

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985 c. B-3, as
amended AND IN THE MATTER OF SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990 c. C. 43, as amended**

B E T W E E N:

NATIONAL BANK OF CANADA

Applicant

- and -

BAY LAWRENCE INC.

Respondent

MOTION RECORD

April 12, 2019

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Lawyers for the Receiver

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**ONTARIO
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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985 c. B-3, as
amended AND IN THE MATTER OF SECTION 101 OF THE
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B E T W E E N:

NATIONAL BANK OF CANADA

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- and -

BAY LAWRENCE INC.

Respondent

NOTICE OF MOTION

BDO Canada Limited (the “**Receiver**”) in its capacity as receiver and manager of Bay Lawrence Inc. (the “**Debtor**”) pursuant to the Order of the Honourable Justice Penny dated February 14, 2019 (the “**Receivership Order**”) will make a motion (the “**Motion**”) before a Judge of the Ontario Superior Court of Justice (Commercial List) on April 15, 2019 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING

This motion is to be heard orally

THE MOTION IS FOR:

1. As a result of the Discharge Motion (as defined below), the Receiver seeks the following relief (the “**Receiver’s Motion**”):
 - (a) the approval of its activities, fees and disbursements since its appointment;
 - (b) authority to pay the Broker in accordance with the terms of the Listing Agreement (as each term is defined below); and
 - (c) the establishment of a reserve of \$25,000 to complete the administration of the receivership.

THE GROUNDS FOR THE MOTION ARE:

Background

2. Pursuant to the Receivership Order, the Receiver was appointed as receiver and manager of all of the assets, undertakings and properties of the Debtor, pursuant to an application made by National Bank of Canada (the “**Secured Lender**”).
3. The Debtor owns commercial real property located at the municipal address of 2013 Lawrence Ave, Toronto, Ontario (the “**Property**”).
4. The Receivership Order empowered and authorized the Receiver to market and solicit offers for the sale of the Property.
5. On April 11, 2019, the Debtor served a motion record (the “**Discharge Motion**”) that among other things, seeks an order: (i) discharging the Receiver and the Receiver’s Charge, (ii) requiring the Receiver to accounts for its fees, receipts and disbursements, (iii)

discharging the Notice of Interest registered on the Property by Mr. Subhani, and (iv) discharging the registration of title on the Property by the Receiver..

Activities of the Receiver

6. Since the First Report, the Receiver has:
 - (a) solicited and reviewed offers from three experienced commercial real estate agencies in respect of the marketing and sale of the Property;
 - (b) through its counsel, held discussions with the Debtor in respect of the repayment in full of all indebtedness of the Secured Lender, the discharge of the Secured Lender's security and the discharge of the Receiver;
 - (c) retained Avison Young (the "**Broker**") as the real estate agent of the Property;
 - (d) provided one tenant of the Debtor with notice of the marketing of the Property in accordance with that tenant's rights under its lease; and
 - (e) negotiated and executed a listed agreement with the Broker on April 5, 2019 (the "**Listing Agreement**").
7. Throughout the receivership, counsel to the Receiver has been advised on numerous occasions that the Debtor would be imminently closing a transaction to repay the indebtedness of the Secured Lender.
8. Since the appointment of the Receiver, counsel to the Debtor has requested a payout statement from the Secured Lender on six different occasions. On or about April 8, 2019, counsel was advised that the transaction would be closing in escrow the following day. As at the time of service of this Second Report, no escrow closing has occurred.

Listing Agreement

9. The Listing Agreement provides for a payment to be made to the Broker in the event that the Listing Agreement is terminated as a result of the resolution of the receivership proceedings. The payment is contingent on when the Listing Agreement is terminated.
10. If the receivership is terminated on or before May 4, 2019, the Receiver is required to pay \$15,000 to the Broker (the “**Broker Fee**”).

Fees and Disbursements

11. A copy of the accounts rendered in these proceedings by the Receiver, together with a summary of the personnel, hours and hourly rates of the Receiver, is included in the Second Report.
12. In accordance with the terms of the Receivership Order, the Receiver and the Secured Lender have the same counsel. As legal counsel has not been acting exclusively for the Receiver, legal counsel’s fees have been added to the indebtedness of the Secured Lender and will be paid if the refinancing occurs.

Relief Sought

13. The approval of the Receiver’s activities, fees and disbursements since its appointment;
14. Authority to pay the Broker in accordance with the terms of the Listing Agreement; and
15. The establishment of a reserve of \$25,000 to complete the administration of the receivership.

Miscellaneous

16. Rules 3.02 and 37.02(1) of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194; and
17. Such further and other grounds as counsel may advise and this Court may permit.

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

18. The Second Report of the Receiver dated April 12, 2019, and all appendices thereto; and
19. Such further and other materials as counsel may advise and this Court may permit.

April 12, 2019

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Lawyers for the Receiver

TO: ATTACHED SERVICE LIST

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

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

AND IN THE MATTER OF THE RECEIVERSHIP OF **BAY LAWRENCE INC.**

**SERVICE LIST
(as at January 30, 2019)**

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<p>BDO CANADA LIMITED 20 Wellington Street East, Suite 500 Toronto, ON M5E 1C5</p> <p>Josie Parisi Tel: 416-865-0210 Fax: 416-865-0904 Email: jparisi@bdo.ca</p> <p>Receiver of Bay Lawrence Inc.</p>	<p>MUHAMMAD YOUSUF 5905 Bell Harbour Drive Mississauga, ON L5M 5K8</p> <p>Guarantor of Bay Lawrence Inc.</p>

<p>AHMED RAZA YOUSUF</p> <p>1138 Woodington Lane Oakville, ON L6H 7T9</p> <p>Guarantor of Bay Lawrence Inc.</p>	<p>IMRAN INAMDAR</p> <p>24 Lynnvalley Crescent Brampton, ON L6P 2E1</p> <p>Guarantor of Bay Lawrence Inc.</p>
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IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. b-3, as amended, AND IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, z. C43, as amended.

NATIONAL BANK OF CANADA

and

BAY INTERNATIONAL INC.

Respondent

Applicant

Court File No.: CV-19-00613203-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

NOTICE OF MOTION

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Lawyers for the Receiver

TAB 2

Court File No. CV-19-00613203-00CL

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

**IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985 C. B-3, AS AMENDED AND IN THE MATTER
OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C.43, AS
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B E T W E E N:

NATIONAL BANK OF CANADA

Applicant

- and -

BAY LAWRENCE INC

Respondent

**SECOND REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY
AS COURT APPOINTED RECEIVER**

April 12, 2019

APPENDICES

First Report of the Receiver dated April 2, 2019	A
Listing Agreement with Avison Young dated April 5, 2019	B
Interim Receipts & Disbursements	C
Fee Affidavit of Josie Parisi dated April 12, 2019	D

I. INTRODUCTION AND PURPOSE OF THIS REPORT

Introduction

1. By Order of the Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated February 14, 2019 (as amended, the “**Receivership Order**”), BDO Canada Limited (“**BDO**”) was appointed as the Court-appointed receiver (in such capacity, the “**Receiver**”) of all of the assets, undertakings and properties (collectively, the “**Assets**”) of Bay Lawrence Inc., (the “**Debtor**”), pursuant to the application made by National Bank of Canada (the “**Secured Lender**”).
2. The Debtor is the owner of commercial real property located at the municipal address of 2013 Lawrence Ave., Toronto, Ontario (the “**Property**”). The Property is leased to seven tenants that are comprised of retail stores and fast food restaurants.
3. Among other things, the Receivership Order empowered and authorized the Receiver to market and solicit offers for the sale the Property. However, based on submissions by counsel to the Debtor, the endorsement of Justice Penny directed the Receiver to postpone its marketing and solicitation efforts for 30 days from the issuance of the Receivership Order to allow time for the Debtor to refinance the Secured Lender (the “**Abeyance Period**”). The Abeyance Period ended on March 16, 2019.
4. On April 11, 2019, the Debtor served a motion record (the “**Discharge Motion**”) returnable April 15, 2019, seeking an order:
 - (a) discharging the Receiver;
 - (b) discharging the Receiver’s Charge;
 - (c) requiring the Receiver to account for its fees, receipts and disbursements;

- (d) if necessary, discharging the Notice of Interest registered by Mr. Subhani on November 16, 2018, on the Property; and
 - (e) discharging the registration on title of the Property made by the Receiver on February 22, 2019.
5. As a result of the Discharge Motion, the Receiver seeks the following relief (the “**Receiver’s Motion**”):
- (a) the approval of its activities, fees and disbursements since its appointment;
 - (b) authority to pay the Broker in accordance with the terms of the Listing Agreement (as each term is defined herein); and
 - (c) the establishment of a reserve of \$25,000 to complete the administration of the receivership.
6. This second report of the Receiver, and all other court materials and orders issued and filed in these receivership proceedings are available on the Receiver’s case website at: <http://www.extranets.bdo.ca/Baylawrence> and will remain available on the website for a period of six (6) months following the discharge of the Receiver.

Purpose of the Report

7. The purpose of this report (the “**Second Report**”) is to advise the Court in respect of the relief requested in the Discharge Motion and to seek the relief set out in the Receiver’s Motion.

Disclaimer

8. This Second Report is prepared solely for the use of the Court for the purpose of assisting the Court in making a determination whether to: (i) approve the actions and conduct of the Receiver as set out in this Second Report, including the

Receiver's interim statement of receipts and disbursements (the "**R&D Statement**") and (ii) grant any other ancillary relief being sought.

9. Except as otherwise described in this Second Report:
 - (a) the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) the Receiver has not conducted an examination or review of any financial forecast and projections in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
10. Unless otherwise stated, all monetary amounts contained in this Second Report are expressed in Canadian dollars.

II. ACTIVITIES OF THE RECEIVER

11. The activities of the Receiver since its appointment are fully described in the First Report of the Receiver dated April 2, 2019 (the "**First Report**"), a copy of which is attached hereto as Appendix "A") and in this Second Report.
12. Since the First Report, the Receiver has:
 - (a) solicited and reviewed offers from three experienced commercial real estate agencies in respect of the marketing and sale of the Property;
 - (b) through its counsel, held discussions with counsel to the Debtor in respect of the repayment in full of all indebtedness of the Secured Lender, the discharge of the Secured Lender's security and the discharge of the Receiver;

- (c) delivered payment for the outstanding insurance policy over the Property to the insurer;
 - (d) retained Avison Young (the “**Broker**”) as the real estate agent of the Property;
 - (e) provided one tenant of the Debtor with notice of the marketing of the Property in accordance with that tenant’s rights under its lease;
 - (f) negotiated and executed the listing agreement with the Broker on April 5, 2019 (the “**Listing Agreement**”), a copy of which is attached hereto as Appendix “**B**”;
 - (g) agreed upon a form of offer for purchase and sale in respect of the Property;
 - (h) continued to collect monthly rent from the tenants; and
 - (i) continued to conduct site visits to the Property.
13. Counsel to the Receiver has been advised on numerous occasions that the Debtor would be imminently closing on a transaction to repay the indebtedness of the Secured Lender. Since the appointment of the Receiver, counsel to the Debtor has requested a payout statement from the Secured Lender on six different occasions. On or about April 8, 2019, counsel was advised that the transaction would be closing in escrow the following day. As at the time of the service of this Second Report, no escrow closing has occurred.

III. LISTING AGREEMENT

14. In addition to other terms, the Listing Agreement provides for a payment to be made by the Receiver to the Broker in the event that the Listing Agreement is terminated as a result of the resolution of the receivership proceedings. The payment is to provide compensation to the Broker for the time spent and expenses incurred while marketing the Property.

15. The amount to be paid to the Broker is contingent on when the Listing Agreement is terminated:
 - (a) if the Listing Agreement is terminated between April 5, 2019, and May 4, 2019, the Broker is entitled to \$15,000;
 - (b) if the Listing Agreement is terminated between May 5, 2019, and June 4, 2019, the Broker is entitled to \$25,000; and
 - (c) if the Listing Agreement is terminated after June 4, 2019, the Broker shall be paid a termination fee of 2% of the listing price.
16. Since the execution of the Listing Agreement, the Property was listed on MLS on April 9, 2019, and the Property received over 30 inquiries the first day of listing. The Broker has continued to take steps and incur costs to actively market the Property, such as introducing the Broker to the tenants, liaising with potential purchasers and scheduling tours of the Property.
17. Assuming that the receivership is terminated on or before May 4, 2019, the Receiver is required to pay \$15,000 to the Broker (the “**Broker Fee**”). The Receiver seeks this Court’s authorization to make such payment.

VI. RECEIPTS AND DISBURSEMENTS

18. The interim R&D Statement, attached herein as **Appendix “C”**, reports net receipts over disbursements from the date of the Receiver’s appointment to April 12, 2019 of \$66,400.99.

VII. FEES AND DISBURSEMENTS

19. For the period from February 13, 2019 through to April 11, 2019, the Receiver’s accounts amount to \$49,208.25 in fees and \$6,436.34 in HST for a total amount of \$55,946.64. A copy of the accounts rendered in these proceedings by the Receiver in respect of such period, together with a summary of the personnel, hours and

hourly rates of the Receiver during the same, supported by the Affidavit of Josie Parisi sworn April 12, 2019, is attached hereto as Appendix “D”.

20. The Receiver is seeking approval by the Court of the fees and disbursements of the Receiver. In accordance with the terms of the Receivership Order, the Receiver and the Secured Lender have the same legal counsel. As legal counsel has not been acting exclusively for the Receiver, its fees have been added to the indebtedness of the Secured Lender and will be paid if the refinancing occurs. The Receiver estimates that it will cost approximately \$25,000 to complete the administration of the estate and requests that this Court approve the establishment of a reserve in this amount (the “Reserve”).

VIII. SUMMARY

21. The Receiver seeks the approval of its activities, fees and disbursements since the date that the Receiver was appointed. In the event that the relief sought in the Discharge Motion is granted, the Receiver also seeks the authorization of this Court to pay the Broker Fee and to establish the Reserve.

All of which is respectfully submitted this 12th day of April, 2019.

**BDO CANADA LIMITED,
in its capacity as the Court-appointed Receiver of
Bay Lawrence Inc. and not in its personal or corporate
capacity**

Per:



Name: Josie Parisi, CPA, CA, CBV, CIRP, LIT
Title: Senior Vice President

IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, as amended, AND IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, as amended.

NATIONAL BANK OF CANADA

and
Applicant

BAY INTERNATIONAL INC.

Respondent

Court File No. CV-19-00613203-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

SECOND REPORT OF THE RECEIVER

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Lawyers for the Receiver

APPENDIX “A”

Court File No. CV-19-00613203-00CL

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

**IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND
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OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C.43, AS
AMENDED**

B E T W E E N:

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- and -

BAY LAWRENCE INC

Respondent

**FIRST REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY
AS COURT APPOINTED RECEIVER**

April 2, 2019

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I. INTRODUCTION AND PURPOSE OF THIS REPORT

Introduction

1. By Order of the Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated February 14, 2019 (as amended, the “**Receivership Order**”), BDO Canada Limited (“**BDO**”) was appointed as the Court-appointed receiver (in such capacity, the “**Receiver**”) of all of the assets, undertakings and properties (collectively, the “**Assets**”) of Bay Lawrence Inc., (the “**Debtor**”), pursuant to the application made by National Bank of Canada (the “**Secured Lender**”).
2. The Debtor is the owner of commercial real property located at the municipal address of 2013 Lawrence Ave., Toronto, Ontario (the “**Property**”). The Property is leased to seven tenants that are comprised of retail stores and fast food restaurants.
3. Mr. Ahmed Raza Yousuf (“**Mr. Yousuf**”) is a director and officer of the Debtor and the primary point of contact for the Debtor. The Receiver is advised by its counsel that Imran Inamdar is also a director and officer of the Debtor, but does not appear to be engaged in the day-to-day affairs of the Debtor.
4. The Property is subject to a Director’s Order made by the Ministry of the Environment (Ontario) (“**MOE**”) in 2005. The Director’s Order required the Debtor to monitor the groundwater and air quality properties and provide annual reporting. It is the Receiver’s understanding that the Director’s Order arose from concerns regarding contaminants existing from land use prior to the construction of the current buildings on the Property.
5. Among other things, the Receivership Order empowered and authorized the Receiver to market and solicit offers for the sale the Property. However, based on submissions by counsel to the Debtor, the endorsement of Justice Penny directed the Receiver to postpone its marketing and solicitation efforts for 30 days from the issuance of the Receivership Order to allow time for the Debtor to refinance the

Secured Lender (the “**Abeyance Period**”). The Abeyance Period ended on March 16, 2019.

6. The Receivership Order also provided that the Debtor and all of its representatives shall cooperate with the Receiver, including granting immediate and continued access to the Assets, and that no persons shall interfere with the Receiver. Copies of the Receivership Order and the endorsement of Mr. Justice Penny are attached hereto as **Appendices “A” and “B”**, respectively.
7. This first report of the Receiver, and all other court materials and orders issued and filed in these receivership proceedings are available on the Receiver’s case website at: <http://www.extranets.bdo.ca/Baylawrence> and will remain available on the website for a period of six (6) months following the discharge of the Receiver.

Purpose of the Report

8. The purpose of this report dated April 2, 2019 (the “**First Report**”) is to provide information to the Court with respect to the Receiver’s activities since its appointment, including the commencement of its marketing activities.

Disclaimer

9. This First Report is prepared solely for the use of the Court for the purpose of assisting the Court in making a determination whether to: (i) approve the actions and conduct of the Receiver as set out in this First Report, including the Receiver’s interim statement of receipts and disbursements (the “**R&D Statement**”) and (ii) grant any other ancillary relief being sought.
10. Except as otherwise described in this First Report:
 - (a) the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and

- (b) the Receiver has not conducted an examination or review of any financial forecast and projections in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

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

II. ACTIVITIES OF THE RECEIVER

12. Since its appointment, the Receiver has:

- (a) attended at the Property and served the Receivership Order upon all of the Debtor's tenants;
- (b) organized and attended meetings or held discussions with the tenants;
- (c) organized and attended meetings and discussions with the MOE;
- (d) obtained and reviewed the lease agreements between the tenants and the Debtor;
- (e) attorned and collected monthly rent;
- (f) served the Receivership Order upon Mr. Yousuf and through the Receiver's counsel, Mr. Yousuf's counsel;
- (g) conducted regular site visits to the Property and arranged for maintenance and snow removal, as required;
- (h) reviewed and renewed insurance coverage over the Property;
- (i) contacted three local realtors with experience in selling real property similar to the Property and obtained listing proposals for the marketing and solicitation of offers for the sale of the Property;

- (j) through its counsel, Thornton Grout Finnegan LLP, registered the Receivership Order against title to the Property at the land registry office; and
- (k) prepared and issued the prescribed Notice and Statement of the Receiver pursuant to sections 245 (1) and 246 (1) of the *Bankruptcy and Insolvency Act*, which was forwarded to the Office of the Superintendent of Bankruptcy and the creditors.

III. SALE OF THE PROPERTY

- 13. As described above, the Abeyance Period pursuant to the endorsement expired on March 16, 2019. The Debtor has been unable to refinance the Property and the indebtedness of the Secured Lender remains outstanding.
- 14. The Receiver has obtained listing proposals in respect of the Property from three experienced commercial real estate brokers. The Receiver is in the process of assessing the proposals and selecting a broker. Among other things, the Receiver will take into consideration: (i) the projected sale price, (ii) brokerage fees, (iii) experience with selling similar commercial properties, and (iv) proposed marketing strategy.
- 15. The Receiver expects to make a final decision on a commercial real estate broker shortly and will commence listing the Property with such broker.

IV. MINSITRY OF ENVIRONMENT COMPLIANCE

- 16. On February 28, 2019, the Receiver met with the MOE to understand the status of Debtor's compliance with the Director's Order. Prior to the meeting, the MOE provided the Receiver with a Compliance Summary Inspection Report dated January 26, 2018 which outlined 15 non-compliance items and corrective actions required by the Debtor. At the February 28, 2019 meeting, the MOE advised the Receiver that the non-compliance items had not been remedied.

17. The Receiver is in the process of retaining an environmental specialist to assist it with dealing with the non-compliance items.

V. INTERFERENCE WITH THE RECEIVER

18. Since its appointment, the Receiver has encountered certain difficulties when dealing with the Property, the Assets and the Debtor.

Collection of Rent

19. Upon its appointment, the Receiver attended at the Property, served the Receivership Order upon all of the tenants of the Debtor and made arrangements for the tenants to remit monthly rents to the Receiver.
20. Two of the tenants failed to remit March rent on a timely basis. When the Receiver inquired as to the status of the March rent, both tenants advised the Receiver that they were instructed by Mr. Taiyab Mansoor (“**Mr. Mansoor**”) to continue remitting monthly rent to the Debtor as the Receiver would be discharged prior the date that March rent was due. It is the Receiver’s understanding that Mr. Mansoor is employed by the Debtor as the manager of the Property. Mr. Mansoor was not retained by the Receiver and has been generally uncooperative with the Receiver.
21. On March 12, 2019, the Receiver was advised by one of the Debtor’s tenants of false and misleading information provided by Mr. Mansoor during a telephone call regarding the status of the Receivership. Mr. Mansoor also advised the tenant not to deal with the Receiver. On March 13, 2019, the Receiver’s counsel wrote a letter to Mr. Mansoor advising him to cease and desist from taking any actions that would interfere with the Receiver’s mandate under the Receivership Order (the “**March 13 Letter**”). A copy of the March 13 Letter is attached hereto as **Appendix “C”**.
22. Another tenant advised the Receiver that after receiving notice of the appointment of the Receiver, the tenant contacted the Debtor to advise that none of the post-dated cheques for monthly rent should be deposited. Instead, that tenant would

directly remit monthly rent to the Receiver during the Receivership. Despite those directions, on March 7, 2019, the tenant advised the Receiver that the Debtor had deposited the March rent cheque. This resulted in the tenant delaying payment of March rent to the Receiver.

23. Contrary to the provisions of the Receivership Order, the Debtor, through its principals and representatives, have not cooperated with the Receiver since its appointment.

Insurance

24. After the Receiver was appointed pursuant to the Receivership Order, the Receiver contacted the Debtor's insurance broker, Aaxel Insurance Brokers Ltd. (the "**Broker**"), to confirm that the Debtor's insurance policy was in good standing, understand the insurer's willingness to renew upon the expiration of the insurance policy on March 3, 2019, and to change the insurance policy to reflect the Receiver as a "named insured" and "loss payee".
25. After significant delay in response and further follow-up efforts made by the Receiver, the Broker confirmed that it would renew the insurance policy.
26. Prior to the expiration date of the insurance policy, the Receiver requested a copy of the renewed insurance policy and the corresponding invoice. The Broker, while responsive, was evasive with the Receiver and failed to provide either the renewed insurance policy or an invoice. On March 13, 2019, the Broker advised the Receiver that the Debtor paid the insurance premiums associated with the renewed insurance policy, but did not provide proof of payment.
27. Further, the Broker advised the Receiver that the Receivership would be terminated because Mr. Yousuf had made arrangements for the Secured Lender's indebtedness to be repaid in full within a few days. The Debtor had not advised the Receiver that it would be seeking its discharge. Further, the Receiver notes that the Secured Lender's indebtedness remains outstanding.

28. On March 14, 2019, the Receiver's counsel wrote a letter (the "**March 14 Letter**") to the Broker requesting that the Broker immediately provide the Receiver with: (i) the invoice for the renewal of the Debtor's insurance policy, (ii) a copy of the Debtor's current insurance policy, and (iii) proof of payment of the renewal of the insurance policy. Further, the March 14 Letter advised the Broker that it was acting in contravention with the Receivership Order. A copy of the March 14 Letter is attached hereto as **Appendix "D"**.
29. On March 18, 2019, the Broker provided a copy of a personal cheque from Mr. Yousuf as proof of payment. A copy of the cheque which is dated March 8, 2019 is attached hereto as **Appendix "E"**.
30. The Receiver notes that the personal cheque from Mr. Yousuf was not stamped by any financial institution as being received or deposited into an account. The Receiver continued to have significant concerns regarding the renewal of the Debtor's insurance policy.
31. The Receiver followed up with the Debtor's actual insurer, Unica Insurance Inc. ("**Unica**") but they declined to speak with the Receiver. On March 27, 2019, the Secured Lender however, received notification from Unica that the policy premiums remain unpaid. On March 27, 2019, the Receiver again reached out to the Broker to understand the status payment and was advised by the Broker's head office that it was unable to speak to the Receiver as it did not recognize the Receivership Order.
32. On March 28, 2019, the Receiver's counsel wrote to Mr. Yousuf's counsel (the "**March 28 Email**") and advised it that the cheque Mr. Yousuf provided as proof of payment was not received by Unica. The Receiver is advised by its counsel that no response to this communication was received. A copy of the March 28 Email is attached hereto as **Appendix "F"**.
33. The Receiver subsequently paid the insurance premium.

Debtor Asking Tenants to Execute Documents

34. On March 20, 2019, one of the Debtor's tenants contacted the Receiver to advise the Receiver that the Debtor requested that it sign certain documents, which included a form of acknowledgment and direction, but did not include any underlying documents. A copy of the tenant's email and the documentation are attached hereto as **Appendix "G"**.
35. On the same date, the Receiver's counsel wrote an e-mail (the "**March 20 Email**") to the Debtor's counsel advising the Debtor's counsel that the Debtor does not have the authority to deal with the Property without the consent of the Receiver and requested that the Debtor's counsel advise the Receiver of the purpose of the acknowledgment and direction. A copy of the March 20 Email is attached hereto as **Appendix "H"**.
36. Since the appointment of the Receiver, the Debtor has not been cooperative with the Receiver and at times, has interfered with the Receiver's powers and authorities under the Receivership Order. The Receiver is of the view that this Court and the Debtor's stakeholders should be made aware of the actions of the Debtor and its representatives since the Receivership Order was granted.

VI. RECEIPTS AND DISBURSEMENTS

37. The interim R&D Statement, attached herein as **Appendix "I"**, reports net receipts over disbursements from the date of the Receiver's appointment to March 27, 2019 of \$66,400.99.
38. The Receiver is seeking the court's approval of the R&D Statement.

VII. SUMMARY

39. Based on the foregoing, the Receiver remains concerned with the conduct of the Debtor.

40. In accordance with the terms of the Receivership Order, the Receiver intends to take steps to market and sell the Property.

All of which is respectfully submitted this 2nd day of April, 2019.

**BDO CANADA LIMITED,
in its capacity as the Court-appointed Receiver of
Bay Lawrence Inc. and not in its personal or corporate
capacity**

Per:



Name: Josie Parisi, CPA, CA, CBV, CIRP, LIT
Title: Senior Vice President

APPENDIX "A"

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) THURSDAY, THE 14TH DAY
)
JUSTICE PENNY) DAY OF FEBRUARY, 2019

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



NATIONAL BANK OF CANADA

Applicant

- and -

BAY LAWRENCE INC.

Respondent

AMENDED RECEIVERSHIP ORDER

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended (the “**CJA**”), appointing BDO Canada Limited (“**BDO**”) as receiver (in such capacity, the “**Receiver**”) without security, over all of the properties, assets and undertakings of Bay Lawrence Inc. (the “**Debtor**”) acquired for, or used in relation to the business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Application dated January 24, 2019, the affidavit of Sonia de Lorenzi sworn January 24, 2019 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and counsel for those parties listed on the counsel slip for today’s hearing, no one appearing else appearing although duly served as appears from the affidavit of service of Mitchell W. Grossell sworn February 4, 2019, and on reading the consent of BDO to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, BDO is hereby appointed as Receiver, without security, over all of the assets, undertakings and properties, including all proceeds thereof, including without limitation, the real property registered in the name of the Debtor and municipally known as 2013 Lawrence Avenue West, Toronto, Ontario, more specifically described as PIN 10324-0416 (LT) with the following legal description: PART OF BLOCK A, PLAN M304, DES. AS PARTS 1, 2, 3 & 7, PLAN 66R18580. CITY OF TORONTO. (FORMER YORK). S/T AND T/W AS IN D79194. S/T AN EASMT. AND R.O.W. OVER PART 3, 66R18580 IN FAVOUR OF OWNERS OF PARTS 4, 5, 6 AND 8, 66R18580 FOR PURPOSE AS SET OUT IN E373720. T/W AN EASMT. AND R.O.W. OVER PART 4, 66R18580 AS SET OUT IN E373720. , CITY OF TORONTO, and all of the books, records and documents of the Debtor acquired for, or used in relation to the business carried on by the Debtor (collectively, the “**Property**”).

RECEIVER’S POWERS

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

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

- (c) 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;
- (d) to grant the Applicant access to the Property;
- (e) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor to the extent that the Receiver deems necessary and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (f) to receive, preserve and protect the Property, or any part or parts thereof, in such manner as the Receiver deems necessary or desirable, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel and the placement of such insurance coverage as may be necessary or desirable;
- (g) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (h) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (i) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$10,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* shall not be required;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (n) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (o) to exercise any shareholder, partnership, joint venture, ownership or other rights that the Debtor may have in relation to the Property; and
- (p) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

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

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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

13. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor. Nothing in this Order requires that the Receiver be the successor employer of the employees of the Debtor and that the Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, or in respect of any obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or

relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

16. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations, if any, 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, specifically including but not limited to section 14.06(2), of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, 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.

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

19. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, 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.

RETENTION OF LAWYERS

20. **THIS COURT ORDERS** that the Receiver may retain solicitors, including the Applicant's solicitors, to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation, those conferred by this Order. Such solicitors may include the solicitors for the Applicant herein, in respect of any aspect where the Receiver is satisfied that there is no actual or potential conflict of interest.

SERVICE AND NOTICE

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

22. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as

last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

23. **THIS COURT ORDERS** that the Receiver may, from time to time, apply to this Court for advice and directions in the discharge of its powers and duties hereunder, or to seek any additional powers that it deems appropriate for carrying out the purpose of this Order.

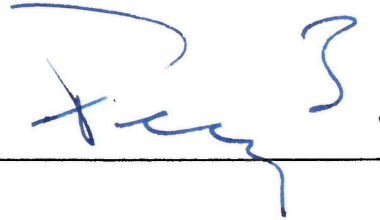
24. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

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 the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

27. **THIS COURT ORDERS** that the Applicant shall have the costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's Offer of Financing dated June 14, 2017 (accepted on July 5, 2017), on a substantial indemnity basis to be paid by the Debtor.

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



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

FEB 20 2019

PER / PAR: RW

IN THE MATTER OF SECTION 47(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND IN
THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, as amended

NATIONAL BANK OF CANADA

and
Applicant

BAY LAWRENCE INC.

Respondent

Court File No. CV-19-00613203-00CL

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

Proceedings commenced at Toronto

RECEIVERSHIP ORDER

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Lawyers for the Applicant, National Bank of Canada

APPENDIX "B"

COUNSEL SLIP

Court File No. CV-19-00613203-00CL

Date: FEB 14-2019

No. On List 5

Title of Proceeding

NATIONAL ~~TR~~ BAY

Counsel for:

Plaintiff(s) Lane Williams For National
Applicant(s) Mitchell Grossell Bank Canada
Petitioner(s)

Phone No. 416-304-1616

Fax No. 416-304-1313

Counsel for:

Defendant(s)
Respondent(s) R.P. Quance

Phone No. 416-599-8080

Fax No. 416-599-3131

Garth Dignall for Munir Subhani
(unsecured creditor)
guarantor.

647-478-1058

647-478-1059

February 14, 2019

This is an application for a receiver. The court has not approved but asks that the provisions relating to marketing and sale of the property not be enforced for 30 days.

Ms. Williams concedes that it
is unlikely that any serious
costs will be incurred in connection
with a sale, and any sale, will
~~be~~ ~~costly~~ happen anyway within
30 days.

→ I am satisfied on the
facts presented in the supporting
affidavit that it is just
and convenient that a receiver
be appointed.

I have approved the departure
from the rulebook as being
appropriate in the particular
circumstances of this case.

~~→~~ The provisions of the order
permitting the R to market and
sell the property are stayed for
30 days. For greater certainty, this
does not prevent the R from

taking initial steps to prepare for a
sale, such as reaching out to potential
agents, brokers and the like.

Order to issue in the form
signed by me this day.

Ray J.

Court File Number:	TBD
Estate Number:	n/a

New

Date filed: January 24, 2019

**SUPERIOR COURT OF JUSTICE – COMMERCIAL LIST
REQUEST FORM – NEW MATTER**

A	Short Title of Proceeding:	In the Matter of the Receivership of Bay Lawrence Inc.
B	The estimated time for the hearing of this matter is	
	30 #MINUTES(S)	HOURS(S) #DAY(S)
C	If hearing is to be 1 day or more in duration, please provide an estimate of reading time required for judge to prepare for hearing	
	# MINUTE(S)	# HOUR(S) # DAY(S)
D	The matter concerns (indicate one of the categories from the Practice Direction, (2202), 57 O.R. (3 rd) 97 par 1 (if under clause 1(1), indicate nature of the matter and state briefly why it should be listed on the Commercial List): Application to appoint a receiver over the assets and undertakings of Bay Lawrence Inc.	
E	State the date(s) and time(s) for hearing the matter that has (have) been arranged with other counsel.	
	(1) February 14, 2019	(2) (3)
F	Specify if this matter is already being dealt with in the court system (giving particulars as court number and office, when and by what judge or other judicial official). Advise of any known judicial conflicts. New matter. A related-party interim receivership application (re: Bay International Inc.) was heard on October 16, 2018 before Justice Hainey.	
G	The following materials will be necessary for the matter to be considered. (It is the responsibility of counsel to confirm that the proper materials are available for the Court.) Application Record (to be filed)	

Feb 14/19

COUNSEL FOR APPLICANT/MOVING PARTY		COUNSEL FOR OTHER PARTY	
Party	APPLICANT (National Bank of Canada)	Party	RESPONDENT (Bay Lawrence Inc.)
Counsel	Leanne Williams / Mitch Grossell  PRINT AND SIGN OR INITIAL	Counsel	TBD after Respondent served with issued Notice of Application. PRINT AND SIGN OR INITIAL
Address	THORNTON GROUT FINNIGAN LLP Toronto-Dominion Centre, TD West Tower 100 Wellington Street West Suite 3200, P.O. Box 329 Toronto, ON M5K 1K7	Address	350 Burnhamthorpe Road West Suite #215 Mississauga, ON L5B 3J1 Attn: Ahmed Raza Yousuf (Director & Officer – President)
Phone	(416) 304-1616	Phone	
Fax	(416) 304-1313	Fax	
E-Mail	lwilliams@tgf.ca / mgrossell@tgf.ca	E-Mail	

(IF MORE THAN 2 PARTIES INVOLVED, ADD ADDITIONAL SIGNATURES AND PARTICULARS ON REVERSE OR SEPARATE PAGE)

To be submitted to: Commercial List Office, 393 University Avenue, 10th Floor, Toronto Ontario Fax to: (416) 327-6228
You may also convert to PDF and email to Toronto.Commercialist@jus.gov.on.ca

Endorsement/Disposition See attached Yellow Endorsement Form

APPENDIX "C"

March 13, 2019

VIA EMAIL (TAIYAB@BAYINTERNATIONAL.CA)

Neto Disposal Services Inc.
992 Albion Road, Suite 350
Toronto, ON M9V 1A7

Dear Sir:

**Re: In the Matter of the Receivership of Bay Lawrence Inc. (the “Borrower”) Court
No.: CV-19-00613203-00CL**

We are counsel to National Bank of Canada (the “**Bank**”) and BDO Canada Limited, in its capacity as receiver and manager of Bay Lawrence Inc. (in such capacity, the “**Receiver**”) pursuant to the Receivership Order granted on February 14, 2019 (the “**Receivership Order**”).

It is our understanding that you were previously retained by the Borrower as its property manager. As you are aware, the Receiver went into possession and control of the Borrower’s property on February 14, 2019. You have not been retained by the Receiver and thus, have no ongoing authority to deal with the property of the Borrower. It has come to our attention that you have been providing false and misleading information to certain tenants of the Borrower regarding the Bank and the Receiver. It is our understanding that you have advised at least one tenant to transfer cash to the Borrower instead of the Receiver and have made derogatory statements in respect of the Bank.

Your actions are in contravention of the Receivership Order. We hereby require you to immediately cease and desist from taking any further actions that may damage, interfere with, or negatively affect the Borrower’s property. If you continue to take such actions, we will be forced to take legal action against you and shall hold you responsible for any damages and related legal costs that may result therefrom.

Yours very truly,

Thornton Grout Finnigan LLP



Mitchell W. Grossell
MWG

APPENDIX "D"

March 14, 2019

VIA EMAIL (ZEESHAN.VAHIDY@AAXELINSURANCE.COM)

Aaxel Insurance Brokers Ltd.
350 Burnhamthorpe Road West, Suite 216
Mississauga, ON L5B 3J1

Attention: Zeeshan Vahidy

Dear Mr. Vahidy:

**Re: In the Matter of the Receivership of Bay Lawrence Inc. (the “Borrower”) Court
No.: CV-19-00613203-00CL**

We are counsel to BDO Canada Limited, in its capacity as receiver and manager of Bay Lawrence Inc. (in such capacity, the “**Receiver**”) pursuant to the Receivership Order granted on February 14, 2019 (the “**Receivership Order**”).

It is our understanding that you were retained by the Borrower as its insurance broker. As you are aware, the Receiver went into possession and control of the Borrower’s property on February 14, 2019. It is our further understanding that the Borrower’s insurance policy was to have expired on March 3, 2019 and you advised the Receiver that the Borrower’s insurance policy was renewed by the Borrower until March 3, 2020.

It has come to our attention that the Receiver has made numerous information requests relating to the Borrower’s insurance. In response, you advised the Receiver that the Receiver’s mandate had been terminated. That is incorrect. You further indicated that the Borrower paid for the renewed policy.

We request that you immediately provide the Receiver with: (i) the invoice for the renewal of the Borrower’s insurance policy to March 3, 2020, (ii) a copy of the Borrower’s current insurance policy, and proof of payment of the renewal of the Borrower’s insurance policy.

By dealing with the Borrower and not the Receiver, you have been acting in contravention of the Receivership Order. We hereby require that you cooperate with the Receiver in accordance with the terms of the Receivership Order. If you fail to do so, we will be forced to take legal action against you and shall hold you responsible for any damages and related legal costs that may result therefrom.

Yours very truly,

Thornton Grout Finnigan LLP



Mitchell W. Grossell
MWG


APPENDIX "E"

AHMED-RAZA YOUSUF
5905 BELL HARBOUR DRIVE
MISSISSAUGA, ONTARIO L5M 5K8
(905) 286-1247

090

DATE 2019-03-08
Y Y Y Y M M D D

PAY TO THE ORDER OF AAXEL INSURANCE BROKERS LTD \$ 11,851.92

eleven thousand eight hundred fifty one / 100 DOLLARS  Security features included. Details on back.

HSBC  HSBC BANK CANADA
The world's local bank 1675 THE CHASE, UNIT #18
MISSISSAUGA, ONTARIO L5M 5Y7

92 cents only.
HSBC Premier 

MEMO 2013 Lawrence Ave W.

⑈090⑈ ⑆10082⑈016⑆ 247846⑈151⑈

APPENDIX "F"

Mitch Grossell

From: Mitch Grossell
Sent: March-28-19 10:04 PM
To: Peter Proszanski; Richard Quance; mlathem@himprolaw.com; brian@himprolaw.com
Cc: Leanne Williams
Subject: Bay Lawrence - Unpaid Insurance Policy
Attachments: Ahmed Cheque re insurance.pdf; ATT00001.htm

All,

The Receiver today received confirmation from Unica Insurance that the insurance policy in respect of the 2013 Lawrence property has **not** been paid. The insurance policy expired on March 3, 2019.

The Receiver received a copy of the attached cheque from your client, Mr. Ahmed Yousuf, purportedly to pay the premium to renew the insurance policy. The cheque was provided to the Receiver by Aaxel Insurance Brokers. Despite repeated requests from the Receiver, the insurance broker never provided proof of payment.

At the very least, Mr. Yousuf has misrepresented to the Receiver that the insurance has already been paid. This will be reported to the Court and the Receiver reserves all of its rights to any appropriate remedies in all respects.

Regards,
Mitch



Mitch Grossell | MGrossell@tgf.ca | Direct Line: +1 416 304 7978 | Thornton Grout Finnigan LLP | Suite 3200, TD West Tower, 100 Wellington Street West, P.O. Box 329, Toronto-Dominion Centre, Toronto, Ontario M5K 1K7 | 416-304-1616 | Fax: 416-304-1313 | www.tgf.ca

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APPENDIX "G"

Mitch Grossell

From: Marchand, Matthew <mmarchand@bdo.ca>
Sent: March-20-19 1:45 PM
To: Mitch Grossell
Cc: Leanne Williams; Parisi, Josie; Jahja, Nerina
Subject: FW: The letter the Pharmacy owner is being asked to sign
Attachments: Scan Mar 20, 2019 at 1-29 PM.pdf

Hi Mitch,

One of the tenants received the attached from Ahmed and is being asked to sign a copy. I'm not entirely sure what the postponement of interest relates too. Can you please have a look and advise.

Thanks,
Matthew

Matthew Marchand, CPA, CMA, CIRP
Senior Manager, Corporate FRS
BDO Canada Limited
Direct: 416 369 4755
mmarchand@bdo.ca

20 Wellington Street East, Suite 500
Toronto, Ontario M5E 1C5
Canada
Tel: 416 865 0210 ext 4091
Fax: 416 865 0904
www.bdo.ca



PEOPLE WHO KNOW, KNOW BDOSM

From: Jahja, Nerina
Sent: Wednesday, March 20, 2019 1:35 PM
To: Parisi, Josie <JParisi@bdo.ca>; Marchand, Matthew <mmarchand@bdo.ca>
Subject: The letter the Pharmacy owner is being asked to sign

Is it ok for him to sign? Don't quite get it what the document is about.

Nerina Jahja
Manager, Corporate FRS
Direct: 647 798 1464
njahja@bdo.ca

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BDO est fier de commanditer Hockey Canada



From: Joe Asindi <joeasindi@gmail.com>

Sent: March 20, 2019 1:33 PM

To: Jahja, Nerina <njahja@bdo.ca>

Subject: [EXT]

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AND TO: HIMELFARB PROSZANSKI

AND TO: GRAHAM TOBE PROFESSIONAL CORPORATION

RE: Postponement of Interest on 2013 Lawrence Avenue West, Toronto, Ontario

File No.: 180970

This will confirm that:

- I/We have reviewed the information set out in this Acknowledgment and Direction and in the document(s) described below (the "Electronic Document"), and that this information is accurate;
- you are hereby authorized and directed to enter into an escrow closing arrangement substantially in the form attached hereto being a copy of the version of the Document Registration Agreement, which appears on the website of the Law Society of Upper Canada as of the date hereof. I/We hereby acknowledge that the Document Registration Agreement has been reviewed by me/us and that I/we shall be bound by its terms;
- you, your agent or employee are authorized and directed to sign, deliver, and/or register electronically, on my/our behalf the Electronic Document in the form attached;
- the effect of the Electronic Document has been fully explained to me/us, and I/we understand that I/we are party/parties to and bound by the terms and provisions of the Electronic Document to the same extent as if I/we had signed it;
- in the event of any investigation by the Director of Land Registration appointed under subsection 6(1) of the *Registry Act* (the "Director") regarding suspected fraudulent or unlawful activity or registration in connection with the Electronic Document, the undersigned hereby consents to you releasing to the Director a true copy of this Acknowledgement and Direction, upon request by the Director;
- you are authorized to make changes to the Electronic Document which are not material and are further authorized to insert any information that may be required in the Electronic Document that may not be available to you at the time of execution of this Acknowledgement and Direction;
- this Acknowledgment and Direction may be executed in counterparts and delivered by facsimile or by email as a PDF attachment and when so delivered shall constitute an original for all purposes;

- I/We are in fact the party named in the Electronic Document and I/we have not misrepresented my/our identity/identities to you; and
- any licensed user of the Teraview software at Himelfarb Proszanski is authorized and directed to sign and register electronically on our behalf the Electronic Document which is/are: a Postponement of Interest AT4247112.

DATED at Richmond Hill, this _____ day of March, 2019

2265792 Ontario Inc.

Per: _____
Name:
Title:

I have authority to bind the Corporation.

APPENDIX "H"

Mitch Grossell

From: Mitch Grossell
Sent: March-20-19 4:00 PM
To: Richard Quance; Peter Proszanski; Brian McCutcheon; 'Mark K. Lathem'
Cc: Leanne Williams
Subject: Receivership of Bay Lawrence Inc. [IWOV-Client.FID117095]
Attachments: Scan Mar 20, 2019 at 1-29 PM.PDF

All,

We understand that the owner of PharmaChoice has been asked by your client to execute the attached document. Once again, your client does not have the authority to deal with any matters relating to Bay Lawrence Inc. without the consent of the Receiver.

Please **immediately** advise us the purpose of this Acknowledgment and Direction and provide us with a copy of the underlying Electronic Document referenced in the document.

Regards,
Mitch



Mitch Grossell | MGrossell@tgf.ca | Direct Line: +1 416 304 7978 | Thornton Grout Finnigan LLP | Suite 3200, TD West Tower, 100 Wellington Street West, P.O. Box 329, Toronto-Dominion Centre, Toronto, Ontario M5K 1K7 | 416-304-1616 | Fax: 416-304-1313 | www.tgf.ca

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APPENDIX "I"

IN THE MATTER OF THE RECEIVERSHIP OF
Bay Lawrence Inc.
Receiver's Statement of Receipts and Disbursements
As at March 25, 2019

Receipts	
Rental Income	\$ 60,635.98
HST Collected	7,732.27
Total Receipts	<u>68,368.25</u>
Disbursements	
Repairs & Maintenance	\$ 580.06
HST On Disbursements	64.45
Miscellaneous Disbursements	1,322.75
Total Disbursements	<u>\$ 1,967.26</u>
Net Receipts over Disbursements	<u><u>\$ 66,400.99</u></u>

IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, as amended, AND IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, as amended.

NATIONAL BANK OF CANADA

Applicant

and

BAY INTERNATIONAL INC.

Respondent

Court File No. CV-19-00613203-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

FIRST REPORT OF THE RECEIVER

Thornton Grout Finnigan LLP

TD West Tower, Toronto-Dominion Centre

100 Wellington Street West, Suite 3200

Toronto, ON M5K 1K7

Fax: (416) 304-1313

Leanne M. Williams (LSO# 41877E)

Email: lwilliams@tgf.ca

Tel: (416) 304-0060

Mitchell W. Grossell (LSO# 69993I)

Email: mgrossell@tgf.ca

Tel: (416) 304-7978

Lawyers for the Receiver

APPENDIX “B”

Listing Agreement – Commercial

Seller Representation Agreement

Authority to Offer for Sale

This is a **Multiple Listing Service® Agreement**


(Seller's Initials)

OR

This Listing is **Exclusive**

EXCLUSIVE
(Seller's Initials)

BETWEEN:

BROKERAGE: AVISON YOUNG COMMERCIAL REAL ESTATE (ONTARIO)

77 CITY CENTRE DR SUITE 301 MISSISSAUGA (the "Listing Brokerage") Tel. No. (905) 712-2100

SELLER: BDO Canada Limited in its capacity as Receiver of BAY LAWRENCE INC. and not in its personal or (the "Seller")
corporate capacity

In consideration of the Listing Brokerage listing the real property **for sale** known as 2013 Lawrence Avenue West, Toronto

..... (the "Property")
the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent,

commencing at 12:01 a.m. on the 5 day of April 20 19

until 11:59 p.m. on the 4 day of October 20 19 (the "Listing Period"),

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and Business Brokers Act, 2002, (REBBA), **if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials.** }

(Seller's Initials)

to offer the Property **for sale** at a price of:

Nine Million Nine Hundred Thousand Dollars (\$CDN) 9,900,000.00

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the property.

(Seller's Initials)

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"):
"Seller" includes vendor and a "buyer" includes a purchaser or a prospective purchaser. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, or the causing of a First Right of Refusal to be exercised, or an agreement to sell or transfer shares or assets. "Real property" includes real estate as defined in the Real Estate and Business Brokers Act (2002). The "Property" shall be deemed to include any part thereof or interest therein. A "real estate board" includes a real estate association. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property for sale, the Seller agrees to pay the Listing Brokerage a commission of 3.5 % of the sale price of the Property or 2.75% of the sale price if the listing team of Ben Sykes and Aida N

Mallovy represent the buyer in this transaction, as further defined in Schedule "A"
for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period and on the terms and conditions set out in this Agreement **OR** such other terms and conditions as the Seller may accept.

INITIALS OF LISTING BROKERAGE: 

INITIALS OF SELLER(S): 

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The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of 1.75% % of the sale price of the Property or as further defined in Schedule "A"

..... out of the commission the Seller pays the Listing Brokerage. The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on

the Seller's behalf within 30 days after the expiration of the Listing Period (**Holdover Period**), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property.

Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.

In the event the buyer fails to complete the purchase and the deposit or any part thereof becomes forfeited, awarded, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit forfeited, awarded, directed or released to the Seller (but not to exceed the commission payable had a sale been consummated) and to pay the balance of the deposit to the Seller.

All amounts set out as commission are to be paid plus applicable taxes on such commission.

3. REPRESENTATION: The Seller acknowledges that the Listing Brokerage has provided the Seller with written information explaining agency relationships, including information on Seller Representation, Sub-agency, Buyer Representation, Multiple Representation and Customer Service. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage acting as an agent for more than one seller without any claim by the Seller of conflict of interest. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage.

The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practical opportunity and in all cases prior to any offer to purchase being submitted or presented.

The Seller understand and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:

- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer.


However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the Property will be disclosed to both Seller and buyer to assist them to come to their own conclusions.

Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.

MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer.

INITIALS OF LISTING BROKERAGE: 

INITIALS OF SELLER(S): 

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4. **REFERRAL OF ENQUIRIES:** The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage by the Seller before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller's accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period described above, the Seller agrees to pay the Listing Brokerage the amount of commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.
5. **MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or wilful act.
6. **WARRANTY:** The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.
7. **INDEMNIFICATION AND INSURANCE:** The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or wilful act. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement or the accompanying data form. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury as a result of the Property being affected by any contaminants or environmental problems.
The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.
8. **FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.
9. **FINDERS FEES:** The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the commission as described above.
10. **VERIFICATION OF INFORMATION:** The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
11. **USE AND DISTRIBUTION OF INFORMATION:** The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS® System of the appropriate Board. The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid.
The Seller acknowledges that the database, within the board's MLS® System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may: during the term of the listing and thereafter, distribute the information in the database, within the board's MLS® System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and

INITIALS OF LISTING BROKERAGE: 

INITIALS OF SELLER(S): 



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selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling: (Does) (Does Not) consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.

- 12. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.
13. CONFLICT OR DISCREPANCY: If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy.
14. ELECTRONIC COMMUNICATION: This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original.
15. ELECTRONIC SIGNATURES: If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the Electronic Commerce Act, 2000, S.O. 2000, c17 as amended from time to time.
16. SCHEDULE(S) and data form attached hereto form(s) part of this Agreement.

THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.

(Authorized to bind the Listing Brokerage) (Date) (Name of Person Signing)

THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME, I ACCEPT THE TERMS OF THIS AGREEMENT AND I ACKNOWLEDGE ON THIS DATE I HAVE SIGNED UNDER SEAL. Any representations contained herein or as shown on the accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

BDO Canada Limited in its capacity as Receiver of Bay Lawrence Inc. and not in its personal or corporate capacity (Name of Seller)

(Signature of Seller/Authorized Signing Officer) (Seal) (Date) (Tel. No.)
(Signature of Seller/Authorized Signing Officer) (Seal) (Date) (Tel. No.)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

(Spouse) (Seal) (Date) (Tel. No.)

DECLARATION OF INSURANCE

The Salesperson/Broker/Broker of Record AIDAN MALLOVY (Name of Salesperson/Broker/Broker of Record)

hereby declares that he/she is insured as required by REBBA.

(Signature[s] of Salesperson/Broker/Broker of Record)

ACKNOWLEDGEMENT

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a copy of

this Agreement on the 8th day of April, 2019

(Signature of Seller) (Date)
(Signature of Seller) (Date)

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SCHEDULE "A"
CONTRACT TERMINATION AGREEMENT

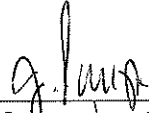
Avison Young Commercial Real Estate (Ontario) Inc. and BDO Limited Canada in its capacity as receiver of Bay Lawrence Inc. and not in its corporate or personal capacity, agree to the following terms:

- (a) In the event that this listing agreement is terminated prior to the commencement of the listing term on April 5th, 2019 (the "Commencement Date") as a result of Bay Lawrence Inc. resolving the receivership proceedings relating to the Property, the Listing Brokerage shall not be paid a termination fee by the Seller.
- (b) In the event that this listing agreement is terminated following the Commencement Date and prior to May 4th, 2019 as a result of Bay Lawrence Inc. resolving the receivership proceedings relating to the Property, the Listing Brokerage shall be paid a termination fee of \$15,000.00 by the Seller as compensation for their time spent and expenses incurred while marketing the property.
- (c) In the event that this listing agreement is terminated from May 5th, 2019 and prior to June 4th, 2019 as a result of Bay Lawrence Inc. resolving the receivership proceedings relating to the Property, the Listing Brokerage shall be paid a termination fee of \$25,000.00 by the Seller as compensation for their time spent and expenses incurred while marketing the property.
- (d) In the event that this listing agreement is terminated following June 4th, 2019 a result of Bay Lawrence Inc. resolving the receivership proceedings relating to the Property, the Listing Brokerage shall be paid a termination fee of 2% of the Listing Price by the Seller as compensation for their time spent and expenses incurred while marketing the property.



SELLER:

**BDO CANADA LIMITED IN ITS CAPACITY
AS RECEIVER OF BAY LAWRENCE INC.
AND NOT IN ITS CORPORATE OR
PERSONAL CAPACITY**

Per: 
Name: Joseph Parisi
Title: Senior Vice President

I/We have authority to bind the Corporation

BROKER:

**AVISON YOUNG COMMERCIAL REAL
ESTATE (ONTARIO) INC.**

Per: _____
Name:
Title:

I/We have authority to bind the Corporation

SCHEDULE "A"
CONTRACT TERMINATION AGREEMENT

In the event that this listing agreement is terminated during the following time periods as a result of Bay Lawrence Inc. resolving the receivership proceedings relating to the property at 2013 Lawrence Avenue West, Toronto, the Seller agrees to pay Avison Young Commercial Real Estate (Ontario) Inc. for their time spent and expenses incurred while marketing the Property as per the below:

Prior to April 5 th , 2019 (the "Listing Commencement Date")	\$0.00
From April 5 th , 2019 to May 4 th , 2019	\$15,000.00
From May 5 th , 2019 to June 4 th , 2019	\$25,000.00
Following June 4 th , 2019	2% of the Listing Price

SELLER:

**BDO CANADA LIMITED IN ITS CAPACITY
AS RECEIVER OF BAY LAWRENCE INC.
AND NOT IN ITS CORPORATE OR
PERSONAL CAPACITY**

Per: _____

Name: *Josie Parris*

Title: *Senior Vice President*

I/We have authority to bind the Corporation

BROKER:

**AVISON YOUNG COMMERCIAL REAL
ESTATE (ONTARIO) INC.**

Per: _____

Name:

Title:

I/We have authority to bind the Corporation

APPENDIX “C”

IN THE MATTER OF THE RECEIVERSHIP OF
BAY LAWRENCE INC.
IN THE PROVINCE OF ONTARIO
RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS
for the period February 14, 2019 to April 12, 2019

RECEIPTS:

Rental Income	\$ 115,101.66
Cash in bank	50,615.49
HST Collected	14,812.81
Misc. receipts - CMLS Financial	5,000.00
Total Receipts	<u>\$ 185,529.96</u>

DISBURSEMENTS:

Receiver's Fees	49,208.25
Insurance	11,851.92
HST Paid on Receiver's Fees	6,397.07
Operating Expense	1,376.52
Administrative Disbursements	1,322.75
HST Paid on Disbursements	207.26
Re-direction of mail	163.25
Travel	138.80
Total Disbursements	<u>\$ 70,665.82</u>

RECEIPTS OVER DISBURSEMENTS

\$ 114,864.14

APPENDIX “D”

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

B E T W E E N:

NATIONAL BANK OF CANADA

Applicant

- and -

BAY LAWRENCE INC.

Respondent

AFFIDAVIT OF JOSIE PARISI

I, JOSIE PARISI, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY** that:

1. I am a Partner of BDO Canada Limited, and as such have personal knowledge of the matters referred to herein.
2. By Order of the Honourable Mr. Justice Penny, dated February 14, 2019 (the "Order"), BDO Canada Limited was appointed as Court-appointed Receiver (the "Receiver") of Bay Lawrence Inc..
3. Pursuant to the Order, the Receiver has provided services and incurred disbursements which are more particularly described in the detailed accounts attached hereto and marked as **Exhibit "A"**.

4. The time shown in the detailed accounts attached as Exhibit "A" are a fair and accurate description of the services provided and the amounts charged by the Receiver, which reflect the Receiver's time as billed at its standard billing rates.
5. The Receiver requests that the Court approve its interim accounts for the period from 13 February 2019 to 11 April 2019 in the amount of \$55,946.64 inclusive of HST of \$6,436.34 for the services set out in Exhibit "A".
6. This affidavit is sworn in support of the Receiver's motion for, among other things, approval of its fees and disbursements and those of its legal representatives and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto,)
 in the Province of Ontario, this)
 12th day of April 2019.)



 Commissioner for Taking Affidavits, etc)



 Josie Parisi, CPA, CA, CBV, CIRP, LIT)

**Antonio Montesano, a Commissioner, etc.,
 Province of Ontario, for BDO Canada LLP
 and BDO Canada Limited, and
 their subsidiaries, associates and affiliates.
 Expires December 21, 2020.**

This is Exhibit "A" referred to in the affidavit of

Josie Parisi

Sworn before me this 12th day of April 2019



A COMMISSIONER FOR TAKING AFFIDAVITS

**Antonio Montesano, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited, and
their subsidiaries, associates and affiliates.
Expires December 21, 2020.**



Tel: 416 865 0210
 Fax: 416 865 0904
 www.bdo.ca

BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto ON M5E 1C5 Canada

Strictly Private & Confidential

National Bank of Canada
 130 King Street West, 8th Floor
 Toronto, ON
 M5X 1J9

Attention: Sonia deLorenzi

Date	Invoice
9 April 2019	CINV0074496-97

RE Bay Lawrence Inc.

TO OUR FEE FOR PROFESSIONAL SERVICES rendered from 13 February 2019 to 29 March 2019 in connection with our Engagement as Financial Advisor of the above-noted, as described below:

For Professional Services	\$ 41,085.00
Disbursements	
Travel / Mileage	138.80
Redirection of Mail	163.25
Administration, Technology and Disbursement Fee	2,054.25
	2,356.30
	43,441.30
HST - 13.0% (#R101518124)	5,647.37
Total Due	\$ 49,088.67

Summary of Time Charges:	Hours	Rate	Amount
J. Parisi, Partner	35.10	525.00	18,427.50
M. Marchand, Senior Manager	33.00	350.00	11,550.00
N. Jahja, Manager	37.30	250.00	9,325.00
T. Montesano, Technician	4.10	200.00	820.00
Administrative Support	5.70		962.50
TOTAL	115.20		\$ 41,085.00



Date	Professional	Description	Hrs.
13-Feb-19	Josie Parisi	Review motion materials and discussions with M. Marchand.	1.1
13-Feb-19	Matthew Marchand	Correspondence with J. Parisi re updates; prepare taking possession strategy; correspondence with N. Jahja re updates, taking possession procedures and tenant correspondence; review application record.	1.1
13-Feb-19	Nerina Jahja	Correspondence with M. Marchand re to taking possession procedures; review application record; prepare tenant notices outlining the Receivership of Bay Lawrence Inc.	1.5
14-Feb-19	Josie Parisi	Discussions with Thorton Grout Finnigan re receiver's intended plan of action; review various emails regarding debtor's plan; review order received and discussion with team regarding taking possession of premises and books and records.	2.1
14-Feb-19	Matthew Marchand	Correspondence with J. Parisi re adjournment updates, issuance of court order and related matters; correspondence with N. Jahja re taking possession and communication with tenants; review court order; review estoppel certificate; attend premises; discussions with receptionist re contacting A. Yousif and location of books and records; phone call with B. Singh re books and records; meeting with A. Yousif to serve order and discuss situation; meeting with B. Singh re retrieval and review of books and records; correspondence with J. Parisi re updates; correspondence with N. Jahja re tenants and related matters.	4.0
14-Feb-19	Nerina Jahja	Correspondence with M. Marchand re taking possession and communication with tenants; review court order; draft Estoppel certificate; attend premises in Mississauga and 2013 Lawrence Ave. Meet with tenants/employees of tenants and served them with the Receivership notice; correspondence with M. Marchand re tenants and related matters.	5.0
15-Feb-19	Josie Parisi	Update with National Bank; review bank statements and leases; determine where funds are being deposited and costs of carrying the property.	2.7
15-Feb-19	Matthew Marchand	Deliver books and records to office; review of same; correspondence with T. Montesano re bank letters and insurance; phone call to property maintenance personnel re scope of work and matters related to proceedings; leave voicemail for property manager; draft update summary.	2.0



Date	Professional	Description	Hrs.
15-Feb-19	Tony Montesano	Prepare Bank letters; contact Z. Vahidy at Aaxel insurance; request for copy of insurance policy; scan copy of request and Receivership order to same.	1.0
19-Feb-19	Josie Parisi	Speaking to Colliers; Avison & Young and CBRE listing proposals; reviewing leases.	1.3
19-Feb-19	Matthew Marchand	Correspondence with team re completion of next immediate steps, issues related to leases, CRA and property maintenance; retrieve and review QuickBooks records; email correspondence with B. Singh re HST and corporate income tax returns; review notice of receiver and receiver's statement; correspondence with N. Jahja re same.	1.5
19-Feb-19	Nerina Jahja	Communication with various tenants in regards to their leases and rent payments and new banking information; communication with various vendors; review books and records; contact insurance companies for quotes; prepare vendor listing and draft Receiver's Notice.	5.5
19-Feb-19	Tony Montesano	Review receiver's notice; discuss same with N. Jahja; correspond with J. Parisi re providing Aaxel insurance a copy of the Receivership Order; contact M. Alhindi re confirmation of frozen bank account; review PPSA search.	0.9
20-Feb-19	Josie Parisi	Correspondence with Ministry of Environment regarding Director's Order and setting up meeting to discuss the matter; call with Justin from CBRE; review general ledger to understand bank accounts and where rent deposits are submitted.	1.1
20-Feb-19	Matthew Marchand	Review email correspondence and attachments re meeting with Ministry of Environment, matters related to operations, vendor listing, rent roll and cash flow projection; draft email to N. Jahja re cash flow projection.	0.5
20-Feb-19	Nerina Jahja	Draft tenant listing and rent tracker; opened data room; review of leases.	3.0
20-Feb-19	Tony Montesano	Discussion with N. Jahja regarding status of Receiver's Notice and access QuickBooks.	0.2
21-Feb-19	Josie Parisi	Update meeting with N. Jahja re status of insurance, leases, estoppels, bank accounts, and next steps.	0.7
21-Feb-19	Matthew Marchand	Correspondence with N. Jahja re updates and property maintenance; review email correspondence re realtors.	0.4



Date	Professional	Description	Hrs.
21-Feb-19	Nerina Jahja	Various communications with TIMWEN and repair and maintenance personnel in regards to parking lot repairs; communications with tenant and Toronto parking enforcement in regards to parking; update on the file with J. Parisi and M. Marchand.	3.5
22-Feb-19	Josie Parisi	Review and execute direction to register the receivership order on title; discussions with Thorton Grout Finnigan re same; discussions with Richard from Ministry of Environment regarding Director's Order.	0.4
22-Feb-19	Matthew Marchand	Correspondence with N. Jahja re property maintenance, banking, tenant issues, cash flow, creditors, insurance and next steps; review email and attachment from B. Singh re draft HST return re fiscal 2018; draft email to B. Singh re same; receive phone call from Ronaldo at TD Bank re banking letter; review and revise notice of receiver and receiver's statement; discussion with J. Parisi re updates, notice of receiver and receiver's statement and related matters; review email correspondence re Ministry of Environment and registration of order on title.	2.6
22-Feb-19	Nerina Jahja	Correspondence with M. Marchand re property maintenance, banking, tenant issues, cash flow, creditors and insurance; review lease payments on QuickBooks.	0.5
22-Feb-19	Tony Montesano	Discussion with B. Chiasson regarding Receiver's notice and mailing address for CRA.	0.1
25-Feb-19	Josie Parisi	Meeting with Colliers re listing proposal; call from Habib Canadian Bank.	1.1
25-Feb-19	Matthew Marchand	Review email from B. Singh re HST; email correspondence with N. Jahja re same; review email and attachment from N. Jahja re insurance quote; correspondence with N. Jahja re same; email correspondence with B. Singh re HST; correspondence with J. Parisi re rent collection; correspondence with N. Jahja re same; email correspondence with IT re receiver's website; correspondence with J. Parisi re Habib Canadian Bank; correspondence with T. Montesano and N. Jahja re same.	1.2
25-Feb-19	Nerina Jahja	Review of insurance quote from C. Brownlee; communication with M. Marchand in regards to the file and HST return; communication with tenant from the Pizza Depot; communication with Habib Canadian Bank.	1.5
26-Feb-19	Josie Parisi	Correspondence with Thorton Grout Finnigan re funds from Habib; review correspondence from Ministry of Environment re deficiencies on the property.	0.8



Date	Professional	Description	Hrs.
26-Feb-19	Matthew Marchand	Correspondence with T. Montesano re review of books and records re cash receipts; correspondence with J. Parisi, T. Montesano and N. Jahja re Habib Canadian Bank; review email and attachments from J. Parisi re Director's Order and related matters.	1.5
26-Feb-19	Nerina Jahja	Follow up with with Habib bank and insurance company; review of Compliance Summary from the Ministry of Environment.	1.0
27-Feb-19	Matthew Marchand	Correspondence with T. Montesano re books and records; review email and attachment from B. Singh re HST filing;	0.2
28-Feb-19	Josie Parisi	Review report from Ministry of Environment re environmental contamination and required steps by the owner; meet with Ministry of Environment; various discussions regarding Letter of Credit with Royal Bank of Canada.	1.5
28-Feb-19	Matthew Marchand	Meeting with J. Parisi and members from the Ministry of Environment re Director's Order and related matters; review email correspondence re updates; correspondence with N. Jahja re insurance and March rent collection; review email correspondence re matters related to Ministry of Environment and Letter of Credit.	1.4
28-Feb-19	Nerina Jahja	Communication with tenants in regards to upcoming rent; communication with property maintenance vendor; correspondence with M. Marchand.	0.5
1-Mar-19	Josie Parisi	Review insurance binder, discussions with M. Marchand re loss payee; various discussions regarding rental payments not yet received and understanding that A. Yousif has been in touch with the tenants; advise counsel re the same.	0.8
1-Mar-19	Matthew Marchand	Email correspondence with A. Malloy re information request; correspondence with J. Parisi re updates; correspondence with N. Jahja re direction and tasks to complete; correspondence with J. Parisi and N. Jahja re insurance; email correspondence with insurance broker; correspondence with B. Chiasson re title search; internal correspondence re rent deposits and interference by debtor; review email correspondence re Royal Bank of Canada; review email and attachment from N. Jahja re cash flow projection.	1.7



Date	Professional	Description	Hrs.
1-Mar-19	Nerina Jahja	Rent collection and communications with tenants in regards to late rent payments; communication with insurance company; follow up with S. Palmer in regards to environmental reports; post payments and update rent roll tracker.	2.0
4-Mar-19	Josie Parisi	Various discussions with N. Jahja re rent collection and follow-up; review operating costs and provide information to brokers; discussions with brokers; follow-up re Ministry of Environment.	0.8
4-Mar-19	Matthew Marchand	Receive voicemail from HSBC re bank letter; review email correspondence re rent payment updates and financial information; review email and attachment from B. Chiasson re title search; draft email to J. Parisi re same; email correspondence with J. Parisi and N. Jahja re financial records and cash flow; review and revise estoppel certificate; email correspondence with M. Grossell re estoppel certificates; correspondence with N. Jahja re same; review email correspondence re refinancing and related matters; email correspondence with N. Jahja re environmental consultant; review rent roll and cash flow projection.	1.7
4-Mar-19	Nerina Jahja	Collection of additional rents and posting of payments; communications with tenants; update rent roll and various communication with J. Parisi and M. Marchand in regards to rental collections.	2.0
4-Mar-19	Tony Montesano	Access Quickbooks; pull and organize the income statement for 2017 and 2018; send same to N. Jahja.	1.0
5-Mar-19	Josie Parisi	Discussions with Thorton Grout Finnigan re Easy Financial rental payment to Debtor vs the receiver; various other discussions in respect of the estate with Thorton Grout Finnigan and National Bank; discussion of various issues with National Bank (i.e. termination of receivership should refinancing occur, Ministry of Environment issues, oppression issue with shareholder).	1.6
5-Mar-19	Matthew Marchand	Review email correspondence re insurance, rent payments and refinancing commitment letter; review mail received from Aerotek ULC; draft email to A. Yousif re same; discussions with J. Parisi, S. De Lorenzi, L. Williams and M. Grossell re matters related to administration of receivership.	2.0
5-Mar-19	Nerina Jahja	Correspondence with Easy Financial, Pizza Owner and Pharmacy owner in regards to late rent payments.	0.5



Date	Professional	Description	Hrs.
6-Mar-19	Josie Parisi	Review of refinancing commitment letter; discussions with Thorton Grout Finnigan re issues re same; review correspondence between Thorton Grout Finnigan and minority shareholder's counsel.	0.5
6-Mar-19	Matthew Marchand	Discussion with N. Jahja re rent receipts and related matters; review deposit; review email from Z. Vahidy re insurance; review email and attachment from M. Grossell re Easy Financial.	0.3
7-Mar-19	Josie Parisi	Discussions with M. Gosnell re writing letter re interference by debtor; correspondence with M. Marchand re Easy Financial paying debtor vs. Receiver.	0.6
7-Mar-19	Matthew Marchand	Review email correspondence re March rent and tenant issues; discussion with N. Jahja re same; email correspondence with legal counsel re same; review letter from HSBC re banking letter.	0.5
7-Mar-19	Nerina Jahja	Various communications with tenants and J. Parisi in regards to late rent payments. Correspondence with Toronto Hydro in regards to switching account under the Receiver's name; follow up with S. Palmer from Accadia.	2.0
8-Mar-19	Matthew Marchand	Review email correspondence re matters related to rent and insurance; correspondence with N. Jahja re tenant issues; review emails from J. Asindi re rent; draft email to J. Asindi re same; review email from Z. Vahidy re insurance; email and phone correspondence with J. Asindi re rent and related issues; correspondence with N. Jahja re confidentiality agreement; review same.	1.1
8-Mar-19	Nerina Jahja	Various discussion with M. Marchand in re to file progression; communication with Easy financial and Pharmacy owner in re to their March rent.	0.5
11-Mar-19	Josie Parisi	Various discussions and review of email correspondence in respect of tenants not paying rent; follow up on insurance and environmental experts; discussions with realtors regarding information needed for a listing proposal.	1.2
11-Mar-19	Matthew Marchand	Correspondence with N. Jahja and J. Parisi re property management; review email and attachment from Z. Vahidy re insurance; email correspondence with Z. Vahidy re same; matters related to receipt of March rent; correspondence with J. Parisi re updates; review emails from J. Asindi re rent payment; discussion with T. Montesano re matters related to HST.	1.2

Date	Professional	Description	Hrs.
11-Mar-19	Nerina Jahja	Correspondence with M. Marchand re property management; various discussion with the insurance company; correspondence with J. Asindi regards to March Rent.	1.0
12-Mar-19	Josie Parisi	Call with B. Sykes re listing proposal; review correspondence re Pharma tenant; call to Thorton Grout Finnigan re next steps.	0.7
12-Mar-19	Matthew Marchand	Review email correspondence re March rent and refinancing updates; draft email to counsel re audio recording; correspondence with L. Dula re bank deposits; email correspondence with J. Asindi re March rent deposit; correspondence with J. Parisi re updates; review email and attachment from M. Grossell re cease and desist letter.	1.0
12-Mar-19	Nerina Jahja	Discussions with S. Palmer in re to the environmental reports; follow up with Royal Bank of Canada bank in regards to Receivership funds.	0.5
12-Mar-19	Tony Montesano	Discussion with W. Rueger from CRA regarding letter received in regards to cancellation of the RT0001 account; requested to stop cancellation of RT0001 account; discussed outstanding filings of HST returns.	0.2
13-Mar-19	Josie Parisi	Discussions with N. Jahja re insurance; correspondence with Thorton Grout Finnigan re interference from insurer; call with NBC re cancelled cheque and impact on account.	0.9
13-Mar-19	Matthew Marchand	Review email correspondence from Garth Dingwall re shareholder dispute and sale of property; correspondence with N. Jahja and J. Parisi re insurance; correspondence with L. Dula re March rent deposit; email correspondence with J. Asindi re same; review email and attachment from B. Singh re vendor correspondence; correspondence with N. Jahja re same; review correspondence with tenants re estoppel certificates; review email correspondence re insurance.	0.5
13-Mar-19	Nerina Jahja	Discussion with J. Parisi in regards to insurance coverage; follow up with Axxel in re to the same; follow up with Toronto Hydro in re to the change of account; update M. Marchand in regards to rents.	1.5
13-Mar-19	Tony Montesano	Discussion with J. Parisi regarding issuing cheque to National Bank of Canada to cover an overdraft.	0.2



Date	Professional	Description	Hrs.
14-Mar-19	Josie Parisi	Correspondence with Thorton Grout Finnigan re insurer, review of letter to insurer; discussions with National Bank of Canada re payout and payment of fees and costs; discussions with Thorton Grout Finnigan re next steps; correspondence with environmental specialist.	0.8
14-Mar-19	Matthew Marchand	Review emails and attachments from M. Grossell re refinancing proposal; correspondence with N. Jahja re insurance.	0.2
14-Mar-19	Nerina Jahja	Various communications with J. Parisi and S. Palmer in regards to environmental reports; call with C. Brownlee in regards to insurance coverage and premiums.	1.0
15-Mar-19	Josie Parisi	Review letter to A. Yousif's counsel, review various emails related to the insurance policy and inability to get insurance provider to provide policy; discussions with Thorton Grout Finnigan re next steps, discussions with B. Sykes re listing proposal, discussions with Colliers re listing proposal.	0.9
15-Mar-19	Matthew Marchand	Review email correspondence re insurance and refinancing.	0.1
18-Mar-19	Josie Parisi	Review various update correspondence with Thorton Grout Finnigan and National Bank of Canada, correspondence with Axel re insurance.	0.8
18-Mar-19	Nerina Jahja	Various discussions with M. Marchand in regards to the environmental matter; follow up with S. Palmer in re to the environmental reports; communication with Royal Bank of Canada in re to receivership funds.	1.0
18-Mar-19	Matthew Marchand	Correspondence with N. Jahja re updates, environmental study and Royal Bank of Canada; review email correspondence re scheduling meeting and issues; review email correspondence re refinancing, proposed discharge of receiver and related matters.	0.4
19-Mar-19	Josie Parisi	Correspondence with Avison & Young re Bay Lawrence proposal, call with Royal Bank of Canada re funds; email to Royal Bank of Canada re funds; numerous calls with Royal Bank of Canada collections and legal re funds release.	0.9
19-Mar-19	Matthew Marchand	Review email correspondence from J. Parisi re Royal Bank of Canada; correspondence with N. Jahja re insurance; review deposit; receive voicemail from D. Satoor from CBRE; email correspondence with J. Parisi re same.	0.2



Date	Professional	Description	Hrs.
20-Mar-19	Josie Parisi	Various emails and correspondence with Thorton Grout Finnigan regarding "authorization and direction" from A. Yousif's counsel to the tenants, discussions with N. Jahja re same; numerous calls to and from Royal Bank of Canada re release of funds in the bank accounts.	1.1
20-Mar-19	Nerina Jahja	Communication with J. Assindi and J. Parisi in regards to documents A. Yousif provided for execution.	0.5
20-Mar-19	Matthew Marchand	Correspondence with N. Jahja re documents received by tenant from landlord; review email and attachment from J. Asindi re same; draft email to M. Grossell re same; review email correspondence re same.	0.4
21-Mar-19	Josie Parisi	Commence preparing court report, correspondence with Thorton Grout Finnigan re go forward steps, review listing proposal from Colliers.	3.7
21-Mar-19	Matthew Marchand	Review email correspondence re updates to court.	0.1
22-Mar-19	Josie Parisi	Prepare court report.	4.7
22-Mar-19	Nerina Jahja	Review of realtor listing proposals and summarize main points for review by M. Marchand.	0.8
22-Mar-19	Matthew Marchand	Review court report; correspondence with J. Parisi re same; review Colliers listing proposal.	0.5
25-Mar-19	Tony Montesano	Prepare interim statement of receipts and disbursements.	0.5
25-Mar-19	Josie Parisi	Revise court report; review emails from Bay Lawrence's counsel re scheduling a motion.	0.2
27-Mar-19	Josie Parisi	Review comments from counsel re court report and provide additional comments, review various emails between Thorton Grout Finnigan and counsel to the debtor.	0.9
27-Mar-19	Nerina Jahja	Review Receiver's first court report and comments from counsel.	0.5
27-Mar-19	Matthew Marchand	Review email correspondence re refinancing updates, draft court report and related matters; correspondence with N. Jahja and review cheque received re CMLS Financial; correspondence with N. Jahja re listing proposal summary and environmental report.	0.5
28-Mar-19	Josie Parisi	Calls with Unica and Axel head office and Zeeshan at Axel re payment of the insurance; call with Thorton Grout Finnigan re same; review letter to A. Yousif's counsel.	0.9



Date	Professional	Description	Hrs.
28-Mar-19	Matthew Marchand	Review listing proposals and revise summary of same; draft email to J. Shames re listing proposal; draft email to B. Sykes re listing proposal; email correspondence re insurance; phone call with J. Parisi re insurance, listing proposals and related matters; review email from B. Sykes re listing proposal; review emails from J. Shames re listing proposal; revise listing proposal summary; draft email to J. Parisi and N. Jahja re same.	2.5
29-Mar-19	Nerina Jahja	Continuation of listing Proposal review; communication with J. Parisi, S. Palmer in regards to the missing environmental reports; review the reports provided; process cheques received.	1.5
29-Mar-19	Matthew Marchand	Matters related to insurance; correspondence with N. Jahja re Subway lease; discussion with J. Parisi re listing proposals and related matters; correspondence with S. Jeremiah re listing proposal and related matters; review CBRE listing proposal; draft email to B. Walford re same.	1.7
29-Mar-19	Josie Parisi	Review changes to court report proposed by Thorton Grout Finnigan.	0.3



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Attention: Sonia deLorenzi

Date	Invoice
12 April 2019	CINV0074554

RE Bay Lawrence Inc.

TO OUR FEE FOR PROFESSIONAL SERVICES rendered from 1 April 2019 to 11 April 2019 in connection with our Engagement as Financial Advisor of the above-noted, as described below:

For Professional Services		\$ 5,780.00
Disbursements		
Administration, Technology and Disbursement Fee	289.00	289.00
		<u>6,069.00</u>
HST - 13.0% (#R101518124)		788.97
Total Due		<u><u>\$ 6,857.97</u></u>

<i>Summary of Time Charges:</i>	Hours	Rate	Amount
J. Parisi, Partner	5.10	525.00	2,677.50
M. Marchand, Senior Manager	5.30	350.00	1,855.00
N. Jahja, Manager	3.20	250.00	800.00
Administrative Support	2.70		447.50
TOTAL	<u>16.30</u>		<u>\$ 5,780.00</u>



Date	Professional	Description	Hrs.
1-Apr-19	Josie Parisi	Update to report after review of Thornton Grout Finnigan comments; review summary of listing proposals and discussions with M. Marchand re same.	1.3
2-Apr-19	Josie Parisi	Correspondence with National Bank re listing proposals; correspondence with Thornton Grout Finnigan re report.	0.6
3-Apr-19	Josie Parisi	Discussions with B. Sykes from Avison re listing proposal; discussions with N. Jahja re rent collections.	0.4
8-Apr-19	Josie Parisi	Review listing agreements, execute; email correspondence with Thornton Grout Finnigan re refinancing; review and execute MLS data sheets.	0.8
9-Apr-19	Josie Parisi	Discussions with B. Sykes re interest in property, additional info needed and listing agreement.	0.3
10-Apr-19	Josie Parisi	Discussions with M. Marchand re introduction letter; review correspondence re status of refinancing; review various email correspondence with Thornton Grout Finnigan re update from debtor's counsel; discussions with Avison re additional terms of purchase and sale.	0.8
11-Apr-19	Josie Parisi	Review various correspondence regarding a potential payout to National Bank and review correspondence with Thornton Grout Finnigan; review motion materials.	0.9
1-Apr-19	Matthew Marchand	Review email from B. Walford re listing proposal; correspondence with B. Walford re same; correspondence with J. Shames re listing proposal; revise listing proposal summary; correspondence with J. Parisi re listing proposal summary; matters related to rent collection and tenant issues; correspondence with N. Jahja re environmental matters; review draft report; draft email to J. Parisi re revisions to report; review email from J. Shames re listing proposal.	1.7
2-Apr-19	Matthew Marchand	Prepare for telephone call re listing proposal recommendation; telephone call with J. Parisi and S. De Lorenzi re same; phone call with B. Sykes re listing agreement; receive phone call from A. Malloy re net operating income calculation, leases, estoppel certificates and related matters; discussion with J. Parisi re updates.	1.5
4-Apr-19	Matthew Marchand	Review leases, discuss tenant issues and review status of estoppel certificates with N. Jahja; email correspondence with G. Medeiros re estoppel certificate.	0.7



Date	Professional	Description	Hrs.
8-Apr-19	Matthew Marchand	Review email correspondence re listing agreement; discussion with J. Parisi re sales process and potential for refinancing.	0.2
9-Apr-19	Matthew Marchand	Email correspondence with realtors re unsuccessful listing proposals.	0.2
10-Apr-19	Matthew Marchand	Review email correspondence re marketing of property and refinancing updates; correspondence with J. Parisi and N. Jahja re estoppel certificates and introducing realtors to tenants; phone call with B. Sykes re same; review email from B. Sykes re property listing.	0.6
11-Apr-19	Matthew Marchand	Review correspondence re refinancing updates; review letter to tenants re sales process.	0.4
4-Apr-19	Nerina Jahja	Discussions with M. Marchand in regards to lease base rent and additional rent.	0.5
5-Apr-19	Nerina Jahja	Discussion with A. Malloy from Avison Young re leases.	0.5
8-Apr-19	Nerina Jahja	Call with L. Cadennara from Royal Bank of Canada in regards to the GIC funds; update J. Parisi in regards to same.	0.5
9-Apr-19	Nerina Jahja	Call with A. Malloy from Avison Young in regards to the Estoppels; discussions with J. Assindi in regards to his Estoppel and the listing of the property.	0.4
10-Apr-19	Nerina Jahja	Discussion with B. Sykes and M. Marchand in regards to the listing; draft realtor introduction letter and send to tenants.	0.9
11-Apr-19	Nerina Jahja	Correspondence with B. Sykes in regards to the realtor introduction letter; provide him with tenant listing and their contact information.	0.4

IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. b-3, as amended, AND IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, z. C43, as amended.

NATIONAL BANK OF CANADA

and

BAY INTERNATIONAL INC.

Respondent

Applicant

Court File No.: CV-19-00613203-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

MOTION RECORD

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