

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**1951584 ONTARIO INC. (formerly DESANTE FINANCIAL SERVICES INC.) and  
CWB MAXIUM FINANCIAL INC.**

Applicants

- and -

**4231 SHEPPARD AVENUE EAST INC., ABU SEIFEIN BRIMLEY PHARMA INC.,  
BLESS HUI PHARMA INC., JG WINDSOR INC., JM WESTVIEW PHARMA INC.,  
JUBILEE PROPERTY INVESTMENTS INC., MAPLE MEDI PHARMA INC., RIVER  
HILL PHARMACY LTD., SIGMA HEALTHCARE INC., SJ EAST PHARMA INC., ST.  
MARY COOKSVILLE PHARMA INC., ST. MARY THEOTOKOS PHARMA INC.,  
STONEY CREEK PHARMA INC., TORONTO APOTHECARY PHARMA INC.,  
WESTWAY HOLDINGS INC., and OLDE WALKERVILLE HOLDINGS INC.**

Respondents

**FOURTH REPORT OF MSI SPERGEL INC.  
IN ITS CAPACITY AS THE RECEIVER OF**

**4231 SHEPPARD AVENUE EAST INC., ABU SEIFEIN BRIMLEY PHARMA INC.,  
BLESS HUI PHARMA INC., JG WINDSOR INC., JM WESTVIEW PHARMA INC.,  
JUBILEE PROPERTY INVESTMENTS INC., MAPLE MEDI PHARMA INC., RIVER  
HILL PHARMACY LTD., SIGMA HEALTHCARE INC., SJ EAST PHARMA INC., ST.  
MARY COOKSVILLE PHARMA INC., ST. MARY THEOTOKOS PHARMA INC.,  
STONEY CREEK PHARMA INC., TORONTO APOTHECARY PHARMA INC.,  
WESTWAY HOLDINGS INC., and OLDE WALKERVILLE HOLDINGS INC.**

**January 27, 2022**

## Table of Contents

I.	APPOINTMENT AND BACKGROUND.....	1
II.	PURPOSE OF THIS FOURTH REPORT AND DISCLAIMER .....	6
III.	ACTIONS OF THE RECEIVER SUBSEQUENT TO THE FOURTH REPORT.....	7
IV.	THE BLESS HUI TRANSACTION .....	7
V.	REQUEST FOR A SEALING ORDER .....	9
VI.	OPERATING PHARMACIES NOT SUBJECT TO SALE AGREEMENTS.....	9
VII.	FEEES AND DISBURSEMENTS OF THE RECEIVER.....	11
VIII.	RECEIVER'S INTERIM STATEMENTS OF RECEIPTS AND DISBURSEMENTS .....	13
IX.	RECOMMENDATIONS .....	14

## **APPENDICES**

1. Order of Mr. Justice Cavanagh dated November 25, 2020
2. Order of Mr. Justice Cavanagh dated January 26, 2021
3. Order of Mr. Justice Cavanagh dated February 3, 2021
4. Order of Mr. Justice Cavanagh dated April 8, 2021
5. Order of Mr. Justice Cavanagh dated September 7, 2021
6. Ancillary Order of Mr. Justice Pattillo dated August 12, 2021
7. Ancillary Order of Mr. Justice Cavanagh dated November 10, 2021
8. October 18, 2021 Listing Agreement Bless Hui
9. Redacted copy of the Bless Hui Sale Agreement
10. Listing Agreement for Sigma Pharmacy
11. Fee Affidavit of Mukul Manchanda, sworn January 24, 2022
12. Receiver's Statements of Receipts and Disbursements as December 31, 2021

## **CONFIDENTIAL APPENDICES**

1. Bid Summary for the Bless Hui Pharmacy
2. Unredacted copy of the Bless Hui Sale Agreement

## **I. APPOINTMENT AND BACKGROUND**

1. This Fourth report (“**Fourth Report**”) is filed by msi Spergel inc. (“**Spergel**”) in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of the following companies (each a “**Debtor**” and collectively the “**Debtors**”):
  - i. 4231 Sheppard Avenue East Inc., (“**4231**”)
  - ii. Abu Seifein Brimley Pharma Inc. (“**Brimley**”)
  - iii. Bless Hui Pharma Inc. (“**Bless Hui**”)
  - iv. JG Windsor Inc. (“**JGWI**”);
  - v. JM Westview Pharma Inc. (“**Westview**”);
  - vi. Jubilee Property Investors Inc., (“**Jubilee**”)
  - vii. Maple Medi Pharma Inc. (“**Maple Medi**”);
  - viii. River Hill Pharmacy Ltd. (“**River Hill**”);
  - ix. Sigma Healthcare Inc. (“**Sigma**”);
  - x. SJ East Pharma Inc. (“**SJ East**”);
  - xi. St. Mary Cooksville Pharma Inc., (“**Cooksville**”)
  - xii. St. Mary Theotokos Pharma Inc. (“**Theotokos**”);
  - xiii. Stoney Creek Pharma Inc. (“**Stoney Creek**”);
  - xiv. Toronto Apothecary Pharma Inc. (“**Toronto Apothecary**”);
  - xv. Westway Holdings Inc. (“**Westway Holdings**”); and
  - xvi. Olde Walkerville Holdings Inc. (“**Olde Walkerville**”).
2. 4231 is a Canadian owned private corporation. 4231 formerly owned real property municipally known as 4231 Sheppard Avenue East, Unit C1, Toronto, Ontario (the “**4231 Real Property**”).
3. Brimley is a Canadian owned private corporation formerly carrying on the business of a retail pharmacy (the “**Brimley Pharmacy**”) at 127 Montezuma Trail, Toronto, Ontario (the “**Brimley Premises**”).

4. Bless Hui is a Canadian owned private corporation carrying on the business of a retail pharmacy (the “**Bless Hui Pharmacy**”) at 280 Spadina Avenue Toronto, Ontario (the “**Bless Hui Premises**”).
5. JGWI is a Canadian owned private corporation. JGWI formerly owned real property municipally known as 2780 Totten Avenue, Windsor, Ontario (the “**JGWI Real Property**”).
6. JM Westview was a Canadian owned private corporation formerly carrying on the business of a retail pharmacy in Tilbury, Ontario.
7. Jubilee is a Canadian owned private corporation. Jubilee formerly owned real property municipally known as 280 West Beaver Creek, Unit 11, Richmond Hill, Ontario (the “**Jubilee Real Property**”).
8. Maple Medi is a Canadian owned private corporation formerly carrying on the business of a retail pharmacy (the “**Maple Medi Pharmacy**”) at 2535 Major MacKenzie Drive, Vaughan, Ontario.
9. River Hill is a Canadian owned private corporation formerly carrying on the business of a retail pharmacy (the “**River Hill Pharmacy**”) at 2086 Lawrence Avenue West, Toronto, Ontario (the “**River Hill Premises**”).
10. Sigma is a Canadian owned private corporation carrying on the business of a retail pharmacy (the “**Sigma Drug Mart**”) at 2 Dufferin Street, Tilbury, Ontario (the “**Sigma Premises**”).
11. SJ East was a Canadian owned private corporation formerly carrying on the business of a retail pharmacy in Brighton Ontario.
12. Cooksville was a Canadian owned private corporation formerly carrying on the business of a retail pharmacy in Mississauga, Ontario.
13. Theotokos is a Canadian owned private corporation formerly carrying on the business of a retail pharmacy in Toronto, Ontario.
14. Stoney Creek is a Canadian owned private corporation formerly carrying on the business of a retail pharmacy (the “**Stoney Creek Pharmacy**”) at 800 Queenston Road, Stoney Creek, Ontario (the “**Stoney Creek Premises**”).

15. Toronto Apothecary is a Canadian owned private corporation formerly carrying on the business of a retail pharmacy (the “**Apothecary Pharmacy**”) at 842 Markham Road, Toronto, Ontario (the “**Apothecary Premises**”).
16. Westway Holdings is a Canadian owned private corporation formerly carrying on the business of a retail pharmacy in Toronto, Ontario.
17. Olde Walkerville is a Canadian owned private corporation carrying on the business of two retail pharmacies at 1701 Wyandotte Street and 870 Erie Street, respectively, in Windsor, Ontario (collectively the “**Olde Walkerville Premises**”).
18. Spergel was appointed as the Receiver of all of the assets, undertakings and properties of the Debtors (collectively, the “**Property**”) by the Orders of the Honourable Mr. Justice Cavanagh of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), in the case of Bless Hui, Maple Medi, River Hill, Theotokos, Stoney Creek, Toronto Apothecary, Westway Holdings and Olde Walkerville made November 25, 2020, in the case of JM Westview and SJ East made January 26, 2021, in the case of Cooksville, 4231, JGWI and Jubilee, made February 3, 2021, in the case of Brimley, made April 8, 2021 and in the case of Sigma made September 7, 2021 (collectively, the “**Receivership Orders**”). The Receivership Orders were made upon the application of the Debtors’ general secured creditor CWB Maximum Financial Inc. (“**CWB**” or the “**Bank**”). Copies of the Receivership Orders are attached to this Third Report as **Appendices “1”, “2”, “3”, “4” and “5”**, respectively. The Receivership Orders were granted by the Court on consent of the Debtors who were represented by counsel.
19. Copies of all non-confidential materials filed in these proceedings are posted on the Receiver’s website at <https://www.spergelcorporate.ca/engagements/maple-medi-pharma-inc-river-hill-pharmacy-inc-westway-holdings-inc-toronto-apothecary-pharma-inc-st-mary-theotokos-pharmacy-inc-bless-hui-pharma-inc-stoney-creek-pharma-inc-and-olde-walkerville-holdings-inc/>.
20. The Receiver retained Goldman, Sloan, Nash and Haber LLP (“**GSNH**” or the “**Receiver’s Counsel**”) as its independent legal counsel.

21. The Receiver filed a report in its capacity as the Proposed Receiver of JM Westview and SJ East on January 25, 2021 (the “**Proposed Receiver’s Report**”) reporting its findings with respect to Westview and SJ East. A copy of the Proposed Receiver’s Report is not attached in the interest of keeping the size of this report as small as possible. A copy is available on the Receiver’s website<sup>1</sup> if needed.
22. The Receiver filed its First Report dated February 1, 2021 (the “**First Report**”) reporting its further findings with respect to Westview and SJ East. A copy of the First Report is not attached in the interest of keeping the size of this report as small as possible. A copy is available on the Receiver’s website<sup>2</sup> if needed.
23. The Receiver filed its Second Report dated August 4, 2021 (the “**Second Report**”) seeking, inter alia, approval of the sale of the 4231 Real Property; the sale of the Maple Medi Pharmacy; the sale of the Apothecary Pharmacy; the sale of the Bless Hui Pharmacy; the sale of the River Hill Pharmacy; and the sale of the Stoney Creek Pharmacy. A copy of the Second Report is not attached in the interest of keeping the size of this report as small as possible. A copy is available on the Receiver’s website<sup>3</sup> if needed.
24. At a hearing held August 12, 2021, Orders were issued by the Honourable Justice Pattillo approving the sale transactions with respect to 4231, Maple Medi, Apothecary, Bless Hui, River Hill, and Stoney Creek (the “**August Sale Approval and Vesting Orders**”) and authorizing the Receiver to complete the transactions contemplated thereby (the “**August Approved Sale Transactions**”). Copies of the August Sale Approval and Vesting Orders are not attached in the interest of keeping the size of this report as small as possible. Copies are available on the Receiver’s website<sup>4</sup> if needed.

---

<sup>1</sup> <https://www.spergelcorporate.ca/engagements/maple-medi-pharma-inc-river-hill-pharmacy-inc-westway-holdings-inc-toronto-apothecary-pharma-inc-st-mary-theotokos-pharmacy-inc-bless-hui-pharma-inc-stoney-creek-pharma-inc-and-olde-walkerville-holdings-inc/>

<sup>2</sup> *Ibid.*

<sup>3</sup> *Ibid.*

<sup>4</sup> *Ibid.*

25. A further Order issued by Justice Patillo dated August 12, 2021, (the “**August 12<sup>th</sup> Ancillary Order**”) approved the activities described in the Receiver’s First and Second Reports, including the Interim Statements of Receipts and Disbursements and the fees of the Receiver to and including June 30, 2021 for each Debtor. A copy of the August 12<sup>th</sup> Ancillary Order is attached to this Fourth Report as **Appendix “6”**.
26. The Receiver filed its Third Report dated November 3, 2021 (the “**Third Report**”) and the Supplement to the Third Report dated November 9, 2021 (the “**Supplement to the Third Report**”) seeking, inter alia, approval of the sale of the Jubilee Real Property, the sale of the JGWI Real Property and the sale of the Brimley Pharmacy. Copies of the Third Report and the Supplement to the Third Report are not attached in the interest of keeping the size of this report as small as possible. A copy is available on the Receiver’s website<sup>5</sup> if needed.
27. At a hearing held November 10, 2021, Orders were issued by the Honourable Justice Cavanagh approving the sale transactions with respect to JGWI, Jubilee and Brimley (the “**November Sale Approval and Vesting Orders**”) and authorizing the Receiver to complete the transactions contemplated thereby (the “**November Approved Sale Transactions**”). Copies of the November Sale Approval and Vesting Orders are not attached in the interest of keeping the size of this report as small as possible. Copies are available on the Receiver’s website<sup>6</sup> if needed.
28. A further Order issued by Justice Cavanagh dated November 10, 2021, (the “**November 10<sup>th</sup> Ancillary Order**”) approved the activities described in the Receiver’s Third Report and the Supplement to the Third Report, including the Interim Statements of Receipts and Disbursements and the fees of the Receiver to and including June 30, 2021 for each Debtor. A copy of the November 10<sup>th</sup> Ancillary Order is attached to this Fourth Report as **Appendix “7”**.

---

<sup>5</sup> *Ibid.*

<sup>6</sup> *Ibid.*



## II. PURPOSE OF THIS FOURTH REPORT AND DISCLAIMER

29. The purpose of this Fourth Report is to report to the Court regarding the Receiver's activities and conduct since the Receiver's Third Report dated November 3, 2021 and to seek Orders from this Court:
- i. approving this Fourth Report and the activities described herein including, without limitation, the Receiver's interim statements of receipts and disbursements as at December 31, 2021 for the receivership of each of the Debtors (the "**Interim R&Ds**");
  - ii. approving the Bless Hui sale transaction contemplated by the agreement of purchase and sale dated January 19, 2022 between the Receiver as vendor and 1000087607 Ontario Inc. (the "**Bless Hui Purchaser**" or "**87607**") as purchaser, (the "**Bless Hui Sale Agreement**") with respect to the Purchased Assets (as defined in the Bless Hui Sale Agreement) (the "**Bless Hui Purchased Assets**"), and authorizing the Receiver to complete the transaction contemplated thereby (the "**Bless Hui Transaction**");
  - iii. vesting in the Bless Hui Purchaser, Bless Hui's right, title, and interest in and to the Bless Hui Purchased Assets free and clear of any claims and encumbrances save and except for "Permitted Encumbrances";
  - iv. sealing the Confidential Appendices (as defined herein) to this Fourth Report until the earlier of the completion of the Bless Hui Transaction or further Order of this Court;
  - v. approving the fees and disbursements of the Receiver for the period from October 28, 2021 to and including December 31, 2021 for each of the Debtors; as described in the Fee Affidavit of Mukul Manchanda sworn January 24, 2022; and
  - vi. such further and other relief as Counsel may advise and this Court may permit.

30. The Receiver will not assume responsibility or liability for losses incurred by the reader due to the circulation, publication, reproduction, or use of this Fourth Report for any other purpose.
31. In preparing this Fourth Report, the Receiver has relied upon certain information provided to it by the Debtors and or its principals. The Receiver has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information.
32. Unless otherwise stated, all monetary amounts contained in this Fourth Report are expressed in Canadian dollars.

### III. **ACTIONS OF THE RECEIVER SUBSEQUENT TO THE FOURTH REPORT**

#### ***The November Approved Sale Transactions***

33. Following the issuance of the November Sale Approval and Vesting Orders, the Receiver completed the closing of the November Approved Sale Transactions.

### IV. **THE BLESS HUI TRANSACTION**

34. Pursuant to the terms of the Receivership Orders, the Receiver was empowered and authorized to, among other things, market any or all the Debtors' assets, including advertising and soliciting offers in respect of the assets and negotiating such terms and conditions of sale as the Receiver, in its discretion, deemed appropriate.
35. As reported in the Third Report, the sale agreement dated June 14, 2021 with respect to the assets of Bless Hui between the Receiver and Raouf Basilius in Trust, subsequently assigned to Guide Pharma Inc. did not close. Accordingly, on October 18, 2021 the Receiver re-listed the Bless Hui Pharmacy for sale (the "**October 18<sup>th</sup> Listing Agreement**"). A copy of the October 18<sup>th</sup> Listing Agreement is attached to this Fourth Report as **Appendix "8"**.

36. The pharmacy has remained fully operational under the supervision of the Receiver and has been widely marketed for sale on a going-concern basis since on or about April 1, 2021.
37. Over the course of the sales process conducted by the Receiver, 45 Non-Disclosure Agreements were received, and access granted to the Receiver's Data Room.
38. A copy of the Receiver's bid summary (the "**Bid Summary**") resulting from the October 18<sup>th</sup> Listing Agreement is attached to this Fourth Report as **Confidential Appendix "1"**.
39. On or about December 10, 2021, (the "**December 10<sup>th</sup> Offer**") the Receiver accepted a conditional offer from a purchaser introduced to it by the Listing Broker. The date for fulfilment of the conditions contained in this Offer was extended to January 14, 2022 at which time the Purchaser withdrew his offer.
40. Immediately after the withdrawal of the December 10<sup>th</sup> Offer, the Listing Broker reached out to the other parties who had submitted offers in response to the October 18<sup>th</sup> Listing, requesting that they re-submit their offers at their highest and best price and terms. In response to the efforts of the Listing Broker, these other parties submitted offers.
41. The Receiver entered into negotiations with one prospective purchaser which negotiations did not result in an offer acceptable to the Receiver. In parallel, the Receiver began negotiations with 87607, which negotiations resulted in the offer for which approval by this Honourable Court is being sought.
42. The acceptance of the Bless Hui Sale Agreement is conditional upon the Purchaser obtaining pharmacy accreditation from the Ontario College of Pharmacists ("**OCP**"); a provider number from the Ontario Drug Benefit Plan ("**ODB**") and approval of this Honourable Court and accordingly is the subject matter, inter alia, of the motion brought by the Receiver. The Receiver is of the view that the conditions related to OCP and ODB registration are likely to be met, as the principal of this Purchaser operates several other pharmacies and in fact acquired the pharmacy formerly operated at the Brimley location from the

Receiver, such that approval of the transaction before those conditions have been waived is appropriate. A copy of the Bless Hui Sale Agreement with redactions for the purchase price and deposit is attached to this Fourth Report as **Appendix “9”**. An unredacted copy of the Bless Hui Sale Agreement is attached to this Fourth Report as **Confidential Appendix “2”** (collectively with Confidential Appendix “1”, the “**Confidential Appendices**”).

43. The Receiver is of the view that the sale process with respect to the Bless Hui Pharmacy was conducted in a commercially reasonable manner over many months and that the market was extensively canvassed pursuant to the Listing Broker’s marketing efforts. It is the opinion of the Receiver that the terms and conditions contained in the Bless Hui Sale Agreement are commercially reasonable in all respects and that the purchase price in the Bless Hui Sale Agreement is the best outcome to the estate in the circumstances.
44. The Receiver shared the Bid Summary along with the written offer(s) with the Bank. The Bank has indicated to the Receiver that it supports the acceptance of the offer from 87607, which the Receiver has now put into the Bless Hui Sale Agreement and signed subject to approval of the Court.

#### **V. REQUEST FOR A SEALING ORDER**

45. The Receiver is seeking a sealing order in respect of the Confidential Appendices to this Fourth Report as they each contain commercially sensitive information, the release of which prior to the completion of the Bless Hui Transaction would be prejudicial to the stakeholders in the event the Bless Hui Transaction does not close.

#### **VI. OPERATING PHARMACIES NOT SUBJECT TO SALE AGREEMENTS**

##### ***Olde Walkerville Holdings Inc.***

46. The assets of Olde Walkerville are two retail pharmacies operating out of leased premises located at 1701 Wyandotte Street East, Windsor, Ontario and 870 Erie Street East, Windsor, Ontario (collectively, the “**Windsor Pharmacies**”).

47. The Windsor Pharmacies remain fully operational under the supervision of the Receiver and sale efforts are continuing pursuant to MLS Listing Agreements, the details of which have been previously reported.
48. There have been significant challenges in operating the Olde Walkerville Pharmacies. These are summarized following:
- i) patient uncertainty due to receivership;
  - ii) numerous transfers of prescriptions to a former owner of the pharmacies and a competitor;
  - iii) patients frustrated with original Designated Manager due to poor communication, incorrect and/or late filling of prescriptions;
  - iv) The Designated Manager (“**DM**”) retained by the Receiver was investigated by the OCP and upon receiving the report from the OCP the DM resigned. Emergency staff was required which resulted in a significant loss of patients who became frustrated at the lack of consistency;
  - v) previous owner extended discounts on fees to patients. When patients were told that discounts would not be continued many transferred to other pharmacies

***Sigma Healthcare Inc.***

49. The pharmacy remains fully operational under the supervision of the Receiver. The challenges faced by the Receiver in operating the Sigma Pharmacy became readily apparent from the outset. Upon taking possession, the Receiver discovered that the computers had been wiped. There were no files, search history or passwords. The Receiver also faced incorrect billing practices; lack of access to patient schedules and prescriptions and general poor record keeping. As a result of this the Receiver was faced with significant patient dissatisfaction due to not receiving their prescriptions on time and in some cases receiving the wrong medications. In consequence the Receiver was immediately faced with many

prescription transfers to a pharmacy located immediately across the street from Sigma.

50. The Receiver brought staff in from the Olde Walkerville Pharmacy to assist in the clean-up and reorganization of Sigma, bringing its record keeping in full compliance with OCP requirements.
51. Operating under these circumstances was very stressful for all pharmacists who worked at Sigma. The Receiver was faced with serious staffing issues and functioned without a Designated Manager for several months as no one wanted to assume responsibility for the previous owner's lack of controls. Without a Designated Manager narcotics could not be ordered. This also resulted in many transfers of prescriptions as patients did not want to endure the stress of waiting for prescriptions or not getting them at all. The result of all of the above has been a significant drop in revenue.
52. The Receiver has listed the Sigma Pharmacy for sale on the MLS system pursuant to a listing agreement with Maged Bebawy (the "**Sigma Listing Agreement**"). As of the date of this Fourth Report no offers have been received. A copy of the Sigma Listing Agreement is attached to this Fourth Report as **Appendix "10"**.

## **VII. FEES AND DISBURSEMENTS OF THE RECEIVER**

53. Attached to this Fourth Report as **Appendix "11"** is the Affidavit of Mukul Manchanda, sworn January 24, 2022, (the "**Manchanda Affidavit**") which incorporates, by reference a copy of the time docket pertaining to the receiverships of each of the Debtors for the period from October 28, 2021 to and including December 31, 2021. The fees and disbursements of the Receiver for the period to and including October 27, 2021 for the Debtors for all the Debtors were previously approved by this Court.
54. The fees and disbursements of the Receiver for each of the Debtors for the period from October 28, 2021 to and including December 31, 2021 are as follows:
  - i. in respect of the receivership of Bless Hui for the period from October 28, 2021 to and including December 31, 2021 fees of \$29,124.95 (inclusive of HST, disbursements and a discount of \$2,085.00) were charged by Spergel

as detailed in the Manchanda Affidavit. This represents 86.00 hours at an effective rate of \$323.02 per hour.

- ii. in respect of the receivership of Maple Medi for the period from October 28, 2021 to and including December 31, 2021 fees of \$7,076.52 (inclusive of HST, disbursements and a discount of \$595.50) were charged by Spergel as detailed in the Manchanda Affidavit. This represents 19.20 hours at an effective rate of \$354.47 per hour.
- iii. in respect of the receivership of River Hill for the period from October 28, 2021 to and including December 31, 2021 fees of \$8,204.88 (inclusive of HST, disbursements and a discount of \$755.00) were charged by Spergel as detailed in the Manchanda Affidavit. This represents 22.50 hours at an effective rate of \$355.20 per hour.
- iv. in respect of the receivership of Stoney Creek for the period from October 28, 2021 to and including December 31, 2021 fees of \$6,978.15 (inclusive of HST, disbursements and a discount of \$488.50) were charged by Spergel as detailed in the Manchanda Affidavit. This represents 18.60 hours at an effective rate of \$345.69 per hour.
- v. in respect of the receivership of Toronto Apothecary for the period from October 28, 2021 to and including December 31, 2021 fees of \$7,606.07 (inclusive of HST, disbursements and a discount of \$804.50) were charged by Spergel as detailed in the Manchanda Affidavit. This represents 21.40 hours at an effective rate of \$347.66 per hour.
- vi. in respect of the receivership of Olde Walkerville for the period from October 28, 2021 to and including December 31, 2021 fees of \$20,856.66 (inclusive of HST, disbursements and a discount of \$1,716.50) were charged by Spergel as detailed in the Manchanda Affidavit. This represents 65.50 hours at an effective rate of \$303.54 per hour.
- vii. in respect of the receivership of 4231 for the period from October 28, 2021 to and including December 31, 2021 fees of \$4,752.22 (inclusive of HST, disbursements and a discount of \$308.50) were charged by Spergel as

detailed in the Manchanda Affidavit. This represents 10.80 hours at an effective rate of \$417.96 per hour.

- viii. in respect of the receivership of Jubilee for the period from October 28, 2021 to and including December 31, 2021 fees of \$3,392.42 (inclusive of HST, disbursements and a discount of \$193.50) were charged by Spergel as detailed in the Manchanda Affidavit. This represents 6.90 hours at an effective rate of \$461.52 per hour.
- ix. in respect of the receivership of JGWI for the period from October 28, 2021 to and including December 31, 2021 fees of \$4,080.71 (inclusive of HST, disbursements and a discount of \$210.00) were charged by Spergel as detailed in the Manchanda Affidavit. This represents 8.35 hours at an effective rate of \$457.63 per hour.
- x. in respect of the receivership of Brimley for the period from October 28, 2021 to and including December 31, 2021 fees of \$35,814.50 (inclusive of HST, disbursements and a discount of \$2,630.50) were charged by Spergel as detailed in the Manchanda Affidavit. This represents 115.05 hours at an effective rate of \$298.34 per hour.
- xi. in respect of the receivership of Sigma for the period from October 28, 2021 to and including December 31, 2021 fees of \$23,668.32 (inclusive of HST, disbursements and a discount of \$2,808.50.50) were charged by Spergel as detailed in the Manchanda Affidavit. This represents 68.95 hours at an effective rate of \$342.54 per hour.

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

- 55. Attached to this Fourth Report as **Appendix "12"** are the Receiver's Interim Statements of Receipts and Disbursements as at December 31, 2021 for each of the Debtors.



**IX. RECOMMENDATIONS**

56. For the reasons outlined in this Fourth Report, the Receiver respectfully requests that the Court grant the relief requested in this Fourth Report.

Dated at Toronto this 27<sup>th</sup> day of January, 2022.

**msi Spergel inc.**

solely in its capacity as the Court-appointed Receiver of the Debtors and not in its personal or corporate capacity.

Per: *Philip H. Gennis*

---

Philip H. Gennis, JD., CIRP, LIT  
Licensed Insolvency Trustee