz regarding same; telephone call to Mr. Miasik regarding insurance renewal and discuss status with D. Weisz; telephone call to condominium corporation regarding unauthorized parking.
07/31/2014	Weisz, Daniel	Meeting with B. Wong regarding her attendance at the premises yesterday; review and update membership list chart with B. Wong; update 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.

August 15, 2014
The Polish Alliance of Canada
Invoice 3
Page 4

Fee Summary

Professional		Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP		President	0.30	$ 495	$ 148.50
Daniel R. Weisz, CPA, CA, CIRP		Senior Vice President	21.10	$ 495	10,444.50
Brenda Wong, CIRP		Senior Manager	19.50	$ 350	6,825.00
Lauren Czura		Intermediate Accountant	2.50	$ 160	400.00
Danika Zrebiec		Accountant	3.00	$ 140	420.00
Total hours and professional fees			**46.40**		$ 18,238.00
Disbursements					
Parking	$ 23.22				
Property attendance	3,920.00				
Total disbursements					3,943.22
Total professional fees and disbursements					$ 22,181.22
HST @ 13%					2,883.56
Total payable					**$ 25,064.78**

*Time not accounted for in the previous invoice.

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

PLEASE RETURN ONE COPY WITH REMITTANCE

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

Collins Barrow

EXHIBIT "B"

Schedule Summarizing Invoices of Collins Barrow Toronto Limited for the Appointment Period

Invoice No.	Billing Period	Total Fees	Disburse-ments	HST	Hours	Average Hourly Rate	Total
1	June 20, 2014 to June 30, 2014	$18,676.00	$2,447.00	$2,745.99	48.80	$382.70	$23,868.99
2	July 1, 2014 to July 15, 2014	$9,381.00	$2,799.03	$1,583.40	26.05	$360.12	$13,763.43
3	July 16, 2014 to July 31, 2014	$18,238.00	$3,943.22	$2,883.56	46.40	$393.06	$25,064.78
	Total	**$46,295.00**	**$9,189.25**	**$7,212.95**	**121.25**	**$381.81**	**$62,697.20**

*Disbursements include invoices rendered by Tert & Ross Ltd. to attend at the premises

THE POLISH ALLIANCE OF CANADA

-and-

POLISH ASSOCIATION OF TORONTO LIMITED,
MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK,
JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS
aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS,
WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN,
HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN,
STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPHFLIS
AND RICHARD RUSEK

Plaintiff

Defendants

Court File No. CV-08-361644

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF DANIEL WEISZ
(SWORN AUGUST 22, 2014)

GOWLING LAFLEUR HENDERSON LLP
Barristers and Solicitors
Suite 1600, 1 First Canadian Place
100 King Street West
Toronto, ON M5X 1G5

E. PATRICK SHEA (LSUC # 39655K)

Tel: (416) 369-7399
Fax: (416) 862-7661

Solicitors for the Court Appointed Receiver and Manager,
Collins Barrow Toronto Limited

383286

APPENDIX S

Breakdown of Receiver's Fees by Category of Service Rendered

#	Date	Professional	Description	Categories: Taking Possession	Receipts / Disbursements	Books and Records	Membership List /Election	Court Applications and Reporting	Other	Total
Invoice # 1										
For services provided between June 20th - June 30th, 2014:										
1	6/20/2014	Weisz, Daniel	Telephone call with P. Waldmann of Peter I. Waldmann Professional Corporation regarding the Court's request for the proposed Receiver to attend in Court; prepare form of draft order per P. Waldmann's request and forward draft to P. Waldmann for his consideration.					1.00		1.00
2	6/20/2014	Weisz, Daniel	Prepare for and attend in Court re litigation between the Plaintiff and Defendant and attend upon receipt of the Court Order and Endorsement made, review of Court Order.					3.50		3.50
3	6/20/2014	Weisz, Daniel	Prepare to attend at the Branch 1-7 ("Branch") office following the appointment of the Receiver; meet with B. Wong on status; travel to and attend at 2282 Lakeshore to change locks; meet with Marik Miasik (**"Mr. Miasik"**), Maria Miasik, Richard Rusek, Andrew Miasik, Albert Flis and Bernie Romano who were at the premises.	3.10						3.10
4	6/20/2014	Weisz, Daniel	Reply to email from P. Waldmann regarding his enquiry regarding the change of locks to the premises.	0.10						0.10
5	6/20/2014	Wong, Brenda	Telephone call to locksmith; attend on site to meet with representatives on site and change locks; take photos; tour of premises.	2.20						2.20
6	6/21/2014	Weisz, Daniel	Telephone call with B. Wong prior to her attendance at the Branch's premises.	0.40						0.40
7	6/21/2014	Weisz, Daniel	Telephone call with P. Shea of Gowling Lafleur Henderson LLP regarding the appointment of the Receiver.	0.50						0.50
8	6/21/2014	Weisz, Daniel	Telephone call with B. Wong during her attendance at the premises.	0.10						0.10
9	6/21/2014	Wong, Brenda	Attend at the Branch office during scheduled event; tour premises; meet with P. Shea; review court orders and endorsements; discussions with Mr. Miasik regarding scheduled events, history and background; take photos of premises.	6.00						6.00
10	6/22/2014	Weisz, Daniel	Attend at Branch office during scheduled event and meet with Mr. Miasik; review decisions relating to the ongoing litigation and the appointment of the Receiver; telephone call with P. Shea on various matters; begin drafting report to Court.	3.00				3.60		6.60
11	6/23/2014	Weisz, Daniel	Discussion with B. Wong on insurance; update report to Court.	0.20				0.70		0.90
12	6/23/2014	Weisz, Daniel	Prepare list of matters to consider and discuss with B. Wong on same; telephone discussion with P. Shea on status and various matters; review draft website posting and update; telephone call with Mr. Miasik re his not attending at the Branch office today and email to B. Wong on same; message left for P. Waldmann; telephone call with a potential property manager to enquire about services to be provided; meet with B. Wong on her discussion with Royal Bank of Canada (**"RBC"**).	0.20	0.10				1.30	1.60
13	6/23/2014	Wong, Brenda	Discussion with D. Weisz regarding status and outstanding matters; telephone call to security companies regarding obtaining quote for security monitoring; prepare and fax letter to RBC; telephone calls with representatives of RBC.	1.00	0.80					1.80

#	Date	Professional	Description	Categories						
				Taking Possession	Receipts / Disbursements	Books and Records	Membership List /Election	Court Applications and Reporting	Other	Total
14	6/23/2014	Wong, Brenda	Telephone call to and emails with Fairview Insurance Brokers regarding adding Receiver to the existing insurance policy; telephone call with P. Shea regarding status and receivership duties under the Order; prepare introduction for website; review insurance policy; discussion with D. Weisz regarding property manager.	1.80						1.80
15	6/24/2014	Weisz, Daniel	Telephone call with P. Waldmann regarding status of considerations re: election of new Branch executive, email to P. Shea regarding same; discussions with B. Wong regarding her attendance at the Branch premises; telephone call with J. Tertigas of Tert & Ross Ltd. ("T&R") to obtain information re: engagement of T&R to attend at the premises on the Receiver's behalf and discussion with B. Wong on same; review draft correspondence and update.	0.70			0.50			1.20
16	6/24/2014	Weisz, Daniel	Telephone call with B. Romano regarding his question with respect to a bank draft in his possession and email to P. Shea on same.		0.20					0.20
17	6/24/2014	Wong, Brenda	Meet with a potential property management company at 2282 Lakeshore Blvd. W. for a tour of the property; discussion with D. Weisz regarding status, security, scheduled events, etc.; draft email to T&R; prepare letter to persons renting parking space at 2282 Lakeshore.	2.00						2.00
18	6/25/2014	Weisz, Daniel	Telephone call with P. Shea on status; discussion with B. Wong on her attendance at the premises later today; review court orders and reasons; draft reply to B. Romano enquiry regarding bank draft in his possession and forward draft to P. Shea; telephone call with B. Wong regarding alarm going off; status of Mr. Miasik attending at the Branch premises; discussion with P. Shea on status; email to P. Waldmann regarding status of retainer and constitution to be delivered.	0.20			0.70	0.80		1.70
19	6/25/2014	Wong, Brenda	Telephone call and emails with insurance broker regarding questions on the policy; review list of outstanding information to obtain from Mr. Miasik.	0.60						0.60
20	6/25/2014	Wong, Brenda	Attend at 2282 Lakeshore Blvd. W. to meet with security company and tour the premises; meet with T&R to tour building and discuss Receiver's requirements; discussion with Mr. Miasik regarding membership records, office hours, tenants and information required.	3.00			0.50			3.50
21	6/26/2014	Wong, Brenda	Telephone call to Mr. Miasik regarding flooding in basement; discussion regarding adequacy of insurance coverage; telephone call to RBC regarding request to add signing officers to bank account.	0.50	0.20					0.70
22	6/26/2014	Wong, Brenda	Meet with D. Weisz to provide status update; review membership records; telephone call with J. Tertigas regarding staffing and keys; email to J. Tertigas regarding keys; telephone call from J. Tertigas regarding Liberty equipment and flooding in basement.	1.20			0.50			1.70
23	6/26/2014	Weisz, Daniel	Discussion with B. Wong on her attendance at the Branch office yesterday; review ledgers regarding Branch 1-7 membership; conference call with P. Shea and B. Wong regarding various matters including insurance; discussion with P. Shea regarding property searches; exchange correspondence with P. Waldmann regarding status of retainer cheque and delivery of Polish Alliance of Canada constitution.	1.00			0.50		0.10	1.60
24	6/27/2014	Weisz, Daniel	Telephone call with R. Rusek.						0.40	0.40
25	6/27/2014	Wong, Brenda	Attend at 2282 Lakeshore Blvd. W. to meet with Mr. Miasik to gather information on tenants, parking lot renters, cash receipts, constitution/by-laws and other matters.	1.50	0.50		0.50			2.50

#	Date	Professional	Description	Categories: Taking Possession	Receipts / Disbursements	Books and Records	Membership List /Election	Court Applications and Reporting	Other	Total
26	6/30/2014	Weisz, Daniel	Meet with B. Wong to discuss land title searches, insurance, residential tenants, parking lot occupants; set up call for Wednesday with P. Waldmann and P. Shea; review Polish Alliance of Canada constitutions.	0.80			1.10			1.90
27	6/30/2014	Wong, Brenda	Review title searches; discussion with D. Weisz regarding status; telephone call from J. Tertigas regarding status update; telephone call and letter to Fairview regarding insurance coverage for vacant land.	1.20						1.20
			Total hours per above	31.30	1.80	-	4.30	9.60	1.80	48.80

Invoice # 2

For services provided between July 1st - July 15th, 2014:

1	7/2/2014	Wong, Brenda	Review Polish Alliance of Canada (**"PAC"**) constitution and discussion with D. Weisz regarding same; emails to Fairview Insurance Brokers Inc. (**"Fairview"**) regarding insurance coverage; review Tert & Ross Ltd. (**"T&R"**) invoice; telephone call to Royal Bank of Canada (**"RBC"**) and Bankruptcy Highway to find out status of bank account; prepare list of parking rentals.	0.90	0.30		0.50			1.70
2	7/2/2014	Weisz, Daniel	Prepare for and attend conference call with P. Waldmann of Peter I. Waldmann Professional Corporation, B. Wong and P. Shea of Gowling Lafleur Henderson LLP to discuss process regarding election of new executive for Branch 1-7; email to P. Waldmann enclosing ledger sheet of members as provided to the Receiver; discussion with B. Wong on insurance matters and PAC constitution.	0.10			1.80			1.90
3	7/2/2014	Wong, Brenda	Conference call with D. Weisz, P. Shea and P. Waldmann regarding membership list and process for meeting; review email from Fairview and draft response; send draft to P. Shea for review.	0.60			1.50			2.10
4	7/3/2014	Weisz, Daniel	Telephone call with P. Shea regarding various matters; draft email to B. Romano to view records and exchange of emails to set up meeting time; meet with D. Zrebiec and brief her.			0.80				0.80
5	7/3/2014	Weisz, Daniel	Update report; email to P. Shea regarding Court Order clarification.					0.50		0.50
6	7/3/2014	Weisz, Daniel	Review Court Order regarding records in B. Romano's possession and exchange emails with P. Shea regarding same.			0.20				0.20
7	7/3/2014	Zrebiec, Danika	Meeting with D. Weisz and B. Wong; telephone calls to obtain addresses for parties using the parking lot situated at the branch clubhouse premises.	1.50						1.50
10	7/3/2014	Wong, Brenda	Telephone call with Marek Miasik (**"Mr. Miasik"**) regarding scheduling time to meet and membership list; send letters to parking lot renters.	0.40			0.10			0.50
11	7/4/2014	Weisz, Daniel	Review emails; review summary of activities to June 30 and update.						0.30	0.30
12	7/4/2014	Zrebiec, Danika	Translation of document provided by B. Wong.						0.50	0.50
13	7/4/2014	Weisz, Daniel	Discussion with P. Shea and B. Wong regarding banking.		0.10					0.10
14	7/4/2014	Wong, Brenda	Telephone discussion with P. Shea regarding setting up Receiver's bank account; telephone call from J. Tertigas of T&R regarding upcoming events.	0.10	0.10					0.20
15	7/7/2014	Wong, Brenda	Prepare letter to Bank of Montreal (**"BMO"**) to set up trust account; telephone call to RBC regarding status of bank account; letter to Polish Association of Toronto Limited (**"PATL"**) setting out banking arrangements; letters to parking lot renters.	0.60	0.30					0.90

#	Date	Professional	Description	Categories: Taking Possession	Receipts / Disbursements	Books and Records	Membership List /Election	Court Applications and Reporting	Other	Total
16	7/7/2014	Wong, Brenda	Attend at 2282 Lake Shore, meet with Mr. Miasik, R. Rusek and C. Zboch to answer questions regarding election, operations and procedures; review files at the premises; discussion regarding receipts and disbursements.	0.80	0.30	0.70	0.20			2.00
17	7/7/2014	Weisz, Daniel	Finalize summary of activities and draft cover letter to counsel; review and update letter to Mr. Miasik regarding banking.		0.20				0.20	0.40
18	7/8/2014	Wong, Brenda	Discussion with D. Weisz to update regarding meeting with Mr. Miasik, R. Rusek and C. Zboch; emails to T&R regarding procedures for receipts and Wednesday office hours.	0.80	0.20					1.00
19	7/8/2014	Wong, Brenda	Letter to parking lot tenant; send PAC constitution to R. Rusek and C. Zboch; email to R. Rusek regarding Receiver's fees and T&R rate.	0.20						0.20
20	7/8/2014	Zrebiec, Danika	Telephone calls to obtain addresses.	0.25						0.25
21	7/8/2014	Weisz, Daniel	Meet with B. Wong to discuss her attendance at 2282 Lake Shore and meeting with R. Rusek and C. Zboch.	0.40					0.40	0.80
22	7/9/2014	Wong, Brenda	Review status and update information on parking lot tenants.	0.10						0.10
23	7/10/2014	Weisz, Daniel	Prepare for, travel to and attend at B. Romano's office with P. Shea and D. Zrebiec; review records at that office.			2.70				2.70
24	7/10/2014	Weisz, Daniel	Discussion with B. Wong on various matters.	0.20						0.20
25	7/10/2014	Zrebiec, Danika	Travel to and attend at B. Romano's office with P. Shea and D. Weisz; review records.			3.00				3.00
26	7/10/2014	Weisz, Daniel	Preliminary review of letter received from P. Waldmann.				0.10			0.10
27	7/10/2014	Wong, Brenda	Email to Fairview to inquire regarding status of insurance; letter to RBC to follow up on Receiver's request regarding changes to signing authorities on PATL's bank account.	0.10	0.20					0.30
28	7/11/2014	Weisz, Daniel	Review correspondence from P. Waldmann; review court documents; review P. Shea's proposed reply to P. Waldmann and provide comments; read Notice of Appeal filed.				0.80	0.40		1.20
29	7/11/2014	Weisz, Daniel	Telephone call with P. Waldmann and email to P. Shea information received from B. Romano's office yesterday; review notes to file.	0.10					0.20	0.30
30	7/11/2014	Wong, Brenda	Search for renter addresses on Canada 411; prepare notice to renters and email to T&R to place on vehicles on lot; attend at 2282 Lake Shore to review books and records and pick up cheques.	0.60	0.10	0.50				1.20
31	7/14/2014	Wong, Brenda	Review rent cheques received.		0.10					0.10
32	7/14/2014	Nishimura, Donna	Deposit cheques at the bank.		0.10					0.10
33	7/15/2014	Wong, Brenda	Email to T&R regarding arrangements for cash deposits; obtain license plate search and send letter to owner of vehicle; review T&R invoice; telephone calls from RBC regarding status of account.	0.40	0.40					0.80
34	7/15/2014	Weisz, Daniel	Correspondence with P. Shea regarding letter status;				0.10			0.10
			Total hours per above	8.15	2.40	7.90	5.10	0.90	1.60	26.05

Invoice # 3

For services provided between July 16th - July 31st, 2014:

1	07/11/2014*	Zrebiec, Danika	Attend at the clubhouse premises to review certain records.			3.00				3.00
2	7/16/2014	Weisz, Daniel	Telephone call with R. Slattery of Minden Gross LLP on status; telephone call with P. Shea of Gowling Lafleur Henderson LLP on status; email from P. Shea regarding telephone call from R. Rusek.						0.60	0.60

#	Date	Professional	Description	Categories						
				Taking Possession	Receipts / Disbursements	Books and Records	Membership List /Election	Court Applications and Reporting	Other	Total
3	7/16/2014	Wong, Brenda	Telephone calls with Royal Bank of Canada (**"RBC"**) regarding setting up of new signing authorities and disbursements to clear; telephone call with Marek Miasik (**"Mr. Miasik"**) regarding banking, disbursements, attendance records and status of meeting; review and approve invoices for payment.		0.40	0.10				0.50
4	7/17/2014	Weisz, Daniel	Meet with J. Tertigas of Tert & Ross Ltd. (**"T&R"**) regarding receipts; telephone call with J. Tertigas regarding same; voicemail for RBC regarding banking; email regarding issue.		0.70					0.70
5	7/17/2014	Wong, Brenda	Review emails regarding disbursements; email to RBC regarding cheques to be allowed to clear.		0.40					0.40
6	7/17/2014	Weisz, Daniel	Review summary of activities; review quote regarding repairs to residence and approve repairs; telephone call with B. Wong regarding RBC.	0.20	0.10				0.10	0.40
7	7/18/2014	Weisz, Daniel	Meet with B. Wong to discuss various issues regarding banking, parking request from 2285 Lakeshore and conference call with P. Shea and B. Wong to discuss same.	0.50	0.20					0.70
10	7/18/2014	Weisz, Daniel	Email to B. Romano's office regarding status of documents requested.			0.10				0.10
11	7/18/2014	Wong, Brenda	Emails/telephone calls with RBC regarding cheques to clear and signing authorities; telephone calls with Mr. Miasik regarding signing officers and cleaners; review and record receipts for deposit; discussion with P. Shea and D. Weisz regarding signing officers; email to T&R regarding disbursements.	0.10	1.50					1.60
12	7/21/2014	Weisz, Daniel	Prepare for and attend at RBC Lakeshore branch regarding signing of documents with respect to Receiver becoming sole signing authority on the RBC bank account.		2.10					2.10
13	7/21/2014	Tannenbaum, Bryan	Sign RBC banking documents at RBC Plaza.		0.30					0.30
14	7/21/2014	Wong, Brenda	Review draft summary of activities; attend at RBC to sign paperwork regarding changing signing authorities and pay utility bills.		1.30				0.30	1.60
15	7/21/2014	Weisz, Daniel	Telephone discussion with P. Waldmann of Peter I. Waldmann Professional Corporation regarding status of receivership; preliminary review of correspondence received from P. Waldmann.				0.30		0.30	0.60
16	7/21/2014	Weisz, Daniel	Finalize summary of activities and draft email and forward to P. Waldmann and B. Romano.						0.20	0.20
17	7/22/2014	Weisz, Daniel	Conference call with P. Shea regarding status and subsequent discussion with P. Shea and B. Wong on various matters; meet with J. Tertigas and B. Wong; work on report to court.	0.20			0.40	1.60		2.20
18	7/22/2014	Wong, Brenda	Review schedule summarizing membership status and check to ledger.				1.00			1.00
19	7/22/2014	Wong, Brenda	Review letter from P. Waldmann regarding membership lists; discussion with D. Weisz and P. Shea regarding status and next steps; discussion with D. Weisz and J. Tertigas regarding status; telephone call to Mr. Miasik regarding access to locked cabinets; review disbursements to be paid.	0.20	0.20		1.00			1.40
20	7/22/2014	Czura, Lauren	Compile listing of all members named in schedules and on membership cards.				2.50			2.50
21	7/23/2014	Wong, Brenda	Attend at 2282 Lakeshore to review books and records and discussions with Mr. and Mrs. Miasik regarding cleaners, access to building, events, office hours, bills to pay, etc.	0.80	0.20	0.50				1.50
22	7/23/2014	Weisz, Daniel	Meeting with B. Wong regarding her attendance this afternoon at the premises; update report to court.	0.10				0.10		0.20

This Appendix forms part of the Receiver's report to the Court dated August 21, 2014 and should only be read in conjunction therewith.

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#	Date	Professional	Description	Categories: Taking Possession	Receipts / Disbursements	Books and Records	Membership List /Election	Court Applications and Reporting	Other	Total
23	7/23/2014	Wong, Brenda	Review and respond to email from RBC regarding signing authorities; review and prepare analysis of summary of members and check to source ledger and P. Waldmann letter.		0.50		3.50			4.00
24	7/24/2014	Weisz, Daniel	Sign cheques; meeting with B. Wong on her attendance yesterday at the premises.	0.10	0.10					0.20
25	7/24/2014	Weisz, Daniel	Review spreadsheet regarding membership ledger and meet with B. Wong on same.				2.20			2.20
26	7/24/2014	Wong, Brenda	Telephone call to RBC to inquire regarding transactions and balance; review disbursements to pay and cash on hand; discuss membership schedule with D. Weisz.		0.40		0.20			0.60
27	7/25/2014	Weisz, Daniel	Work on report to court; review ledger in detail and update schedule and discuss with B. Wong on same; telephone call with P. Waldmann; email to P. Shea regarding same; review correspondence from P. Waldmann; review correspondence from B. Romano; review file.				3.70	1.00		4.70
28	7/26/2014	Wong, Brenda	Make edits to schedule prepared by the Receiver of the PATL membership list.				1.00			1.00
29	7/28/2014	Wong, Brenda	Make changes to membership list; review rent status; send letter to parking lot tenant; review T&R invoice; emails and telephone call with T&R regarding cash receipts, locksmith and Lechowia Dance Group; email with broker regarding insurance certificate; make changes to report.	0.80	0.50		1.00	1.60		3.90
30	7/28/2014	Weisz, Daniel	Discussion with B. Wong on report, review and update.					1.40		1.40
31	7/29/2014	Weisz, Daniel	Review correspondence; reconcile P. Waldmann schedule to July 21 letter to Receiver's list and discussion with B. Wong on same; prepare for telephone call with P. Shea.				1.70			1.70
32	7/29/2014	Weisz, Daniel	Prepare for and attend conference call with P. Shea and B. Wong regarding status of membership eligibility to vote and next steps.				0.40			0.40
33	7/29/2014	Wong, Brenda	Telephone call with P. Shea and D. Weisz regarding draft report.				0.30			0.30
34	7/30/2014	Weisz, Daniel	Email to P. Waldmann and B. Romano regarding P. Shea's timing regarding reply to emails and reference to unpaid accounts; update report.					0.90	0.20	1.10
35	7/30/2014	Wong, Brenda	Attend at PATL and discussion with Mr. Miasik regarding parking, property taxes, disbursements and membership list.	0.30	0.50		0.20			1.00
36	7/31/2014	Wong, Brenda	Review rental receipts and disbursements; update membership list and discussion with D. Weisz regarding same; telephone call to Mr. Miasik regarding insurance renewal and discuss status with D. Weisz; telephone call to condominium corporation regarding unauthorized parking.	0.20	0.30		0.20			0.70
37	7/31/2014	Weisz, Daniel	Meeting with B. Wong regarding her attendance at the premises yesterday; review and update membership list chart with B. Wong; update report.	0.10			0.30	1.20		1.60
			Total hours per above	3.60	9.70	3.70	19.90	7.80	1.70	46.40
			Total hous for the period June 20, 2014 to July 31, 2014	43.05	13.90	11.60	29.30	18.30	5.10	121.25

Note: This schedule does not include the invoices rendered by Tert & Ross Ltd. to attend at the premises

This Appendix forms part of the Receiver's report to the Court dated August 21, 2014 and should only be read in conjunction therewith.

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Court File No.: CV-08-361644

BETWEEN:

THE POLISH ALLIANCE OF CANADA **v.** **POLISH ASSOCIATION OF TORONTO LIMITED, et al**
-Plaintiff- **-Defendants-**

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

(PROCEEDING COMMENCED AT TORONTO)

MOTION RECORD
(RETURNABLE 2 SEPTEMBER, 2014)

GOWLING LAFLEUR HENDERSON LLP
Barristers and Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, ON M5X 1G5

E. Patrick Shea (LSUC No. 39655K)
Tel: (416) 369-7399
Fax: (416) 862-7661

Solicitors for Collins Barrow Toronto Limited,
Court Appointed Receiver and Manager

TOR_LAW\ 8504479\1

TAB 10

Court File No. CV-08-361644

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

- and -

POLISH ASSOCIATION OF TORONTO LIMITED,
MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK,
JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS
aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS,
WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN,
HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN,
STANISLAW ROGOZ aka STAN ROGOZ and ALBERT JOSEPH FLIS
and RICHARD RUSEK

Defendants

- and -

AND BETWEEN:

POLISH ASSOCIATION OF TORONTO LIMITED,
MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK,
JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS
aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS,
WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN,
HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN,
STANISLAW ROGOZ aka STAN ROGOZ and ALBERT JOSEPH FLIS

Plaintiffs by Counterclaim

- and -

THE POLISH ALLIANCE OF CANADA, ROBERT ZAWIERUCHA, TADEUSZ MAZIARZ, ELIZABETH BETOWSKI, DANUTA ZAWIERUCHA, TERESA SZRAMEK, ANDRZEJ SZUBA, ADAM SIKORA, ELZBIETA GAZDA, STANISLAW GIDZINSKI, STANISLAW IWANICKI and TADEUSZ SMIETANA

Defendants by Counterclaim

PLAINTIFF'S MOTION AND CASE CONFERENCE RECORD

Peter I. Waldmann (LSUC 232898M)
Barrister & Solicitor
183 Augusta Av
Toronto, Ontario, M5T 2L4

Tel: (416)-921-3185
Fax: (416)-921-3183

Lawyer for the Plaintiff,
Defendant by Counterclaim
The Polish Alliance of Canada
And for the Added Defendants
by Counterclaim Robert Zawierucha,
Tadeusz Maziarz, Danuta
Zawierucha, Teresa Szramek,
Andrzej Szuba, Adam Sikora,
Elzbieta Gazda, Stanislaw Iwanicki
and Tadeusz Smietana

TO: **Bernie Romano Professional Corporation**
Barrister & Solicitor
7700 Hurontario Street, Suite 405
Brampton, Ontario L6Y 4M3

Bernie Romano

Lawyer for the Defendants other than Richard Rusek, and for the Plaintiffs by Counterclaim, being Polish Association of Toronto Limited, Marek Miasik aka Marek Adam Miasik, Maria Miasik, Jan Argyris aka Louis John Elie Argyris aka Louis John Argyris aka John Argyris, Wladyslaw Jaslan aka Wladyslaw Julian Jaslan, Helena Jaslan, Eugeniusz Skibicki, Czeslawa Ericksen, Stanislaw Rogoz aka Stan Rogoz and Albert Joseph Flis

TO: **Torkin Manes Cohen Arbus LLP**
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

Valerie Edwards

Lawyers for the Defendant Richard Rusek

TO: **Christopher J. Sparling**
Barrister & Solicitor
2929 – 390 Bay Street
Toronto, Ontario M5H 2Y2

Lawyer for the Defendants Elizabeth Betowski and Stanislaw Gidzinski

Court File No.CV-08-361644

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

- and -

POLISH ASSOCIATION OF TORONTO LIMITED,
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and RICHARD RUSEK

Defendants

- and -

AND BETWEEN:

POLISH ASSOCIATION OF TORONTO LIMITED,
MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK,
JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS
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Plaintiffs by Counterclaim

- and -

THE POLISH ALLIANCE OF CANADA, ROBERT ZAWIERUCHA, TADEUSZ
MAZIARZ, ELIZABETH BETOWSKI, DANUTA ZAWIERUCHA, TERESA SZRAMEK,
ANDRZEJ SZUBA, ADAM SIKORA, ELZBIETA GAZDA, STANISLAW GIDZINSKI,
STANISLAW IWANICKI and TADEUSZ SMIETANA

Defendants by Counterclaim

INDEX

Court File No. CV-08-361644

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

- and -

POLISH ASSOCIATION OF TORONTO LIMITED,
MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK,
JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS
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Defendants

- and -

AND BETWEEN:

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MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK,
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Defendants by Counterclaim

NOTICE OF MOTION

The PLAINTIFF, The Polish Alliance Of Canada, will make a motion to The Honourable Mr Justice F. L. Myers, the Trial Of An Issue Judge, as so appointed pursuant to the Order made

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February 21, 2012 by The Honourable Mr Justice C. Campbell, as he then was, the Case Management Judge, on Tuesday, the 2nd day of September 2014 at 10:00 a.m., or as soon after that time as the motion can be heard, or the Case Conference held, at 330 University Avenue, Toronto, Ontario.

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

THE MOTION IS FOR

(1) An Order, if needed, to abridge the time for the service of this motion;

(2) An Order, if needed, to regularize the service of this motion and the plaintiff's Motion Record;

(3) An Order pursuant to paragraph 7 of the Order dated June 20, 2014 and pursuant to the Order dated May 27, 2014, granting leave to the Plaintiff to commence an action for damages, neglect, incompetence, dereliction of duty and failure to carry out its obligations, against Collins Barrow Toronto Limited;

(4) In the alternative, an Order pursuant to paragraph 7 of the Order dated June 20, 2014 and pursuant to the Order of May 27, 2014, granting leave to the Plaintiff to commence an action against Daniel Weisz and Brenda Wong for knowing receipt of wrongfully obtained trust property and/or knowing acceptance of wrongfully obtained trust property, knowing assistance, wrongful failure to receive and carry out the responsibilities due to the plaintiff and to Collins Barrow Toronto Limited;

(5) In the further alternative, an Order removing Collins Barrow Toronto Limited as Court appointed Receiver of all the assets, undertakings and properties of the members, from time to time, of Branch 1-7 of the Plaintiff (the "Branch"), and acquired for, or used in

relation to any businesses, services or enterprises carried on by the Branch including all proceeds thereof.

(6) An Order that Collins Barrow Toronto Limited maintain and hold the Plaintiff's $25,000.00 provided to it in trust until further Order of the Court, or written consent of all of the parties in this matter;

(7) In the alternative, an Order varying the above-mentioned Order made June 20, 2014, an Order that Collins Barrow Toronto Limited post security in the amount of $1,000,000.00 by September 13, 2014 with the Registrar of the Court in relation to the damages and losses the Plaintiff, The Polish Alliance of Canada and its members, including its Branch 1-7 which currently has no members but has application forms and will have members from time to time, pursuant to the Order of May 27, 2014, may incur due to the acts and omissions which may or have occurred now or in the future;

(8) An Order directing this motion, if necessary, to be heard on the Masters' Motion List or Motion Judge's Motion List, on an expedited basis, as soon reasonably as this Motion can be heard;

(9) Costs either as thrown away, or, as, in the discretion of the Court, to be reserved to the Trial Judge; and

(10) Such further and better Order as this Honourable Court deems just.

THE GROUNDS FOR THIS MOTION ARE:

(1) Such grounds as will be submitted orally before this Honourable Court by counsel for the Plaintiff, including those grounds that are self evident from the orders required and the supporting Affidavits, and by counsel for the other Parties hereto, whether present or absent;

(2) The Honourable Trial of an Issue Judge is *functus officio* as appeals and motions for leave to appeal and for stay of the governing orders have been filed, dates for hearing set for September 18, 2014, October 8, 2014, October 23, 2014 and the Order of May 27, 2014 and the Order of June 20, 2014 have both been issued and entered; and

(3) Such other and further grounds as this Honourable Court may permit.

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

(1) Pleadings in the proceedings herein;

(2) The Order made by The Honourable Madam Justice Pollak on May 8, 2009 on her Orders and Endorsements that day on the Plaintiff's Motion for Dismissal of part or all of the Defendants-by-Counterclaim's pleadings, adjourned generally that day until the Defendants, except Richard Rusek who brought no Counterclaim, and the Plaintiffs-by-Counterclaim's Motion to remove the Plaintiff's counsel for conflict of interest and other grounds, then returnable incorrectly to the Judge's Motion List when it should have been brought first before on the Masters' Motion List, was fully and finally resolved, which former Motion is now to be heard on October 8, 2014, since the Defendants and Plaintiffs-by-Counterclaim's Motion of said date was abandoned by necessary implication by the Defendants and Plaintiffs-by-Counterclaim having signed and filed their Consent to the making of the above-mentioned February 21, 2012 Order of The Honourable Mr Justice Colin Campbell, as he then was, made on consent of all the parties to this action and counterclaim herein;

(3) The Affidavit of Elizabeth Betowski sworn August 28, 2014, and the Exhibits appended thereto; and

(4) Such further and other material as counsel may advise and present, and this Honourable Court find just and/or appropriate.

August 30, 2014

Peter I. Waldmann (LSUC #23289M)
Barrister and Solicitor
183 Augusta Avenue
Toronto Ontario M5T 2L4

Tel: (416) 921-3185
Fax: (416) 921-3183

Lawyer for the Plaintiff in The Trial of an Issue and the Defendants-by-Counterclaim in this action except for Elizabeth Betowski and Stanislaw Gidzinski

TO:

Bernie Romano Professional Corporation
Barrister and Solicitor
22 Goodmark Place, Suite 11
Toronto, Ontario M9W 6R2

Bernie Romano (LSUC # 34447T)
Tel: (905) 459-4111
Fax: (905) 459-4112

Lawyer for the Defendants, except Richard Rusak

AND TO:

Gowling Lafleur Henderson LLP
Barristers & Solicitors
Suite 1600, 1 First Canadian Place
100 King Street West
Toronto, Ontario M5X 1G5

E. Patrick Shea (LSUC #39655K)
Tel: (416) 369-7399
Fax: (416) 862-7661

8

Solicitor for Collins Barrow Toronto Limited
Court Appointed Receiver and Manager

AND TO: **Collins Barrow Toronto Limited**
11 King Street West, Suite 700
Toronto, Ontario M9W 6R2

Court Appointed Receiver and Manager

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Court File No. CV-08-361644

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

- and -

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS and RICHARD RUSEK

Defendants

AFFIDAVIT

I, Elizabeth Betowski of the City of Toronto in the Province of Ontario, MAKE OATH AND SAY:

1. I was the corporate representative of the Plaintiff during the trial, so appointed by signed and written resolution of the Head Executive Board of The Polish Alliance of Canada, a non-profit corporation incorporated pursuant to the laws of Ontario under the "Corporations Act in September of 1973, whose head office by its registered documents is in Toronto.[1] ("HEB").[2]

[1] If you work by the hour, is it a breach of fiduciary duty to waste time? If you work by the result is it a breach of fiduciary duty to achieve next to nothing? If you are not working by time, and not by result, then is it a breach of fiduciary duty to charge for just having fun, when you haven't even figured out, there are no bingo receipts and the building has a bingo sign?

[2] My email in Exhibit B was written somewhat in haste and unfortunately misspelled "Marek" and what I meant was the Defendant now excluded from membership of Branch 1-7 Marek Miasik. ("EDMM").

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2. I attended every day of the Trial Of The Issue ("TOI") as was my responsibility as the representative of the Plaintiff.

3. To my knowledge, also in attendance from time to time as supporters of the excluded Defendants ("ED") were the following former members of the Plaintiff as set out in a list prepared by the lawyer for the ED during the trial, who at this moment has filed appellate papers[3] on behalf of the same ED.

4. I personally saw the interactions during the breaks and during the trial of the attending supporters of the ED, all of whom to the best of my knowledge have not paid membership dues to the Polish Alliance of Canada ("PAC"). These people include those proposed names on the list prepared by counsel for the ED which is attached to this my Affidavit as **Exhibit "N"**.

5. Exhibit "N" is dated August 13, 2014 according to its face.

6. Of the people in Exhibit "N" I recognize Contance Zboch, Krystyna Kowalska, I also heard there was someone named Bernice who I assume to be Bernice Zub and a person with the first name Jadwiga which could be either Danwoody or Jasinski. In addition, there were three other women, two predominantly Polish speaking and one which only used English language. There were some other people coming and going who supported the EDs, but I don't know their names.

[3] These include one, notice of appeal, two, appellant's certificate, three, motion for a stay to be heard on September 18, 2014, four, a response to the Plaintiff's Notice of Return of a Motion to strike the EDs' counterclaim, which has been ordered stayed by The Honourable Madam Justice Pollock on May 8, 2009 because of the EDs' motion brought by their counsel at the time, Mr. Romano, until the resolution of Mr. Romano's motion to remove the Plaintiff's solicitor which Mr. Romano abandoned by proposing that this matter be resolved by a TOI which was held before The Honourable F.L. Meyers in March and April 2014; the Plaintiff's Notice of Return of motion to strike the ED's counterclaim and the added-defendants-by-counterclaim.

8

7. I compared all the names in Mr. Romano's list in Exhibit "N" above with the membership records found by the Receiver Collins Barrow Toronto Limited ("CBTL") at 2282 Lakeshore Boulevard West. From comparison to the existing corporate records of the PAC and such corporate records of the PAC's Branch which since around 1974 has been generally referred to as Grupa Jeden-Siedem[4], Branch 1, Branch 7, Branch 1-7, but all being understood to the best of my knowledge, and uncontradicted since I have joined the PAC to be anything other than a branch of the PAC. I have compared the membership list provided by CBTL with the membership ledgers provided by CBTL and the corporate records of the PAC which includes a Master Membership Book ("MMB"), financial records as they relate to membership dues and any correspondence between HEB, Branch 1-7 and the other branches.

8. I have done this in my free time and I have not been directly or indirectly paid by the PAC except for out of pocket expenses which is the same for the other Defendants by Counterclaim, however, the other Defendants by Counterclaim, I am not aware of them being ever reimbursed by the PAC for out of pocket expenses such as mileage, parking and other incidentals.

9. From time to time the PAC has compensated me for a significant amount of time I have sacrificed from my business and professional opportunities by paying me small amounts for the translation work I completed on its behalf.

[4] "Jeden" in Polish has a dual meanings: it means number one and it also means something single; "Siedem" means in Polish the number seven and nothing else, to the best of my knowledge.

9

10. In addition, the PAC is responsible for providing my defence litigation expenses as a result of my being added as a personal Defendant by counterclaim by the EDs due to the potential conflict of interest which may arise due to my business relationship to the added Defendant by counterclaim Stanis Gidzinski ("SG").

11. Now shown to me is the Decision of the Honourable Mr. Justice Broad made after trial in Kitchener just shortly before, for three days in February 2014 and completed shortly after in June 2014.

12. SG is now appealing this Decision.[5]

13. The law firm of Gowling LaFleur Henderson LLP ("Gowlings") withdrew from another action in the eve of their summary judgment motion brought before this Honourable Court in Milton just recently. I am advised by the Plaintiff's counsel herein, Mr. P.I. Waldmann, that Gowlings withdrew on the eve of their own Motion for Summary Judgment where they acted for The Toronto Dominion Bank in Court file No. 1549/13.

14. The apparent reason for Gowlings withdrawing was that they had previously acted in the same matter for the defendant Lino Novielli, a factor that was just discovered by the parties on the eve of the Summary Judgment Motion in that case in Milton.

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[5] Attached as Exhibit "O" is SG's letter to my counsel of today with attachments being a draft order and a letter dated August 12, 2014 from Mr. Gary Flaxbard, SG's previous lawyer, who, just before the trial before The Honourable Mr. Justice Broad, was fired by SG; Throughout the five days of trial, SG self-represented. It is my view from knowing SG when he was a member of the HEB until he was asked to resign and the HEB filed a complaint to the Real Estate Council which resulted in a reprimand to SG as a licensed realtor, that SG is not capable of drafting such a Draft Order without the assistance of counsel. I am not aware of what lawyer SG is now consulting, but before ending the retainer of Mr. Flaxbard, SG had four previous lawyers of record. Also, in Exhibit "O" is a copy of SG's Appellant's Factum. See paragraph 5 of same.

(10)

15. In this case, SG is a previous client of Gowlings as well as being an added Defendant by Counterclaim.

16. The Plaintiff's counsel herein has requested a number of times to receive assurances from CBTL that they would not be adding Gowlings' account as a disbursement.

17. To the best of my knowledge, and after the preliminary review of the Receiver's Motion Record served recently in two volumes the Receiver has not answered the PAC's inquiry as to whether or not it would be adding Gowlings' bill to the PAC's invoices. I noticed some charges for the Receiver's time spent on consultations with Gowlings charged to the PAC. To the best of my knowledge the Receiver is seeking payment of approximately $98,000.00 from June 20, 2014 to date.

18. I have reviewed all of the other Exhibits from "A" to "R" in this my Affidavit and all of these indicate that, in my view, the Receiver is not acting completely without impartiality, could be acting negligently, could be in breach of either the Order made on June 20, 2014, or in breach of its fiduciary responsibilities, or in breach of trust, churning the account to increase its fees, and it not behaving fairly as between the Plaintiff and the ED.

19. The Receiver allowed the ED who have no right to be in the 2282 Lakeshore Building, and other people such as Richard Rusak to attend the premises.

20. The PAC has commenced a new action against Richard Rusak partially on the basis of the facts disclosed in the testimony of the Defendant Richard Rusak who was a witness

but not a party to the TOI and who gave the PAC testimonial confession of facts of which the PAC was not earlier aware.

21. Furthermore, the Receiver retained services of Mr. Miasik, Mrs. Miasik as administrators of the Polish Association of Toronto Limited.

22. Based on the Receiver's invoices, the Miasiks are paid $1,500.00 per month. And the cheques are issued to ED Maria Miasik.

23. In addition to the above, and to the best of my recollection, the Receiver charged for the time to attend the property when Mr. Miasik removed what the receiver described as personal possession but did not either list or identify the items.

24. Twice I saw the ED Marek Miasik on the property and twice I saw his car in addition parked in the property while driving by the property, since my business partner lives in New Toronto. There were no other cars on the parking lot indicating the presence the presence of the Receiver at the same time.

25. It is unclear to the members of the HEB and the PAC whether or not the Receiver is wasting time by doing unnecessary tasks for which Mrs. Miasik is being paid amounts in breach its fiduciary duty, or whether the conflicts which appear to exist, which I have described above should amount to a breach of fiduciary duty on the part of the Receiver or a breach of the Order of June 20, 2014 of This Honourable Court.

26. A numbers of the members of the HEB have contacted me, they include Elizabeth Gazda of Branch 17 and Jerzy Roszak of Branch 95, and expressed concern regarding Mr. and

Mrs. Miasek attendance at the property, and a number of statements which they advised me and I believe are true, including that Mr. and Mrs. Miasek still have access to the property and are still in charge.

27. As a result, the HEB has authorized the preparation of an accountant's draft report, a copy of which is attached as **Exhibit "Q"**.

28. This Affidavit is sworn for no improper purpose.

SWORN BEFORE ME)
in the City of Toronto,)
in the Province of Ontario)
this 29th day of August, 2014.)
)
)
)
A COMMISSIONER ETC.
(Peter I. Waldmann)

Elizabeth Betowski

Elizabeth Betowski

A

This is Exhibit "A"
to the Affidavit of Elizabeth Retowski
sworn this 27th day of Aug 20 14

Commissioner for Affidavits

Court File No. CV-08-361644

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE MR. JUSTICE F. MYERS	))))	FRIDAY THE 20th DAY OF JUNE 2014

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

- and -

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS and RICHARD RUSEK

Defendants

ORDER
(appointing receiver)

THIS MOTION made by the plaintiff for an order pursuant to the reasons for decision of the Honourable Mr. Justice F. Myers released May 27, 2014, appointing Collins Barrow Toronto Limited as receiver and manager (in such capacities, the "Receiver) without security, of all of the assets, undertakings and properties of Branch 1-7 of the Polish Alliance of Canada and Polish Association of Toronto, Limited (the "Branch and Corporate Defendant") acquired for, or used in relation to the businesses, services and enterprises carried on by the Branch and Corporate Defendant, was heard this day at 361 University Avenue, Toronto, Ontario.

(14)

ON READING the affidavit of Janusz Sajna sworn June 18, 2014 and the Exhibits thereto and on reading the affidavit of Marianne Rabczak sworn July 19, 2014 and on hearing the submissions of counsel for the plaintiff and for the defendants, and on reading the consent of Collins Barrow Toronto Limited to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to Rule 60.02(1)(d) and section 101 of the *Courts of Justice Act* and the order of the Honourable Justice F. Myers made May 27, 2014, Collins Barrow Toronto Limited is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Branch and the Corporate Defendant acquired for, or used in relation to any businesses, services or enterprises carried on by the Branch and Corporate Defendant, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

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

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

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of the 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, services or enterprise of the Branch and Corporate Defendant, including the power to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or part of the business, or cease to carry on all or any part of the business, or cease to perform any contracts of the Branch of the Corporate Defendant;

(d) to engage consultants, property managers, agents, counsel and such other persons from time to time 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 inventories, supplies, premises or other assets to continue the business, services or enterprises of the Branch and Corporate Defendant or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing in respect of the Property and to exercise all remedies of the Branch or Corporate Defendant in collecting such monies, including, without limitation, to enforce any security held by the Branch of Corporate Defendant;

(g) to execute, assign, issue and endorse documents of whatever nature in respect of any Property, whether in the Receiver's name or in the name and on behalf of the Branch or Corporate Defendant, for any purpose pursuant to this Order;

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

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

(j) to take any steps reasonable incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorised and empowered to do so, to the exclusion of other persons (as defined below), including the Branch or Corporate Defendant, and without interference from any other person.

DUTY TO PROVIDE ACCESS AND CO-OPREATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Branch and Corporate Defendant, (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 matters relating to the 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 matters relating to the Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the Property, and any computer programs, computer tapes, computer disks, or any 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, providing 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 or may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions 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 prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO INTERFERENCE WITH THE RECEIVER

8. 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, license or permit in favour of or held by the Branch or Corporate Defendant in respect of the Property, without written consent of the Receiver or with leave of this Court.

CONTINUATION OF SERVICES

9. THIS COURT ORDERS that all Persons having oral or written agreements with the Branch or Corporate Defendant or statutory or regulatory mandates for the supply of goods and/or services to the Property, including without limitation, and computer software, communication and other data services, centralised banking services, payroll services, insurance, transportation services, utility or other services to the Branch or Corporate Defendant 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 Branch or Corporate Defendant'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 Branch or Corporate Defendant 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

10. THIS COURT ORFDERS 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

11. THIS COURT ORDERS that all employees of the Branch or Corporate Defendant shall remain employees of the Branch or Corporate Defendant until such time as the Receiver, on the Branch or Corporate Defendant's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including and successor employee liabilities as provided 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 81.14(5) or 81.6(3) or under the *Wage Earner Protection Program Act.*

PIPEDA

12. 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 purchase or bidder to whom such personal information is disclosed shall maintain and protect the privacy 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 Branch or Corporate Defendant, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

13. 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, conversation, 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 *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

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

RECEIVER'S ACCOUNTS

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

16. 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 Superior Court of Justice.

17. 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.

18. THIS COURT ORDERS that prior to the commencement of the Receiver's appointment, and by no later than June 24, 2014, the Plaintiff shall provide a retainer of $25,000.00 plus H.S.T. to the Receiver to be held by the Receiver to be applied against its final account. The Receiver shall render accounts to the Plaintiff and Defendant on a regular basis and shall forthwith pay such accounts upon receipt. In the event that the Receiver is of the view that its unpaid invoices and Work-in-Progress will exceed $25,000.00, the Receiver shall be at liberty to apply to the Court for its discharge.

19. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $15,000.00 (or such greater amount as this Court may by further Order authorise) 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 Borrowing Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 18.4(4) and 81.6(2) of the BIA.

20. 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.

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

22. 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.

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

GENERAL

24. THIS COURT ORDERS that the Receiver and anyone affected by the execution or proposed execution of the Receiver's powers may from time to time apply to this Court for advice and directions in the discharge if its powers and duties hereunder.

25. 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.

26. 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 notice, if any, as this Court may order.

C. CHIBA
REGISTRAR, SUPERIOR COURT OF JUSTICE
GREFFIER ADJOINT, COUR SUPÉRIEURE DE JUSTICE

330 UNIVERSITY AVE.
7TH FLOOR
TORONTO, ONTARIO
M5G 1R7

330 AVE. UNIVERSITY
7E ÉTAGE
TORONTO, ONTARIO
M5G 1R7

AUG 2 8 2014

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

1. THIS IS TO CERTIFY that Collins Barrow Toronto Limited, the receiver (the "Receiver") of the assets, undertakings and properties of the Branch or Corporate Defendant acquired for, or used in relation to any business, services or enterprises carried on by the Branch or Corporate Defendant, appointed by Order of the Ontario Superior Court of Justice Superior Court dated the 20 day of June, 2014 (the "Order") made in an action having Court file number CV-08-361644.

2. 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.

3. 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.

4. 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__.

Collins Barrow Toronto Limited], solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name: Daniel Weisz

Title: Vice Preseident

SCHEDULE "B"

THIS COURT ORDERS THAT Wladyslaw Rabczak, Marianne Rabczak, Marlene Matyszczuk, Teresa Skibicki and anyone with knowledge of this order are prohibited from holding any meeting or a purported meeting of the members of Branch 1-7 of the Polish Alliance of Canada and from conducting or purporting to conduct any election of the executive of Branch 1-7 of the Polish Alliance of Canada.

THIS COURT ORDERS that despite anything in this Order, Mr. Bernie Romano may retain possession of all Property that is currently in his possession on his undertaking to turn such material over to the Receiver or Branch 1-7 of the Polish Alliance of Canada upon the time for appeal from the Order of Justice F. Myers dated May 27, 2014 expiring without an appeal being brought or, if an appeal I brought, to deal with such Property as may be finally directed by the appellate court(s). In the event that the Receiver wishes access to any Property in Mr. Romano's possession, the Receiver and Mr. Romano shall find a cooperative resolution or either may move for directions.

THE POLISH ALLIANCE OF CANADA and POLISH ASSOCIATION OF TORONTO LIMITED, ET AL.

PLAINTIFF DEFENDANTS

(Short title of proceeding)

Court file no. CV 08-361644

ONTARIO SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

ORDER (Appointing receiver)

Name, address and telephone number of solicitor or party

Peter I. Waldmann [LSUC # 23289M]
Barrister and Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4

tel: (416) 921-3185
fax: (416) 921-3183

Lawyer for the Plaintiff.
The Polish Alliance of Canada

36

37

B

Peter Waldmann

From: Ms Elizabeth E. Betowski [elizabeth@strategaconsulting.ca]
Sent: Thursday, August 28, 2014 9:27 AM
To: Peter Waldmann
Cc: Robert Zawierucha; Stanislaw Iwanicki; Henryk Kaliszewski; Teresa Szramek
Subject: Re: Our File PAC/CASE E re FW: 2282 Lakeshore Blvd West on 140827 @ 7pm - parked cars

Ford Pick up Truck Plate ZZ8 150 belongs to Mark Miasik

Elizabeth Betowski, Principal
Strategа Consulting Ltd.
c: 416 410-8489
www.strategaconsulting.ca

On Aug 28, 2014, at 7:35 AM, Peter Waldmann <peter@peteriwaldmann.com> wrote:

<Memo - Polish Cultural Centre.pdf>

This is Exhibit "B"
to the Affidavit of Elizabeth Betowski
sworn this 29th day of Aug, 2014

Commissioner for Affidavits

Peter Waldmann

From: Lisa Bleiwas [lbleiwas@torkinmanes.com]
Sent: Thursday, August 28, 2014 2:56 PM
To: Peter Waldmann
Subject: Automatic reply: Go forward involvement

Thank you for your e-mail. Please be advised that I will be away from the office from August 25th to September 2nd, with limited access to e-mail.

If this is an urgent matter, please contact our receptionist at (416)863-1188. Otherwise, I will reply to your message upon my return.

Thank you.

Lisa Bleiwas
Legal Assistant to Valerie A. Edwards and Jonathan Levy
Direct Tel: 416 863 1220 Ext. 206
lbleiwas@torkinmanes.com

Torkin Manes LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto ON M5C 2W7
Tel: 416 863 1188
Fax: 416 863 0305
www.torkinmanes.com<http://www.torkinmanes.com>

This is Exhibit "C"
to the Affidavit of
Elizabeth Betowski
sworn this 27th day of
August 20 14
Commissioner for Affidavits

30

D

Peter Waldmann

From: lawsociety@lsbc.org
Sent: Thursday, August 28, 2014 6:54 PM
To: Peter Waldmann
Subject: Fraud alert: Real estate firm's licence suspended, receiver appointed

This is Exhibit "D" to the Affidavit of Elizabeth Betowski sworn this 29 day of August 2014

Commissioner for Affidavits

Notice to the Profession

Fraud alert

Real estate firm's licence suspended and receiver appointed

The Real Estate Council of BC (RECBC) has suspended the licence of 8th Avenue Elite Realty Ltd., dba 8th Avenue Elite Realty ("Elite") in Surrey, and has frozen its bank accounts. The RECBC says it suspended Elite's licence in the public interest, as a result of the failure of the firm to account for trust monies held on behalf of clients.

D. Manning & Associates Inc. was appointed receiver on August 27, 2014 by order of the Supreme Court of British Columbia. Lawyers may contact William Choo at wc@manning-trustee.com or 604.683.8030 with any enquiries relating to money due to Elite or its agents. New bank accounts in the name of the court-ordered receiver, D. Manning and Associates Inc., have been opened.

Questions or concerns about money received or due from Elite to complete the closing of transactions should be directed to Angie Smith, Senior Compliance Officer at the RECBC, at asmith@recbc.ca or 604.683.9664.

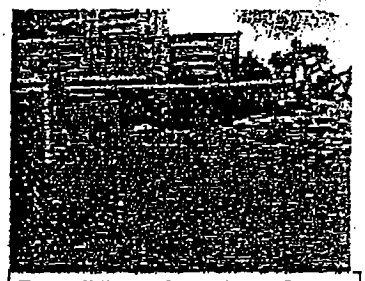
For any other questions, lawyers may contact a Law Society practice advisor.

Lawyer under fire after $15M in condo deposits goes missing

Monday, 25 August 2014 08:00 | Written By Yamri Taddese | | |

As a Toronto lawyer is facing a Law Society of Upper Canada investigation over $15 million in buyers' missing property deposit fees after she transferred the money to the developer even though the transactions hadn't closed and the project wasn't complete.

Lawyer Meerai Cho had received about $14.9 million in trust from purchasers of condo units in the Centrium condominium project at 5220 Yonge St. in Toronto. But with the project now cancelled, the deposit money is missing after Cho paid it to her client, the developer of the condo project, in what she says was a mistake due to her inexperience.



The building at 5220 Yonge St. is at the heart of concerns about $15 million in missing deposits.

In response to the law society's motion to suspend her licence while it investigates the matter, Cho said she had never represented a builder before the Centrium project and never held trust funds that didn't belong to her clients. When the Centrium developer, Joseph Lee, started asking her to transfer the deposit fees to him in November 2010, she believed he had authority to instruct her to do so, her lawyer, Bill Trudell, wrote in a response filed in the law

society case.

Cho believes Lee is now in Korea. She said he first told her to transfer the deposit monies to him because the purchasers had defaulted on their payments but he later said he needed the funds to complete the project. A new developer took over the project in October 2013.

By then, Cho had transferred essentially all of the deposit funds to Lee even though the project wasn't yet complete. Cho "attributes this failure to her lack of experience and her desire to see the project proceed to a successful completion, at which time she believed all the transactions would close and credit would be given for the deposits," Trudell wrote in the response.

Cho, who's 63, graduated from law school at the age of 50 and the Centrium project was "by far the biggest project on which Ms. Cho had worked," Trudell noted.

"Ms. Cho simply made a mistake," he added. "She did not keep any of the money for herself. She has been let down, if not misled, by a client with whom she had an ongoing professional relationship."

The purchasers, meanwhile, aren't buying that story. "I will never, ever believe she just [transferred] our deposit to the builder who's in Korea in error," says Cheng-Sen Ho, one of the purchasers of the commercial units in the building.

"I do not know what the deal [is] between Meerai Cho and the builder Joseph Lee, but Meerai as a professional lawyer should know the deposit should stay in her trust account until the project is done," adds Ho.

Another purchaser, Vivian Wong, says she and her sister are out $90,000 after paying that amount in deposits for two commercial units in the building. Recently, Wong says she received a letter in the mail indicating Cho had filed for bankruptcy.

"I think my money is gone," says Wong, who says she's looking to hire a lawyer to help her recover her cash.

"It's very hard to make that money."

According to the sworn affidavit of the law society's forensic auditor, Ken Doering, there are currently four or five civil lawsuits against Cho by purchasers who want their money back with 40 other lawsuits threatened.

Doering's affidavit noted that according to Cho's version of the story, Lee had originally retained Brattys LLP to carry out the legal work for the project. Later, Lee approached Cho to say he'd like her to do work on the commercial units of the building while Brattys took care of the residential component. But he soon told her she would handle the purchase of residential units as well.

"Based on my review of the lawyer's client trust ledgers for the project, I believe that she received deposits of approximately $3.1 million for residential units, $8.6 million for commercial units, and $3.2 million for hotel units for a total of approximately $14.9 million," Doering wrote.

There's currently just $10,000 left in Cho's trust account, according to Doering. In July, a Superior Court judge ordered an injunction against all bank accounts held by Cho.
The court also ordered an inspection into charges Cho granted against her home in favour of a person she described as a longtime friend who had lent her a substantial amount of money.

"The house mortgage has nothing to do with this issue," says Trudell. He adds his client has been co-operating fully with the law society's investigation and wants the best outcome for the purchasers.

In her affidavit, Cho said Lee hadn't paid her anything for three years "despite spending hundreds of hours working on the files related to the project."

Meanwhile, police say they've launched a fraud investigation after a number of purchasers went to them with complaints. Toronto police Const. Chris Bennoch tells Law Times the investigation is in its infancy. He has received complaints from about eight people so far and says he's in the process of organizing their complaints.

"I have a lot of initial contracts in front of me that people signed and copies of cheques. Outside of that, not much else," he says. "I'm in the evidence-gathering stage. It's difficult to provide any details."

Bennoch notes someone new calls him every day to say they're part of the wronged group. The case "could get pretty big, so I want to organize it early," he adds.

On Aug. 26, the law society will seek to suspend Cho's licence to practise law on an interlocutory basis.

"There are reasonable grounds to believe that there is a significant risk of harm to members of the public and to the public interest in the administration of justice if an interlocutory order is not made suspending or restricting the licence to practice of Meerai Cho," reads the notice of motion penned law society discipline counsel Ian Godfrey.

Cho didn't return a call from *Law Times*. A secretary who answered the phone said she was out of the office.

According to Cho's law society submission, she has contacted Lee "on a number of occasions" to have the deposits returned to the buyers. "Mr. Lee has advised Ms. Cho, and intimated to counsel, that the money is forthcoming."

Comments

Philip Brent 2014-08-25 15:31 **+7**

The LSUC would be a"significant risk to the public" if it did not suspend this lawyers licence. I suspect that there is more to this than "inexperience". This naive explanation, coupled with Canada's almost non-existent punishment for white collar crime, would suggest sophisticated fraud.
With the developer and presumably the money, now in Korea, there is probably nothing to be squeezed out of Ms. Cho and the purchasers are left in the wind.

Reply | Reply with quote | Quote

Gail Nichoills 2014-08-26 10:47 **+9**

If this woman is not disbarred for fraudulent activity, she should be disbarred for stupidity.

Reply | Reply with quote | Quote

Eduard Literate 2014-08-27 15:09 **+2**

This is the unfortunate result a system that allows anyone with a law degree and a call to the bar to hold themselves out as a Subject Matter Expert.

The LSUC should never allow a sole practitioner who is primarily a legal aid referral lawyer to collect ANY real estate trust funds (or any trust funds, for that matter). Just having a law degree should never entitle a person to be in a position to disburse millions of dollars without any oversight. This is purely a systemic issue.

It is pure hubris to think that we are both "barristers & solicitors". We need to impose reasonable limits, restrictions and rules to prevent this from happening again. Because it will happen again without the LSUC taking action.

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  - 1L Students Digital
  - Associates Digital

This is Exhibit "E"
to the Affidavit of
Elizabeth Getowski
sworn this 29th day of
August 20 14

Commissioner for Affidavits

LEXPERT®/REPORT ON BUSINESS SPECIAL EDITION
LITIGATION

Heard about the high margins and so you want to invest in a law firm?

Definitely Maybe

Written by Stephen Mabey

Print Email Add new comment

by Larry Richard, seen by many as an

Heard about the high margins a... 2:59:52 PM 8/28/2014

would he refuse if I did not point out that its board just designated one million shares for distribution to employees under a profit-sharing arrangement.

A note of caution, however, Slater & Gordon is a litigation boutique that takes on class actions against corporations, the funding of which would make it ripe to align with non-traditional funding provided by non-lawyer ownership.

The other categories that seem to be most prevalent in the take-up of alternative business structures include "law firms wanting 'non-lawyers' to be partners; accountancy firms providing legal services; property one-stop shops; legal and other experts working together to address particular business challenges; and virtual firms with lawyers working from client premises," according to an August *UK Managing Partner Firm Weekly Briefing*. You will note an absence of general service firms in the preceding list.

One of the recommendations (No. 5) contained in the recently released CBA Futures report titled Futures: Transforming the delivery of legal services in Canada if approved may have more immediate impact on a broader stratum of the Canadian legal market. That change would, within some reasonable parameters, permit fee-sharing with non-lawyers and paying referral fees to non-lawyers

I would speculate that this would remove the final hurdle to law firms utilizing both internal and external "sales forces" to generate work. One hopeful outcome would be better client service by finally providing some economic incentive for the pushing of work out to firms that can handle the particular matters by lawyers and firms that cannot.

Until next month, as George Soros is quoted as having said: "It is much easier to put existing resources to better use, than to develop resources where they do not exist."

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Chief Justice Beverley McLachlin at CBA meeting

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Stephen Mabey

Stephen Mabey is managing director of Applied Strategies, inc., which has a long-term contract to provide the chief operating officer function to Atlantic Canada law firm Stewart McKelvey. As well, Applied Strategies works with only small to mid-sized law firms outside of Atlantic Canada providing strategic/tactics planning, crisis management, organizational development, financial analysis, and private coaching to lawyers involved in law-firm management. He has written articles on law firm management that have been published in various legal industry periodicals

Column: Definitely Mabey

Latest from Stephen Mabey

- Measuring legal department metrics
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F

This is Exhibit "E" to the Affidavit of Elizabeth Petrowski sworn this 28 day of August, 2014

Commissioner for Affidavits

Corporate Update

Theresa L.M. Man

Canada Not-for-Profit Corporations Act

The number of corporations incorporated under Part II of the *Canada Corporations Act* (CCA) that have continued under the new *Canada Not-for-profit Corporations Act* (CNCA) grew from 3795 at the end of April to 4175 at the end of May. This still leaves 12,825, *i.e.*, 75%, of approximately 17,000 corporations that have not continued. Failure to continue under by the deadline may result in those corporations being dissolved. However, dissolution is not automatic. See *Charity Law Bulletin* No. 336 (http://www.carters.ca/pub/bulletin/charity/2014/chylb336.pdf) for an overview of the dissolution process and how to revive such dissolved corporations.

Corporations Canada continues to actively remind Part II CCA corporations of the need to continue by the deadline. With less than four months left before the deadline, time is fast running out to complete the continuance process, let alone time to hold two separate meetings to collapse membership classes in order to avoid class approval. As well, registered charities that want to revise their corporate objects may want to consider first continuing using the same objects and then revising the objects afterwards.

PETER I. WALDMANN
BARRISTER & SOLICITOR
member of the British Columbia, Ontario, USCA (11th Cir.) and New York Bars
Peter I. Waldmann Professional Corporation

183 Augusta Avenue
TORONTO, Ontario
CANADA M5T 2L4
Email: peter@peteriwaldmann.com
TEL: (416) 921-3185
FAX: (416) 921-3183

File: PAC/CASE E

Memorandum

Date: August 27, 2014

TO: Peter I. Waldmann

FROM: Matthew Armstrong

RE: Assignment due Thursday, August 28, 2014 at 5:00 p.m.

This is Exhibit "G" to the Affidavit of Elizabeth Betowski sworn this 29th day of Aug, 20 14
Commissioner for Affidavits

Removal of a Trustee

Welfare of the Beneficiaries Test

The governing principle on which Canadian courts have relied to determine whether or not a trustee should be removed is the welfare of the beneficiaries. This principle was established in the case of *Letterstedt v. Broers*[1], where Lord Blackburn stated that the "main guide must be the welfare of the beneficiaries."

Professor Waters, in his seminal text on the law of trust in Canada, makes the following comments with respect to this principle: the law of trust in Canada, in reference to Lord Blackburn's guidelines, states that if it is clear that the continuance of the trustee would be detrimental to the execution of the trust, and on request he refuses to retire without any reasonable ground for his refusal, the court might then consider it proper to remove him. Lord Blackburn went on to hold that the acts or omissions must be such as to endanger the trust property, or to show a want of honesty, or a want of proper capacity to execute the duties, or a want of reasonable fidelity.[2]

Applying the test of the welfare of the beneficiaries, the courts have refused to remove trustees who have made isolated mistakes in t of th v. *National Hockey League Pension Society* (199 approval the words of Lord Blackburn in *Lett* mistake or neglect of duty, or inaccuracy of c of Equity to adopt such a course. The acts trust property or to show a want of hones duties, or a want of reasonable fidelity.

Professor Waters elaborates on the welfar

[1] (1884), (1883-84) L.R. 9 App. Cas. 371 (South Africa
[2] D.W.M. Waters, *Law of Trusts in Canada*, 3rd ed. (To
[3] 1994 CarswellOnt 643 at 57.

dishonesty or negligence cannot be established, the failings must show an "incapacity" to execute the trustee's duties. The crucial factor would be whether the trust and the beneficiaries are suffering as a result of this "incapacity". Waters goes on to explain that it is clear from the jurisprudence that it is hard to dislodge a trustee whose act or acts were honest, believed to be in the best interests of all, and who was not partial.[4]

Hostility

Lord Blackburn's holding and Professor Waters' comments thereon were specifically noted with approval by Tulloch J. in *Oldfield v. Hewson.*[5] Tulluch J. went on to hold that the hostility between the trustee and the beneficiary alone was sufficient, in that case, to justify the removal of the trustee even if there was no malfeasance on the part of the trustee, since his continuance as a trustee, in this case, would be detrimental to the execution of the trusts.

Disagreement, friction or hostility between the trustees and the beneficiaries had typically not been found to be grounds from removing the trustee as noted by Professor Waters. The mere desire of some or all of the beneficiaries to remove the trustee is not enough.[6] However, the recent decision in *Oldfield v. Hewson* provides an example of the court ruling that hostility is sufficient grounds from the removal of a trustee. Tulloch J. in *Oldfield v. Hewson* relied on *Davis, Re* [7] and notes that the Ontario Court of Appeal held that, regardless of the causes of hostility between the trustee and the beneficiaries, the existence of hostility in and of itself impaired the relationship such that it was appropriate to remove and replace the trustee.

Discretion

The trustee's power also reflects a discretionary aspect, and the courts have consistently refused to interfere with a trustee's *bona fide* exercise of discretion. What the trustee is required to do is to put his mind to the matter in question, and, if he then makes the kind of decision which an honest and attentive person could have made, the court will not agree to his removal.[8]

Removal of a Receiver

Burden and Standard

In *Canada Trustco Mortgage Co. v. York-Trillium Development Group Ltd.*[9] it was held that there is a heavy onus on the party seeking to remove a receiver. The onus is heavier than that on a party seeking to oppose the court appointment in the first place. The court held that if the receiver is engaged in blatant intentional action contrary to the interests of

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[4] *Supra* note 2 at 848.
[5] 2005 CarswellOnt 405 at 27.
[6] *Genova v. Giroday*, 2000 O.J. No. 3396.
[7] 1983 CarswellOnt 608 at 7.
[8] *Ibid.*
[9] 1992 CarswellOnt 168 at 5.

one involved group, this would be a situation where the court would readily step in to replace the receiver. If it is shown that the receiver inadvertently caused a problem, then the court would apply the standard of a balance of convenience.

Discretion

In *Gentra Canada Investments Inc. v. 724270 Ontario Ltd.*[10] the court refused to grant a motion to remove the receiver for its decision to undergo costly repairs to the property held in trust where alternative, cheaper repair options existed. Dennis Lane, J. held that the court's role of supervision in a case such as this one, does not involve hearing evidence and deciding the appropriate course that the receiver should have taken but rather, ensuring that the choices actually made by the receiver are within the range of choices that are open to a reasonable receiver acting in good faith. The motion to remove the receiver failed even on the minimal standard of the balance of convenience.

In *Kraner v. Kraner*[11] the court held that it must consider the added cost involved in replacing a receiver with another receiver, and must assess the foundation for the alleged claim for *mala fides*. In normal circumstances, a receiver will not be removed short of proof that the receiver is engaged in blatant intentional action contrary to the interest of one or more parties. The receiver owes the duty to exercise its responsibilities in a careful manner considering the circumstances, but at the same time the court ought not to be assessing the actions taken by the receiver in the context of the perfect light of hindsight.

[10] 1994 CarswellOnt 3852 at 71.
[11] 2012 CarswellOnt 10876 at 25.

H

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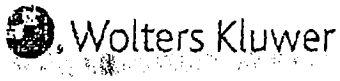

Ex "H"

Financial Planning | eMonthly

August 2014
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The Estate Planner No. 233

TRUSTEES NOT ALLOWED TO DELEGATE THEIR ESSENTIAL AUTHORITY AND DISCRETION

The recent decision of the Ontario Court of Appeal in *Penman v. Penman*, 2014 ONCA 83, serves as a reminder that being a trustee of a family trust is not simply an honorary position, and that a trustee who fails to fulfill his or her duties as such may find himself or herself personally liable and that this is so notwithstanding provisions of the *Trustee Act* that might be construed as offering relief or the existence of an exculpatory clause in the trust instrument that might be read as sufficient to exonerate the trustee.

This is Exhibit "H" to the Affidavit of Elizabeth Betowski sworn this 29th day of Aug 20 14

Commissioner for Affidavits

The Appellant's Liability

The appellant appealed from the application judge's ruling that she was jointly and severally liable, together with her two nephews, RP and MP, for the sum of $453,048.20 on account of trust funds wrongfully removed from a trust created by her late brother and her sister-in-law for the benefit of their grandchildren. At all relevant times, the appellant and MP were co-trustees of the trust. (On this appeal, the parties accepted that RP, although not named as a co-trustee, was a trustee *de son tort* of the trust.)

The appellant's central submission was that she acted honestly and reasonably, in good faith, and with the benefit of legal advice from her nephew, RP, an Alberta lawyer, in all her dealings with the trust, that she was "duped" by her two nephews who wrongfully used the trust funds for their own benefit, and that no act or omission on her part caused the admitted loss of the trust funds.

This was not the finding of the application judge. She found that, while the appellant did not act dishonestly, she completely delegated the exercise of her discretion to MP and to RP, and she failed to make any reasonable inquiries about the proposed investments or to follow up regarding their status. According to the application judge, the appellant "barely read anything to do with the proposed investment of the trust funds but simply signed whatever was placed in front of her". Further, rather than tracking the trust investments, she "simply assumed without any rational justification that things were going well."

The Court of Appeal found that, on the evidence, the application judge was open to make these findings and that these factual findings were dispositive of the issue of the appellant's personal liability for the wrongfully exhausted trust funds - unless she was relieved of liability by operation of law or under the terms of the trust indenture.

The Trustee Act

Subsection 35(1) of the *Trustee Act* provides as follows:

> 35. (1) If in any proceeding affecting a trustee or trust property it appears to the court that a trustee, or that any person who may be held to be fiduciarily responsible as a trustee, is or may be personally liable for any breach of trust whenever the transaction alleged or found to be a breach of trust occurred, but has acted honestly and reasonably, and ought fairly to be excused for the breach of trust, and for omitting to obtain the directions of the court in the matter in which the trustee committed the breach, the court may relieve the trustee either wholly or partly from personal liability for the same.

The application judge held that this provision was not applicable because, pursuant to subsection 35(2), subsection 35(1) does not apply to the *investment* of trust property. Moreover, subsection 35(1) only applies where the trustee acted "reasonably" and not just honestly. On the application judge's findings, that was not this case here.

Again, the Court of Appeal agreed.

The Exculpatory Clause

As is commonly the case, the trust indenture in this case contained an exculpatory clause. The appellant claimed this clause relieved her of any personal liability. The application judge held that the clause in question was not applicable to the facts of the case:

> . . . an exculpatory clause will not protect a trustee when it is found that the trustee improperly delegated the power or discretion in question. Each trustee must actively consider his or her discretion and will not be exonerated for passively acquiescing in the actions of a co-trustee. The law does not distinguish between passive and active trustees. [para. 13]

Again, the Court of Appeal agreed. In so doing it noted that, in their leading text, *Waters' Law of Trusts in Canada*, 4th edition (Toronto: Carswell, 2012), at pp. 981-82, Waters, Gillen, and Smith suggest that there is some

uncertainty in Canadian law concerning the validity of indemnity or exculpatory clauses in trust instruments in relation to a trustee's liability for gross negligence; however they also state that clauses of this kind "will not protect the trustee when it is found that he improperly delegated [his or her] power or discretion." Accordingly, the Appeal was dismissed.

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Peter Waldmann

From: Peter Waldmann
Sent: Thursday, August 28, 2014 6:18 PM
To: Valerie A. Edwards; Bernie Romano
Cc: Lisa Bleiwas; Peter I. Waldmann Law Corp; Peter I. Waldmann Law Corp; Peter Waldmann
Subject: Our file PAC CASE E - RE: Go forward involvement

Importance: High

Val,

I do not plan to seek any relief against Mr Rusek at the September 2, 2014 Case Conference or Motion Hearing. I am not clear which it is from the confusing messages from Myers, J.'s assistant who once wrote it was a Case Conference and then sent something about sending motion materials by hyperlink.

Does anyone know what exactly a "Hyperlink" is? It must be easier for you two young people who grew up with computers and internet than for me.

I will have to ask one of my students.

However, one of you must know whether September 2 is a motion or a case conference. June 20th was a case conference which turned into a motion proprio motu. However, we had the motion separately in the afternoon in a courtroom, rather than in chambers. If you can help me with this question, it would be most appreciated. Whichever of you may know. I am too embarrassed to ask the Judge's assistant, who may not know either judging from her various email correspondences.

Thank you for your anticipated co-operation.

This is Exhibit "I"
to the Affidavit of
Elizabeth Gebowsk.
sworn this 26 day of
Aug 20 14
Commissioner for Affidavits

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario M5T 2L4
(416) 921-3185
(416) 921-3183 [fax]

From: Valerie A. Edwards [mailto:vedwards@torkinmanes.com]
Sent: Thursday, August 28, 2014 9:51 AM
To: Bernie Romano; Peter Waldmann
Cc: Lisa Bleiwas
Subject: Go forward involvement

Bernie and Peter, there is no need to serve me with any material pertaining to this matter, unless you are seeking relief against Richard Rusek. I will ask for updates re status from time to time, and will want the facta for the appeal down the road – otherwise, you can save your clients the photocopy costs.

Many thanks,

EXHIBIT "J"

This is Exhibit "J"
to the Affidavit of
Elizabeth Betowski
sworn this 29th day of
Aug 20 14

Commissioner for Affidavits

Court of Appeal No.:
Superior Court File No. CV-08-361644

COURT OF APPEAL FOR ONTARIO

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Respondent
(Plaintiff)

and

POLISH ASSOCIATION OF TORONTO LIMITED,
MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK,
JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS
aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS,
WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN,
HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN,
STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS
and RICHARD RUSEK

Appellants
(Defendants)

and

AND BETWEEN:

POLISH ASSOCIATION OF TORONTO LIMITED,
MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK,
JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS
aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS,
WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN,
HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN,
STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS
and RICHARD RUSEK

Plaintiffs by Counterclaim

- and -

THE POLISH ALLIANCE OF CANADA, ROBERT ZAWIERUCHA, TADEUSZ MAZIARZ, ELIZABETH BETOWSKI, DANUTA ZAWIERUCHA, TERESA SZRAMEK, ANDRZEJ SZUBA, ADAM SIKORA, ELZBIETA GAZDA, STANISLAW GIDZINSKI, STANISLAW IWANICKI and TADEUSZ SMIETANA

Defendants by Counterclaim

NOTICE OF APPEAL

THE APPELLANTS' APPEAL to the Court of Appeal from the Order of the Honourable Mr. Justice Myers dated May 27, 2014, pursuant to the "Trial of Issues" as directed by the Order of Campbell J. dated February 21, 2012, without a jury at Toronto, Ontario.

THE APPELLANTS ASK that:

1. The findings of Myers J. be set aside to the extent that they were not prescribed as issues to be tried by the Order of Campbell J. dated February 21, 2012;

2. In the alternative, that the finding of the learned trial judge that the withdrawal by the membership of Branch 1-7 from the Respondent, Polish Alliance of Canada ("PAC") on August 26, 2006 was invalid, be set aside.

3. The learned trial judge's requirement for the members of Branch 1-7 to be "reconstituted" as a branch of the PAC and the procedure prescribed for the said reconstitution be set aside. Instead, an Order is requested permitting Branch 1-7 to continue to exist and thrive completely independently from the PAC.

4. The finding of the learned trial judge that the individual Appellants were to be excluded from membership in Branch 1-7 and that they were effectively banished for life, be set aside;

5. That finding of resulting trust whereby the PAC was found to hold the shares in the Appellant, Polish Association of Toronto Limited ("PATL") in trust for the membership of Branch 1-7 be set aside. The assets of the PATL and all the assets that are the subject of this action ought to be determined to be held in trust directly for the benefit of the members from time to time of Branch 1-7, without the inclusion or involvement of the PAC.

6. The Appellants seek leave to appeal the ruling that there were to be no costs awarded to either party. The Appellants seek their costs of the action and the Appeal.

7. Such further and other relief as the Appellants may advise and this Honourable Court may permit.

THE GROUNDS OF THE APPEAL are as follows:

1. The Appellants in this appeal are the Polish Association of Toronto Limited , Marek Miasik aka Marek Adam Miasik, Maria Miasik, Jan Argyris aka Louis John Elie Argyris aka Louis John Argyris aka John Argyris, Czeslawa Ericksen, and Albert Joseph Flis.

2. Pursuant to the Order of Campbell J. dated February 21, 2012, the Court ordered that there shall be a "Trial of an Issue" relating to the following issues:

a) Who is the legal and beneficial owner of the shares of the Polish Association of Toronto Limited?

b) Who is the legal and beneficial owner of the assets of the Polish Association of Toronto Limited, including but not limited to:

i. Properties municipally known as 2282 Lakeshore Boulevard West, 2284 Lakeshore Boulevard West, 2286 Lakeshore Boulevard West, 2288 Lakeshore Boulevard West, 2290 Lakeshore Boulevard West, Toronto, with the legal description: P.I.N. 07631-0223 – PCL 39-3, SEC M246, PT LTS 39, 40 & 41, PL M246, lying northwesterly of the Lakeshore Rd as widened by by-law 682; PT LTS 43, 44 & 45, PL M246; LT 370, PL M164; PT LT 353, PL 164, PART 1, 5, 6, & 10, 66R8520 [formerly described as Parcels 39-1, 39-2, 40-1, 40-2 and 40-3 in the register for Section M-246, Parcels 12250 and 12593 in the Register for the Borough of Etobicoke, and Parcel 353-1 in the Register for Section B-164] (hereinafter referred to as the "Lakeshore Property");

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v. The property municipally known as 32 Twenty-Fourth Street, Toronto, or 32 – 24th Street, Toronto, (hereinafter referred to as the "32-24th Street Property") with the legal description: *P.I.N. 07597-0012 (LT), PT LT 98, PL 1571, AS IN EB462486; ETOBICOKE, CITY OF TORONTO* [formerly Part of Lot 98, Plan 1571, as in EB462486, Etobicoke, City of Toronto, Land Titles Division of Metropolitan Toronto (No. 66)];

vi. All bank accounts, securities, shares, certificates, proceeds of insurance, documents evidencing ownership of rights to assets relating to the Polish Association of Toronto Limited;

c) Is the Polish Alliance of Canada, Branch 1 – 7 a distinct legal entity?

d) Is the Polish Alliance of Canada, Branch 1 -7 the legal entity known as "The Polish Alliance Friendly Society of Canada" which received its charter under the laws of the Province of Ontario on or about December 19, 1907?

e) Whether an order should be made as to the possession of the assets, records, documents, reports, correspondence, corporate seal and other material of the Polish Alliance Friendly Society of Canada.

(Collectively, the "Issues")

3. Pursuant to the Order of Campbell J. dated February 21, 2012, the Court ordered that the trial judge dealing with the Trial of the Issues had the discretion to amend the Issues to be tried.

4. Pursuant to the Order of Campbell J. dated February 21, 2012, the Court ordered that the said Order did not limit the right of a judge to amend the Issues to be tried prior to trial.

ii. Properties municipally known as 9 Louisa Street and 11 Louisa Street, Toronto, which are part of the Lakeshore Property, with the same legal description as the Lakeshore Property within: *P.I.N. 07631-223;*

iii. The property municipally known as 13 Louisa Street, Toronto, which is part of the Lakeshore Property with the legal description: *P.I.N. 07631-21 7 – PCL 42 -1, SEC M246; LT 42, PL 3246; T/W A ROW IN, OVER, ALONG & UPON THE MOST ELY 5 FT OF THE MOST SLY 93 FT OF LT 43 ON SAID PL M246, PROVIDED THAT THE PROJECTIONS (IF ANY) EXISTING ON 20/10/192B OVER THE SAID ROW SHALL BE DEEMED NOT TO BE AN ENCROACHMENT UPON THE SAID ROW;*

iv. The property municipally known as 17 Louisa Street, Toronto, (hereinafter referred to as "17 Louisa Property") abutting the Lakeshore Property with the legal description: *P.I.N. 07631-0216 (LT) – PCL 43-2, SEC M246; PT LT 43, PLM246, BOUNDED ON THE NW BY A LINE DRAWN BTN POINTS IN THE N EASTERN & S WESTERN LIMITS OF THE SAID LT DISTANCE 25 FT SOUTHEASTERLY ALONG SAID LIMITS FROM THE N WESTERN LIMIT OF SAID LT; ON THE NE BY A LINE DRAWN PARALLEL TO THE S WESTERN LIMIT OF THE SAID LT FRM A POINT IN THE S EASTERN LIMIT OF HTE SAID LT DISTANCE 90 FT NORTHEASTERLY THEREON FROM THE MOST SLY ANGLE OF THE SAID LT* [formerly described as PCL 42-2, Parcel 43-3, Section M-246 Being Part of Lot 43, Plan M-246, City of Toronto (formerly City of Etobicoke), Land Titles Division of Metropolitan Toronto (No.66)];

5. The learned trial judge did not amend any of the issues to be tried pursuant to the Order of Campbell J., dated February 21, 2012, either prior to or during the trial of the issues.

6. The learned trial judge erred in law by failing to restrict his decision and his findings to the issues that were directed to be tried pursuant to the Order of Campbell J, dated February 21, 2012.

7. The learned trial judge erred in law by making findings and rulings without providing proper notice to the Appellants, thereby depriving them of the opportunity to tender evidence and make argument in respect of those issues.

8. The learned trial judge erred in law in holding that the *Polish Veterans* case only carved out a very narrow exception to the general rule that unanimous consent of the membership is required and that a mere majority of members cannot cause property to be diverted to another association having different objects. The learned trial judge erred in failing to consider the evidence and his own findings, including but not limited to the finding that the subject properties in this action were purchased with monies from the sale of properties that were owned by Branch 1-7 prior to the existence of the PAC. The members of Branch 1-7 did not attempt to divert any property; the subject properties were never a part of the PAC. In addition, the issue of unanimous branch approval was not disputed by the PAC at trial.

9. The learned trial judge erred in law by failing to apply the conclusion of the *Polish Veterans* case to the facts of this case.

10. The learned trial judge erred in law by attaching only "little weight" to the historical documents which detailed the history of the "Polish Alliance of Canada" and the "Polish Alliance Friendly Society" decades prior to the incorporation of the PAC.

11. The learned trial judge erring in failing to consider the Appellants' submissions at trial that PATL would agree to be converted to a non-profit corporation, or alternatively that PATL would incorporate a new corporation as a non-profit organization to hold the shares of PATL.

12. The learned trial judge erred by failing to consider the totality of the evidence whereby the Appellant, the PATL, and its membership always acted and governed themselves as a not-for-profit organization with no intention whatsoever of ever developing the subject lands or dividing up the Branch 1-7 assets *in specie* amongst its members.

13. The learned trial judge filed to consider his own findings at Paragraph 31 of his reasons wherein he finds that Branch 1 existed as an unincorporated entity for many years prior to the incorporation of the PAC by stating that "PATL's *raison d'être* was to hold land for the members of the unincorporated Branch 1 in 1927".

14. The learned trial judge failed to consider his own findings of fact in paragraph 35 of his reasons:

> "Notwithstanding the legal machinations, there is no evidence indicating that the members at large of the PAC knew that the PAC had formed a corporation, understood any implication from that legality, or agreed to donate their equitable title to the new corporation. There is no indication of unanimity or of any notice being provided to members that could form the basis of a finding that they knowingly and unanimously gave up their property interests or their clubman's veto."

15. The learned trial judge erred by failing to consider that since neither the members or the Branch 1-7 unanimously assented to grant the legal title to the Lakeshore Property (or any assets of the Branch) to the PAC or to join the PAC, unanimous consent of the members of Branch 1-7 should not be required for Branch 1-7 to leave PAC, in any event, even if there was a triable issue relating to whether the decision to leave was unanimous.

16. The learned judge stated in paragraph 31 of his reasons: "In all, I see no indication that PATL owns the Lakeshore Property on its own account and no basis to rebut the presumption of resulting trust." The learned trial judge failed to consider his own findings at Paragraph 31 of his reasons as quoted when he states: "I hold that PATL owns any legal title to the Lakeshore Property and that it holds the equitable title to the land in trust for the members of Branch 1 -7 of the PAC from time-to-time."

17. The learned trial judge erred in failing to consider his own findings at paragraph 53, wherein he stated: "It is clear that by 2005, the defendants were planning to take Branch 1-7 out of the PAC. Unbeknownst to the PAC, prior to 2005, Branch 1 -7 had approved several resolutions authorizing the Executive of the branch to declare independence. What happened in 2005 and 2006 was the culmination of years of events". The learned trial judge failed to consider the evidence that the Executive had the authority to withdraw the Branch from PAC.

18. The learned trial judge erred in failing to consider his own findings as being justifiable grounds for the members of Branch 1-7 to leave the PAC. For example, at Paragraph 56: "The issue at play seems to have been the fear of Ms. Betowski and the autocratic style adopted by the Head Executive Board when she joined Mr. Zawierucha at the helm. The best support for this concern is that over the past decade, the PAC has done little else but litigate (Grimsby, Port Hope, Polish Alliance Press, W. Reymont Foundation, Branch 1 -7, etc). While the branches (including the current iteration of Branch 1- 7) have continued to perform their cultural events and hold dances, pageants, dinners and the like, the PAC Head Executive Board seems to have become a professional litigant under the stewardship of the very organized and officious Ms. Betowski. Although she is no longer a member of the Head Executive Board, Ms. Betowski was

the plaintiff's authorized witness for discovery, its lead witness at trial and as noted above, was the person in charge for the plaintiff throughout the trial".

19. The learned trial judge erred in failing to consider these findings when evaluating the Appellants and their withdrawal from the PAC to protect the members and the Branch 1-7 properties, which are the subject of this action.

20. The learned trial judge, when making his findings of resulting trust, failed to consider that the membership of Branch 1-7 traces its origins to 1907 and pre-dates the incorporation of the PAC, which did not exist until 1973.

21. The learned trial judge erred by stating at Paragraph 63 of his reasons that: "While Mr. Miasik's actions are consistent with an effort to wrest the Lakeshore Property from the PAC, ...". The learned trial judge failed to consider the fact that the Lakeshore Property was never the property of the PAC.

22. The learned trial judge erred by failing to consider the uncontested evidence that the Lakeshore Property and all the properties in issue were obtained entirely independently from and without any financial contribution from the PAC. The Lakeshore Property was purchased from the sale of lands which pre-dated the existence of the PAC.

23. The learned trial judge erred in his finding that the individual Appellants were deemed to have resigned from Branch 1-7 and that they could no longer be members of Branch 1-7.

24. The learned trial judge erred by failing to consider that the PAC conceded that the Branch 1-7 had withdrawn from the PAC and the PAC did not oppose same. The PAC took the position that the Appellants had the right to leave the PAC and that all of the members of Branch 1-7 were no longer members of the PAC; however, the PAC took the position that the Lakeshore

Properties and all the assets of the PATL belonged to the PAC by virtue of Article 8 of the PAC's Constitution which entitled the PAC to all of the shares of the PATL which the trial judge correctly found to be properly amended to remove that provision. In addition, the trial of issues did not deal with whether or not the method by which Branch 1-7 withdrew from the PAC was valid or invalid was not an additional issue added prior to the trial.

25. The learned trial judge erred by failing to determine that once Article 8 of the PAC Constitution did not apply to assist the PAC, as pleaded in its statement of claim, that all of the PAC's claims of ownership ought to have been dismissed.

26. The learned trial judge erred in his findings from Paragraphs 81 to 83 with respect to the membership of Branch 1-7 and the withdrawal of August, 2006, and its effect on the members from August 2006 to the date of trial as these were not made issues prior to the trial.

27. The learned trial judge erred in his determination at Paragraph 84 of his reasons that: "However, neither can eight disgruntled members withdraw the Branch from the PAC while purporting to continue to be the same organization with the same property rights." The learned trial judge erred in failing to consider that the history of Branch 1-7 predates the existence of the Respondent by approximately 67 years. The origins of Branch 1-7 date back to the incorporation of the Polish Alliance Friendly Society in 1907, and likely predate that event; the Polish Alliance of Canada did not exist until 1973. The monies used to purchase the Lakeshore Properties was traced to the sale of other properties that were owned by the PATL, as trustee for the members of Branch 1-7, prior to the existence of the PAC.

28. The learned trial judge made findings of fact that were not supported by the evidence. In doing so, he accepted the commentary of counsel for the PAC as evidence, which is an error of law.

29. The learned trial judge erred in his finding that the only members in existence of Branch 1-7 today are those members who were members as at August 26, 2006.

30. The learned trial judge, it is submitted, ought to have provided notice of this issue and potential finding to enable the Appellants the opportunity to elect to call evidence as to the present membership of the Branch and to provide further details of the members' contributions and volunteer efforts, pertaining to those members who joined Branch 1-7 after August 26, 2006.

31. The learned trial judge erred in prescribing the steps with respect to the reconstitution of the executive of Branch 1-7 as set out in paragraphs 91 D to G of his reasons.

32. The learned trial judge erred in determining that the Branch 1-7 was not a distinct legal entity.

33. The learned trial judge erred in determining that the Branch 1-7 were not the Polish Alliance Friendly Society of Canada.

34. The learned trial judge erred in failing to request submissions on the issue of costs.

35. The learned trial judge erred in not awarding costs to the Appellants.

THE BASIS OF THE APPELLATE COURT'S JURISDICTION IS:

36. The Judgment appealed from is a final Order where Section 19(1)(a) of the *Courts of Justice Act* does not apply. The Judgment appealed from is a final Judgment following trial where the amounts in issue exceeded $50,000.00, exclusive of costs. The within appeal lies to the Court of Appeal pursuant to Section 6(1)(b) of the *Courts of Justice Act*. Leave to appeal is not required.

Dated: June 26, 2014

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Bernie Romano Professional Corporation
Barristers & Solicitors
22 Goodmark Place
Suite 11
Toronto, Ontario
M9W 6R2
Tel: (416) 213-1225
Fax: (416) 213-1251
Bernie Romano
Law Society # 34447T
Lawyers for the Appellants, the Polish Association of Toronto Limited, Marek Miasik, Maria Miasik, Albert Flis, Czeslawa Ericksen, and John Argyris

TO: PETER I. WALDMANN
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario
M5T 2L4
Law Society No.: 23289M
Tel: (416) 921-3185
Fax: (416) 921-3183
Lawyer for the Respondent

AND TO:

TORKIN MANES COHEN ARBUS LLP
Barristers and Solicitors
Suite 1500
Toronto, Ontario
M5C 2W7

Valerie Edwards

Tel. 416 863 1188
Fax 416 865 0305

Lawyer for the Defendant, Richard Rusek

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(2)

THE POLISH ALLIANCE OF CANADA Plaintiff / Defendants by Counterclaim	and	POLISH ASSOCIATION OF TORONTO LIMITED Defendants / Plaintiffs by Counterclaim	Court of Appeal No.: Superior Court File No. CV-08-361644

COURT OF APPEAL FOR ONTARIO

NOTICE OF APPEAL

BERNIE ROMANO PROFESSIONAL CORPORATION
22 Goodmark Place
Suite 11
Toronto, Ontario M9W 6R2
Bernie Romano
Law Society #34447T
Tel: 416-213-1225
Fax: 416-213-1251

Lawyer for the Defendants, except Richard Rusek

79

File: PAC/CASE E

Memorandum

Date: August 27, 2014

TO: Peter I. Waldmann

FROM: Marissa Armstrong

RE: Polish Alliance of Canada - 2282 Lakeshore Blvd. W Photographs and Vehicle Information

---

On August 27th, the following photographs and vehicle information were recorded at the above address at 7:00 PM.

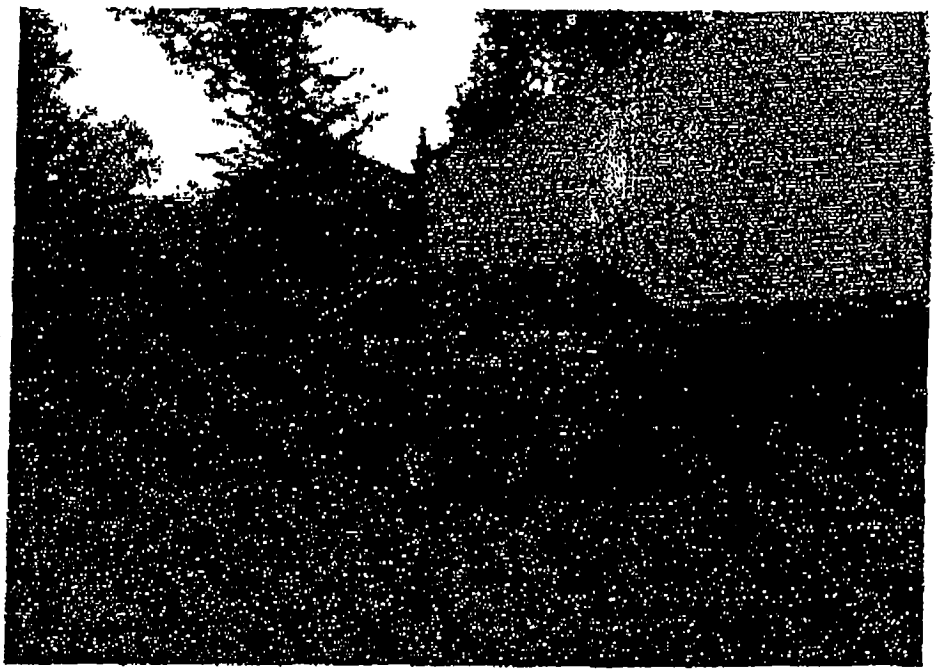
This is Exhibit "J-2" to the Affidavit of [illegible] sworn this 29th day of August 20 14

Commissioner for Affidavits

Vehicle No. 1: Bayliner Boat
ON 340438 - Number on boat; no license plate

Vehicle No. 2: BMW 530X1
License Plate: BCXT 246

Vehicle No. 3: Kia Sportage
License Plate: BBVA 671



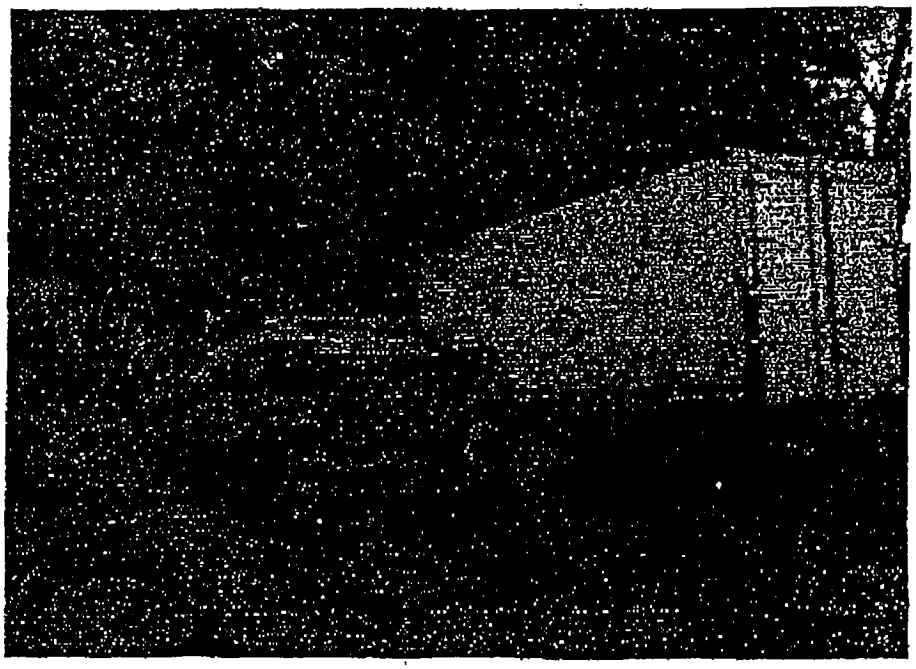
Vehicle No. 4: Bako's Transportation Truck 131199713
VIN# 3HK52685
License Plate: 156 6MB

Vehicle No. 5: Mazda 3
License Plate: AZCA 419

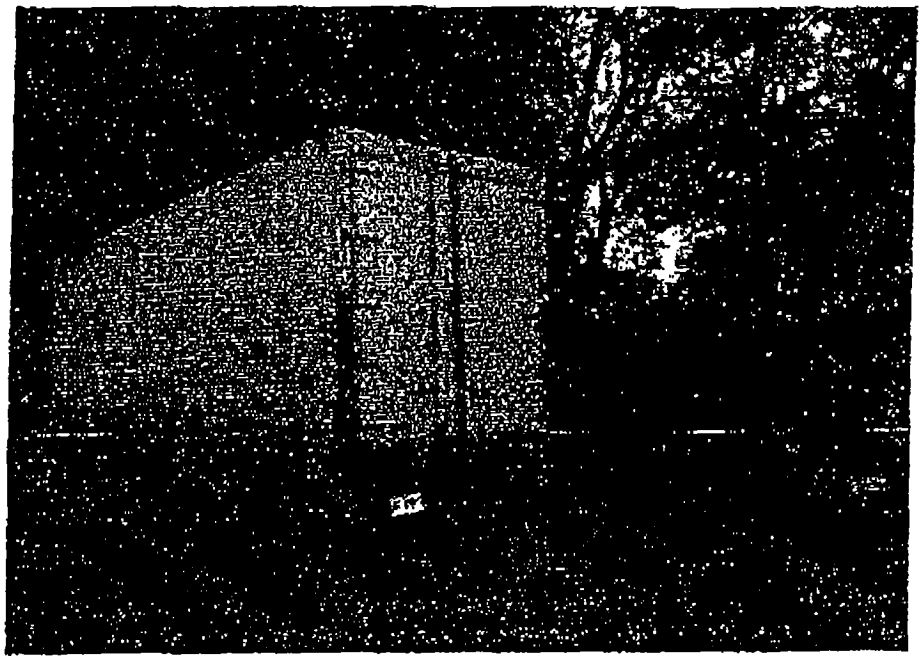
Vehicle No. 6: Chris Jr. Ready Mix Cement Truck
Phone #: (416) 858-9117
License Plate: AD15 318

Vehicle No. 7: Honda Odyssey Classic
License Plate: BOPC 769

Vehicle No. 8: Bayliner Boat
24E14227 - Number on boat; no license plate

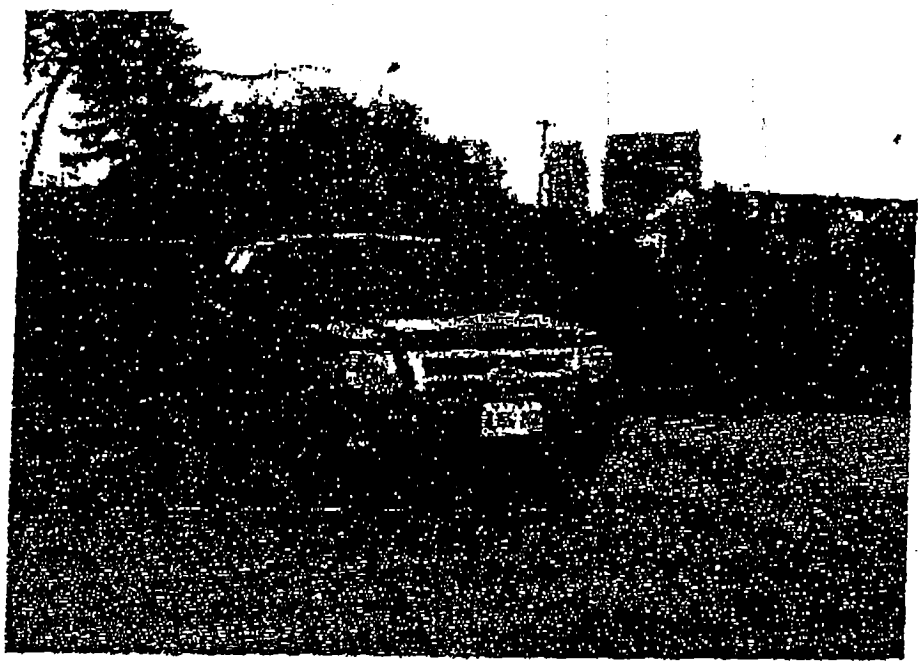


Vehicle No. 9: Home Art Moving Delivery Truck
Phone #: (416) 253-0579
Website: www.homeartmoving.com
License Plate: AF37 621



Vehicle No. 10: AT Services Peterbuilt Thermoking Truck
Peterborough, ON
VIN #: 1XP5DB9X43D805291
License Plate: PZ4 362

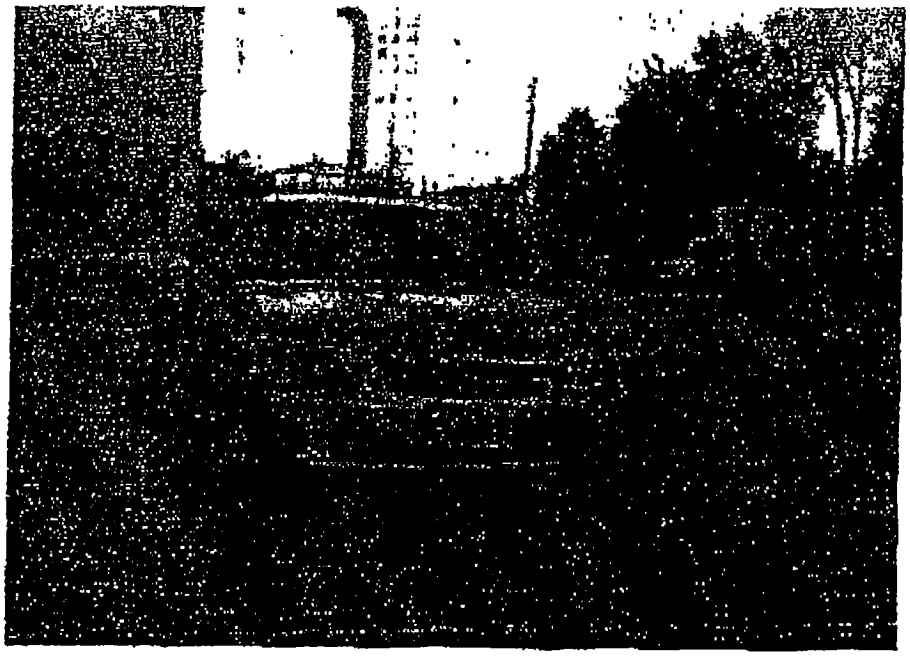
Vehicle No. 11: Ford Escape
License Plate: BJSS 262



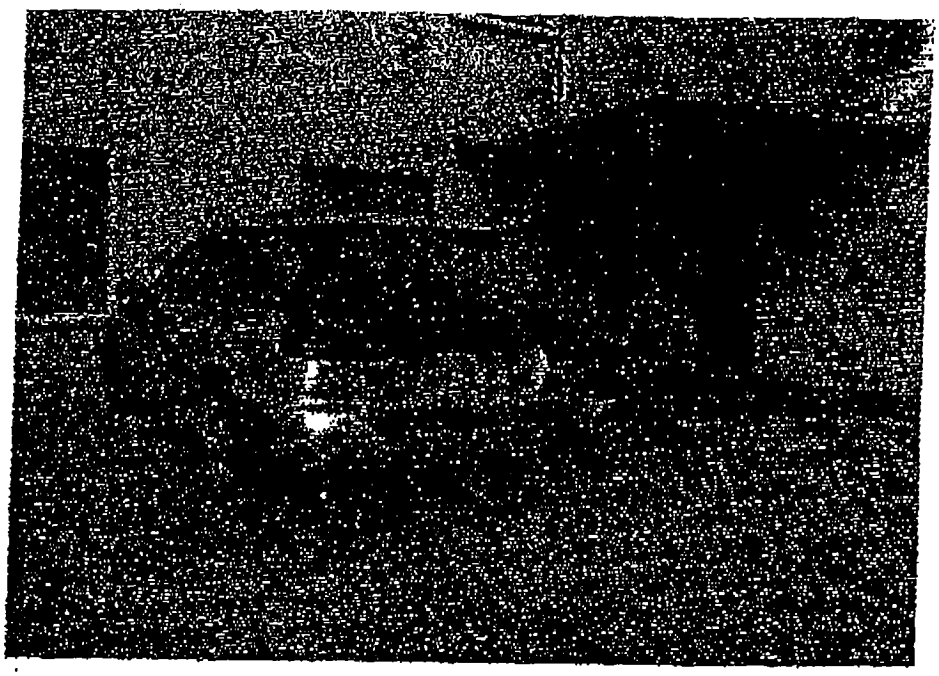
Vehicle No. 12: Pontiac Sunfire
License Plate; ASER 846

Vehicle No. 13: Honda Civic
License Plate: BSCN 686

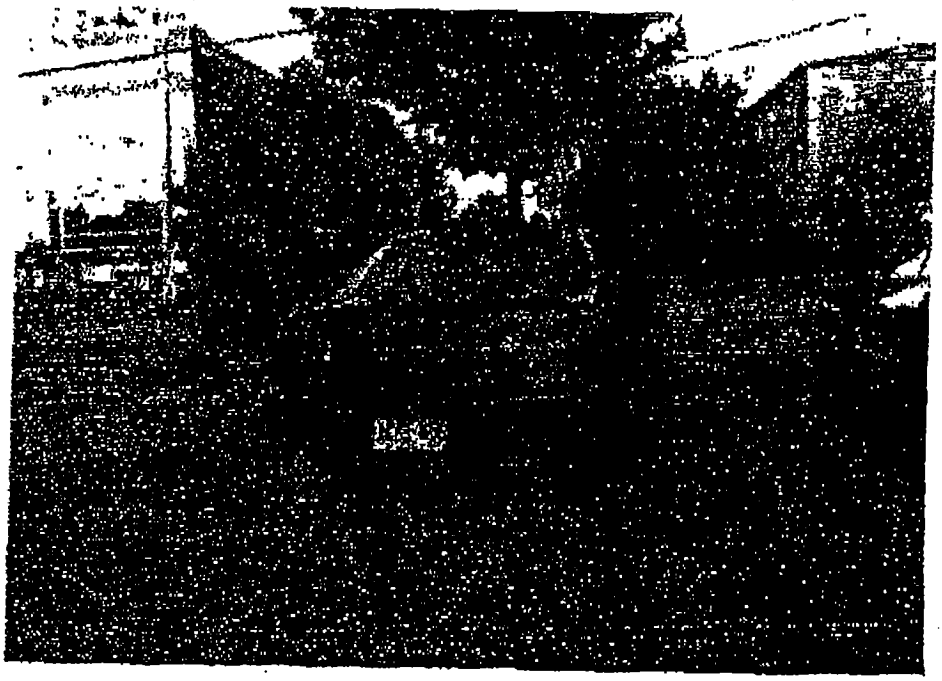
Vehicle No. 14: Honda Accord
License Plate: BSZD 634



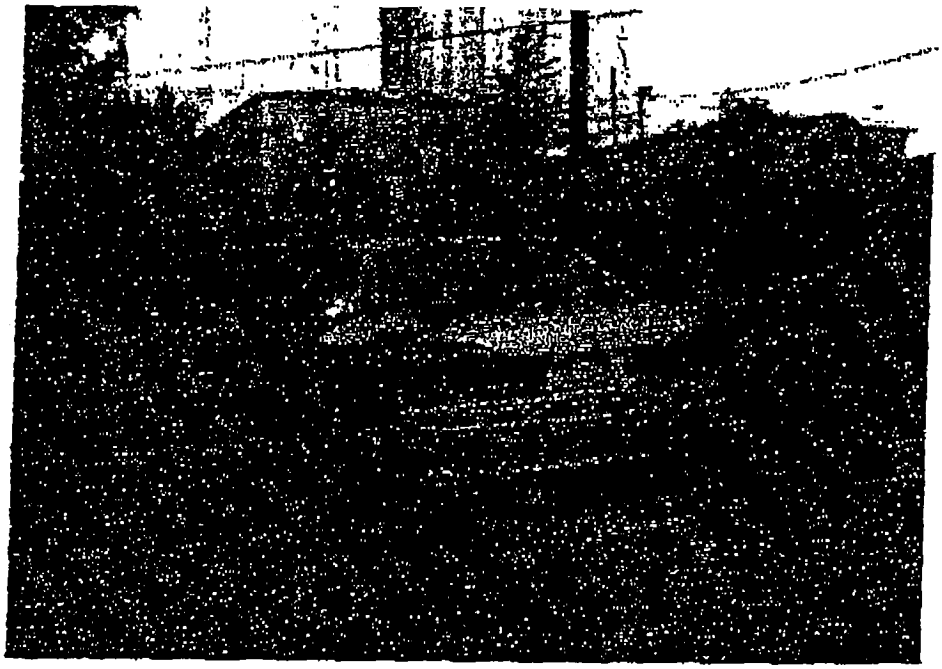
Vehicle No. 15: Subaru Legacy
License Plate: ARCKK



Vehicle No. 16: Toyota Corolla
License Plate: ACPB 824

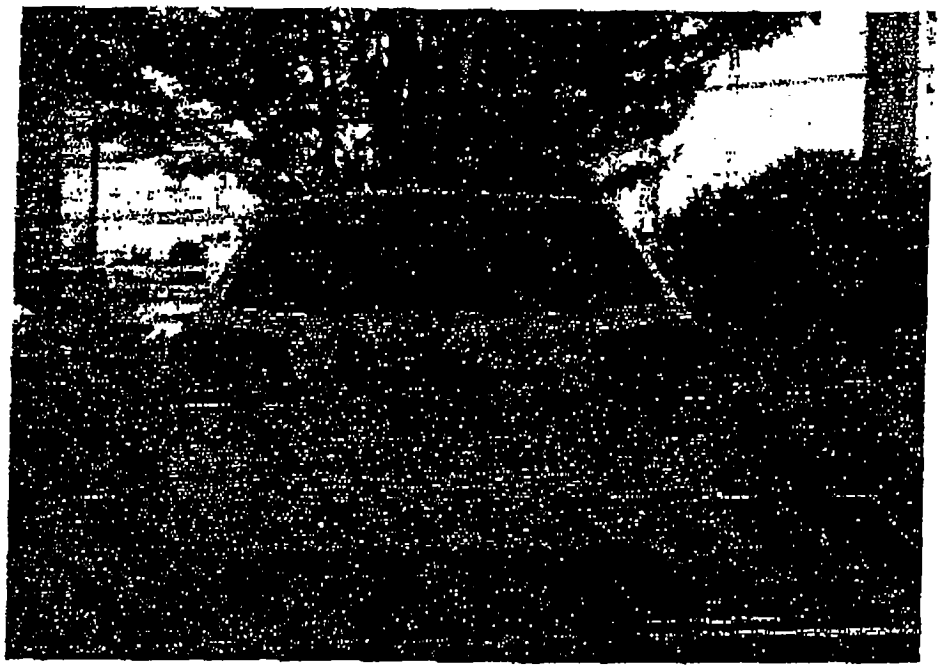


Vehicle No. 17: Honda Accord
License Plate: 160 ZEN

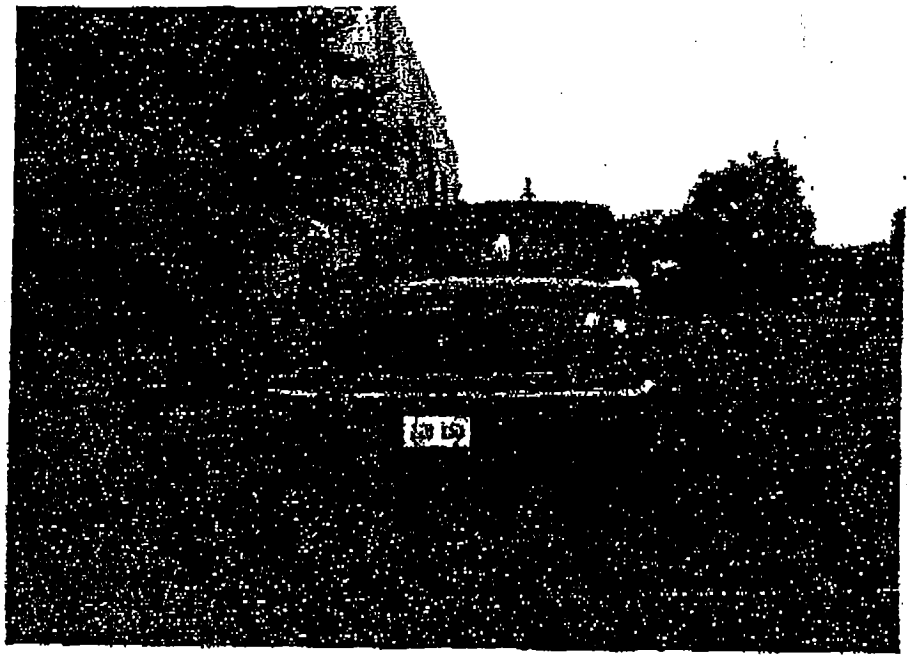


Vehicle No. 18: Toyota Corolla
License Plate: BLSW 781

Vehicle No. 19: Dodge Journey
License Plate: BKWF 301



Vehicle No. 20: Ford Pickup Truck
License Plate: ZZ8 150



Vehicle No. 21: Liberty International GMC Safari Truck
Phone #: (416) 255-8809
Website: www.myliberty.ca
License Plate: 408 9X2

EXHIBIT "K"

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PETER I. WALDMANN
BARRISTER & SOLICITOR
member of the British Columbia, Ontario, USCA (11th Cir.) and New York Bars
PETER I. WALDMANN PROFESSIONAL CORPORATION

183 Augusta Avenue
Toronto, Ontario
CANADA M5T 2L4
Email: peter@peterwaldmann.com
TEL: (416) 921-3185
FAX: (416) 921-3183

This is Exhibit "K"
to the Affidavit of Elizabeth Betowski
sworn this 27th day of Aug 20 14

Commissioner for Affidavits

August 21, 2014

Bernie Romano
Bernie Romano Professional Corporation
Barristers and Solicitors
22 Goodmark Place, Suite 11
Toronto, Ontario M9W 6R2

1 page by fax to (416) 213-1251

Dear Mr Romano,

RE: The Polish Alliance of Canada v. Polish Association of Toronto Limited et al.
Court File no. CV-08-361644

Thank you for your letter dated August 15, 2014. The letter appears to be incorrect on its face as it states it encloses the Certificate for ordering the "Transcript for Appeal", while the enclosed Certificate of Ordering Transcript for Appeal is only for the June 20, 2014 motion hearing where you requested that the court reporter take a transcript, and the Honourable Justice F.L. Myers requested my position on same, to which I indicated I had no objection. At least, that is my recollection, but your transcript will of course set out exactly what the exchange was in courtroom 6-4 (???) that day.

However, you have not advised whether you have ordered the Transcript for the Appeal of the May 27, 2014 decision of the Court for which you filed a Notice of Appeal, and my client responded with a Notice of Cross-Appeal.

Please advise whether your clients have abandoned their appeal, given the time to order that transcript has expired, or whether you can forward confirmation that your clients have actually ordered, as required, in timely fashion the evidence of the transcript of the March 10th to the last date in April of the Trial of the Issue. Your Certificate of Evidence indicated you considered all the witnesses' evidence and all the Exhibits were needed for that appeal.

Your earliest response would be appreciated.

Yours very truly,

PIW/ag

cc. Valerie Edwards (*by fax to 1-888-732-6508*)
Collins Barrow (Attn: Danny Weisz *by fax to its lawyer, Patrick Shea of Gowlings, Lafleur, Henderson LLP: fax no. 416-862-7661*)

93

TRANSACTION REPORT

AUG/21/2014/THU 06:28 PM

FAX(TX)

#	DATE	START T.	RECEIVER	COM.TIME	PAGE	TYPE/NOTE	FIL
001	AUG/21	06:28PM	4162131251	0:00:23	1	MEMORY OK SG3	2538

PETER I. WALDMANN
BARRISTER & SOLICITOR
member of the British Columbia, Ontario, USCA (11th Cir.) and New York Bars
PETER I. WALDMANN PROFESSIONAL CORPORATION

183 Augusta Avenue
Toronto, Ontario
CANADA M5T 2L4
Email: peter@peteriwaldmann.com
TEL: (416) 921-3185
FAX: (416) 921-3183

August 21, 2014

Bernie Romano
Bernie Romano Professional Corporation
Barristers and Solicitors
22 Goodmark Place, Suite 11
Toronto, Ontario M9W 6R2

1 page by fax to (416) 213-1251

Dear Mr Romano,

RE: The Polish Alliance of Canada v. Polish Association of Toronto Limited et al.
Court File no. CV-08-361644

Thank you for your letter dated August 15, 2014. The letter appears to be incorrect on its face as it states it encloses the Certificate for ordering the "Transcript for Appeal", while the enclosed Certificate of Ordering Transcript for Appeal is only for the June 20, 2014 motion hearing where you requested that the court reporter take a transcript, and the Honourable Justice F.L. Myers requested my position on same, to which I indicated I had no objection. At least, that is my recollection, but your transcript will of course set out exactly what the exchange was in courtroom 6-4 (777) that day.

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95

TRANSACTION REPORT

AUG/21/2014/THU 06:29 PM

FAX(TX)

#	DATE	START T.	RECEIVER	COM.TIME	PAGE	TYPE/NOTE		Fl.
001	AUG/21	06:29PM	18887326508	0:00:39	1	MEMORY OK	ECM	2539

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BARRISTER & SOLICITOR
member of the British Columbia, Ontario, USCA (11th Cir.) and New York Bars
PETER I. WALDMANN PROFESSIONAL CORPORATION

183 Augusta Avenue
Toronto, Ontario
CANADA M5T 2L4
Email: peter@peterlwaldmann.com
TEL: (416) 921-3185
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AUG/21/2014/THU 06:30 PM

FAX(TX)

#	DATE	START T.	RECEIVER	COM.TIME	PAGE	TYPE/NOTE		F.
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EXHIBIT "L"

This is Exhibit "L"
to the Affidavit of
Elizabeth Betowski
sworn this 28th day of
August, 2014

Commissioner for Affidavits

TEL: (416) 921-3185
FAX: (416) 921-3183

Draft only v.2

File: PAC/CASE E

Memorandum

Date: August 28, 2014

TO: PIW

FROM: MJA

RE: Assignment due Thursday, August 28, 2014 at 5:00 p.m.

Removal of a Court-Appointed Receiver

Welfare of the Beneficiaries Test

The governing principle on which Canadian courts have relied to determine whether or not a court-appointed receiver should be removed is the welfare of the beneficiaries. This principle was established in the case of *Letterstedt v. Broers*[1], where Lord Blackburn stated that the "main guide must be the welfare of the beneficiaries."

Professor Waters, in his seminal text on the law of trust in Canada, makes the following comments with respect to this principle: the law of trust in Canada, in reference to Lord Blackburn's guidelines, states that if it is clear that the continuance of the trustee would be detrimental to the execution of the trust, and on request he refuses to retire without any reasonable ground for his refusal, the court might then consider it proper to remove him. Lord Blackburn went on to hold that the acts or omissions must be such as to endanger the trust property, or to show a want of honesty, or a want of proper capacity to execute the duties, or a want of reasonable fidelity.[2]

[1] (1884), (1883-84) L.R. 9 App. Cas. 371 (South Africa P.C.), at 385 - 389.
[2] D.W.M. Waters, *Law of Trusts in Canada*, 3rd ed. (Toronto: Carswell, 2005) at 845.

Draft only v.2

Applying the test of the welfare of the beneficiaries, the courts have refused to remove court-appointed receivers who have made isolated mistakes in the exercise of their powers. In *Bathgate v. National Hockey League Pension Society* (1994)[3], the Ontario Court of Appeal cited with approval the words of Lord Blackburn in *Letterstedt v. Broers* that it is not indeed every mistake or neglect of duty, or inaccuracy of conduct of trustee, which will induce Courts of Equity to adopt such a course. The acts or omissions must be such as to endanger the trust property or to show a want of honesty, or a want of proper capacity to execute the duties, or a want of reasonable fidelity.

Professor Waters elaborates on the welfare of the beneficiaries test stating that if dishonesty or negligence cannot be established, the failings must show an "incapacity" to execute the trustee's duties. The crucial factor would be whether the trust and the beneficiaries are suffering as a result of this "incapacity". Waters goes on to explain that it is clear from the jurisprudence that it is hard to dislodge a trustee whose act or acts were honest, believed to be in the best interests of all, and who was not partial.[4]

Hostility

Lord Blackburn's holding and Professor Waters' comments thereon were specifically noted with approval by Tulloch J. in *Oldfield v. Hewson.*[5] Tulluch J. went on to hold that the hostility between the trustee and the beneficiary alone was sufficient, in that case, to justify the removal of the trustee even if there was no malfeasance on the part of the trustee, since his continuance as a trustee, in this case, would be detrimental to the execution of the trusts.

Disagreement, friction or hostility between the trustees and the beneficiaries had typically not been found to be grounds from removing the trustee as noted by Professor Waters. The mere desire of some or all of the beneficiaries to remove the trustee is not enough.[6] However, the recent decision in *Oldfield v. Hewson* provides an example of the court ruling that hostility is sufficient grounds from the removal of a trustee. Tulloch J. in *Oldfield v. Hewson* relied on *Davis, Re* [7] and notes that the Ontario Court of Appeal held that, regardless of the causes of hostility between the trustee and the beneficiaries, the existence of hostility in and of itself impaired the relationship such that it was appropriate to remove and replace the trustee.

Discretion

The court-appointed receiver's power also reflects a discretionary aspect, and the courts have consistently refused to interfere with a court-appointed receiver's *bona fide* exercise

[3] 1994 CarswellOnt 643 at 57.
[4] *Supra* note 2 at 848.
[5] 2005 CarswellOnt 405 at 27.
[6] *Genova v. Giroday*, 2000 O.J. No. 3396.
[7] 1983 CarswellOnt 608 at 7.

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Burden and Standard

In *Canada Trustco Mortgage Co. v. York-Trillium Development Group Ltd.*[9] it was held that there is a heavy onus on the party seeking to remove a court-appointed receiver. The onus is heavier than that on a party seeking to oppose the court appointment in the first place. The court held that if the court-appointed receiver is engaged in blatant intentional action contrary to the interests of one involved group, this would be a situation where the court would readily step in to replace the court-appointed receiver. If it is shown that the court-appointed receiver inadvertently caused a problem, then the court would apply the standard of a balance of convenience.

Discretion

In *Gentra Canada Investments Inc. v. 724270 Ontario Ltd.*[10] the court refused to grant a motion to remove the court-appointed receiver for its decision to undergo costly repairs to the property held in trust where alternative, cheaper repair options existed. Dennis Lane, J. held that the court's role of supervision in a case such as this one, does not involve hearing evidence and deciding the appropriate course that the court-appointed receiver should have taken but rather, ensuring that the choices actually made by the court-appointed receiver are within the range of choices that are open to a reasonable court-appointed receiver acting in good faith. The motion to remove the court-appointed receiver failed even on the minimal standard of the balance of convenience.

In *Kraner v. Kraner*[11] the court held that it must consider the added cost involved in replacing a court-appointed receiver with another receiver, and must assess the foundation for the alleged claim for *mala fides*. In normal circumstances, a court-appointed receiver will not be removed short of proof that the court-appointed receiver is engaged in blatant intentional action contrary to the interest of one or more parties. The court-appointed receiver owes the duty to exercise its responsibilities in a careful manner considering the circumstances, but at the same time the court ought not to be assessing the actions taken by the court-appointed receiver in the context of the perfect light of hindsight.

---

[8] *Ibid.*
[9] 1992 CarswellOnt 168 at 5.
[10] 1994 CarswellOnt 3852 at 71.
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FOR EXHIBIT "a" to affidavit of eb or rz or raz or hk

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[5] 2005 CarswellOnt 405 at 27.
[6] *Genova v. Giroday*, 2000 O.J. No. 3396.
[7] 1983 CarswellOnt 608 at 7.

of discretion. What the court-appointed receiver is required to do is to put his mind to the matter in question, and, if he then makes the kind of decision which an honest and attentive person could have made, the court will not agree to his removal.[8]

Burden and Standard

In *Canada Trustco Mortgage Co. v. York-Trillium Development Group Ltd.*[9] it was held that there is a heavy onus on the party seeking to remove a court-appointed receiver. The onus is heavier than that on a party seeking to oppose the court appointment in the first place. The court held that if the court-appointed receiver is engaged in blatant intentional action contrary to the interests of one involved group, this would be a situation where the court would readily step in to replace the court-appointed receiver. If it is shown that the court-appointed receiver inadvertently caused a problem, then the court would apply the standard of a balance of convenience.

Discretion

In *Gentra Canada Investments Inc. v. 724270 Ontario Ltd.*[10] the court refused to grant a motion to remove the court-appointed receiver for its decision to undergo costly repairs to the property held in trust where alternative, cheaper repair options existed. Dennis Lane, J. held that the court's role of supervision in a case such as this one, does not involve hearing evidence and deciding the appropriate course that the court-appointed receiver should have taken but rather, ensuring that the choices actually made by the court-appointed receiver are within the range of choices that are open to a reasonable court-appointed receiver acting in good faith. The motion to remove the court-appointed receiver failed even on the minimal standard of the balance of convenience.

In *Kraner v. Kraner*[11] the court held that it must consider the added cost involved in replacing a court-appointed receiver with another receiver, and must assess the foundation for the alleged claim for *mala fides*. In normal circumstances, a court-appointed receiver will not be removed short of proof that the court-appointed receiver is engaged in blatant intentional action contrary to the interest of one or more parties. The court-appointed receiver owes the duty to exercise its responsibilities in a careful manner considering the circumstances, but at the same time the court ought not to be assessing the actions taken by the court-appointed receiver in the context of the perfect light of hindsight.

---

[8] *Ibid.*
[9] 1992 CarswellOnt 168 at 5.
[10] 1994 CarswellOnt 3852 at 71.
[11] 2012 CarswellOnt 10876 at 25.

Peter Waldmann

From: Matthew Armstrong [m.armstrong@alum.utoronto.ca]
Sent: Wednesday, August 27, 2014 11:24 AM
To: Peter Waldmann
Subject: Memorandum re Removal of Receiver
Attachments: Memo Re Removal of Receiver.docx; 1. Letterstedt v. Broers.docx; 2. Bathgate v National Hockey League Pension Society.doc; 3. Oldfield v Hewson.doc; 4. Genova v Giroday.docx; 5. Davis Re.doc; 6. Canada Trustco Mortgage Co. v. York-Trillium Development Group Ltd..doc; 7. Gentra Canada Investments Inc v 724270 Ontario Ltd.doc; 8. Kraner v. Kraner.doc; 1. Letterstedt v. Broers.docx; 2. Bathgate v National Hockey League Pension Society.doc; 3. Oldfield v Hewson.doc; 4. Genova v Giroday.docx; 5. Davis Re.doc; 6. Canada Trustco Mortgage Co. v. York-Trillium Development Group Ltd..doc; 7. Gentra Canada Investments Inc v 724270 Ontario Ltd.doc; 8. Kraner v. Kraner.doc

Hi Peter,

Attached please find:

1. the memorandum you requested regarding options for removing a receiver or trustee; and
2. the cases relied upon in same.

Please let me know if you have any questions or would like to discuss.

Regards,
Matthew

EXHIBIT "M"

111

Court File No.

This is Exhibit "U" to the Affidavit of Elizabeth Betowski sworn this 29 day of Aug 20 14

Commissioner for Affidavits

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

- and -

RICHARD RUSEK

Defendant

NOTICE OF ACTION

TO THE DEFENDANTS

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff. The claim made against you is set out in the statement of claim served with this notice of action.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the plaintiff's lawyer, or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service, in this court office, WITHIN TWENTY DAYS after this statement of claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

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IF YOU PAY THE PLAINTIFF'S CLAIM, and $ 950.00 for costs, within the time for serving and filing your statement of defence, you may move to have this proceeding dismissed by the court. If you believe the amount claimed for costs is excessive, you may pay the plaintiff's claim and $400.00 for costs and have the costs assessed by the court.

Date: August , 2014 Issued by: _____

Address of Court office:
Ontario Superior Court of Justice
Court House
361 University Ave.
Toronto ON M5G 1T3

TO:

Richard Rusek
1623 Bloor Street West
Toronto, ON M6P 1A6

CLAIM

The Defendant acted in conflict of interest and in knowing breach of Plaintiff bylaws and constitution and obtained property in deceit and breach of fiduciary duty, including two shares of the Polish Association of Toronto Limited, while acting as solicitor for all persons involved including the Plaintiff.

August 28, 2014

Peter I. Waldmann [LSUC #23289M]
Barrister and Solicitor
183 Augusta Avenue
Toronto, ON M5T 2L4
Tel: (416) 921-3185
Fax: (416) 921-3183
Lawyer for the Plaintiff The Polish Alliance of Canada

113

POLISH ALLIANCE OF CANADA

PLAINTIFF

and

RICHARD RUSEK

DEFENDAN

Court File No.

ONTARIO SUPERIOR COURT OF JUSTICE

Proceeding Commenced in Toronto

NOTICE OF ACTION

Peter I. Waldmann Law Corporation
Barrister and Solicitor
183 Augusta Ave.
Toronto, Ontario M5T 2L4

Peter I. Waldmann (LSUC #23289M)
Tel: (416) 921-3185
Fax: (416) 921-3183

Lawyer for the Defendants

EXHIBIT "N"

List of Members of Branch 1-7

Date: August 13, 2014

In accordance with the Decisions of Myers J. of May 27, 2014 and June 20, 2014

Number	Name
1	Cebej, Marian
2	Cebej, Helen
3	Chomentowski, Andrzej
4	Dreher, Maria
5	Danwoody, Jadwiga
6	Flis, Emily
7	Gadzala, Michalina
8	Grabowski, Helena
9	Jasinski, Jadwiga
10	Koprowski, Szbigniew
11	Kowalska, Krystyna
12	Kucharska, Wladyslawa
13	McPherson, Edward
14	McPherson, Wanda
15	Miasik, Adam
16	Miasik, Eva
17	Miasik, Andrzej
18	Miasik, Piotr
19	Miasik, Renata
20	Mielec, Malgorzata
21	Mielec, Stanislaw
22	Neuff, Eugieniusz
23	Neuff, Ksawera
24	Ogurian, Sophie
25	Piekut, Anna
26	Piltz, Juno
27	Pomorska, Janina
28	Pomorski, Lucjan
29	Ross, Virginia
30	Sierota, Maria
31	Skibicki, Teresa
32	Slojewski, Josephine
33	Snaglewska, Barbara
34	Warszawski, Danuta
35	Warszawski, Zygmunt
36	Zboch, Constance
37	Zwara, Cecylia
38	Zub, Bernice
39	Zub, Lillian

This is Exhibit "N"
to the Affidavit of
Elizabeth Betowski
sworn this 29 day of
August, 2014

Commissioner for Affidavits

EXHIBIT "O"

This is Exhibit "O"
to the Affidavit of
Elizabeth Belowski
sworn this 27th day of
Aug 2014

Commissioner for Affidavits

August 28, 2014

Via fax (3 pages)

Peter I. Waldmann
Barrister & Solicitor
183 Augusta Avenue
Toronto, On M5T 2L4

Tel: 416 921-3185
Fax: 416 921- 3183

Dear Mr. Waldmann

RE: Gidzinski v. Lake Simcoe Aeropark Inc. Mascioli,

Court File No: C-121-11

Pursuant to the *Rules of Civil Procedure*, I am sending you a draft Order.

Please revise the Order and return it back, that it can be forwarded to Justice Broad to be issued and entered.

With regards,

Stan Gidzinski

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Court file no. C-121-..

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

STAN GIDZINSKI a.k.a. STANISLAW GIDZINSKI

Applicant

-and-

LAKE SIMCOE AEROPARK INC., BERARDO MASCIOLI, ELIZABETH BETOWSKI a.k.a. EWA BETOWSKI

Respondents

ORDER

THIS MOTION, made by Stan Gidzinski a.k.a. Stanislaw Gidzinski for the relief set out in Statement of Claim, was heard on February 26, 27 and June 10, 2014, at The Court House 85 Frederick Street, Kitchener, Ontario.

ON RENIEWING the material filed on the hearing and the submission of Stan Gidzinski and Mr. Waldmann for Lake Simcoe Aeropark Inc., Berardo Mascioli, Elizabeth Betowski. Cross examination of Stan Gidzinski by Mr. Waldmann and direct examination of Mss. Betowski by Mr. Waldmann

1. **THIS COURT ORDERS** that, from the holdback of $39,165.61 maintained by Mr. Flaxbard $34,171.00 shall be paid to the Corporation, plus prejudgment interest of 1.3% per annum. The remaining balance of the holdback together with the accrued interest, if any shall be released to Mr. Gidzinski.

2. **THIS COURT ORDERS** that, the full amount ($40,524.63) being held by Mr. Waldmann, together with accrued interest, if any, shall be released to Mr. Gidzinski representing the balance of the purchase price of the shares transferred by him.

3. **THIS COURT ORDERES** that, the shares of the Corporation purchased from Mr. Gidzinski, presently being held in escrow, shall be released to the purchase(s) thereof.

4. **THIS COURT ORDERES** that, Mr. Gidzinski, on one hand, and Mr. Mascioli and Ms. Betowski, on the other, were each in breach of the Order of Kent, J. dated October 25, 2011.

5. **THIS COURT ORDERS** that, if the parties are unable to agree on cost, they may file written submission on no more than five pages, double-spaced, in addition to any pertinent offers and draft bills of cost, within 30 days.

Court File No. C-121-11

ONTARIO

SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT KITCHENER

ORDER

STAN GIDZINSKI
SELF REPRESENTED

5 KILKENNY PLACE
GUELPH, ON N1L 1H1
stan@stangidzinski.com
Tel: 519-823-6152
Fax:519-821-0842

GARY E. FLAXBARD, B.A., LL.B.
BARRISTER AND SOLICITOR

TELEPHONE: (519) 623-8340
FACSIMILE: (519) 623-8720

1316 BISHOP STREET
SUITE 140
CAMBRIDGE, ONTARIO N1R 6Z3

August 12, 2014

STAN GIDZINSKI
5 Kilkenny Place
Guelph, Ontario
N1L 1H1
(519) 823-6152 - Cell
(519) 821-0842 - Home

PETER L WALDMANN
Barrister & Solicitor
183 Augusta Avenue
Toronto, Ontario
M5T 2L4
(416) 921-3185
(416) 921-3183 - Fax

Dear Sirs:

RE: GIDZINSKI v. LAKE SIMCOE AEROPARK INC., BERARDO MASIOLI, ELIZABETH BETOWSKI a.k.a. EWA BETOWSKI
COURT FILE NUMBER: C-121-11

Further to my letter of July 30, 2014, I received a letter on August 6, 2014 by mail dated August 1, 2014 from Mr. Waldmann enclosing the Reasons for Judgment of the Honourable Mr. Justice D. A. Broad released June 20, 2014 and the Notice of Appeal delivered by Mr. Gidzinski dated July 19, 2014.

Mr. Waldmann drew my attention to paragraph 47 of the Reasons for Judgment directing me to send $34,171.00 to Lake Simcoe Aeropark Inc. He asked me to advise whether I require a Direction concerning funds to send that money to him in trust.

Firstly, I wish to point out that I have not been served with a Court Order or Court Judgment. Secondly, it is my understanding that Mr. Gidzinski has filed a Notice of Appeal and accordingly pursuant to Rule 63.01(1) of the Rules of Civil Procedure, the delivery of a Notice of Appeal stays, until the disposition of the

Appeal, any provision of the order for the payment of money, except a provision that awards support or enforces a support order.

Subject to what I hear from both of you, it is my view that I am required to hold this money in my trust account until Mr. Gidzinski's Appeal has been disposed of, or until there is an order of the Appeal Court dealing with the money held in trust by me, or until both of you should agree in writing.

With respect to Mr. Waldmann's question, because of the wording of the Reasons for Judgment and in particular paragraph 47 thereof, I will have to make the cheque payable, when I am in a position to do so, to the corporation, which is Lake Simcoe Aeropark Inc. unless I receive a valid Direction signed by Lake Simcoe Aeropark Inc. directing me to pay it otherwise.

I look forward to hearing from both of you.

Yours very truly,

Gary E. Flaxbard

Gary E. Flaxbard
GEF:tb

GARY E. FLAXBARD, B.A., LL.B
Barrister & Solicitor
140-1315 Bishop Street
Cambridge, Ontario
N1R 6Z2

Telephone: (519) 623-8340
Fax: (519) 623-8720

GARY E. FLAXBARD, B.A., LL.B.

FAX

To:	Peter L. Waldmann	Att.:	
Fax:	416-921-3183	Pages:	3 (including cover sheet)
Phone:		Date:	August 12, 2014
Re:	Gidzinski v. Lake Simcoe Aeropark Inc. et al. Court File No. C-121-11		

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Message

Please see attached.

EXHIBIT "Q"

Heather Laurie Shon, CPA – CA, MPA, MSc
34 Lippincott Street
Toronto, Ontario
M5T 2R5

This is Exhibit "Q" to the Affidavit of Elizabeth Peters sworn this 2nd day of August, 2014
Commissioner for Affidavits

DRAFT – for review

August 10, 2014

Peter I Waldmann
Peter I Waldmann Professional Corporation
183 Augusta Avenue
Toronto, Ontario
M5T 2L4

Re: Collins Barrow Toronto Limited – Invoice # 1 – 6500068 dated July 7, 2014 and Invoice # 2 – 6500079 dated July 21, 2014 to the Polish Alliance of Canada

I have reviewed the above noted invoices from Collins Barrow (attached) and at your request, have performed a review of the said invoices professional charges and descriptions.

I provide the following general comments on those invoices.

1. Professional fees billed were for services provided almost exclusively by senior staff, Daniel Weisz, Senior Vice President (hourly rate of $495) and Brenda Wong, Senior Manager (hourly rate of $350). It appears that Collins Barrow Toronto Limited has assigned senior professional staff to this file who are charged out at higher rates than assigning some of the tasks to more junior staff members.

2. There appears to be multiple instances where there could be duplication of charges for specific, one-time tasks based on the invoice descriptions provided in the Collins Barrow Toronto Limited invoices such as "tour of the building and taking pictures of building" (see Brenda Wong, billed for on June 20 and June 21). It is not certain why the task was repeated and the client invoiced. Other charges of tasks related to parking lot renters are identified in the Appendix A – Analysis of Potential Issues with Collins Barrow Toronto Limited – Invoices 1 and 2. Specific billing issues are summarized in this Appendix.

3. Junior and administrative tasks, such as preparing draft information for Collins Barrow Toronto Ltd website and preparing letters to "parking lot renters", were completed by senior staff and corresponding higher rate fee charges. These tasks are typically assigned to more junior staff who are billed out at lower rates.

4. Descriptions of work activities billed are not always clear as to purpose (see June 27, 2014 entry, charged by D Weisz, telephone call to R Rusek). Specific details appear to be absent related to meetings, emails, telephone conversations, etc.

5. The number of hours/portion of hours for each entry description is missing in both Invoice # 1 and Invoice # 2. It is difficult to determine whether the number of hours charged is reasonable.

6. Blanket charge for "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" is worrisome and peculiar given that only two senior Collins Barrow Toronto Limited staff appear to have time charged to this matter. As noted in item 3, above, administrative tasks were performed almost exclusively by Daniel Weisz and Brenda Wong, both who hold senior positions at the firm.

I have included as Appendix B (pages X through XX) detailed Receiver and Manager Invoices from PriceWaterhouseCoopers Inc. Receiver

1. Statement of Fees Summary;
2. Invoice(s);
3. Time and disbursements summaries; and
4. Time details

(downloaded from the Pricewaterhouse Coopers website http://www.pwc.com/en_CA/CA/car/labelad/assets/labelad-029_040113.pdf).
The PriceWaterhouse Coopers invoices, time and disbursement summaries **along with supporting time details and explanation of tasks** represents best practice billing practices. It is my professional opinion that the Collins Barrow Toronto Limited invoices to Polish Alliance of Canada do not meet professional best practices for billing in matters related to receiverships where transparency and accountability of professional services is warranted.

I trust that you will find this information helpful. If you need further details, please do not hesitate to contact me.

Regards,

DRAFT ONLY

Heather Laurie Shon, CPA – CA, MPA, MSc

EXHIBIT "R"

BRANCH MEMBERSHIP LIS.

The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

Branch name 1-7

Address 2282 Lakeshore

Contact name ..... Phone(s) .....

E-mail ..... Date .....

This is Exhibit "R" to the Affidavit of [illegible] sworn this 29th day of August, 2014

Commissioner for Affidavits

Q	Member's Number & Year Dues Paid	Last &First name	address	Phone	e-mail
1.		Burdyna	317 Parklawn Rd	647 209 3880	Natai's @ hotmail
	2014	Narcyza	#35 Toronto		.com
2.		Dubicki	66 Roncesvelles #801	416 534 3423	
	2014	Paweł	Toronto		
3		Dubicki	66 Roncesvelles #801	416 534 3423	
	2014	Maria	Toronto		
4		Gożdzik	412 Queen St	416 436 3287	
	2014	Jarosław	Toronto M5A 1T3		
5		Gryciuk	64-2700 Dufferin St	647 470 7714	
	2014	Patrick	Toronto		
6		Gryciuk	250 Manitoba St. #823	647 883 2504	
	2014	Magda	Toronto		
7		Paulina	2606-21 Widmer St	647 526 9203	
	2014	Hambefan	Toronto		
8		Janicki	412 Queen St	416 884 4464	
	2014	Sławomir	Toronto		
9		Kieb	24 Southwest #752	416 668 5433	
	2014	Regina	Toronto		
10		Kaporzek	77 Summitcrest Dr	416 244 2161	
	2014	Halina	Toronto		
11		Lis	22 Oakmount #1103	416 992 8260	
	2014	Maciej	Toronto		
12		Mazewski	17 Munnoll Rd	416 249 8287	
	2014	Elżbieta	Toronto		
13		Norotaiska	22 Oakmount #1103	416 760 9745	
	2014	Maria	Toronto		
14		Pake	317 Parklawn #35	647 210 3407	
	2014	David	Toronto		
15		Pilitowska	22 Oakmount 1103	647 463 2100	
	2014	Agata	Toronto		
16		Romanuik	1638 Bloor St W #804	416 662 6671	
	2014	Jarosław	Toronto		

BRANCH MEMBERSHIP LIST

Branch name 1-7

Address 2282 Lakeshore Blv West

Contact name ..... Phone .....

E-mail ..... Date .....

The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

Q	Member's Number & Year Dues Paid	Last & First name	address	Phone	e-mail
17		Sapiński	470 Rogers Rd	416 536 9543	
	2014	Krzysztof	Toronto		
18		Szajna	2606-21 Wardner St	416 992 7429	
	2014	Marek	Toronto		
19		Włodyczańska	20 Daisy Ave	416 255 2951	
	2014	Wanda	Toronto		
20		Zapata	250 Manitoba St # 823	647 882 8111	
	2014	Olgierd	Toronto		
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					

The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor Street West
Toronto, Ontario M6P 1A7
E-mail: zalzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name Olgierd Zapała

Address 250 Manitoba st #823

Toronto, ON Phone 647 882 8111

Birth data 31/05/1983 Birth place Poland

E-mail zapala0@hotmail.com Status in Canada Citizen

Profession Florist Applicant's Signature & data Aug 03/2014

SPONSOR'S CONTACT INFORMATION

First & last name Czesława Ławniczak

Address 3175 Kirwin Ave Unit 116 Mississauga L5A 3H4

E-mail: lawniczak@yahoo.ca Phone 905 279 4684

Sponsor's signature & data Aug 28. 14

ADMITTED TO THE BRANCH #..... in.....

At the meeting (day)..... (month)..... (year).....

President's signature ..... Secretary's signature .....

Approval of the Head Executive Board

The admittance approval (day) 29 (month) Aug (year) 2014

President's Signature ..... Secretary's signature .....

106

MEMBER APPLICATION

Applicant's first & last name WANDA WŁADYCZAŃSKA

Address 20 DAISY AVE

TORONTO ONT M8V 2J2 Phone 416 255-2951

Birth date 17.07.28 Birth place POLAND

E-mail Status in Canada CANADIAN

Profession Applicant's Signature & date Władyczańska 28.08/14

SPONSOR'S CONTACT INFORMATION

First & last name Robert Laudermelk

Address 2175 Kipling Ave #116

E-mail: Phone 905 279 4654

Sponsor's signature & date 28.08.14

ADMITTED TO THE BRANCH # in

At the meeting (day) (month) (year)

President's signature Secretary's signature

Approval of the Head Executive Board

The admittance approval (day) 29 (month) Aug (year) 2014

President's Signature Secretary's signature

107

The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor Str.
Toronto, Ontario M6.
E-mail: zalzpwk@yahoo.co.
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name Marek Szajna

Address 2606 - 21 Widmer St., Toronto, ON M5V 0B8

Phone 416 992 7429

Birth data 11.11.1982 Birth place Wrocław, Poland

E-mail marek.szajna@gmail.com Status in Canada Citizen

Profession Immigration Consultant Applicant's Signature & data 28.08.2014

SPONSOR'S CONTACT INFORMATION

First & last name JANUSZ SZAJNA

Address 364 THRACO AVE, MISSISSAUGA, ON

E-mail: janusz.szajna@gmail.com Phone 416-910-2883

Sponsor's signature & data 28.08.2014

ADMITTED TO THE BRANCH #..... in.....

At the meeting (day)..... (month)..... (year).....

President's signature ..... Secretary's signature .....

Approval of the Head Executive Board

The admittance approval (day) 29 (month) Aug (year) 2014

President's Signature ..... Secretary's signature .....

The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor Street W
Toronto, Ontario M6P 1A;
E-mail: zplzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name Krzysztof Sapinski

Address 470 Rogers Road TORONTO ONT

M6H 1B1 Phone 416-536-9543

Birth data 28.06.54 Birth place Gdańsk Nowodwór - POLAND

E-mail GeMount@rogers.com Status in Canada citizen

Profession inż. mech. Applicant's Signature & data 08.28.14

SPONSOR'S CONTACT INFORMATION

First & last name

Address

E-mail: Phone

Sponsor's signature & data

ADMITTED TO THE BRANCH # in

At the meeting (day) (month) (year)

President's signature Secretary's signature

Approval of the Head Executive Board

The admittance approval (day) 29 (month) Aug (year) 2014

President's Signature Secretary's signature

109

The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor Street West
Toronto, Ontario M6P 1A7
E-mail: zglzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name JAROSLAW ROMANIUK

Address 1638 Bloor St. W # 804 TORONTO ON

M6P 0A6 Phone 416-662-6671

Birth date 07.08.62 Birth place POLAND

E-mail Status in Canada CAN. CITIZEN

Profession RN Applicant's Signature & date 28.08.2014

SPONSOR'S CONTACT INFORMATION

First & last name ELZBIETA ROMANIUK

Address 1625 BLOOR ST. MISSISSAUGA ONT L4X 1S3

E-mail: ela.romaniuk@gmail.com Phone 905-629-1099

Sponsor's signature & date 28.8.14

ADMITTED TO THE BRANCH # ..... in .....

At the meeting (day) ..... (month) ..... (year) .....

President's signature ..... Secretary's signature .....

Approval of the Head Executive Board

The admittance approval (day) 29 (month) Aug (year) 2014

President's Signature ..... Secretary's signature .....

The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor Street West
Toronto, Ontario M6P 1A7
E-mail: zplzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name AGATA PILITOWSKA

Address 22 OAKMOUNT RD. AP 1103. TORONTO-ONT

M6P-2W7 Phone 647 463 2100

Birth date 29 XI 1958 r. Birth place KRAKÓW

E-mail Status in Canada CANDIED

Profession ACTRES Applicant's Signature & date 10.08.2014

Agata Pilitowska

SPONSOR'S CONTACT INFORMATION

First & last name GRAZYNA TRYTKO

Address 1638 BLOOR ST W #804 TORONTO, ONT

E-mail: Phone 416 655-1880

Sponsor's signature & date Aug. 10.2014

ADMITTED TO THE BRANCH # ..... In .....

At the meeting (day) ..... (month) ..... (year) .....

President's signature ..... Secretary's signature .....

Approval of the Head Executive Board

The admittance approval (day) 29 (month) Aug (year) 2014

President's Signature ..... Secretary's signature .....

(111)

The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor St.
Toronto, Ontario M6
E-mail: zalzpwk@yahoo.ca
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name DAVID PAKE

Address 317 Pale Lane Rd #35

Toronto, ON Phone 647-210-3407

Birth data March 30, 1983 Birth place Canada

E-mail dave pake@hotmail.com Status in Canada Canadian Citizen

Profession Musician Applicant's Signature & data Aug 28, 2014

SPONSOR'S CONTACT INFORMATION

First & last name Czesława Lawniczak

Address 3175 Kirwin Ave Unit 116 Mississauga Ont L5A 3A1

E-mail: lawniczak@yahoo.ca Phone 905 279 4634

Sponsor's signature & data Aug 28.14

ADMITTED TO THE BRANCH #.....in.....

At the meeting (day)..... (month) ..... (year) .....

President's signature ..... Secretary's signature .....

Approval of the Head Executive Board

The admittance approval (day) 29 (month) Aug (year) 2014

President's Signature ..... Secretary's signature .....

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The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor Street West
Toronto, Ontario M6P 1A7
E-mail: zalzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name Marie Nowotarska

Address 22 OAKMOUNT RD. AP 1103

TORONTO - M6P-2M7 Phone 416.7609745

Birth date 2.11 1936 Birth place KRAKÓW

E-mail Status in Canada CITIZEN CANAD

Profession ACTRES Applicant's Signature & date 10.08 2014

Marie Nowotarska

SPONSOR'S CONTACT INFORMATION

First & last name GRAZYNA TRYTKO

Address 1638 BLOOR ST W #804 TORONTO, ONT

E-mail: Phone 416 655-1880

Sponsor's signature & date 10/08/14

ADMITTED TO THE BRANCH #.....in.....

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President's signature ..... Secretary's signature .....

Approval of the Head Executive Board

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President's Signature ..... Secretary's signature .....

113

MEMBER APPLICATION

Applicant's first & last name ELIZABETH MAJEWSKI

Address 17 MUNHALL RD. TORONTO ONT. M9P 1R1 Phone 416-249 8287

Birth date 18.02.1944 Birth place DROCHICZYN POLAND

E-mail Status in Canada CANADIAN

Profession Applicant's Signature & date Elizabeth Majewski June 26.2014

SPONSOR'S CONTACT INFORMATION

First & last name Robert Lauzenmeier

Address 3175 Kirwin Ave #116

E-mail: Phone 905 279 4654

Sponsor's signature & date June 26.2014

ADMITTED TO THE BRANCH # in

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President's signature Secretary's signature

Approval of the Head Executive Board

The admittance approval (day) 29 (month) Aug (year) 2014

President's Signature Secretary's signature

114

MEMBER APPLICATION

Applicant's first & last name HALINA KASPRZAK

Address 77 SUMMITCREST DR. M9P 1H7

TORONTO ONT Phone 416-244-2161

Birth date 17.07.50 Birth place POLAND

E-mail Status in Canada CANADIAN

Profession Applicant's Signature & date H Kasprzak June 30, 2014

SPONSOR'S CONTACT INFORMATION

First & last name Robert Lawniczak

Address 8175 Kipling Ave # 116

E-mail: Phone 905 279-4634

Sponsor's signature & date June 30, 2014

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115

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1586A Bloor Stre
Toronto, Ontario M6
E-mail: zalzpwk@yahoo.c
Tel. 416-531-2491, Fax 416-531-515

MEMBER APPLICATION

Applicant's first & last name Maciej Lis

Address 22 Oakmount # 1103

Phone 416 992-8260

Birth date 24 marca 82 Birth place Kraków

E-mail mathlis@gmail.com Status in Canada Citizen

Profession biz. menager Applicant's Signature & date 10.08.2014

SPONSOR'S CONTACT INFORMATION

First & last name GRAZYNA TRYTKO

Address 1638 BLOOR ST. W #804 TORONTO, ONTARIO

E-mail: Phone 416 655-1880

Sponsor's signature & date 10/08/14

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116

The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor Street We
Toronto, Ontario M6P 1A7
E-mail: zglzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name REGINA KIELB

Address 24 SOUTHRURT ST #752

TORONTO ONT M6S 4Z1 Phone 416-668-5433

Birth date 7/06/1956 Birth place POLAND

E-mail Status in Canada CANADIAN

Profession Applicant's Signature & date AUG 28 2014 R Kielb

SPONSOR'S CONTACT INFORMATION

First & last name ELŻBIETA ROMANIUK

Address 621-1625 BLOOR ST MISSISSAUGA ONT L4X 1S3

E-mail: ela.romaniuk@gmail.com Phone 905-629-1099

Sponsor's signature & date 28.8/14 E. Romaniuk

ADMITTED TO THE BRANCH # ..... in .....

At the meeting (day) ..... (month) ..... (year) .....

President's signature ..... Secretary's signature .....

Approval of the Head Executive Board

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The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor Street West
Toronto, Ontario M6P 1A7
E-mail: zglzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name SLAWOMIR JANICKI

Address 412 QUEEN ST TORONTO ON M5A 1T3

Phone 416-884 4464

Birth date 10 DEC 1968 Birth place POLAND

E-mail alexjc68@yahoo.ca Status in Canada CANADIAN

Profession SUPERINTEND Applicant's Signature & date 28 AUG 2014 Janicki

SPONSOR'S CONTACT INFORMATION

First & last name ELZBIETA ROMANIUK

Address 1625 BLOOR ST MISSISSAUGA ONT L4X 1S3

E-mail: ela.romaniuk@gmail.com Phone 905-629-1099

Sponsor's signature & date 28.8/14 E Romaniuk

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118

The Polish Alliance of Canada
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1586A Bloor Street
Toronto, Ontario M6P
E-mail: zplzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name Paulina Haribafam

Address 2606 - 21 Widmer St., Toronto ON, M5V 0B8 Phone 647 526 - 9202

Birth data 14.06.1980 Birth place Wroclaw, Poland

E-mail paulina.haribafam@office gmail.com Status in Canada Citizen

Profession Admin Applicant's Signature & data 28.08.2014

SPONSOR'S CONTACT INFORMATION

First & last name JANUSZ SZAJNA

Address 364 THACE AVE, MISSISSAUGA ON

E-mail: janusz.szajna@gmail.com Phone 416-910-2883

Sponsor's signature & data 28.08.2014

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The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor Street,
Toronto, Ontario M6P 1
E-mail: zglzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name Magda Gryciuk

Address 250 Manitoba St #823

Toronto, ON Phone 647 883 2504

Birth data 28/04/1983 Birth place Poland

E-mail Gryciuk Magda@gmail.com Status in Canada Citizen

Profession Project Hunger Applicant's Signature & data Aug. 03/2014

SPONSOR'S CONTACT INFORMATION

First & last name Czesława Zawiruche

Address 3175 Kirwin AVE Unit 116 Mississauga L5A 3A4

E-mail: Zawirucheczes@yahoo.ca Phone 905 279 4634

Sponsor's signature & data Aug 28.14

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1586A Bloor Street,
Toronto, Ontario M6P.
E-mail: zglzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name Patrick Grzyck

Address 64 - 2700 Dufferin St., Toronto,

M6B 4J3 Phone 647 470 7774

Birth data July 3 1989 Birth place Toronto

E-mail chinchilla@gmail.com Status in Canada Citizen

Profession Doctor Applicant's Signature & data P. Grzyck 28/08/2014

SPONSOR'S CONTACT INFORMATION

First & last name Czesław Laurinche

Address 3175 Kirwin Ave 116 Mississauga L5A 3M4

E-mail: laurinche@yahoo.ca Phone 905 279 4684

Sponsor's signature & data Czesław Aug 28.14

ADMITTED TO THE BRANCH #.....in.....

At the meeting (day)..... (month)..... (year).....

President's signature ..... Secretary's signature .....

Approval of the Head Executive Board

The admittance approval (day) 29 (month) Aug (year) 2014

President's Signature ..... Secretary's signature .....

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The Polish Alliance of Canada
Związek Polaków w Kanadzie
Incorporated in the Province of Ontario, December 19, 1907

1586A Bloor Street W.
Toronto, Ontario M6P 1A
E-mail: zolzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name JAROSLAW GOZDZIK

Address 412 QUEEN STR TORONTO ONT M5A 1T3

Phone 416-436-3287

Birth data 25 DEC 1981 Birth place POLAND

E-mail Status in Canada PERMANENT RES.

Profession STUDENT Applicant's Signature & data 28 AUG 2014 J Gozdzik

SPONSOR'S CONTACT INFORMATION

First & last name ELŻBIETA ROMANIUK

Address 1625 BLOOR ST MISSISSAUGA ONT L4X 1S3

E-mail: ela.romaniuk@gmail.com Phone 905-629-10-99

Sponsor's signature & data 28.8.14 ERomaniuk

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122

The Polish Alliance of Canada
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1586A Bloor Street
Toronto, Ontario M6P
E-mail: zgkzpwk@yahoo.ca
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name Maria Dubicki

Address 66 Lancewelles # 801

Toronto Phone 416 534-3423

Birth data 1938. 01. 15 Birth place Poland

E-mail Status in Canada Citizen

Profession Applicant's Signature & data Aug 28, 2014
M. Dubicki

SPONSOR'S CONTACT INFORMATION

First & last name Robert Lawniczak

Address 3175 Kirwin Ave # 116 L5A 3M4

E-mail: zawniczakrobert@yahoo.ca Phone 905 279-4634

Sponsor's signature & date

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The Polish Alliance of Canada
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1586A Bloor Street W.
Toronto, Ontario M6P 1A7
E-mail: zglzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name Pawel Dubicki

Address 66 Lonceavelles # 801

Toronto Phone 416 534 3423

Birth data 1930.12.30 Birth place Poland

E-mail Status in Canada Citizen

Profession Applicant's Signature & data Aug 28. 2014
P. Dubicki

SPONSOR'S CONTACT INFORMATION

First & last name Robert Ławniczak

Address 3175 Kirwin Ave #116 L5A 3M4

E-mail: Phone 905 279-4634

Sponsor's signature & data

ADMITTED TO THE BRANCH # In

At the meeting (day) (month) (year)

President's signature Secretary's signature

Approval of the Head Executive Board

The admittance approval (day) 29 (month) August (year) 2014

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1586A Bloor Street,
Toronto, Ontario M6P 1
E-mail: zglzpwk@yahoo.com
Tel. 416-531-2491, Fax 416-531-5153

MEMBER APPLICATION

Applicant's first & last name: MARCYZA BURTOYNA

Address: 317 PARK LAWN RD #35

TORONTO, ON Phone: 647-209-3880

Birth data: JUNE 9, 1982 Birth place: SIALOWA WOLA, POLSKA

E-mail: malais@hotmail.com Status in Canada: Canadian Citizen

Profession: FLORAL DESIGNER & Singer in Band Applicant's Signature & data: AUG. 28/2014

SPONSOR'S CONTACT INFORMATION

First & last name: Czesława Łaniewska

Address: 3175 Kirwin Ave Unit 116 Mississauga ON L5A 3A4

E-mail: Laniewska czesl@yahoo.ca Phone: 905 279 4654

Sponsor's signature & data: Aug 28.14

ADMITTED TO THE BRANCH #.....in.....

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President's signature ..... Secretary's signature .....

Approval of the Head Executive Board

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President's Signature ..... Secretary's signature .....

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THE POLISH ALLIANCE OF CANADA and POLISH ASSOCIATION OF TORONTO LIMITED, ET AL.

PLAINTIFF DEFENDANTS

(Short title of proceeding)

Court file no. CV 08-361844

ONTARIO SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

AFFIDAVIT

Name, address and telephone number of solicitor or party

Peter I. Waldmann [LSUC # 23289M]
Barrister and Solicitor
183 Augusta Avenue
Toronto, Ontario, M5T 2L4

tel: (416) 921-3185
fax: (416) 021-3183

Lawyer for the Plaintiff.

THE POLISH ALLIANCE OF CANADA

(Short title of proceeding)

PLAINTIFF and POLISH ASSOCIATION OF TORONTO LIMITED, ET AL.

DEFENDANTS

Court file no. CV 08-361644

ONTARIO SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

MOTION RECORD FOR TRIAL OF AN ISSUE

Name, address and telephone number of solicitor of party:

Peter I. Waldmann [LSUC # 23289M]
Barrister and Solicitor
183 Augusta Avenue
Toronto, Ontario
Canada M5T 2L4

tel: (416) 921-3185
fax: (416) 921-3183

Lawyer for the Plaintiff/Defendant by Counterclaim The Polish Alliance of Canada and the Added Defendants by Counterclaim Robert Zawierucha, Tadeusz Maziarz, Danuta Zawierucha, Teresa Szramek, Andrzej Sciba, Adam Sikora, Elzbieta Gazda, Stanislaw Iwanicki and Tadeusz Smietana

TAB 11

CITATION: The Polish Alliance of Canada v. Polish Association of Toronto Limited, 2014 ONSC 5095
COURT FILE NO.: CV-08-361644
DATE: 20140903

SUPERIOR COURT OF JUSTICE - ONTARIO

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

AND:

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS and RICHARD RUSEK

Defendants

AND:

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS and RICHARD RUSEK

Plaintiffs by Counterclaim

AND:

THE POLISH ALLIANCE OF CANADA, ROBERT ZAWIERUCHA, TADEUSZ MAZIARZ, ELIZABETH BETOWSKI, DANUTA ZAWIERUCHA, TERESA SZRAMEK, ANDRZEJ SZUBA, ADAM SIKORA, ELZBIETA GAZDA, STANISLAW GIDZINSKI, STANISLAW IWANICKI and TADEUSZ SMIETANA

Defendants by Counterclaim

BEFORE: F.L. Myers J.

COUNSEL: E. Patrick Shea, for Collins Barrow Toronto Limited, Receiver and Manager
Peter Waldmann, for the Plaintiff
Bernie Romano, for the Defendants/Respondents, except for Richard Rusek

HEARD: September 2, 2014

F.L. MYERS J.

ENDORSEMENT

[1] By order dated June 20, 2014 (the "Appointment Order") Collins Barrow Toronto Limited was appointed receiver and manager (the "Receiver") of the assets, undertaking and properties of Branch 1-7 of The Polish Alliance of Canada and Polish Association of Toronto Limited (the "Branch" and the "Corporate Defendant" respectively). The Receiver moves under Rule 41.05 and under paragraph 24 of the Appointment Order, on notice to the parties, for directions concerning a number of matters that have arisen during its brief tenure.

[2] At the hearing of the motion, The Polish Alliance of Canada ("PAC") delivered a motion for leave to sue the Receiver and two of its officers personally for alleged misconduct. The motion was not intended to proceed on September 2, 2014, but the PAC relied upon the evidence in its motion record and other material filed in response to the Receiver's motion.

Background

[3] By order dated May 27, 2014, the Court resolved a trial of the issues between the parties concerning the ownership of the properties of the Branch. At its core, the case concerns a dispute between the local branch of a national association and the national association itself concerning ownership and control over those properties. Although the Branch's historic clubhouse is a modest building, the land upon which it sits is very valuable for development purposes on the waterfront in Toronto. In the May 27, 2014 order, the Court essentially found that the property of the Branch and the Corporate Defendant was beneficially owned by the members of the Branch and not by the national PAC. The Corporate Defendant owns legal title to the bulk of the Branch's land and holds the land in trust for the members of the Branch. As a result of internal corporate law issues and the law applicable to ownership of property by not-for-profit corporations, the Court found that the PAC was trustee of the shares of the Corporate Defendant, but that the management of the legal title to the shares fell within the purview of the executive of the Branch.

[4] The Defendants were the longtime executive of the Branch. In the trial of the issues, they claimed that the Branch left the PAC in 2006 and had successfully taken the members' properties with them. The Court did not agree with the Defendants. It held that since the Defendants had voluntarily resigned from the PAC, they no longer represent the members of the Branch in whom beneficial title to the shares and the lands resides. But, on the facts, the Court held that the Branch continues to exist although the identity of its members was not clear and there is no validly elected executive in place to manage the Branch members' properties.

[5] The Court called for submissions from the parties as to how to deal with these issues during the trial of the issues. Paragraph 90 of the Court's Reasons for Decision dated May 27, 2014 provides:

> [90] Early in the trial, I advised counsel and the parties that I had the authority to add terms or conditions to any declaration that I might make and I invited counsel to consider

terms that might be appropriate - especially any that might be helpful to protect the membership generally. I have the authority to add terms to my declaratory orders whether under the general law and rules applicable to declaratory orders (see *Jordan v. McKenzie* (1998), 3 C.P.C. (2d) 220 (O.H.C.J.)) or as an additional issue that I am authorized to raise under the Order to Campbell J. establishing this trial of the issues. That is, I raised an issue as to the remedial terms that should properly follow from the declarations being sought. Counsel both proposed terms and made argument on the terms proposed. In paragraph [22] above, I referred to terms suggested by Mr. Romano to alleviate concerns raised by the PAC with respect to the corporate structure of PATL. In closing argument, Mr. Waldmann for the PAC fairly invited me to make the following directions as conditions in respect of the declarations that he sought:

(A) The PAC will recognize as continuing members of Branch 1-7 of The Polish Alliance of Canada all those who were members as at August 26, 2006 without any requirement to re-apply or to pay arrears from August 26, 2006 provided that the members did not know that their dues were not being paid to the PAC;

(B) The PAC will accept membership applications for Branch 1-7 of The Polish Alliance of Canada in the ordinary course from anyone who qualifies other than the defendants;

[6] The Court accepted these submissions and views them as commitments of the PAC to the Court. In any event, they were incorporated in the May 27, 2014 order. Paragraph 1 of that order provides:

> **THIS COURT ORDERS** that the PAC will recognize as continuing members of Branch 1-7 of the PAC all those who were members as at August 26, 2006 without any requirement to re-apply or to pay arrears from August 26, 2006 provided that the members did not know that their dues were not being paid to the PAC.

[7] The May 27, 2014 order provides as well that the PAC should see to the reconstitution of the executive of the Branch and that, in the interim, the parties should agree upon a neutral third party to hold the Branch members' properties failing which the Court would consider a motion to appoint a receiver to do so.

[8] By urgent motion returnable June 20, 2014, the PAC sought the appointment of the Receiver and the Court made the appointment as sought. At that time, the Defendants were seeking to hold a meeting to elect a new executive of the Branch. The Court held that this was impermissible as the Defendants were no longer part of the Branch or the PAC. Paragraphs 7 and 8 of the Court's Endorsement dated June 20, 2014 provide:

[7] Absent agreement on a neutral third party, it is just, convenient and urgent to appoint Collins Barrow Toronto Limited as receiver and manager of the Lakeshore Property (as defined in my Reasons for Judgment), 32 Twenty-Fourth Street and PATL pursuant to Rule 60.02(1)(d), s.101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43 and my Order of May 27, 2014. The Receiver is to hold the properties as a neutral officer of the court and is not to take direction from the PAC, the defendants or anyone else. The receiver is to do as little as it views as reasonably possible to take control of all assets of, or held in trust for, the members of the Branch and to hold those assets pending the election of a new executive of the Branch. It should try to allow ongoing programs and uses of the premises as planned subject always to its reasonable concerns for security and protection of the properties under its control.

[8] The receiver will also oversee and supervise the efforts by the PAC to reconstitute the Branch and its executive. The receiver shall report to the court as often as it deems advisable to ensure that the provisions of the court's orders are being observed. The PAC made certain commitments concerning the reconstitution of the Branch that I incorporated into my Order. I expect that my Order will be followed to the letter and in spirit. All that is required for a pre-August 26, 2006 member to be affirmed by the PAC is that he or she did not know that his or her dues were not being forwarded to the PAC. No loyalty oath was proposed by Mr. Waldmann at trial or incorporated into my Order. As to approval of new members in the ordinary course by the PAC as I have ordered, the ordinary course for this organization has not involved an inquisition. The mere fact that someone may have been at a meeting in which the defendants induced him or her to support a change of the name of the Branch to the old name of the "mother branch", for example, is not, to my mind, *ipso facto* proof that those members chose to leave the PAC or are disloyal. I spoke of that event and the defendants' tactical purposes in changing the name of their group in my Reasons for Judgment. There is no indication that the general body of members knew or participated in the tactics of the leadership. All of the principals in this litigation are charismatic leaders with legal teams behind them. The lay members have been caught up in these events. **It was and is my expectation that the reconstitution of the Branch will be conducted as a good faith effort to protect the Polish community of Toronto and in a spirit of reconciliation with the membership at large. The receiver shall ensure that this is so or report to the court any concerns that it may have.** [Emphasis in original]

[9] As a final note of background, in the May 27, 2014 Reasons for Decision, the Court discusses at several places the unfortunate and overwhelming degree of antipathy between the parties. Leaders on both sides were found to have had serious credibility issues in their testimony. Several of the defendants were found to have committed improper acts. However, the Court also accepted the honesty and legitimacy of the defendants' concerns about the true motive of the PAC to unlawfully appropriate the local Branch members' lands through its autocratic and dictatorial acts. Hence, the PAC's confirmation of its recognition of existing members of the Branch in whom beneficial title resides without the need to re-apply through the PAC was an important condition to prevent the PAC from inappropriately taking steps designed to seize unlawfully the valuable property belonging to the members of the Branch.

[10] Unfortunately, the submissions and conduct of the PAC during the receivership have raised serious concerns for the Receiver and the Court. The PAC has now taken the position that despite its submission quoted in paragraph 90(A) of the Reasons for Decision dated May 27, 2014 and para. 1 of the order of May 27, 2014, there are no existing members of the Branch and only people who apply to the PAC can be recognized as members. This is directly contrary to its commitment at trial. Moreover, as noted below, the PAC has been sharply critical of the conduct of the Receiver (whose appointment it sought). Mr. Waldmann complains that "we thought we won" but now see the Receiver dealing with the defendants who "made a Declaration of Independence and Rebellion" against the PAC.

[11] I do not know why the PAC would have thought that it won the trial of the issues. In paragraphs 93 and 94 of the Endorsement dated May 27, 2014, the Court wrote:

> [93] **I do not regard either side as having been successful in this proceeding. The plaintiff's success is that it holds paper title to a corporation that is itself a trustee. That has no practical value. The plaintiff did not win equitable title to the properties. Moreover, its claim to own the branches' properties was not reasonable in light of its history and its own witnesses' testimony. The defendants had good reason to suspect the plaintiff's *bona fides*.** The defendants, by contrast, failed in their efforts to secede from the PAC with the properties of Branch 1-7. They proved that the members of Branch 1-7 hold equitable title to their properties, but the defendants themselves are not among those members/owners. Their days in the PAC are over due to their own choices. Moreover their acts, however motivated, may have seriously jeopardized the interests of the PAC as a whole and their own members' status and insurance.
>
> [94] This litigation has been typified by tactics and a lack of cooperation. The 2007 effort by the PAC to repeal the amendment to Article 8 of its constitution and the 2013 shareholders' meeting of PATL are both examples of legally-driven, transparent, and ultimately invalid tactics. Both sides played production of documents games procedurally. There was little or no cooperation among counsel in preparation for the trial. There were surprises during the trial. Instead of a joint book of documents and cooperation as ordered at the pre-trial conference, hundreds of documents were filed unnecessarily with no prior agreement on admissibility. **The testimony of the lead witnesses on both sides was repeatedly and successfully impeached. In all, neither side behaved like transparent and accountable fiduciaries fulfilling their duties of care, honesty and good faith as the members of the PAC are entitled to expect. I order that there be no costs of this trial of the issues.** [Emphasis added]

[12] The Court's efforts to protect the beneficial owners from the strong-arm tactics of both sides is clear in its Reasons for Decision dated May 27, 2014 and the endorsement dated June 20, 2014. On hearing the PAC's motion to appoint the Receiver, the Court feared that the PAC might think that a Court-appointed receiver would do the PAC's bidding. The Court included in the endorsement of June 20, 2014 the express provision (which the Receiver would have understood implicitly in any event) that the Receiver was not "to take direction from the PAC, the defendants or anyone else" in carrying out its mandate as an officer of the Court. Moreover, the Court expressly instructed the Receiver to oversee the efforts of the PAC to reconstitute the

executive of the Branch in light of comments made by Mr. Waldmann at that hearing that led the Court to fear that there could be an inconsistency between the PAC's commitments at trial and its actions after trial. As emphasized in the June 20, 2014 endorsement, it remains the Court's expectation that the parties approach the reconstitution of the Branch executive in a spirit of reconciliation with the members who are the beneficial owners of the Branch's properties. Unfortunately, that has not yet come to pass.

Directions sought by the Receiver

[13] In light of the PAC's motion to lift the stay to allow it to sue the Receiver, the Receiver quite properly asked to adjourn the portions of its motion that had sought approval of its activities and its fees and disbursements pending the resolution of the PAC's motion. Those aspects of the motion are adjourned to a date to be set before me subject to the specific items that were argued and are dealt with below.

[14] The PAC argues that the Court is *functus* in light of the entry of the May 27 and June 20, 2014 orders. The trial of the issues is over. The motion before the Court is for directions under Rule 41.05 and under para. 24 of the Appointment Order. The Court is not *functus* for those purposes.

i. Documents and Squatters' Presence at the Clubhouse

[15] The PAC wants to tour the Branch's properties and to review the Branch's documents that are now under the control of the Receiver. Mr. Romano asserts that there are privileged documents of the defendants among the documents at the Branch's properties. The PAC is critical of the Receiver, accusing it of being one-sided, since the Receiver has continued to allow some of the Defendants to access the Branch clubhouse and not the PAC. The PAC objects to the presence of "squatters" at the Branch's properties.

[16] The PAC does not own the clubhouse or any of the Branch's properties. At most, it has bare legal title to the shares of the Corporate Defendant and even that title is to be managed by the executive of the Branch once it is reconstituted. The PAC has no particular need to visit the clubhouse right now and certainly none to see the defendants' privileged documents.

[17] The Receiver and its counsel could conduct a documents' sweep and review 100 years of documents for privilege. It sees no reason to incur the time and expense of such activity. This is doubly the case because the PAC is already complaining aggressively about the Receiver's fees and disbursements even in the limited manner by which the Receiver has been carrying out its mandate as instructed.

[18] That brings me directly to the presence of defendants on the site. While the defendants are no longer members of the PAC or the Branch, it cannot be denied that they have been managing the clubhouse and the properties for the past two decades plus. Receivers, trustees and other court appointed business administrators are typically experienced accountants and are expert in running other people's businesses with transparent reporting and due oversight by the parties and the Court. But they are generally not experts in the substance of the businesses that they oversee. To keep costs down and minimize, as much as reasonably possible, the use of expensive accounting professionals who may know little about how to run Polish community

events, it is quite normal for a receiver to utilize existing staff for their know-how under appropriate oversight and financial controls. Here, the Receiver declined to terminate the employment of Mrs. Miasik in order to continue to utilize her services organizing and running community events while ensuring that the Receiver had physical control of the premises and all finances. By not firing Mrs. Miasik, the Receiver has also prevented a claim for termination and severance pay by a long-term employee from arising. The Receiver has allowed a number of the defendants to attend the site to help set up tables for events or to help run dinners that had already been planned. All of this was prudent, neutral, and perfectly consistent with the Court's direction that the Receiver to do as little as possible to incur costs or to interfere with the community events at the site. For the PAC to characterize this type of activity as one-sided, tortious or giving "squatters" rights belies a misunderstanding of how receiverships are intended to operate. Moreover, whether there is ever a rapprochement with the defendants, it is undeniable that they have spent their lives building the Branch and have relationships with the members of the Branch. The PAC's notion that the defendants should be barred from the Branch's properties highlights the PAC's inability to rise above the litigation to try to reconcile with members.

[19] The Receiver should continue to maintain the *status quo* in respect of documents and site access utilizing its best judgment on both accounts going forward and reporting to the Court if, in the Receiver's judgment, it becomes necessary or desirable to do so.

ii. Mr. Miasik's Personal Property

[20] The PAC also complains that the Receiver allowed Mr. Miasik to remove some of his personal belongings from the clubhouse. The PAC offered no legal basis for the Receiver to seize Mr. Miasik's property or to deny Mr. Miasik his property as some form of leverage over him in litigation or otherwise. This is an excellent example of why a Receiver is appointed when parties are already litigating. The Receiver brings dispassionate judgment to resolve simple matters rather than trying to find more ways to seek leverage or further litigation. The Receiver's judgment that Mr. Miasik was entitled to retrieve his property was not challenged on the merits by the PAC. Rather, the PAC does not like the fact that the Receiver is not helping it in its war on the defendants. That is not the Receiver's role. This aspect of the Receiver's conduct is approved.

iii. Who Bears the Receiver's Fees?

[21] In paragraph 18 of the Appointment Order, the PAC was required to provide a retainer to the Receiver of $25,000. The order provides that the retainer is to be held by the Receiver to be applied against its final account. In the interim, the Receiver is to deliver accounts and, if it believes that its aggregate fees and disbursements will exceed $25,000, it may apply for its discharge. The Receiver's billed fees and disbursements already exceed $25,000. It would like to have access to the retainer. It is not asking for a discharge at this time as it has a Court-ordered first charge against the assets under its control. There is a stand-alone property that could be sold, if needed, to pay the Receiver's fees and disbursements without having to sell the valuable clubhouse waterfront property. Paragraph 10 of the endorsement of June 20, 2014 is consistent with this reading of the Appointment Order and does not alter the Receiver's entitlement. The Receiver will be paid from the properties under its control if no one else steps

up to pay. The Receiver will have access to the $25,000 retainer to help pay its final bill. If and when that occurs, the PAC will be entitled to assert a claim for indemnity against the Branch if it chooses to do so. The Court appreciates the Receiver's continued willingness to serve despite the cash flow deferral that it is currently incurring.

[22] The PAC will have an opportunity to comment on the Receiver's fees and disbursements at the return of the Receiver's fee approval motion. A party to the Appointment Order need not sue the Receiver in order to have standing at a fee approval hearing required by the Appointment Order.

iv. Branch Membership and Executive Election

[23] The Receiver discovered a membership ledger of the Branch that was not disclosed by the defendants at the trial of the issues. It provided the ledger to the parties and to the Court. The PAC criticized the Receiver for continuing to communicate with the defendants who are no longer members of the PAC. The Receiver is aware however that both sides have appealed from the outcome of the trial of the issues. It is quite properly seeking input from the defendants whose rights are certainly implicated if they succeed in their appeal. Moreover, the defendants have decades of firsthand knowledge concerning the membership and management of the Branch. The Receiver is not being directed by the defendants any more than it is being directed by the PAC. It cannot be faulted for keeping both sides fully informed and listening to the comments received back from each.

[24] The Receiver reviewed the members' ledger and developed a chart of possible members as of August 26, 2006. Members who were members of the Branch in 2006 and remained members of the defendants' break-away branch are the current beneficial owners of the Branch's property whom the PAC committed and has been ordered to recognize as long as they did not know that their dues were not being passed on to the PAC by the defendants. The Receiver took comments from the parties on the draft lists and, at Appendix "M" to its 1st Report, listed its own comments and Mr. Waldmann's comments. From that Appendix, the Receiver drew 39 names - all of whom appeared to qualify as members of the Branch at August 26, 2006. Of those 39, 19 appear to have not kept up their dues to the end of 2013 and hence their membership would have lapsed. The remaining 20 people, listed at Appendix "N" to the Receiver's 1st Report, appear to qualify as remaining members of the Branch. The PAC complains that some of those are family members of the defendants and hence they must have known that the defendants were not passing on their dues to the PAC. Assuming that family members may have known that their parents or in-laws thought they had left the PAC in 2006, this is not the correct inquiry. As found in the May 27, 2014 Reason for Decision, the PAC allowed the post-2006 break-away body to continue to function and hold itself out as if it was a branch of the PAC. Moreover, the PAC did not apply its automatic expulsion rules to the Branch both before and after August 26, 2006. It is not self-evident that just because someone knew the defendants tried to take the Branch out of the PAC in 2006, that what went on afterward was not part and parcel of the PAC. The inquiry proposed by the PAC and ordered by the Court is whether members at August 26, 2006 who stayed on with the defendants knew that their dues were not being passed on to the PAC. How is that to be determined?

[25] The PAC says that all pre-August 26, 2006 members were automatically expelled under its constitution so that there are no remaining members. The PAC agreed and the Court also ordered the PAC to accept membership application for the Branch going forward. The PAC says it has admitted 18 members just last week who are now the members of the Branch for the purposes of electing an executive. For anyone else to be acknowledged as a member of the Branch, the PAC argues, such person must first apply to the PAC. In light of the PAC's commitment to the Court in para. 90(A) and para. 1 of the Court's order dated May 27, 2014, it is not open to the PAC to now deny that there are any members remaining from August 26, 2006. The change of position is not appropriate or allowable. Moreover, branch members are not appointed by the PAC under its constitution. Rather, members are appointed by each branch and then their names are submitted to the PAC for approval (usually rubber-stamping). The PAC has no authority to unilaterally appoint members of the Branch. The PAC has essentially tried to round up a few members to take control of the election just as the defendants tried to do leading up to the appointment of the Receiver on June 20, 2014.

[26] The Court noted, in the endorsement dated June 20, 2014, that loyalty oaths and inquisitions of applicants were not consistent with membership admission practices of the PAC of which testimony was given at trial. The Court accepts the Receiver's recommendation that the 19 members identified by the Receiver be recognized as the members for the purposes of electing an executive of the Branch. Prior to being allowed to vote, each member must sign a statement that he or she did not know that his or her dues were not being paid to the PAC from August 27, 2006 to May 27, 2014 if he or she is able to do so. If a member cannot or will not so confirm, then he or she will not be recognized as a member of the Branch at this time. Following the PAC constitution *mutatis mutandis*, the Receiver is to canvass the voting members to determine a slate to stand for election to the executive from among their numbers.[1] The Receiver shall hold an election as quickly as is practicable. If a meeting is called for that purpose, notice should be given to voters individually. There is no reason to advertise to the public. The Receiver will appoint a neutral chair for the meeting who should be Polish speaking if practicable.

[27] The PAC says that Canada is a democracy and the corporate entities involved should be controlled by their shareholders' duly elected representatives. The Court agrees. In the Court's view, a democratic process is one in which the duly qualified voters exercise self-determination. The PAC dictating outcomes to beneficial title holders concerning their property is not the Court's view of a democratic outcome. Neither is it appropriate, just, convenient or reasonable to unleash the PAC's lawyers on Branch members to test their loyalty and knowledge. Nothing helpful can come from that process other than more litigation not to mention hard feelings and distrust. The Court would expect anyone participating in the election being held pursuant to the Court's orders to have the protection of section 142 of the *Courts of Justice Act* in any event.

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[1] This is analogous to the PAC constitution in that the Receiver is already carrying out the current authority of the executive of the Branch. It is also similar to how a trustee in bankruptcy approaches creditors seeking nominations for the inspectors of a bankrupt estate and falls squarely within the kinds of duties a Court would expect its receiver to be readily able to perform.

Possible Stay Pending Appeal

[28] The election of a new executive must necessarily precede the admission of new Branch members as there must be an executive in place in order to admit new members as noted above. In the Court's view, too much time has elapsed already being consumed in unnecessarily nasty communication and unhelpful posturing. This has resulted in increased fees and disbursements by all professionals including the Receiver and its counsel. Moreover, it has delayed any notion of healing among the PAC, the Branch, and its members so that the properties of the members can be managed in the members' interests and in furtherance of the beneficent goals of the PAC.

[29] I am advised that a stay of the May 27, 2014 order is being sought by the defendants in the Court of Appeal, but that the date currently picked by the defendants' counsel for that motion is not available for Mr Waldmann. Moreover, Mr. Waldmann advises that it is the PAC's position that the May 27, 2014 order was interlocutory since it resolved only a trial of the issues. As such, it is the PAC's position that an appeal lies only to the Divisional Court with leave of the Court being necessary and the defendants are too late to use that route. It is, therefore, not at all clear when a stay motion will be heard on the merits before the correct appellate court. It seems to me that unless or until stayed, this Court should continue to enforce its orders in the best interests of the parties and the members of the Branch. The sooner that an executive is elected, the sooner the accrual of Receiver's fees can be ended, and the sooner that the Branch's properties can be tended by their beneficial owners. Although the defendants are the ones seeking a stay, they do not object to an election on the basis set out in this Endorsement despite the fact that the defendants are being deprived of the right to vote pending a successful appeal. Accordingly, the Court will proceed with the ongoing supervision of the receivership and the enforcement of the May 27, 2014 unless or until an appellate court rules otherwise.

[30] The Court will advise the parties shortly concerning dates for the hearing of the matters adjourned herein; the date for the hearing of the PAC's motion for leave to sue the Receiver if pressed; and the possible appointment of a new Case Management Judge consequent on the retirement of the former Case Management Judge. Order to go in terms of the directions provided herein. The Receiver should prepare a draft order for review and comment by Mr. Waldmann and Mr. Romano. If the parties do not agree to language within a week, then the then-current draft order and a blackline showing other parties' positions may be sent to me by email to be settled.

Justice F.L. Myers

F.L. Myers J.

Date: September 3, 2014

TAB 12

Court File No.: CV-08-361644

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	**WEDNESDAY, THE 3RD DAY**
	)	
JUSTICE	)	**OF SEPTEMBER 2014**

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

- and –

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPHFLIS AND RICHARD RUSEK

Defendants

ORDER

THIS MOTION, made by Collins Barrow Toronto Limited (the "**Receiver**"), in its capacity as Court-appointed receiver and manager of the assets, undertakings and properties of Branch 1-7 of The Polish Alliance of Canada (the "**Branch**") and Polish Association of Toronto, Limited (the "**PATL**"), was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated 22 August 2014 and the Affidavit of Elizabeth Betowski sworn 29 August 2014, and on hearing the submission of counsel for the Receiver, the Plaintiff and the Defendants (other than Richard Rusek);

1. **THIS COURT ORDERS** that the approval of the Receiver's activities as set out in the First Report and the Receiver's fees and disbursements is adjourned to a date to be set.

2. **THIS COURT ORDERS** that the members of the Branch are the 20 individuals identified on the attached **Schedule "A"** (the "**Branch Members**").

3. **THIS COURT ORDERS** that, to the extent practical, following and in accordance with the constating documents and by-laws of The Polish Alliance of Canada (the "**PAC**"), the Receiver shall:

   (a) canvass the Branch Members to determine a slate to stand for election to the Executive of the Branch; and

   (b) convene a meeting of the Branch at such time and such location as may be determined by the Receiver for the purpose of reconstituting the Executive of the Branch by electing an Executive from among the Branch Members (the "**Special Branch Meeting**")

4. **THIS COURT ORDERS** that the Receiver will appoint the Chair for the Special Branch Meeting who should be Polish speaking, if practicable.

5. **THIS COURT ORDERS** that for the purpose of calling the Special Branch Meeting, written notice shall be given by the Receiver individually to the Branch Members and the Receiver need not advertise the Special Branch Meeting.

6. **THIS COURT ORDERS** that a Branch Member shall not be entitled to vote at the Branch Special Meeting unless he or she signs a Statutory Declaration in the form provided by the Receiver stating that he or she did not know that the dues being paid by him or her to the Branch were not being paid to The Polish Alliance of Canada ("**PAC**")

7. **THIS COURT ORDERS** that the Receiver is not required to permit representative of the PAC to attend at the premises of the Branch or to permit representative of the PAC to have access to the books, records or documents in the Receiver's possession or under the Receiver's control and relating to the Branch.

8. **THIS COURT ORDERS** that the conduct of the Receiver in permitting the removal of the personal property of Marek Miasik from the Branch's premises is hereby approved.

9. **THIS COURT ORDERS** that: (a) the Receiver may apply the $25,000 retainer received from PAC toward its accounts; and (b) PAC may entitled to assert a claim for indemnity against the Branch, if it chooses to do so.

Court File No.: CV-08-361644

BETWEEN:

THE POLISH ALLIANCE OF CANADA
-Plaintiff-

v.

POLISH ASSOCIATION OF TORONTO LIMITED, et al
-Defendants-

ONTARIO
SUPERIOR COURT OF JUSTICE

(PROCEEDING COMMENCED AT TORONTO)

ORDER

GOWLING LAFLEUR HENDERSON LLP
Barristers and Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, ON M5X 1G5

E. Patrick Shea (LSUC No. 39655K)
Tel: (416) 369-7399
Fax: (416) 862-7661

Solicitors for Collins Barrow Toronto Limited, Court Appointed Receiver and Manager

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TAB 13

CITATION: The Polish Alliance of Canada v. Polish Association of Toronto Limited, 2014 ONSC
COURT FILE NO.: CV-08-361644
DATE: 20140917

SUPERIOR COURT OF JUSTICE - ONTARIO

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

AND:

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS and RICHARD RUSEK

Defendants

AND:

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, and ALBERT JOSEPH FLIS

Plaintiffs by Counterclaim

AND:

THE POLISH ALLIANCE OF CANADA, ROBERT ZAWIERUCHA, TADEUSZ MAZIARZ, ELIZABETH BETOWSKI, DANUTA ZAWIERUCHA, TERESA SZRAMEK, ANDRZEJ SZUBA, ADAM SIKORA, ELZBIETA GAZDA, STANISLAW GIDZINSKI, STANISLAW IWANICKI and TADEUSZ SMIETANA

Defendants by Counterclaim

BEFORE: F.L. Myers J.

COUNSEL: E. Patrick Shea, for Collins Barrow Toronto Limited, Receiver and Manager
B.A. Kaminski, for the Plaintiff
Bernie Romano, for the Defendants/Respondents, except for Richard Rusek

HEARD: September 17, 2014

F.L. Myers J.

ENDORSEMENT

[1] Last week, the Senior Regional Judge's Designate appointed me as Case Management Judge in this matter to replace Mr. Justice C. Campbell who has retired. During a Case Conference held to discuss the status of the action, counsel advised me of an inconsistency in my Endorsement dated September 3, 2014. In paragraph 24, I excluded from voting (in the upcoming election to reconstitute the executive of Branch 1-7) 19 people who had let their dues lapse since August 26, 2006. In paragraph 26, I wrote that I accepted the Receiver's recommendation that the 19 members be allowed to vote. This was a typo. I intended to say that of the 39 possible voters, excluding the 19 who had let their dues lapse, I agreed with the Receiver that the remaining 20 should be recognized as the members eligible to vote. Mr. Romano suggested that all 39 should vote because the PAC agreed and I ordered in para. 1 of the May 27, 2014 order that members be recognized without a requirement to pay arrears. However that was a reference to arrears that pre-dated August 26, 2006. I never expected people who have not kept their memberships current with the defendants to be able to claim that they remain members of Branch 1-7 of the PAC.

[2] The vote should proceed so that a working executive can take formal possession of the property and re-start the work of carrying out the beneficent goals of the PAC. This should increase revenue and greatly decrease receivership costs going forward. I leave to a subsequent motion the issue of whether the Receiver should have a role after the election whether in overseeing the property, overseeing the reconstitution of the branch members by the new executive and the Head Executive Board of the PAC, or controlling conveyances, encumbrances etc. so as to protect the *status quo* pending appeal or otherwise.

F.L. Myers J.

Date: September 17, 2014

TAB 14

CITATION: The Polish Alliance of Canada v. Polish Association of Toronto Limited, 2014 ONSC 5095
COURT FILE NO.: CV-08-361644
DATE: 20140903

SUPERIOR COURT OF JUSTICE - ONTARIO

BETWEEN:

THE POLISH ALLIANCE OF CANADA

Plaintiff

AND:

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS and RICHARD RUSEK

Defendants

AND:

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, and ALBERT JOSEPH FLIS

Plaintiffs by Counterclaim

AND:

THE POLISH ALLIANCE OF CANADA, ROBERT ZAWIERUCHA, TADEUSZ MAZIARZ, ELIZABETH BETOWSKI, DANUTA ZAWIERUCHA, TERESA SZRAMEK, ANDRZEJ SZUBA, ADAM SIKORA, ELZBIETA GAZDA, STANISLAW GIDZINSKI, STANISLAW IWANICKI and TADEUSZ SMIETANA

Defendants by Counterclaim

BEFORE: F.L. Myers J.

COUNSEL: E. Patrick Shea, for Collins Barrow Toronto Limited, Receiver and Manager
Peter Waldmann, for the Plaintiff
Bernie Romano, for the Defendants/Respondents, except for Richard Rusek

HEARD: September 17, 2014

F.L. Myers J.

CASE CONFERENCE MEMO #1

[1] Counsel appeared before me today to discuss the status of the action.

[2] Topics discussed included:

a. What remains of the main action;

b. What remains of the counterclaim;

c. Status of outstanding motions;

d. Mediation possibilities;

e. Status of the receivership;

f. Endorsement and formal order of September 3, 2014;

g. Stay motions as they may affect the receivership;

h. Future role of the Receiver;

i. Future trial judge identity.

[3] Action items:

a. Mr. Kaminsky will consider and advise if his clients will consent to a withdrawal or dismissal of the motion to remove Mr. Waldmann as counsel for the PAC without costs. The merits of the motion are now moot.

b. I will advise the Court that the motion returnable on October 8, 2014 to strike out the counterclaim is not proceeding at this time. I will case manage the return of the motion. The counterclaim is for slander of title concerning a caution or CPL registered by the PAC. Mr. Romano will advise if the counterclaim remains useful at this stage or if it can be dismissed without costs. Mr. Kaminski will advise if his client consents to a dismissal of the counterclaim without costs.

c. There is currently a motion scheduled for October 21, 2014 before a single judge for leave to appeal from the June 20, 2014 Order appointing a Receiver. If the parties consent to adjourn that motion, they should advise the Motion Scheduling Coordinator.

d. Mr. Kaminsky will advise Mr. Romano and the Court within 30 days of the issues that his client believes remain for trial in the main action. It appears that the action consists of claims for damages against some defendants concerning the

sending of letters and the filing of documents as referred to in the Reasons dated May 27, 2014. Mr. Kaminsky will advise if his client agrees or believe otherwise.

e. Mr. Romano advises that in light of Mr. Kaminsky's recent appointment, he will not object to a motion for leave to appeal from the Order dated September 3, 2014 being brought by Mr. Kaminsky within 7 business days of today.

f. The Receiver is to proceed with the election of the new executive of Branch 1-7 as soon as practicable. If the PAC seeks a stay of the order dated September 3, 2014, the Receiver should not hold the election pending the hearing of that motion. If the order is stayed, of course the Receiver will respect the stay. Until the motion is brought, I do not see any downside to holding the election. The Receiver will remain in place after the election pending an order removing it or changing its mandate. The election will let members re-start participating in the PAC formally. Both sides will then be able to work on building up the membership of the Branch under the PAC constitution and once again holding PAC events at the clubhouse. The Receiver's fees should be greatly reduced (even recognizing that the precise scope of its future tasks pending appeal may be the subject of argument). The PAC says that there are no members of the Branch. This is directly contrary to the submission of PAC at trial in the presence of Mr. Zawerucha, Ms Betowski and another 5 or so from the PAC sitting with them in the body of the courtroom. There has to be a break in the logjam to get the constitutional process restarted. Otherwise the Receiver will have to remain, carrying out more expensive tasks as the community events at the site languish. Mr. Kaminsky should bring on any motion(s) to stay forthwith as delay in reconstituting the executive of the branch is prejudicial as dealt with in my September 3, 2014 Endorsement.

g. Mr. Kaminsky advises that he has not yet been able to obtain the file from Mr. Waldmann as the latter may be claiming a solicitor's lien. If that cannot be resolved by the two counsel quickly, I may be approached to schedule a motion to consider how to deal with it. It is self-evident that no one wants the clients prejudiced while arrangements for ascertaining and paying counsel are made and protections as may be appropriate are considered.

h. There is an obvious settlement possible concerning the future of the clubhouse lands. Mr. Shea had an experience in a similar outcome recently. Whether all issues can be settled or perhaps just the future of the clubhouse lands, the parties would be well-advised to consider whether they can settle some or all issues and use the good offices of the Receiver, a mediator or the Court for that purpose as well.

i. While I am readily reachable by email, I should be contacted only when a party or the Receiver wishes to schedule some form of relief or seeks directions. I am not to be part of the regular back-and-forth between and among the parties.

j. Regardless of the relationships among the clients, all contacts among counsel are to be governed strictly in accordance with the Advocate Society's *Principles of Civility* and in the best traditions of an independent bar.

F.L. Myers J.

Date: September 17, 2014

TAB 15

Court File No. CV-08-361644

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

THE POLISH ALLIANCE OF CANADA

Plaintiff

- and -

POLISH ASSOCIATION OF TORONTO LIMITED, MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS and RICHARD RUSEK

Defendants

A N D B E T W E E N:

POLISH ASSOCIATION OF TORONTO LIMITED,MAREK MIASIK aka MAREK ADAM MIASIK, MARIA MIASIK, JAN ARGYRIS aka LOUIS JOHN ELIE ARGYRIS aka LOUIS JOHN ARGYRIS aka JOHN ARGYRIS, WLADYSLAW JASLAN aka WLADYSLAW JULIAN JASLAN, HELENA JASLAN, EUGENIUSZ SKIBICKI, CZESLAWA ERICKSEN, STANISLAW ROGOZ aka STAN ROGOZ, ALBERT JOSEPH FLIS and RICHARD RUSEK

Plaintiffs by Counterclaim

- and -

THE POLISH ALLIANCE OF CANADA, ROBERT ZAWIERUCHA, TADEUSZ MAZIARZ, ELIZABETH BETOWSKI, DANUTA ZAWIERUCHA, TERESA SZRAMEK, ANDRZEJ

SZUBA, ADAM SIKORA, ELZBIETA GAZDA, STANISLAW GIDZINSKI, STANISLAW IWANICKI and TADEUSZ SMIETANA

Defendants by Counterclaim

AFFIDAVIT OF ROBERT ZAWIERUCHA

1. I, ROBERT ZAWIERUCH of the City of Mississauga, am the President of the Head Executive Board (the "HEB") of the Polish Alliance of Canada (the "Alliance") MAKE OATH AND SAY AS FOLLOWS:

2. I became a member of the Alliance in 1992 when I joined as member of Branch 9. Subsequently Branch 9 amalgamated with Branch 5 and only Branch 5 now exists. Branch 5 is my domicile Branch.

3. I became the President of the Head Executive Board of the Alliance in 2002 and served as such until 2011. I was elected again in 2012 and have been serving in this capacity ever since.

4. I have reviewed corporate records including membership rolls and financial records concerning payment of dues all in connection with the identity of members of Branch 1 – 7 who may be still considered members of the Alliance. I attended the Trial of Issue held in this Action on March 17-28, 2014 and April 16 - 17, 2014, except few days before my testimony.

5. The question of legal and beneficial ownership of a properties occupied and used by Branch 1 - 7 is one the issues in this Action and it was one of the issue which was tried at the Trial of the Issue on March 17 – 28, 2014 and April 16 - 17, 2014. This Branch purported to leave the Alliance in August of 2006 and claimed the exclusive legal and beneficial ownership of various properties it occupied and used.

6. Currently the Polish Alliance of Canada has 16 territorial Branches (not counting Branch 1 – 7) through which the PAC carries its activities. The various branches are located throughout Ontario. Over the years 12 Branches acquired properties to which legal title was variously taken by the Alliance or a Branch of the Alliance or some holding company.

7. The affairs of the Alliance are governed by its Constitution. The cause of the Action arouse in the month of August of 2006. At that time a governing constitution was the Constitution dated 1997. Attached hereto as Exhibit A is a copy of an English version of this Constitution.

8. During the course of this litigation, in 2010, the Alliance adopted a new version of the Constitution. Attached hereto as Exhibit B is a copy of an English version of this Constitution

9. The 1997 Constitution states in Article 8 (page 32 of the Constitution) : "The assets of the Alliance and its Branches as a whole regardless of how they acquired and their legal title, are the

sole property of the Polish Alliance of Canada, A Non Profit Organization." Article 9 continues: "The exercise of the powers of ownership and the administration of the assets of the Alliance is governed but the Head Executive Board according to the direction of the General Convention of the Alliance."

10. The 2010 Constitution states in Article 3.5 (page 4 of the Constitution) : " The assets of the Alliance as a whole, regardless of how they were acquired and their legal title, are the sole property of the Polish Alliance of Canada, a Non-For-Profit Organization." Article 3.6 continues: "The exercise of the powers of ownership and the administration of assets of the Alliance is governed by the Head Executive Board according to the directions of the Members' Convention of the Alliance."

11. Mr. Justice Myers in his May 27, 2014 decision held that the legal title to the various properties is with a defendant corporation, referred as PATL, which was formed by Branch 1 – 7 The beneficial owners, Mr Justice Myers held were members of who did not leave Branch 1-7 of the Alliance. Mr. Justice Myers further found that the legal title to the shares of the defendant corporation, PATL, were with the Alliance as a whole as represented by the HEB. The May 27, 2014 decision did not address the issue of identity of the remaining members of Branch 1 – 7 only gave a broad criterion of deciding who these people might be. This decision is now appealed by the Defendants, and cross-appealed by the Plaintiff. See Tab 7 - Notice of Appeal to Court of Appeal and Tab 8 - Notice of Cross – Appeal.

12. Very quickly following the May 27, 2014 decision, the question of membership of Group 1 - 7 became a very contentious issue.

13. On June 20, 2014 Mr. Justice Myers, on motion by the Plaintiff, issued an Order appointing Collin Barrows Toronto Limited as receiver and manager of various assets held and used by Branch 1 – 7. The Receiver was to hold properties as a neutral officer of the court and was not to take direction from the Alliance, the defendants or anyone else. And, further it was to do as little as it viewed as reasonably possible to take control of all assets, or held in trust for, members of the Branch. Tab 4 – the Endorsement, Tab 5 the Order,

14. The Receiver was also to oversee and supervise the efforts by the PAC to reconstitute the Branch and its executive. This task became quickly mired in controversy.

15. The Defendants seek leave to appeal the June 20 Order at the Divisional Court.

16. The Receiver brought a motion under section 41.05 to seek directions and present in first Report . The Motion was heard on September 2, 2014.

17. Following this Motion, on September 3, 2014, Mr. Justice Myers issued an Endorsement which addressed the issue of number of members eligible to vote to reconstitute the Executive of Branch 1 – 7. See Tab 11 for a copy of the Endorsement.

18. On September 17, 2014, following a case conference, Mr. Justice Myers issued a clarification of his September 3 endorsement stating that there were 20 members of Branch 1 - 7 eligible to vote to reconstitute the executive. In that he accepted the arguments of the Receiver. See Tab 13 for a copy of this Endorsement.

19. The Alliance as represented by the HEB respectfully disagrees with this finding and is seeking the leave to appeal the Order of Mr. Justice Myers following the September 3 and September 17 endorsement.

20. The Receiver relied on the documents of uncertain provenance in arriving at its number of members eligible to reconstitute the Executive of Branch 1 – 7. It appears that the Receiver commenced its inquiry with a membership ledgers which were found on the premises of the Branch 1 – 7 by its staff when they arrived for the first visit following the appointment and then relied on information supplied by the members of the Branch who might not be members of the Branch or the Alliance according to Mr. Justice Myers Order dated May 27, 2014 or by family members of such members.

21. Further, the Head Executive Board states that it is quite farfetched to believe that family of a member who was found to not be a member of Branch 1 – 7 was unware what was happening and that he or she were not in agreement and not supported the actions of now

removed member. Thus the Head Executive Board states that the family of removed defendants should not be counted as an eligible member for any purpose including reconstitution of the Executive.

22. Furthermore, there are people on the list of 20 members arrived by the Receiver who are in hospitals or long term care facilities whose decision making capacity could be in doubt. This issue was not explored by the Receiver.

24. Furthermore, there are 8 people on the list of 20 who never became members of the Alliance in the process required by its Constitution.

25. And finally in this connection, the Receiver did not produce any documents confirming its source of knowledge of payment of dues.

25. The expelled members of Branch 1 – 7 and its members who now ostensibly remain members of the Branch and Alliance have been implacably hostile to the Alliance and its constitution for a long time and remain so until this day. See for example the Notice of Appeal filed by the Defendants, Tab 7. It is hardly fair to recognize untested evidence provided by an adversary as unbiased information.

26. The issue of membership records of Branch 1 – 7 was not one of the issues at the Trial of Issue held in March 17 – 28 and April 16 – 17, 2014 without order to produce such records and without testing their provenance to ascertain the identity of members, if any, membership of Branch 1 – 7 remains unknown. Hence the process of reconstituting the Executive or indeed the Branch itself should not go forward.

27. I make this affidavit in support of the Motion to Stay an Order of Mr. Justice Myers dated September 3, 2014 and for no other improper purpose.

SWORN before me at
the City of Mississauga,
in the Regional Municipality of Peel
dated this 3rd day of October, 2014.

Commissioner etc.
Bogdan Kaminski 905 803 0721

Robert Zawierucha

EXHIBIT “A”

Związek Polaków w Kanadzie

Organizacja niedochodowa

KONSTYTUCJA

CONSTITUTION

Polish Alliance of Canada

A Non Profit Organization
Incorporated 1973

Bylaws
1997

This is Exhibit A referred to in the affidavit of Robert Zawiruocha
sworn before me, this 3
day of October 2014

A COMMISSIONER FOR TAKING AFFIDAVITS

179

POLISH ALLIANCE OF CANADA

A NON PROFIT ORGANIZATION

CONSTITUTION

Bylaws

CONFIRMED AT THE
XXVIII GENERAL CONVENTION
HELD IN TORONTO
ON THE 11TH DAY OF OCTOBER 1997

Amended at the General conventions
XXVIII, XXIX, XXX, XXXI, XXXII, XXXIII,
XXXVI and XXXVII

SECTION 1

THE GENERAL PROVISIONS: Name, seats, seal, aims, assets, structure.

ARTICLE 1

Name - Polish Alliance of Canada, A Non Profit Organization (hereinafter referred to as the "Alliance").

ARTICLE 2

The seat of the Alliance is in Toronto, Province of Ontario.

ARTICLE 3

The corporate seal of the Alliance shall be in the form indicated in the Appendix B.

ARTICLE 4

The alliance in its activities is governed by rinciples of Brotherhood - Tolerance - Education.

ARTICLE 5

Aims: to carry on cultural, charitable and social activities, to educate its Members in their civic responsibilities and and increase their participation in the mainstream of all aspects of Canadian society. Equally the Members are charged to propagate Polish traditions and culture, thus enriching their Canadian Heritage.

ARTICLE 6

The Alliance is a secular organization and non political.

ARTICLE 7

The structure of the Alliance consists of:

(a) Polish Alliance of Canada Branches
(b) Ladies' Circles
(c) Polish Canadian Alliance Youth (P.C.A.Y),
(d) The Polish Alliance Friendly Society,
(e) The W. Reymont Foundation,
(f) affiliated organizations.

ARTICLE 8

The assets of the Alliance and its Branches as a whole, regardless of how they were acquired and their legal title, are the sole property of the Polish Alliance of Canada, A Non Profit Organization.

ARTICLE 9

The exercise of the powers of ownership and the administration of the assets of the Alliance is governed by the Head Executive Board according to the directions of the General Conventions of the Alliance.

ARTICLE 10

The Alliance carries on its insurance activities through the Polish Alliance Friendly Society of Canada.

ARTICLE 11

The Alliance carries on its educational and charitable activities through the W. Reymont Foundation.

SECTION 2
MEMBERSHIP

ARTICLE 12

Membership in the Polish Alliance of Canada is realized first and foremost through membership in the various branches of the Alliance.

ARTICLE 13

Members of the Alliance residing in areas where there are no branches should apply for membership in the nearest branch, and failing this should become members-at-large.

ARTICLE 14

(a) Any person of Polish descent over the age of sixteen and their spouse, is eligible for membership.
(b) A person over the age of fifty cannot become an insured member of the Alliance.

ARTICLE 15

Any person who belongs to an illegal or revolutionary organization will lose all membership privileges;

or is endeavoring to acquire membership for the purpose of damaging the Alliance may not become a member.

ARTICLE 16

The membership in the Alliance is acquired:

(a) by filing an application of membership,
(b) by payment of the annual dues.
(c) through admission by a Branch of the Alliance;
(d) by confirmation from the Head Executive board; and
(e) by taking the oath before membership of the Branch.

ARTICLE 17

The day of admission of a Member to the Alliance shall be the date of the acceptance of the application by the Branch.

Members who belonged to P.C.A.Y. or Ladies' Circle of the Alliance and who subsequently joined the Alliance without interruption of membership will have service accrued from the day of acceptance into P.C.A.Y. or Ladies' Circle.

ARTICLE 18

In case confirmation is refused by the Head Executive Board, the membership dues and other fees shall be refunded.

ARTICLE 19

The Head Executive Board may give the Branches the right to bring in Social Membership within their jurisdiction.

ARTICLE 20

The Members of the Alliance shall have the following rights:

(a) the right to participate in all activities of the Branches and Cultural societies of the Alliance,
(b) the right to participate as delegates to the convention of the Alliance,
(c) the right to participate in the convention of the Alliance as observers without voting rights.

ARTICLE 21

Members shall be charged with the following responsibilities:

(a) to act in accordance with aims and principles of the Alliance and for the good of the Canadian Polonia;
(b) to know and abide by the by-laws of the Alliance;
(c) to pay membership dues and other fees;
(d) to take active part in the work of the branches in order to promote the welfare of the Alliance and Canada;
(e) to be prepared to accept and fulfill executive functions within the Alliance.

ARTICLE 22

(a) Members of the alliance lose their right to vote and the right to hold office if they fail to pay the ordinary membership dues and any extraordinary fees for the period of three calendar months;
(b) Upon payment of any delinquent fees, a Member's full rights are restored.

ARTICLE 23

A Member of the Alliance automatically loses his membership and seniority in the Alliance if he fails to pay ordinary membership dues and any extraordinary fees for a period of twelve months.

ARTICLE 24

The Biennial General Convention sets all membership fees.

ARTICLE 25

(a) Membership dues are charged only for full calendar months
(b) Dues are payable in advance.
(c) In case of expulsion of a Member from the Alliance any unused dues shall be refunded.

ARTICLE 26

All fees are paid to the Treasurer of the Branch at times officially designated by the Executive of the Branch. The Alliance shall not be responsible for the fees paid in other than the prescribed manner.

ARTICLE 27

(a) In case of a budgetary deficit the Head Executive Board may impose extraordinary fees in the amount not exceeding $2.00 per year per Member
(b) A Branch may impose an additional fee in the amount of $2.00 per year to cover the needs of the Branch. Any such fees must be voted on by the Branch membership.

SECTION 3
THE GENERAL CONVENTION

ARTICLE 28

The General Convention is the supreme authority of the Alliance.

ARTICLE 29

Conventions are of two types: ordinary and extraordinary.

ARTICLE 30

The Ordinary General Convention is Convened biennially at a time and place fixed by the previous Convention. Failing this, the site is chosen by the Head Executive Board.

ARTICLE 31

An Extraordinary Convention is called:
(a) by the Head Executive Board out of its own initiative, or
(b) by a three-quarters majority decision of the members of the Head Audit Committee.

ARTICLE 32

(a) The conduct of the General Convention is governed by the rules of the convention.
(b) The President of the Alliance opens the General Convention and presides over the election of the Presidium of the Convention.
(c) The Presidium of the General Convention rep-

resents the Alliance during the Convention.

ARTICLE 33

(a) A quorum for valid deliberations of the General Convention requires at least one-half of the authorized delegates.

(b) The resolutions of the General Convention are passed into law upon obtaining a simple majority of votes unless otherwise provided for by these by-laws.

ARTICLE 34

(a) Any matter within the scope of these by-laws may be the subject of deliberation of the General Convention.

(b) The deliberations of the Ordinary General Convention are carried on following the agenda of the Convention, voted on by the delegates to the Convention in accordance with the rules of the Convention.

(c) The deliberations of an Extraordinary Convention deal only with matters for which such a convention was convened. Other matters may be the subject of deliberation of the Extraordinary Convention only with the consent of a two-thirds majority of the delegates.

(d) A resolution of the Convention can be reopened for discussion at the Convention only with the consent of a two-thirds majority of the delegates.

ARTICLE 35

(a) Each Branch elects one delegate from the first 5-25 paid-up Members, two additional delegates will be selected if the membership is between

26-50, and future delegates for each additional 35 paid-up Members.

(b) Members of the Head Executive Board and the Head Audit Committee are *ex officio* delegates at the General Convention with full voting rights.

ARTICLE 36

(a) the following receive mandates for the Convention as *ex officio* delegates: The Central Executive of the Ladies' Circles - four mandates;
The Central Executive of Polish Canadian Alliance Youth - two mandates;
The W. Reymont Foundation - two mandates (delegates must be members of the Alliance);
The Board of Directors of Polish Alliance Press Limited - two mandates;
The Head Grievance Committee of the Polish Alliance - one mandate (if the Committee heard any grievances during their term of office);

(b) On a motion by the Head Executive Board, the Convention may grant full or partial delegate rights to representatives of organizations or institutions affiliated with the Alliance.

ARTICLE 37

The Head Executive Board distributes to all Branches at least 6 weeks prior to the General Convention the following:

(a) a proposed agenda for the Convention
(b) the report of the President of the Head Executive Board,
(c) a financial report of its activities,
(d) a report of the Head Audit Committee,

(e) any other pertinent documentation.

ARTICLE 38

The duties of the ordinary general convention are as follows:

(a) to consider the report of the Head Executive Board and its activities;
(b) to determine whether to accept the report and the recommendations of the Head Audit Committee pertaining to the activities of the Head Executive Board;
(c) to consider complaints, appeals and petitions;
(d) to elect the Executive authorities of the Alliance and the Head Grievance Committee;
(e) to elect any Commissions, Committees and other bodies and to establish their terms of reference;
(f) to establish the objectives and set principles for the organizational work of the Alliance;
(g) to pass regulations and by-laws of the organization.
(h) the time to appeal any decision to the General Convention is limited to four years form date when the original verdict was made.

SECTION 4
THE HEAD EXECUTIVE AND THE HEAD AUDIT COMMITTEE

ARTICLE 39

The Executive authorities of the Alliance are;

(a) the Head Executive is the chief executive authority of the Alliance.
(b) The Head Audit Committee is the chief audit

authority of the Alliance.

ARTICLE 40

(a) the newly elected members of the Executive Authorities of the Alliance, the Head Audit Committee and the Chief Grievance Committee take the oath of office before the Chairman of the General Convention, or one of the senior members of the Alliance.
(b) The oath of office is set out at the conclusion of the constitution.

ARTICLE 41

(a) Members of the Head Executive Board and the Head Audit Committee of the Alliance cannot hold any other executive positions within the Alliance except those positions to which they have been delegated by the Head Executive Board.
(b) Members of the Alliance seeking positions on the Head Executive Board must have completed at least two years' membership in the Alliance.
(c) Not more than three persons from any one branch are to be members of the Head Executive except in case of lack of candidates from other Branches.

ARTICLE 42

(a) the Head Executive Board is the governing body of the Alliance.
(b) The duties of the Head Executive Board are as follows:

1. To be responsible for the growth and development of the Alliance;
2. To monitor compliance of the activities of the Alliance with the by-laws and to implement the resolutions of the General Convention;
3. To represent the alliance in any official capacity;
4. To direct the activities of the Branches;
5. To pass detailed regulations authorized by the General Convention within the framework of the by-laws;
6. To interpret in accordance with the provisions of the by-laws and all other regulations in force.
7. To submit to the General Convention a report of its activities, and to submit motions for consideration at the General Convention.

(c) All documents that are authorized on behalf of the General Convention must bear the signature of the President and the General Secretary, and/or designated signatories.

ARTICLE 43

(a) The Head Executive Board holds its regular meetings monthly. Additional meetings are held as needed.

(b) Extraordinary Meetings are called by the President of the Head Executive Board in his discretion or upon the written request by three members of the Head Executive Board to consider the matters raised in the request.

ARTICLE 44

(a) The Head Executive Board after an investigation may by resolution of a two-third majority:

1. suspend or expel any member of the Alliance;
2. suspend any officer within the Alliance from carrying on his duties;
3. suspend the Executive of any Branch, or any of its committees or commission';
4. the activities of individual Ladies' Circles or Polish Canadian Youth Groups may be suspended by the Head Executive Board after prior agreement with their respective Head Executives.

(b) Persons suspended or expelled, have the right to appeal to the Grievance Committee, which has eight weeks to examine the matter at hand. These persons also have the right to appeal to the General Convention.

ARTICLE 45

(a) A Member of the Head Executive Board ceases to be an officer of the Board upon acceptance of his/her written resignation by the Head Executive Board.

(b) A Member of the Head Executive Board who fails to attend three consecutive meetings without valid explanation may have his position declared vacant by the Head Executive Board. Written notice must be given to the Member prior to this declaration.

(c) Retiring members of the Head Executive shall transfer all books and documents within 30 days

from the date of their resignation.

ARTICLE 46

(a) The head Executive Board is composed of:
1. The President,
2. The Executive Vice-President,
3. Two Vice-Presidents,
4. The Secretary General,
5. The Financial Secretary,
6. The Recording Secretary,
7. The Organizer,
8. Two Directors,
9. The President of the Head Executive of the Ladies' Circle *ex officio*
10. The President of the Head Executive of the Polish Canadian Alliance Youth *ex officio,*
11. The President of the W. Reymont Foundation *ex officio,*

(b) The immediate past President of the Alliance is an *ex officio* member of the next Head Executive Board for the first term of the office of his successor, in an advisory capacity only.

(c) The General Convention may increase the number of members of the Head Executive Board, designating the scope of their activities.

(d) The term of office of the Head Executive Board is two years, commencing the month following the General Convention.

ARTICLE 47

(a) If any of the positions of the Head Executive Board, except that of the President, become vacant, the Head Executive Board may appoint a new member that has his Groups' mandate, to

the vacant position.

(b) If deemed necessary the Head Executive Board may appoint additional members to the Board to execute specific functions. Members so appointed serve in an advisory capacity only.

(c) Is missing in the old Constitution must be added.

ARTICLE 48

The President of the Alliance:

(a) directs the activities of the Head Executive Board and takes necessary steps to promote, the development of the Alliance;

(b) represents the Alliance;

(c) ensures that the activities of the Alliance conform with the by-laws and the resolutions of the General Conventions;

(d) chairs meetings of the Head Executive Board and if he deems it necessary all meetings of the Alliance;

(e) is responsible for the submission of all reports;

(f) the President's term of office shall not exceed three (3) consecutive terms or six (6) years.

ARTICLE 49

The Executive Vice-President of the Head Executive board:

(a) assumes the function of the President of the Alliance upon his authorization;

(b) assumes the functions of the President of the Alliance in case of his inability to carry out his duties, if so declared by a two-thirds majority vote of the Head Executive Board.

ARTICLE 50

The Vice-Presidents of the Head Executive Board:

(a) assist the President of the Alliance

(b) carry out the functions set out by the Head Executive Board or the Convention.

ARTICLE 51

(a) The Secretary General:
   1. is responsible for the general administration of the office of the Alliance;
   2. is responsible for all correspondence, files, documents and archives of the Alliance, as well as the Seal;
   3. executes all resolutions and directives of the Head Executive Board.

(b) The Recording Secretary prepares all minutes of meetings and assists the Secretary General in his duties.

ARTICLE 52

The Financial Secretary:

(a) implements the resolutions and recommendations pertaining to the finances of the Head Executive Board;

(b) is responsible for the insurance, bookkeeping and assets of the Alliance and the Polish Alliance Friendly Society;

(c) is responsible for the timely preparation of financial statements, documents, and membership records of the Alliance.

ARTICLE 53

The Organizer:

(a) submits and implements plans for membership growth and development of the Alliance;

(b) organizes new Branches and ensures that the existing Branches increase their activities;

(c) carries out other functions directed by the Head Executive Board.

ARTICLE 54

The directors:
carry out the functions and tasks assigned to them by the Head Executive Board.

ARTICLE 55

The Head Audit Committee is a supervisory body which:

(a) consists of a Chairman, six members and three alternates;

(b) controls the management of all assets and finances of the Head Executive Board and other organizations of the Alliance, and all functions and activities conducted on behalf of the Alliance in order to ascertain their purposefulness and consistency with all resolutions passed. Audits the financial records as to their authenticity and makes a motion as to the acceptance of the activities of the Head Executive;

(c) carries out an audit of the Head Executive Board, Polish Alliance Press Ltd. and other affiliated organizations at least twice a year at a time it selects;

(d) supervises the economic development of the whole Alliance and carries out audits of all organizational components within the structure of the Alliance on the recommendation of the Head Executive Board;

(e) submits its reports to the General Convention, and if considered necessary, at the meetings of

the Head Executive Board.

SECTION 5
THE BRANCHES
OF THE ALLIANCE

ARTICLE 56

(a) The Branches carry out the aims of the Alliance and the Polish Alliance Friendly Society in close collaboration with the Ladies' Circles and the Polish Canadian Youth, and represent the Alliance within their areas.

(b) Correspondence of the branch requires the signature of its President and one of the Secretaries. All financial transactions of the Branch require three signatures including the signature of the President.

ARTICLE 57

(a) Ten Members of the Alliance may form a Branch.

(b) The existence of a Branch of the Alliance commences on the day fixed by the Head Executive Board, after the election of the Executive of the Branch.

(c) The Head Executive Board confirms the establishment of a Branch by issuing a subchapter. In an area where a Branch already exists a new Branch can be chartered with at least 15 new applicants after obtaining the consent of the Head Executive Board.

ARTICLE 58

(a) Meetings of the Branch are held monthly on a

day fixed by a resolution of its Members.

(b) At the annual meeting of the Branch, the members elect the Executive, Audit Committee, Committee for the visitation of sick members and any other committees or commissions.

(c) At the monthly meeting of the Branch held in December of each year the members elect a nomination committee whose responsibility it is to propose a slate of candidates for the Executive of the Branch for the next term.

(d) At the monthly meeting held in January of each year, this being the annual meeting of the Branch, the president delivers a report on the Branch's activity during the year, and the treasurer submits a detailed financial report in writing.

(e) The Audit Committee submits a written report on the audit of the books and the purpose of expenditures and management of all assets of the Branch.

(f) Elections of the Executive of the Branch take place at the meeting held in January. Immediately upon their election, the newly elected officers take the oath of office and the new Executive takes office.

(g) The members of the past Executive who, in the opinion of the annual meeting, did not fulfill their obligation properly, are not eligible for election to the new Executive.

(h) Every member who is not in default in the payment of his membership dues has the right to run for office, provided he has been a member of that Branch at least one year and has actively participated in the activities of the Branch by attending at least one half of the meetings of the

Branch during the preceding year.

(i) In order to run for the presidency of a Branch, a member must serve at least one year on the Executive Board of the Branch.

ARTICLE 59

(a) A quorum for a meeting of a Branch shall be one tenth of the Members in good standing.

(b) Resolutions are carried if they are passed by a simple majority unless these by-laws provide otherwise, or unless it involves those financial matters of a Branch that require a two-thirds majority vote of a Special Meeting (Sale or purchase of Real Estate).

(c) All proposed agreements regarding purchase and sale of real estate by the Branches must be submitted in writing to the Head Executive Board for approval.

(d) In the case of a sale of property agreed to by the Head Executive, all income derived from such sale will be held by the Head Executive Board until such time as a new Branch may be formed in the area. The General Convention retains the final decision as to the use of these funds.

(e) Branches which have sold their property cannot use the capital so derived for current expenses of the Branch.

(f) Members of the Branch should be notified about the annual meeting two weeks prior to the date of the general meeting.

ARTICLE 60

(a) The following are the permanent components of the Branch:

1. the Executive,

2. the Audit Committee,
3. the Committee for the visitation of sick members.

(b) The term of office in a Branch is for one calendar year.

(c) The Executive of the Branch takes the oath of office before its Members.

(d) The text of the Oath of Office is set out at the conclusion of the Constitution.

(e) the Oath of Office is administered by one of the following: a representative of the Head Executive Board of the Alliance, the President or Vice-President of a neighboring Branch, the retiring President of the Branch or the eldest Member present at the meeting.

(f) All retiring members of the Executive or other committees of the Branch shall transfer all books and documents of the Branch to the newly elected Executive or to the president within 30 days. This applies to all members resigning in their position during the term of their office.

ARTICLE 61

(a) The Executive of the Branch consists of:

1. a President,
2. a Vice-President and, if required, a second Vice-President,
3. a Secretary,
4. a Financial Secretary,
5. a Treasurer (optional),
6. an Organizer.

(b) The immediate past President is an ex officio member of the next Executive with full voting rights for the first term of office of his successor. Afterwards he serves in an advisory capacity only.

(c) In case one of the offices of the Branch Executive becomes vacant, except that of the President, the Executive of the Branch may appoint a Member of the Branch to carry on the vacated position to the end of the term, obtaining confirmation therefor at the next meeting of the Branch.

(d) The meetings of the Executive of the Branch are held as needed at least once a month.

ARTICLE 62

(a) The President of the Branch:

1. promotes the development of the Branch;
2. directs the activities of the Branch;
3. represents the Branch locally;
4. chairs all meetings of the Executive and meetings of the Branch with the exception of the annual meeting;
5. reports on the activities of the Branch to the monthly and annual meetings;
6. forwards a copy of the annual report to the Head Executive Board.
7. signs, along with the Financial Secretary, cheques and other documents pertaining to the affairs of the Branch.

(b) The President of the Branch is responsible to the Head Executive Board for ensuring that all activities of the Branch are consistent with the by-laws of the Alliance.

(c) The President's term of office shall not exceed six (6) consecutive years. If during this term at annual meeting another candidate is nominated, the president automatically can not run for the President's position. The new candidate must mply with Article 62.

ARTICLE 63

(a) The Vice-President of the Branch assists the President and assumes the function of the President at his request or in the case of his inability to carry on his duties.

(b) In Branches electing two Vice-Presidents, their duties are set out by the Executive and the Branch.

ARTICLE 64

The Secretary:

(a) is responsible for the minutes of the monthly and Executive meetings, and forwarding copies of the annual meeting to the Head Executive Board;

(b) is responsible for all correspondence, documents and together with the Financial Secretary the list of all the members of the Branch;

(c) is responsible together with the Secretary, for the list of all Members of the Branch;

(d) prepares a financial report for the monthly meeting of the Branch and for the annual meeting held in December, and submits to the Head Executive Board a copy of the annual financial report.

ARTICLE 65

The Financial Secretary:

(a) is responsible for the financial records;

(b) collects and receipts all monieys due to the Branch, including membership dues and fees, and deposits the monies into the Branch's bank account within 7 days and transfers the appropriate fees to the Head Executive Board within 14 days of receipt;

(c) is responsible for the formalities connected with

the admission of new members, and for forwarding required documentation for payment of death benefits;

(d) is responsible together with the Secretary, for the list of all Members of the Branch;

(e) prepares a financial report for the monthly meeting of the Branch and for the annual meeting held in December, and submits to the Head Executive Board a copy of the annual financial report.

ARTICLE 66

The Treasurer:

(a) receives cash, cheques and other valuables form the Financial Secretary;

(b) maintains the bank account of the Branch and deposits all funds;

(c) confirms with the Financial Secretary that the actual state of finances of the Branch conform with the book entries;

(d) keeps the inventory of the Branch.

ARTICLE 67

The Organizer:

(a) submits to the Executive plans for the activities of the Branch;

(b) recruits new Members for the Branch and pays special attention to their well-being.

ARTICLE 68

(a) The Audit Committee of the Branch consists of a Chairman, two Members and an alternate.

(b) The Audit Committee controls the management of all assets and finances of the Branch and its affiliated organizations, and of all functions and activities conducted on behalf of the Branch as to their purpose and consistency with resolu-

tions passed, and audits the financial affairs, assets and books of the Branch and its affiliates at least twice a year.

(c) The Audit Committee submits a written report to the Branch at least twice a year, the last of which coincides with the annual report of the Executive.

ARTICLE 69

(a) The Committee for the visitation of sick members consists of as many members as the annual meeting appoints.

(b) The Chairman of the Committee is elected by its Members.

(c) The Committee visits and comforts sick members of the Branch, and in the event of a member's death consoles his family.

ARTICLE 70

The Branch Executive has the right to suspend a member of the Branch for activities harmful to the work of the Branch and the Polish Alliance of Canada for a period of time not exceeding three months. A member so suspended has the right to appeal the decision of the Branch Executive at the first subsequent monthly meeting of the said Branch.

ARTICLE 71

Any organizational disputes between members and/or various components of the Alliance are to be dealt with in accordance with the Regulations for Settlement of Disputes passed by the General Convention of the Alliance. No member of the Alliance shall commence legal proceedings against the Alliance or any of its Branches or organizational components

until all attempts at settlement of disputed matters have been made through the standing Grievance Committee and the various components of the Alliance. The time to appeal any decision to the General Convention is limited to four year from date the original verdict was made.

SECTION 6
CHANGE OF THE BYLAWS

ARTICLE 72

(a) Motions from the Branches pertaining to amendments to the bay-laws shall be submitted to the Head Executive Board at least six months before the General Convention.

(b) The Head Executive Board must submit to all Branches all motions for amendments to the by-laws at least three months prior to the General Convention.

(c) Motions for amendments to the by-laws require two-thirds majority of voting delegates at the General Convention.

(d) Changes of the Constitution approved by the General Convention must be submited to all Branches and subsidiaries at least three months after the General Convention.

ARTICLE 73

Should the Alliance as an entity cease to exist, a committee of trustees will transfer all real property and assets to the W. Reymont Foundation.

ARTICLE 74

The English text of these Bylaws is binding in case of any dispute in interpretation.

ARTICLE 75

Confirmed by a two-thirds majority of delegates present at the biennial General Convention held at Toronto, Ontario on the 12th and 13th day of October 1997

President	Secretary General
A. Bicz	F. Rychlicki

Oath of Office

Accepting this office I solemny promise to fulfill my duties to the best of my abilities.

I pledge to be honest, fair, conscientious and loyal towards all Members and the Authorities of the Polish Alliance of Canada.

I will obey all Bylaws and Resolutions and will uphold the honour of the Alliance.

I promise to do my best in furthering the development of the Alliance and the unification of the Polonia.

APPENDIX A
MEMBERSHIP DUES

The following are the membership dues as passed by the XXX General convention held in October, 1997

INSURED MEMBERS

Yearly Dues	$30.00

DISTRIBUTION

Polish Alliance Friendly Society	
Funeral Fund	$7.80
Administration	0.60
Expansion Fund	3.00
Administration of Head Executive	5.40
W. Reymont Foundation	1.20
Canadian Polish Congress	6.00
Retained by Branch	6.00
Total:	$30.00

DEATH BENEFITS

Term of Membership	Amount Paid
Up to 10 years	$100.00
10 to 20 years	200.00
Over 20 years	300.00

NON-INSURED MEMBERS

Yearly Dues	$25.00

DISTRIBUTION:

Expansion Fund	$3.00
Administration of Head Executive	8.80
W. Reymont Foundation	1.20
Canadian Polish congress	6.00
Retained by Branch	6.00
Retained by Branch	6.00
Total:	25.00

EXHIBIT “B”

CONSTITUTION

CORPORATE BY-LAWS

OF THE POLISH ALLIANCE OF CANADA

APPROVED: MARCH 27, 2010

This is Exhibit B referred to in the affidavit of ROBERT ZDWIERUCHN sworn before me, this 3rd day of October 2014

A COMMISSIONER FOR TAKING AFFIDAVITS

TABLE OF CONTENTS

Introduction

The Polish Alliance of Canada was created by the fusion of three Polish organizations existing in the Province of Ontario, Canada: the Sons of Poland Brotherhood of Mutual Benefit (incorporated in 1907), the St. Stanislaus Society (established in 1912) and the Progressive Polish Union (established in 1911). The current charter of The Polish Alliance of Canada is a continuation of one granted to the Sons of Poland Brotherhood on December 19, 1907. The name of our organization was first used in March 1922 and the current legal form of our organization was established in September of 1973. On that date, The Polish Alliance of Canada was incorporated, replacing its prior structure.

The Alliance in all of its activities is governed by the principles of **Brotherhood-Tolerance-Education.**

Article 1: Name

The official name of the Organization is The Polish Alliance of Canada (hereinafter referred as "the Alliance"). The Alliance is a not-for-profit corporation registered under the Corporations Act of Ontario on September 27, 1973 as Ontario Corporation number 276613 (hereinafter referred to as "the Alliance").

Article 2: Offices

The seat of the Alliance is in the City of Toronto, Province of Ontario.

Article 3: Purpose and Aims, Nature and Structure of Organization

3.1 Purpose

The Alliance was incorporated to fulfil the following aims (objects):

3.1.1 to promote interest in, and the study of, Polish culture, history and traditions through promoting, printing and publishing information and literature advancing such interests; and

3.1.2 To accept donations, gifts, legacies and bequests for these purposes.

The Alliance is committed to educating its Members in their civic responsibilities and increasing their participation in Canadian society.

All of the activities of the Alliance shall be carried on without the purpose of gain for its members and any profits or other accretions to the organization shall be used in promoting its aims (objects) as listed in its letters patent or any supplementary letters patent.

3.2 Nature of Organization

The Alliance is a secular and non partisan organization.

3.3 Structure of Organization

The Alliance consists of the following components:

3.3.1 Branches

3.3.1.1 Ladies Circles
3.3.1.2 Youth Circles
3.3.2 Polish Alliance Friendly Society of Canada
3.3.3 Related Organizations

3.4 Related Organizations
The Alliance may consider the following types of organizations, associations, clubs and corporations to be eligible for a Related Organization status within the Alliance:

- Children, youth and adult Polish Folk Dance Groups;
- Polish Language Schools;
- Polish Cultural Associations or Clubs;
- Polish Culture Support Groups;
- Polish Seniors Associations or Clubs;
- Polish Literary and Book Clubs;
- Polish Cooking Schools;
- Polish Arts Association or Clubs, and
- Other Polish Culture supporting organization.

All of the above mentioned must be located in the geographical location of a Branch of the Alliance, use the Alliance's facilities and programs and their aims and activities must be closely aligned with the Alliance's aims (objects) listed in Article 3.1.

All members and shareholders of organizations that would be granted a Related Organization status within the Alliance are eligible for a Related Membership in the Alliance.

3.5 Ownership of Assets
The assets of the Alliance and its Branches as a whole, regardless of how they were acquired and their legal title, are the sole property of the Polish Alliance of Canada, a Non-For-Profit Organization.

3.6 Powers of Ownership
The exercise of the powers of ownership and the administration of the assets of the Alliance is governed by the Head Executive Board according to the directions of the Members' Conventions of the Alliance.

Article 4: Members and Type of Membership

4.1 Members
Any person who is of Polish descent, or her or his spouse, and holds Canadian citizenship or landed immigrant status and is over 18 years of age, is eligible for membership in the Alliance. Only members in good standing are entitled to attend any members' meeting of the Alliance or its Branches or the Annual Members Conventions.

4.2 Honorary Members
On the nomination of Branches or members of the Head Executive Board and with the approval of the Head Executive Board, persons who have rendered services or provided significant support to the Alliance, or to the Polish Community in Canada, or contributed substantially to the realization of the Alliance's aims, may be appointed Honorary Members. Honorary Members will have all the privileges of a Member except voting or seeking election to the Head Executive Board or any other office within the Alliance or its Branches or to stand for election as a delegate to the Annual Members' Meeting. Honorary Members are exempt from the annual dues.

4.3 Related Members
A member of any related organization is eligible to become a Related Member of the Alliance. Only members in good standing can use the facilities of the Alliance and its programs.

There are three types of Related Membership in the Alliance:

a) Canadian citizens or landed immigrants under 18 years of age (Children)
b) Canadian citizens or landed immigrants over 18 years of age and under 25 years of age (Youth)
c) Canadian citizens or landed immigrants over 25 years of age and of Polish descent or his or her spouse (Adult)

Related Members have all the privileges of a Member except voting or seeking election to the Head Executive Board or any other office within the Alliance or its Branches or to stand for election to be a delegate to the Annual Members' Meeting.

4.4 Rights and Obligations of Members

Members of the Alliance have the following rights:

4.4.1 To participate in activities of Branches

4.4.2 To be elected as a delegate to Members' Conventions

4.4.3 To hold any office within the Alliance if they meet the eligibility criteria required for such office.

Members of the Alliance have the following obligations:

4.4.4 To know and act in accordance with the Alliance's by-laws or Constitution,

4.4.5 To pay membership dues in the prescribed manner,

4.4.6 To take an active part in the activities of Branches in order to promote the welfare of the Alliance and Canada,

4.4.7 To actively fulfil the requirements of an office within the Alliance if elected,

4.4.8 To act at all times in the best interest of the Alliance,

4.4.9 Not to commence, pursue or continue legal proceedings against the Alliance or any of its components or against any Member of the Alliance acting in an elected or appointed capacity on behalf of the Alliance or any of its components, in any court or administrative body until all procedures for internal settlement of disputed matters have been exhausted, including all appeals to the Annual Members' Convention.

4.5 Member Admission Process

The activities of the Alliance are conducted through its Branches. The Branches are internal divisions of the Alliance and their jurisdiction is determined by sub-charters issued by the Alliance and restricted to a geographical area within the Province of Ontario.

In order to join the Alliance, a person eligible for membership is required to complete a membership application with a Branch closest to the area in which he or she resides and pay dues. In areas where there are no Branches, a person can apply to become a member-at-large or join the Branch of their choice subject to the approval of the Head Executive Board. The membership application for a member-at-large will be forwarded together with dues to the Head Executive Board.

Each Member can only belong to one Branch and any changes to the Branch affiliation require approval from the Head Executive Board.

Membership in the Alliance will be granted upon:

4.5.1 Recommendation from members of a branch and two sponsors, who are members in good standing of such branch;

4.5.2 Approval of the Head Executive Board;

4.5.3 Taking the oath in front of members of the Branch. The Membership Oath is included in *Attachment 2: Membership Oath*.

The day of admission of a Member to the Alliance shall be the date of the acceptance of the application by a Branch.

If the approval is refused by the Head Executive Board, the membership dues and other fees will be refunded by the recommending Branch, or if the application is directly to the Head Executive Board under 4.5 above, by the Head Executive Board.

4.6 Honorary Members Admission Process

Honorary Members are admitted on recommendation from Branches or any of the members of the Head Executive Board and after the nominator completes an application included in these bylaws. The Honorary Member Application is available from the Head Executive Board.

4.7 Related Member Admission Process

Any individual that is a member of any of the Alliance Related Organizations may be admitted as a Related Member of the Alliance. Related Members are admitted on recommendation by Branches or any two members of the Head Executive Board and after she or he completes an application included in these bylaws in the form attached. In the case of a child, the application must be complete by a parent or a legal guardian. The Related Member Application is available from the Head Executive Board.

Related Members are entitled to use all of the Alliance's facilities and to participate in all of the Alliance programs to support its aims as stated in Article 3.

4.8 Loss of Membership

4.8.1 Membership in the Alliance is terminated:

4.8.1.1 When a Member, Honorary Member or Related Member submits a written notice terminating his or her membership in the Alliance;

4.8.1.2 When a Member or Related Member fails to pay ordinary dues and any extraordinary dues for a period of 3 (three) months or fails to attend Branch meetings for 6 (months) without the prior approval by the Branch Executive;

4.8.1.3 By a majority vote of the Head Executive Board at a meeting duly called and for which a written notice of the proposed action has been given. A Member or Related Member has a right to notice and to a hearing before the Head Executive Board before a decision is made to expel him or her from membership;

4.8.1.4 When a Member or Related Member is convicted of a criminal offence and is sentenced and subject to the discretion of the Head Executive Board.

4.8.1.5 Upon the death of the Member, Honorary Member or Related Member.

4.8.2 Exclusion by the Head Executive Board

A member may be excluded from membership of the Alliance by a two thirds vote of the Head Executive Board and when:

4.8.2.1 A Member, Honorary Member or Related Member ceases to meet their obligations to the Alliance such as paying dues or attending meetings;

4.8.2.2 A Member, Honorary Member or Related Member fails to properly declare a conflict of interest or potential conflict of interest in writing within 10 (ten) days of such conflict occurring or fails to resign from other organizations, corporations, companies or other groups or entities that initiate, continue, pursue or participating in legal actions against the Alliance;

4.8.2.3 A Member or Related Member generally engages in behaviour detrimental to the Alliance;

4.8.2.4 A Member, Honorary Member or Related Member acts contrary to the Constitution, By-laws, the Head Executive Board or the Branch Executive directions, or decisions, or in a way that harms the Alliance.

The Head Executive Board shall notify a Member, Honorary Member or Related Member whose exclusion is being proposed 14 (fourteen) days before the meeting. The Member or Related Member shall have the right to defend his or her position, and to present proof in his or her defence.

A decision to exclude a Member, Honorary Member or Related Member requires a two-thirds majority of the members of the Head Executive Board who participate in the hearing.

Within 10 days off the meeting of the Head Executive Board, the Secretary must, by registered letter inform the Member and his or her Branch of this decision, or the Related Member and Honorary Member, and state the date of termination and give the Head Executive Board's reasons.

4.9 Annual Dues

Dues are set by the Annual Members' Convention and are listed in these bylaws as *Attachment 3: Schedule of Dues*.

4.9.1 Dues are payable in advance and for the full calendar year (January to December). New members pay the full amount of annual dues upon completing his or her application. Annual dues are due and payable no later than the first meeting of the Branch in new calendar year.

4.9.2 Members pay their dues through the Financial Secretary of the Branch at times officially designated by the Branch Executive. The Alliance shall not be responsible for dues paid in other than the prescribed manner.

4.9.3 Related Members' dues are paid by the Financial Secretary no later than 90 days after the end of calendar year (December 31).

4.9.4 Dues are remitted by Financial Secretaries to the Head Executive Board and evidenced by the appropriate remittance forms which are included in these bylaws.

The Dues Remittance Form – Branches and the Dues Remittance Form – Related Organizations are available from the Head ExecutiveBoard

4.9.5 In the case of Honorary Members and of some Related Members who are exempt from payment of dues, annual membership renewal will be evidenced beside their full name, current address and contact information on

the dues remittance form and marked EXEMPT.

4.10 Extraordinary Dues

Extraordinary dues are levied in cases of budgetary deficits or special programs previously approved by the Head Executive Board and Members' Convention. The period when such dues are levied will be communicated in writing by the Head Executive Board.

Extraordinary dues can be paid in monthly instalments to the Financial Secretaries of branches. Components of the Alliance can elect the manner in which the extraordinary dues will be paid but in any event they must be paid no later than 30 days after the calendar year in which they were levied (December 31).

Article 5: Governing Bodies

The Alliance's governing bodies are:

The Members' Conventions
The Head Executive Board
The Head Audit Committee
The Head Grievance Committee

The Annual Members' Convention elects the Members who serve on the Head Executive Board, Head Audit Committee and Head Grievance Committee.

The Branches and other components of the Alliance report to the Head Executive Board, and follow the directions of the Head Executive Board as required in this Constitution.

Each Branch and component of the Alliance has its own executive, audit and grievance committee to the extent it is required by this Constitution.

Article 6: Members Convention

6.1 Purpose of the Members Convention

The purpose of the Members Convention is to:

6.1.1 Receive the Financial Statements from the previous fiscal year,
6.1.2 Elect new Members to the Board of Directors, which is called the Head Executive Board,
6.1.3 Vote on motions proposed by the Head Executive Board,
6.1.4 Vote on motions of the Head Audit Committee pertaining to the activities of the Head Executive Board,
6.1.5 Consider appeals as outlined in Regulations of Dispute Resolutions,
6.1.6 Elect members of the Standing Committees,
6.1.7 Establish the objectives and set goals, standards and principles for the organizational work of the Alliance.

6.2 Type of Members' Conventions

There are two types of Members' Convention: Annual and Extraordinary.

6.2.1 The Annual Members' Convention will take place within 3 (three) months of the end of the organization's fiscal year.

6.2.2 An Extraordinary Members' Convention can be called by the following:

6.2.2.1 Head Executive Board,
6.2.2.2 by a three-quarters majority vote of the Head Audit Committee,
6.2.2.3 by a written petition of 10% of all members in good standing of the Alliance. The signature of each Member signing the petition must be witnessed and a photocopy of one item of his or her photo identification (such as drivers license, government issued ID card, passport, citizenship card, employee ID card, or other reliable photo ID) which is initialled by the signing member, as well as his or her full residential address and phone number shall be attached to the Petition. Such a petition needs to state all business that is proposed to be conducted during such petitioned Extraordinary Members' Convention.

If an Extraordinary Members' Convention is called in accordance with 6.2.2.2 and 6.2.2.3 above, the Head Executive Board shall give notice to all Branches by mail or email, or by posting on the Alliance web site, or by all or any of these ways if the Head Executive Board so decides, no later than 30 days after receipt of notice

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from the Head Audit Committee, or from the date of receipt of the original petition.

If an Extraordinary Members Convention is called in accordance with 6.2.1, the Head Executive Board shall give a notice to all Branches by mail or email, or by posting on the Alliance web site, or by all or any of these ways, no later than 30 days prior to the date of the meeting.

The Extraordinary Members Convention shall deal only with matters for which it was convened.

6.3 Notice

The Notice of a Members' Convention shall include the Agenda for the Members' Convention. However, for an Extraordinary Members Convention, the Notice shall include a precise description of the matter for which it is convened.

The Annual Members Convention can amend the Agenda by a three-quarter majority vote of members voting at the Annual Members Convention.

The Notice is considered given 5 (five) days after it was posted by ordinary mail by the Head Executive Board or 3 days after it is posted on the Alliance's web site or sent by email, whichever is earlier.

6.4 Ex-Officio Delegates

Only members in good standing can be elected as delegates to Members Conventions' at the Branch meeting convened to elect the Branch's delegates.

The following shall have delegate status with full voting rights:

6.4.1 All members of the Head Executive Board, including ex-officio members

6.4.2 All members of the Head Audit Committee

6.4.3 Chair or designate of the Head Grievance Committee

6.4.4 Each Member shall have only one vote with the exception of representative of the Northern Branches.

6.5 Delegates Elected at the Meetings of the Branches of the Alliance

Each branch shall elect one delegate for the first 25 members in good standing and further delegates shall be elected according to the following:

6.5.1 One delegate shall be elected for additional membership from 26 to 50,

6.5.2 One additional delegate will be elected for additional membership from 51 to 75,

6.5.3 Two additional delegates shall be elected for membership 76 to 100, and

6.5.4 For every 25 (twenty five) members over 101, the Branch shall elect one delegate.

6.6 Rules Governing Members' Conventions

6.6.1 Members' Conventions shall be conducted in accordance with the Roberts Rules of Order.

6.6.2 Any suspension of the rules will require a three –quarter majority of votes present. A quorum for valid deliberations is considered to be 50% of votes present.

6.6.3 All resolutions of Members' Convention are carried by simple majority unless the Corporations Act of Ontario or these by-laws or Constitution otherwise provides.

Article 7: Head Executive Board

7.1 Eligibility

To be eligible to be elected a director of the Head Executive Board a member needs to be:

7.1.1 An individual;

7.1.2 Be 25 years of age or older;

7.1.3 Be of sound mind;

7.1.4 Be a member in good standing of the Alliance for a period of no less than 2 (two) years;

7.1.5 Have a working knowledge of the English language;

7.1.6 Have a working knowledge of the Polish language;

7.1.7 Reside in Ontario, Canada;

7.1.8 Not be an undischarged bankrupt;

7.1.9 Not have any criminal convictions;

7.1.10 Not be engaged, directly or indirectly, in any legal actions against the Alliance.

7.2 Number of Directors

Unless otherwise determined by an Annual Members' Convention, the number of directors shall not be less than nine (9) or more than eleven (11). Half of the directors are required for a quorum to make any decisions. If the President, or in the absence of the President, the Executive Vice President, directs, a meeting can be held by telephone conference or other means of communication so long as sufficient directors participate to constitute a quorum.

7.3 Staggered Head Executive Board and Term of Office

The terms of the Directors shall be staggered in accordance with the following provisions: The initial Directors on the nine (9) Member Head Executive Board shall be divided into three (3) groups, with the first group containing three (3) Directors, the second group containing three (3) Directors, and the third group containing three (3) Directors. If there are 10 (ten) or 11 (eleven) Directors, then the tenth is added to the second group, and the eleventh to the third group.

7.3.1 Transition to Staggered Head Executive Board

To achieve transition to a system of even rotation, the term of the service for a particular group of Directors will be altered to less than 3 years during the first voting cycle after these bylaws and Constitution are passed and in force. Following the approval of these amendments to the Constitution, the first group will face re-election in 3 (three) years, and the second group will for one initial occasion face re-election in 2 (two) years, and the third group will for one initial occasion face re-election in 1 (one) year. Once all three groups have all finished their initial terms or been initially re-elected, then all following elections shall be on 3 year cycles. Each year one group of Directors will end their terms or face re-election, and all terms of office will then be for 3 years.

7.3.2 Assignment of Terms

The President, or in his absence the Executive Vice President will determine within 6 (six) months of the coming into force of these amendments to the Constitution, whether any Director is to be assigned for the purpose of the initial term to the first group, second group or third group, and the Head Executive Board will notify the Branches. On the third election after this comes into force, and the transition to a rotation of elections has been completed, the division into different groups of terms will be no longer needed and will be at an end.

7.3.3 Continuance of Service

Despite the expiration of his or her term, a Director continues to serve until his or her successor is elected and qualified. A member of the Head Executive Board shall be eligible to run for a new term on the Board of Directors immediately after the expiration of his or her previous term.

7.3.4 Term of Office

Except as set out above for the initial election after the coming into force of this Constitution, the Directors of the Alliance shall be elected at an Annual Members' Convention for a 3 (three) year term.

7.3.5 Limitation of Terms

No person shall serve on the Head Executive Board for a period of more than 9 (nine) consecutive years or 3 (three) consecutive full terms, although this does not apply to a Past President serving on the Head Executive Board in the capacity of the Immediate Past President.

7.3.6 Oath of Office

Newly elected members of the Head Executive Board take the oath of office during the Annual Members' Convention. The oath of office is administered by the chair of the Convention or the senior member of the Alliance who is a delegate to the Annual Members' Convention.

7.4 Officers of the Alliance

The Head Executive Board is composed of:

- the President
- the Executive Vice President
- the Vice President
- the Secretary General
- the Recording Secretary
- the Financial Secretary/Treasurer
- the Organizer
- two Directors
- the Immediate Past President (ex-officio)
- the President of the Head Executive of Ladies' Circles (ex-officio) but only if she is a Member in good Standing of the Alliance.

The officers of the Alliance shall be the President, Executive Vice President, Vice-President, Secretary General, Treasurer and the Immediate Past President. No officer shall hold the same office more than two (2) consecutive terms.

If the office of the Recording Secretary is vacant or if for any reason the Recording Secretary is unable to act, anything required or authorized to be done by the Recording Secretary may be done by an assistant secretary or, if there is no assistant secretary able to act, by any other officer of the corporation authorized generally or specifically in that capacity by the Head Executive Board.

7.5 Other Considerations

Members of the Head Executive Board and the Head Audit Committee cannot hold any other executive position within the Alliance unless specifically delegated by the Head Executive Board. The members of the Head Audit Committee and the Head Grievance Committee cannot serve on the Head Executive Board during their term of office as committee members.

No more than three persons from any one Branch can be elected to the Head Executive Board except in the case of a lack of eligible candidates from other Branches.

The Alliance may purchase and maintain insurance for a director or officer of the corporation against any liability incurred by that director or officer, in their capacity as a director or officer of the corporation, except where the liability relates to the person's failure to act honestly and in good faith with a view to the best interests of the corporation.

7.6 Directors and Officers Indemnity

7.6.1 Protection of Directors, Officers and Chairmen

No Director, Officer or Chairman of any standing committee of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other Director, Officer or other member of any committee or sub-committee or employee, or for joining in any receipts or their acts for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of any security in or upon which any of the monies from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the corporation shall be deposited, or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same are occasioned by his or her own wilful neglect or default.

7.6.2 Indemnity of Directors, Officers and Chairmen

Every director, officer or chairman of any standing committee of the Alliance and his heirs, executors and administrators and estate and effects, respectively, shall from time to time and at all times be indemnified and saved harmless out of the funds of the Alliance from and against:

a) all costs, charges and expenses whatsoever that such director or Officer sustains or in or about any action, suit or proceeding that is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him in or about the execution of the duties of his office, except those costs, charges and expenses as are occasioned by his or her own wilful neglect or default; and,

b) all other costs, charges and expenses that he sustains or incurs in or in relation to the affairs of the organization; except such costs, charges or expenses as are occasioned by his or her own wilful neglect or default.

7.7 Vacancies

If a director dies or resigns his or her office or ceases to be a member of the Alliance, his or her office as director shall be vacated and the vacancy may be filled for the unexpired portion of the term by the Head Executive Board from among the members of the Alliance.

A director shall be deemed to have resigned if he or she is absent from three (3) consecutive Board meetings. Exceptions may be made by a simple majority vote of the Head Executive Board.

In the case of resignations of 50% or more members of the Head Executive Board, an Extraordinary Members' Convention needs to be called within 90 days from such resignation to fill the vacancies.

7.8 Removal of a Director

The Head Executive Board may at a special meeting of the board duly called for that purpose, by an affirmative vote of two-thirds of the directors present at such meeting, remove any member of the board, before the expiration of his or her term. This can be done only under circumstances sufficiently serious to warrant such action which may, among other things, relate to the following:

- Breach of confidentiality, for all matters dealt with in camera or issues not discussed at the public meeting;
- Failure to meet obligatory procedures in the disclosure of conflict of interest;
- Failure to fulfill the fiduciary duties of a director for the corporation;
- Failure to comply with the attendance policy for directors' meetings; and
- Inappropriate or consistent lack of participation and contribution to effective discussion and board decision-making.

The recommendation to remove a director may come from the Head Audit Committee, the Head Grievance Committee or any member of the Head Executive Board. Prior to removing a director the following procedure will be used:

- The member in question will be given proper notification of the applicable reason for removal;
- The member will be given the opportunity to respond (for example, attendance can improve, conflict of interest can be examined and questions of conduct can be reviewed); and
- The member should be clearly notified of the final consideration and action of the Head Executive Board.

During that process, the member and the director in question will both be treated fairly and with respect.

7.9 Duties and Responsibilities of the Head Executive Board

The Head Executive Board is responsible for the management or shall supervise the management of the Alliance's programs, image and assets. The members of the Head Executive Board have a duty to manage the Alliance honestly, in good faith, and in the best interest of the organization while using the care and diligence of a reasonably prudent person.

The duties of the Head Executive Board are as follows:

7.9.1 To be responsible for the development of the Alliance by establishing goals, defining obligations, and developing plans to reach these goals. The goals should reflect the needs of the organization and its community and be translated into the budget or utilization of resources at the disposal of the organization. Activities carried out on behalf of the Alliance should be consistent with its purpose as stated in Article 3;

7.9.2 To manage the Alliance's finances in a manner that represents the organization's priorities and its members are obligated to exercise prudent judgement; by setting up financial controls which protect the assets and limit the liabilities (e.g., procedures for authorizing expenditures and borrowing, budget controls, etc.);

7.9.3 To monitor compliance of the activities of the Alliance with its bylaws;

7.9.4 To implement resolutions of the Annual Members Convention;

7.9.5 To monitor, and if necessary direct, activities of the Branches;

7.9.6 To interpret the organization's by-laws and all other regulations governing the activities of the Alliance that are in force;

7.9.7 To represent the Alliance externally;

7.9.8 To report its activities to the Annual Members' Convention;

7.9.9 To submit motions for the Annual Members' Convention;

7.9.10 To defend and protect the Alliance's principles, goals, activities, financial obligations and assets.

7.10 Head Executive Board Meetings

The Head Executive Board shall hold meetings at least monthly on the date established at the previous meeting. The President, Executive Vice President or any three directors may at any time by notice call a meeting of the Head Executive Board. Such notice shall be given in the manner prescribed in *Article 7.11 Notice of Meeting* to each director no less than forty eight (48) hours before the time the meeting will be held. The notice of such a meeting will specify the business that will be transacted at such a meeting.

At the request of a Head Executive Board member, the Head Executive Board will provide electronic means for participation in a meeting, unless to do so would be impractical. In the circumstance such as holiday period, inclement weather or lack of venue the Head Executive Board can meet through group email, teleconference or any other electronic means available. The rules of a meeting convened by electronic means are the same as for a regular Head Executive Board meeting.

7.11 Notice of Head Executive Board Meeting

Notice of a meeting can be:

7.11.1 delivered personally to a director's latest address on file with the Alliance;

7.11.2 by regular mail;
7.11.3 by facsimile to a director's latest fax number on file with the Alliance;
7.11.4 By email to an electronic address on file with the Alliance; or
7.11.5 by phone, if email or letter is afterward sent on the same day confirming the phone call.

7.12 Other Responsibilities of the Head Executive Board

The Head Executive Board, after an investigation, may by resolution of a two-third majority:

7.12.1 Exclude any Member, Honorary Member or Related Member from the Alliance and revoke his or her membership;
7.12.2 Remove any officer within the Alliance from carrying on his or her duties;
7.12.3 Remove the Executive of any Branch, or any of its committees;
7.12.4 Remove any member of a Standing Committee;
7.12.5 Suspend any activities of individual Ladies' Circles or Youth Circles.

An expelled Member, Honorary Member or Related Member has the right to appeal to the Grievance Committee, which must examine the matter after a grievance is filed in accordance with the Grievance Committee's regulations. A Member or a Related Member can further appeal his or her expulsion to the Annual Members' Convention.

7.13 Duties of Directors

7;13.1 Duties of the President:

- Plans and presides at Head Executive Board meetings, Members' Conventions and if deemed necessary all meetings of the Alliance;
- Ensures that Head Executive Board meetings follow Robert's Rules of Order;
- Delegates duties and works with the Committees;
- Directs the activities of the Head Executive Board and takes necessary steps to promote the development of the Alliance;
- Acts as the official spokesperson for the organization ;
- Ensures that the activities of the Alliance comply with the by-laws, policies, regulations and the resolutions of the Members' Conventions;
- Votes to break a tie;

- Has signing authorities;
- Responsible for the submission of all reports;

7.13.2 Duties of the Executive Vice President

- Plans and presides at meetings in the absence of the President;
- Assists the chairperson/president with his (her) responsibilities;
- Assumes other duties of the chairperson/president in his (her) absence;
- Assumes the functions of the President of the Alliance in case of his or her inability to carry out his or her duties, if so declared by a two-thirds majority vote of the Head Executive Board.

7.13.3 Duties of Vice President

- Assist the President of the Alliance;
- Carries out the functions set out by the Head Executive Board or the Convention.

7.13.4 Duties of Secretary General

- Responsible for the general administration of the office of the Alliance;
- Ensures that the business of the organization stays on track;
- Responsible for all correspondence, files, documents and archives of the Alliance:;
- Ensure that documents are filed on time;
- Responsible for the security of official forms and correspondence;
- Assists in planning meetings and sends out notices;
- Ensures records and files of the organization are maintained;
- Retains custody of the corporate seal;
- Places applications for membership before the Head Executive Board;
- Ensures the official membership register is maintained;
- Maintains manuals, timetables, meeting schedules and planning calendars;

7.13.5 Duties of Recording Secretary

- Executes all resolutions and directives of the Head Executive Board;
- Prepares and circulates minutes of the Head Executive Board and the Members' Convention
- Signs Head Executive Board and Members' Convention minutes with the President/Chairperson;
- Assists the Secretary General in his or her duties.

7.13.6 Duties of Financial Secretary/Treasurer

- Responsible for the insurance, book keeping and assets of the Alliance and ensures that the accounting and bookkeeping work is done according

to generally accepted accounting principles. (The Financial Secretary/ Treasurer may do the bookkeeping or a bookkeeper may be appointed.);
- Implements resolutions and recommendation pertaining to the finances of the Alliance;
- Is responsible for the timely preparation of financial reports and presents them to the Head Executive Board and the Annual Members' Conventions.

7.13.7 Duties of Organizer
- Submits and implements plans for membership growth and development of the Alliance;
- Organizes new Branches and ensures that the existing Branches increase their activities;
- Carries out other functions directed by the Head Executive Board.

7.13.8 Duties of Directors

The directors carry out functions and tasks assigned to them by the Head Executive Board.

Article 8: Standing Committees

The Annual Members' Convention elects two Standing Committees of the Alliance:
- The Head Audit Committee
- The Head Grievance Committee

8.1 Role and Duties of the Head Audit Committee

8.1.1 Election to Head Audit Committee

The Head Audit Committee consists of five (7) members, including the Chair and three (3) alternates.

The members of the Head Audit Committee must be:
- An individual;
- 25 years of age or older;
- Of sound mind;
- A member in good standing of the Alliance for the period of no less than 2 (two) years;
- Familiar with the generally accepted accounting principles or basic knowledge of bookkeeping;
- Have a working knowledge of the English language;
- Have a working knowledge of the Polish language;

- Reside in Ontario, Canada;
- Not be an undischarged bankrupt;
- Not have any criminal convictions;
- Not be engaged, directly or indirectly, in any legal actions against the Alliance.

Members of the Head Audit Committee are elected by the Annual Members Convention for a term of three (3) years. The terms of the members of the Head Audit Committee shall be staggered in accordance with the following initial provisions: The initial three (3) members of the HAC of the five (7) member Committee shall be elected for the term of three (3) years, the second three (3) members shall be elected for the term of two (2) years and the last member (1) shall be elected for the term of one (1) year.

After the members elected to 2 (two) and 1 (one) year terms finished their terms, the next elected members of the Head Audit Committee replacing these members will serve 3 (three) year terms.

Alternate members of the Head Audit Committee serve for 3 (three) term.

The Annual Members' Convention will elect three alternate members to the Head Audit Committee. The alternate members will be required to serve in case of illness, resignation or removal of any of the elected members of the Head Audit Committee.

8.1.2 Role of the Head Audit Committee

The Head Audit Committee audits the management of all assets and activities, conducted on behalf of the Alliance and reports its findings to the Annual Members' Convention. The Committee shall review the finances of all components of the Alliance as listed in *Article 3.3 Structure of Organization* at least once in each calendar year and provide a written report and recommendations to the Head Executive Board and the component that is being audited. All such reports shall be included in the Head Audit Committee report to the Annual Members' Convention. The activities of the Head Audit Committee shall be governed by the Head Audit Committee Guidelines approved by the Annual Members' Convention.

No person shall serve on the Head Audit Committee for a period of more than nine (9) years or three (3) full terms.

8.2 Role and Duties of the Head Grievance Committee

The Head Grievance Committee provides members of the Alliance with a mechanism to resolve any organizational dispute with the organization.

Any organizational disputes between members and/ or various components of the Alliance shall be dealt with in accordance with the Regulations for Settlement of Disputes passed by the Annual Members' Convention of the Alliance. No member of the Alliance shall commence legal proceedings against the Alliance or any of its organizational components until all attempts at settlement of disputed matters have been made through the standing Head Grievance Committee, the Head Executive Board and the Annual Members' Convention.

The time to appeal any decision made by the Head Grievance Committee that was upheld by the Head Executive Board to the Annual Members' Convention is limited to the first Annual Members' Convention immediately after the date of the original decision.

The rules governing submission of the appeal to the Annual Members' Convention are included as indicated in the Regulations for Settlement of Disputes.

8.2.1 Election to the Head Grievance Committee

A member of the Head Grievance Committee must:

- An individual;
- Be 25 years of age or older;
- Be of sound mind;
- Be a member in good standing of the Alliance for a period of no less than 2 (two) years;
- Be familiar with and understand the laws governing the activities of corporations in Canada and in the Province of Ontario;
- Be impartial in their judgment;
- Have a working knowledge of the English language;
- Have a working knowledge of the Polish language;
- Reside in Ontario, Canada;
- Not be an undischarged bankrupt;
- Not have any criminal convictions;
- Not be engaged, directly or indirectly, in any legal actions against the Alliance.

The Head Grievance Committee shall consist of seven members including a Chair, which will be elected by the Committee. Members of the Head Grievance Committee are elected by the Annual Members Convention for a term of three (3) years. The terms of the members of the Head Grievance Committee shall be staggered in accordance with the following initial provisions: The initial three (3) members of the HGC on the seven (7) member Committee shall be elected for the term of three (3) years, the second two (2) members shall be elected for the term of two (2) years and the last two (2) members shall be elected for the term of one (1) year.

No person shall serve on the Head Grievance Committee for a period of more than nine (9) years or three (3) full terms.

Article 9: Branches

The Alliance carries on its activities and fulfils its aims through Branches, Ladies' and Youth Circles. The branches are internal divisions of the Alliance and their jurisdiction is determined by sub-charters and restricted to a geographical area within the Province of Ontario.

9.1 Creation of a Branch

The Head Executive Board will create a branch when it deems it necessary and in the best interest of the organization.

The basic requirements to create a new Branch shall be as follows:

- A minimum of twelve (12) members filed applications;
- There is no Branch of the Alliance in the immediate vicinity (municipality, area of municipality if a major city, county, region);
- An existing Branch has more than 250 members.

The Head Executive Board will create a branch by passing a resolution and giving a notice for the new branch's annual meeting. Once the Executive of the new Branch is elected, the Head Executive Board shall confirm the existence of a branch by issuing its sub-charter. All members participating in the first Annual Meeting of a new branch require consent from the Head Executive Board.

9.2 Dissolution of a Branch

The Head Executive Board shall dissolve an existing branch if there are no

members in good standing or it deems it to be necessary and in the best interest of the organization. Any members of the dissolved branch that are in good standing shall have an option to transfer to a branch of their choice. The members of such a dissolved Branch can appeal the decision of the Head Executive Board to the Head Grievance Committee.

9.3 Activities of a Branch

9.3.1 The Branch will carry activities which are in support of the Alliance's purpose listed in *Article 3.1 Purpose*. Meetings of the Branch shall be held monthly on a day fixed by a resolution of its Members or established at the prior meeting.

9.3.2 A quorum for a meeting of a Branch shall be twenty five percent of the members in good standing.

9.3.3 Resolutions are carried if they are passed by a simple majority. All resolutions regarding the financial matters of a Branch require two thirds majority;

9.3.4 Recommendation to buy or sell Branch assets, other than in the usual and ordinary course of the Branch activities, requires written approval of the Head Executive Board and will be carried out by the Head Executive Board or a person/company appointed for that purpose by the Head Executive Board.

9.3.5 All proceeds from sale of Branch assets will be held by the Head Executive Board until such time as members of the Branch would recommend purchase of a new asset that would comply with Article 3 of this Constitution. The proceeds from such a sale cannot be used by the Branch to cover current expenses;

9.3.6 In the event that a Branch is dissolved, the Branch's assets including any shares which may be held in the Branch's name or in the name of Members of the Branch, or by a Trustee holding such assets for the Members of the Branch or the Branch, and any proceeds of such assets, will be automatically transferred and remain with the Head Executive Board until the use and disposition of such assets or proceeds is approved by the Annual Members' Convention;

9.3.7 All meetings will be minuted in the format that is available from the Head Executive Board Sample Branch Meeting Minutes;

9.3.8 At the Annual Meeting of the Branch, which will be held in January of

each year, the Members elect the Executive, Audit Committee, Sick Visitation Committee, the Branch's delegates to the Annual General Convention and any other committee that may be required from time to time. Members of the Branch should be notified about the Annual Meeting at least two weeks prior to the date of such meeting;

9.3.9 At the monthly meeting of the Branch held in December each year the members elect a nomination committee whose responsibility it is to propose a slate of candidates for the Executive of the Branch for the next term;

9.3.10 At the Annual Meeting held in January of each year the following reports will be provided:

9.3.10.1 The President's Report in the format that is available from the Head Executive Board *Sample Branch President Report* on the Branch's activity during the year;

9.3.10.2 The Financial Secretary submits detailed financial statements that consist of the Balance Sheet, the Statement of Operations (Income Statement) and the Cash Flow Statement.

9.3.10.3 The Audit Committee report in the format that is available from the Head Executive Board *Sample Audit Committee Report* on the audit of the books and purpose of expenditures and management of all assets of the Branch

9.3.10.4 The Sick Visiting Committee on visiting sick members.

9.3.10.5 The Branch members, at their monthly meeting, may recommend designation of any organization, clubs, associations and corporation within their geographical location that is currently using the facilities of the Alliance as a Related Organization. The definition of a related Organization is listed in Article 3.4. The recommended organization, club, association or corporation must complete the Related Members Organization Recommendation Form and submit it to the Branch Executive at least 30 days before the date of the members meeting that would consider such recommendation. The recommendation of a related organization status require two thirds vote of members of the Branch present at the meeting. Once such recommendation is approved, the Executive will submit Related Organization Recommendation Form with all required attachments to the Head Executive Board. Once the Head Executive Board approves the recommendation of the Branch, all members of the related

organization would be eligible to apply for a Related Membership with the Alliance as specified in Article 4.7.

9.3.11 At the Annual Meeting members will elect the Executive of the Branch. Immediately upon their election, the newly elected officers take an oath of office and the new Executive takes office. The oath of office is administered by a member of the Head Executive Board invited to the Annual Meeting, the President or Vice President of a neighbouring branch in case no member of the Head Executive can attend or the eldest member present at the meeting;

9.3.12 The Executive of the Branch shall consist of:

- President
- Immediate past President (ex-officio)
- President of the Ladies' Circle of the Branch (ex-officio)
- President of the Youth Group of the Branch (ex-officio)
- Executive Vice President
- Second Vice President
- Financial Secretary
- Recording Secretary
- Organizer (could be two)
- Members of the Executive (two)

9.3.13 The immediate past President serves as ex-officio member of the executive with full voting rights for the first term of his or her successor.

9.3.14 In case any of the offices are vacated during the Executives term, the Executive can appoint an eligible branch member to complete the term of vacated office. Such appointment shall be confirmed by members at the next Branch meeting.

9.3.15 The Executive of the Branch shall meet once a month or at the minimum during the Branch meeting;

9.3.16 The term of the Executive of the Branch is one calendar year. All records of the Branch shall be transferred to the new Executive within 30 days from the date of the Annual Meeting;

9.3.17 The members of the past Executive, who in the opinion of the annual meeting did not fulfill their obligations properly, are not eligible for election to the new Executive;

9.3.18 Every member who is in good standing has the right to run for office, provided he has been a member of the Branch at least one year and has actively participated in the activities of the Branch by attending at least one half of the meetings of the Branch during the preceding year;

9.3.19 In order to run for the presidency of a Branch, a member must serve at least one year on the Executive of the Branch.

9.4 Roles and Responsibilities of the Executive of the Branch

9.4.1 The Executive of the Branch has following responsibilities:

9.4.1.1 To deliver the following written reports to the Head Executive Board by no later than February 15th of each year:

a) The Branch President's report (written and electronic format);

b) The Financial Secretary's report (written and electronic format);

c) The Audit Committee's report (written and electronic format);

d) The Sick Visiting Committee's report (written and electronic format);

e) The list that includes names, address and contact number and email addresses of the newly elected Executive of the Branch and all members of the Standing Committees (including the electronic format). A sample formats are available from the Head executive Board *Sample Branch Executive List* and *Sample Membership List*

f) A listed of Related Organizations.

9.4.1.2 To declare any potential conflict of interest in a timely manner;

9.4.1.3 The members of the Executive of the Branch have a duty to manage the Alliance honestly, in good faith, and in the best interest of the organization while using the care and diligence of a reasonably prudent person.

9.4.2 Roles of the Executive of the Branch

9.4.2.1 The President of the Branch

9.4.2.1.1 Promotes the development of the Branch in accordance to Article 3;

9.4.2.1.2 Directs the activities of the Branch in support of the purpose contained in Article 3;

9.4.2.1.3 Represents the Branch locally and to the Head Executive Board;

9.4.2.1.4 Chairs all the Executive and Branch meetings with the exception of the Annual Meeting;

9.4.2.1.5 Reports on activities of the Branch during the monthly meetings and files a written report for the Annual Meeting;

9.4.2.1.6 Responsible for compliance with Article 9.4.1 – Responsibilities of the Executive of the Branch;

9.4.2.1.7 Responsible for the proper accounting of all of the Branch properties held directly or through a trustee (individuals or corporations);

9.4.2.1.8 Has signing authorities together with the Financial Secretary on all matters pertaining to the affairs of the Branch;

9.4.2.1.9 Responsible to the Head Executive Board that all activities of the Branch are consistent with the Constitution;

9.4.2.1.10 President's term of office shall not exceed 6 (six) consecutive terms. In case there is no other eligible candidate who accepts nomination, the incumbent will continue for other term of office.

9.4.2.2 Branch Executive Vice President and Second Vice President

9.4.2.2.1 Duties of both vice presidents will be set by the Executive at its first meeting following the date of the Annual Meeting.

9.4.2.3 Branch Financial Secretary

9.4.2.3.1 Responsible to keep all of the Branch financial records;

9.4.2.3.2 Collects and receipts all dues and other payments and deposits them into the Branch's bank account within 7 days and transfers the appropriate funds to the Head Executive Board within 14 days of receipt;

9.4.2.3.3 Responsible for obtaining the required applications and funds from newly recommended members and remitting them to the Head Executive Board;

9.4.2.3.4 Responsible together with the Recording Secretary for maintaining of the Branch's membership list in a required format and delivery of it to the Head Executive Board on a quarterly bases, including notification of termination of memberships;

9.4.2.3.5 Responsible to prepare monthly financial reports for the Branch meeting and a written report in a required format to the Annual Meeting of the Branch;

9.4.2.3.6 Responsible for the proper accounting of all of the Branch properties held directly or through a trustee.

9.4.2.4 Branch Recording Secretary

9.4.2.4.1 Responsible for monthly minutes of the Branch meetings and the Executive meetings and filing of the Annual Meeting minutes with the Head Executive Board;

9.4.2.4.2 Responsible for all of the Branch correspondence documents and, together with the Financial Secretary, to maintain the Branch's membership in a required format and delivery of it to the Head Executive Board on a quarterly bases.

9.4.2.5 Branch Organizer

9.4.2.5.1 Responsible for submission to the Executive plans of activities of the Branch that complies with Article 3;

9.4.2.5.2 Responsible for recruiting of new members and informs the Branch about the upcoming meetings.

9.5 Other Duties of the Executive of the Branch

The Executive of the Branch has a right to suspend a member for:

9.5.1 Not meeting his or her obligations to the Alliance such as paying dues or attending meetings;

9.5.2 failure to properly declare a conflict of interest or a potential conflict of interest in cases when the member serves as a director or officer of organizations or companies that initiate legal actions against the Alliance or generally engage in the behaviour detrimental to the Alliance;

9.5.3 Acts contrary to the Constitution, By-laws, the Head Executive Board or the Branch Executive decisions or in a way that harms the Alliance.

The Executive of the Branch shall notify a member whose suspension is being proposed 14 (fourteen) days before the meeting. The member shall have the right to defend his or her position.

A decision to suspend a member requires a two-thirds majority of the members entitled to vote and voting.

The suspension cannot exceed more than 90 days and the Head Executive Board shall be notified in writing regarding such suspension within 10 days after the date of the meeting that suspends a member. The notice to the Head Executive Board shall include the reasons for suspension. Based on such notice the Head Executive Board can initiate an investigation which can conclude by excluding the Member from membership of the Alliance or setting aside or varying the

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suspension.

9.6 Role and Responsibilities of the Audit Committee

The Audit Committee of the Branch consists of a chair, two members and one alternate. The eligibility for the membership in the Branch Audit Committee is the same as in the Head Audit Committee.

The Audit Committee audits the management of all of the Branch's assets as well as assets of the Related Organization active within the Branch's jurisdiction. The Audit Committee reviews all functions of the Branch as to their purpose and consistence with resolutions passed. The above mentioned audits and or reviews are conducted at least twice during the Executive term of office.

The Audit Committee submits a written report of each such audit and/or review and forwards the copy to the Head Audit Committee within 14 days after such report is presented to the Branch.

9.7 Role and Responsibilities of the Grievance Committee

The Branch Grievance Committee provides members of the Branch of the Alliance with a mechanism to resolve any organizational dispute with the organization.

Any organizational disputes between members and/ or various components of the Alliance shall be dealt with in accordance with the Regulations for Settlement of Disputes passed by the Annual Members' Convention of the Alliance. No member of the Alliance shall commence legal proceedings against the Alliance or any of its organizational components until all attempts at settlement of disputed matters have been made through the standing Branch Grievance Committee, the Head Grievance Committee, the Head Executive Board and the Annual Members Convention.

The time to appeal any decision made by the Grievance Committee that was upheld by the Branch Executive to the Head Grievance Committee is limited to 30 days immediately past the date of the original decision.

The rules governing submission of the appeal are included in Regulations of Dispute Resolution.

The Grievance Committee consists of 5 (five) members and 2 (two) alternates. The Chair of the Committee is elected by its members. The quorum of the Grievance Committee shall consist of three members. All decisions of the Grievance Committee are provided in writing and approved by a majority of votes by the members present at the meeting. The Grievance Committee's activities are governed by Regulations of Disputes Resolution included in Regulations of Dispute Resolution.

9.8 Sick Visitation Committee

The Sick Visitation Committee consists of as many members as elected at the Annual Meeting. The Chair of the Committee is elected by its members. The Committee visits and comforts sick members of the Branch, and in the event of a member's death, console his or her Family.

Article 10: Amendments to the Constitution

Proposed motions from Branches pertaining to amendments to the Constitution shall be submitted to the Head Executive Board at least 180 days prior to the Annual Members' Convention. The Head Executive Board shall review all proposed motions for their compliance with legal and organizational requirements and may recommend its approval to the Annual Members Convention.

The Head Executive Board shall submit all proposed amendments to the Constitution to all Branches at least 90 days before the Annual Members' Convention.

In case when the Head Executive Board rejects the proposed motion, the Branch and the Annual Members Convention shall be notified as to the reason for such rejection. The Branch will be notified within 120 days of the Annual Members' Convention.

Motions to amend the Constitution require a two thirds majority of members voting at the Annual Members' Convention. The changes to the Constitution approved by the Annual Members' Convention shall be circulated to the Branches within 90 days after the date of the Annual Members Convention.

Article 11: Provisions for Dissolution

Upon dissolution of the Polish Alliance of Canada and after the payment of all debts and liabilities, its remaining property shall be distributed or disposed of to charitable organizations which carry on their work solely in Canada.

The Head Executive Board shall appoint trustees, any of whom may be members of the Head Executive Board and one of whom shall be an auditor or accountant licensed to practice in Ontario to determine the charitable organizations to which the remaining property should be distributed. The Head Executive Board, after receiving the recommendations of these trustees, shall transfer the remaining property to the charitable organization the Head Executive Board deems most worthy. The Head Executive Board will take into consideration the extent to which the charitable organization promotes or is prepared to promote the goals of the Alliance, including the promotion of Polish culture and education in Canada, and also the practicality and appropriateness of a charitable organization dedicated primarily to Polish culture in Canada.

Article 12: Versions

The English text of this Constitution is binding in case of any dispute in interpretation.

Date of Approval:
The approval of this Constitution was confirmed by a two-thirds majority of delegates voting at the Annual Members Convention held on March 27 and 28, 2010 in Windsor, Ontario.

Andrzej Szuba, President

Teresa Szramek, Secretary General

Attachment 1: Oath of Office

Accepting this office I solemnly promise to fulfil my duties to the best of my abilities. I pledge to be honest, fair, conscientious and loyal towards all Members and the Governing Bodies of the Polish Alliance of Canada. I will obey the provisions of this Constitution and I will uphold the honour of the Alliance. I promise to do my best in furthering the development of the Alliance and the unification of Polonia.

Attachment 2: Membership Oath

After becoming familiar with the objects and activities of the Polish Alliance of Canada, I join its ranks to work cooperatively with others for the good of the Alliance and its Members. I solemnly declare that I will uphold all of the provisions of the Alliance's Constitution and Regulations.

Attachment 3: Schedule of Dues

Annual dues are set by the Annual Members' Convention and are payable in advance and for full calendar year (January to December).

The Annual Dues are $25 as approved by the Annual Members' Convention held on March 27 and 28th, 2010 in Windsor, Ontario.

The dues distribution is as follows:

Branches	$6 per member
HEB	$19 per member.