

NOTICE AND STATEMENT OF RECEIVER (SECTION 245(1) AND 246(1) OF THE ACT)

In the matter of the receivership of the property of Aventura II Properties Inc., Pavilion Sports Clubs Inc., Pavilion Sports Ice Inc., Pavilion Sports Food and Beverage Inc., Pavilion Aquatic Club Inc., Pavilion Clubs Inc., 1887722 Ontario Ltd., 1688902 Ontario Inc. and Forza Fitness Ltd. (collectively referred to as the "**Companies**")

The receiver gives notice and declares that:

- On the 8th day of September, 2014, the undersigned Collins Barrow Toronto Limited was appointed as receiver and manager (in such capacities, the "**Receiver**"), without security, of all of the assets, undertakings and properties acquired for, or used in relation to businesses carried on, including all the proceeds thereof, of Aventura II Properties Inc. ("**Aventura**"), Pavilion Sports Clubs Inc. ("**PSCI**"), Pavilion Sports Ice Inc. ("**PSII**"), Pavilion Sports Food and Beverage Inc. ("**PSFB**"), Pavilion Aquatic Club Inc. ("**PACI**"), Pavilion Clubs Inc. ("**PCI**"), 1887722 Ontario Ltd. ("**188**"), Forza Fitness Ltd. ("**Forza**"), and 1688902 Ontario Inc. ("**168**"), insolvent companies that are described below:

	Aventura	PSCI	PSII	PSFB	PACI
Cash	\$ -	\$ -	\$ 2,682	\$ -	
Accounts receivable	173,830	334,070	390,785	-	
Computer equipment	16	3,466	302	-	
Furniture & equipment	3,007	971,154	31,227	58,431	
Vehicles	-	-	16,819	-	
Land	4,198,479	-	-	-	
Building	12,366,533	-	-	-	
	\$ 16,741,865	\$ 1,308,690	\$ 441,815	\$ 58,431	\$ -

	PCI	188	Forza	168
Cash	\$ 62,712	\$ 19,066	\$ 2,424	\$ -
Accounts receivable	7,500	-	-	-
Computer equipment	-	-	-	-
Furniture & equipment	-	-	-	-
Vehicles	-	-	-	-
Land	-	-	-	-
Building	-	-	-	-
	\$ 70,212	\$ 19,066	\$ 2,424	\$ -

Sources:

- Cash balances are as per TD Canada Trust bank statements as at September 8, 2014.
- Aventura's fixed assets and real property are recorded at net book values per December 31, 2013 unaudited financial statements.
- Aventura's A/R balance is as per the internal records as at September 8, 2014.
- PSCI's and PSII's accounts receivable balances are as per internal records as at September 8, 2014.

5. Fixed asset values for PSCI, PSII and PSFB are recorded at net book values per the unaudited December 31, 2012 financial statements.
6. No financial information was available for PACI.
7. The Receiver does not have access to accounting records for Forza.
8. The internal records for 168 show no assets.

The values shown above may not be representative of the market or realizable value of the assets.

2. The undersigned became receiver and manager in respect of the property described above by virtue of being appointed by the Ontario Superior Court of Justice - Commercial List.
3. The undersigned commenced the exercise of its powers in respect of that appointment on the 8th day of September 2014.
4. The following information relates to the receivership:

a) Address of insolvent Companies: 130 Racco Parkway, Thornhill, Ontario L4J 8X9

b) Principal lines of business (based on information known to the Receiver):

Aventura - Owner and landlord of real property at 130 Racco Parkway
PSCI - Operator of gym/fitness facility
PSII - Operator of ice rink and arena facilities
PSFB - Operator of pub/restaurant
PCI - Manager of certain banking and financial reporting for Aventura, PSCI, PSII, PSFB and PCI.
188 - Processed payment of amounts owed to employees and contractors of PSCI, PSII and PSFB.
PACI - Non-operational
Forza - Activities related to the operations of PSCI
168 - Non-operational

c) Amounts owed by the Companies to creditors who appear to hold a security interest on the property described above include:

Business Development Bank of Canada	\$6,988,602.20
DUCA Financial Services Credit Union Ltd.	\$9,882,749.93
Return on Innovation Capital Ltd.	\$3,000,000.00
The Corporation of the City of Vaughan	\$1,184,362.37
Ford Credit Canada Leasing	Unknown
Her Majesty in Right of Ontario represented by the Minister of Finance	\$94,545.00
Her Majesty the Queen in Right of Ontario represented by the Ministry of Revenue	\$13,867.00

The validity of the above list of secured creditors has yet to be confirmed.

- d) Lists of secured and other creditors of each of the Companies, the amount owed to each creditor and the total amount due by the insolvent companies is attached. In preparing the creditor lists, the Receiver has relied on internal and unaudited financial information that was available to the Receiver. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the information presented herein.

- e) The current intended plan of action of the Receiver, to the extent that such a plan has been determined, is to sell the assets of the Companies as a going concern.
- f) Contact person for the Receiver:

Brenda Wong
Collins Barrow Toronto Limited
11 King Street West
Suite 700, PO Box 27
Toronto, Ontario M5H 4C7
Telephone: (647) 727-3621
Facsimile: (416) 480-2646
E-mail: bywong@collinsbarrow.com

Dated at Toronto this 18th day of September, 2014.

COLLINS BARROW TORONTO LIMITED

In its capacity as Court Appointed Receiver and Manager, without security, of all of the assets, undertakings and properties of Aventura II Properties Inc., Pavilion Sports Clubs Inc., Pavilion Sports Ice Inc., Pavilion Sports Food and Beverage Inc., Pavilion Aquatic Club Inc., Pavilion Clubs Inc., 1887722 Ontario Ltd., 1688902 Ontario Inc. and Forza Fitness Ltd. and not in its personal capacity.



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

COLLINS BARROW TORONTO LIMITED
In the Matter of the Receivership of the Property of
Aventura II Properties Inc.

MAILING LIST

Secured

Business Development Bank of Canada	\$ 6,988,602.20
DUCA Financial Services Credit Union Ltd.	9,882,749.93
Return on Innovation Capital Ltd., As Agent	3,000,000.00
The Corporation of the City of Vaughan	1,184,362.37

Total Secured \$ 21,055,714.50

Unsecured

Canada Revenue Agency - HST	\$ 1,704,721.47
Centent Lighting	244,161.83
Enbridge	337.01
Envoy Express	95.65
Lerners LLP	5,346.26
Ontario Ministry of Finance	Unknown
Power Stream	50,473.56
Sigal Stern	31,915.31
UPS Canada	129.96

Total Unsecured \$ 2,037,181.05

COLLINS BARROW TORONTO LIMITED
In the Matter of the Receivership of the Property of
Pavilion Sports Clubs Inc.

MAILING LIST

Secured

Business Development Bank of Canada	\$ 6,988,602.20
DUCA Financial Services Credit Union Ltd.	9,882,749.93
Ford Credit Canada Leasing, a Division of Canadian Road Leasing Company	Unknown
Her Majesty in Right of Ontario Represented by the Minister of Finance	94,545.00
Return on Innovation Capital Ltd.	3,000,000.00

Total Secured \$ 19,965,897.13

Unsecured

21st Century Lock & Security	\$ 1,112.50
A.W. Faucet Repair Co.	945.81
Abell Pest Control	1,757.75
Alan Rapkin	282.50
Aviva Insurance Company of Canada	930.00
Bell	445.35
Breeze Max Web	4,581.50
Burrell Overhead Door Limited	256.51
Canada Revenue Agency - Source deductions	60,095.45
Canadian Linen and Uniform Services, Inc.	304.64
Canadian Tire	4,238.12
Capital One MasterCard 5651	30.81
Chem-Aqua	1,921.00
Compaction Plus	192.10
Dentons Canada LLP	40,788.35
Ecolab	2,547.91
Joe Johnson Equipment	6,775.39
KAF Marketing	250.00
Marc Di Schiavi	1,666.52
Maxam Fit Tech	2,840.13
Maxx Global Networks	287.02
Merytex Incorporated	2,252.09
Modell Printing	223.74
Ontario Ministry of Finance	Unknown
Organic Resource Management Inc.	580.38
Pestend	282.50
Petro Flooring	553.50
Petro Plastics Corporation	29.38
Sam Ghassem	1,605.00
Steadfast Safety Services	1,631.09
Superior Pool, Spa & Leisure Ltd.	3,377.43
T&T Industrial Supplies Ltd.	979.48
TD VISA - 3597	60.69
Telus	1,464.12
The Beer Store	3,580.92
The National Sign Corp.	10,080.00
The Party Centre	197.75
TK Electric	1,187.50
UPS Canada	52.03
Vitali Gringauz	2,046.41
William L Kallis	1,033.39
Workplace Safety and Insurance Board	Unknown
Zep Manufacturing Co. of Canada	15,858.18

Total Unsecured \$ 179,324.94

COLLINS BARROW TORONTO LIMITED
In the Matter of the Receivership of the Property of
Pavilion Sports Ice Inc.

MAILING LIST

Secured

Business Development Bank of Canada	\$ 6,988,602.20
DUCA Financial Services Credit Union Ltd.	9,882,749.93
Her Majesty the Queen in Right of Ontario Represented by the MOR	13,867.00
Return on Innovation Capital Ltd., As Agent	3,000,000.00

Total Secured \$ 19,885,219.13

Unsecured

407 Express Toll Route	\$ 2,087.16
Canada Revenue Agency - HST	408.80
New Ice Inc.	670.97
Olympia Resurface Corp	89,541.06
Ontario Ministry of Finance - Collections Branch, Bankruptcy and Insolvency Unit	Unknown
Workplace Safety and Insurance Board	Unknown

Total Unsecured \$ 92,707.99

COLLINS BARROW TORONTO LIMITED
In the Matter of the Receivership of the Property of
Pavilion Sports Food and Beverage Inc.

MAILING LIST

Secured

Business Development Bank of Canada	\$ 6,988,602.20
DUCA Financial Services Credit Union Ltd.	9,882,749.93
Return on Innovation Capital Ltd., As Agent	3,000,000.00

Total Secured \$ 19,871,352.13

Unsecured

Canada Revenue Agency - HST	\$ 8,747.59
Canada Revenue Agency - Source Deductions	28,863.44
Maya Coffee Services	498.94
Mister Produce	330.00
Nella Cutlery	27.00
Ontario Ministry of Finance	Unknown
Pesticon Pest Control Inc.	565.00
Superior Propane	190.09
Workplace Safety and Insurance Board	Unknown

Total Unsecured \$ 39,222.06

COLLINS BARROW TORONTO LIMITED
In the Matter of the Receivership of the Property of
Pavilion Aquatic Club Inc.

MAILING LIST

Secured

Business Development Bank of Canada	\$ 6,988,602.20
DUCA Financial Services Credit Union Ltd.	9,882,749.93
Return on Innovation Capital Ltd., As Agent	3,000,000.00

Total Secured \$ 19,871,352.13

Unsecured

Canada Revenue Agency - HST	\$ 9,791.51
Canada Revenue Agency - Source Deductions	13,740.12
Ontario Ministry of Finance	Unknown

Total Unsecured \$ 23,531.63

COLLINS BARROW TORONTO LIMITED
In the Matter of the Receivership of the Property of
PAVILION CLUBS INC.

MAILING LIST

Secured*

Business Development Bank of Canada	\$ 6,988,602.20
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Total Secured	<u>\$ 6,988,602.20</u>
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Unsecured

Canada Revenue Agency	Unknown
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Ontario Ministry of Finance	Unknown
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Total Unsecured	<u>\$ -</u>
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* Based on a search of the Personal Property Security Registration System
as of September 10, 2014.

COLLINS BARROW TORONTO LIMITED
In the Matter of the Receivership of the Property of
1688902 ONTARIO INC.

MAILING LIST

Unsecured

Canada Revenue Agency - source deductions	\$ 115,621.60
Ontario Ministry of Finance	Unknown

Total Unsecured	<u>\$ 115,621.60</u>
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* Based on a search of the Personal Property Security Registration System there were no registrations as of September 10, 2014.

COLLINS BARROW TORONTO LIMITED
In the Matter of the Receivership of the Property of
1887722 ONTARIO LTD.

MAILING LIST

Secured*

Business Development Bank of Canada \$ 6,988,602.20

Total Secured \$ 6,988,602.20

Unsecured

Anamarie Galban \$ 88.00

Canada Revenue Agency Unknown

Daniel Ostrovsky 221.88

Isabella Aiello 539.00

John Zabbal 62.50

Konstantin Milovanov 554.00

Mario Simone 475.25

Michelle Memme 74.25

O'Neil Johnson 120.00

Ontario Ministry of Finance Unknown

Palak Shah 762.72

Total Unsecured \$ 2,897.60

* Based on a search of the Personal Property Security Registration System
as of September 10, 2014.

COLLINS BARROW TORONTO LIMITED
In the Matter of the Receivership of the Property of
FORZA FITNESS LTD.

MAILING LIST

Secured*

Business Development Bank of Canada	\$ 6,988,602.20
DUCA Financial Services Credit Union Ltd.	9,882,749.93

Total Secured	<u>\$ 16,871,352.13</u>
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Unsecured

Acuity Technology Solutions	\$ 960.50
Canada Revenue Agency	Unknown
Medicine Man Fitness Systems	350.00
Ontario Ministry of Finance	Unknown
PPL Aquatic, Fitness & Spa Group Inc.	2,985.69

Total Unsecured	<u>\$ 4,296.19</u>
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* Based on a search of the Personal Property Security Registration System
as of September 10, 2014.