

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

B E T W E E N:

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

Applicants

-and-

BLESS PHARMA INC., JG WINDSOR INC., JIMMY'S GROUP INVESTORS INC., JM  
WESTVIEW PHARMA INC., JUBILEE PROPERTY INVESTMENTS INC., MAPLE MEDI  
PHARMA INC., RIVER HILL PHARMACY LTD., S&J PROPERTY INVESTORS INC., SJ  
COLBORNE PHARMA INC., TORONTO APOTHECARY PHARMA INC., TORONTO  
SURREY PHARMA INC., WESTWAY HOLDINGS INC., 4231 SHEPPARD AVENUE,  
BLESS JIMMY'S PHARMA INC., SJ EAST PHARMA INC., STONEY CREEK PHARMA  
INC., RESIDENT MEDICAL GROUP INC., ABU SEIFEIN BRIMLEY PHARMA INC., ST.  
MARY THEOTOKOS PHARMA INC., 2503338 ONTARIO INC. and ST. MARY  
COOKSVILLE PHARMA INC.

Respondents

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

**APPLICATION RECORD  
(VOLUME 3 OF 3)**

November 2, 2020

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
Toronto, ON Canada M5H 3S1

**Jeffrey C. Carhart LSO#: 40947B**

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Lawyers for the Applicants

## SERVICE LIST

## SERVICE LIST

<b>TO:</b>	<b>MILLER THOMSON LLP</b> Scotia Plaza 40 King Street West, Suite 5800 P.O. Box 1011 Toronto, ON Canada M5H 3S1  <i>Lawyers for the Applicants</i>	<b>Jeffrey Carhart</b> Tel: 416.595.8615 Email: jcarhart@millerthomson.com  <b>Asim Iqbal</b> Tel: 416.597.6008 Email: aiqbal@millerthomson.com  <b>Tamie Dolny</b> Tel: 416.597.6076 Email: tdolny@millerthomson.com
<b>AND TO:</b>	<b>MSI SPERGEL INC.</b> 120 Adelaide Street West Suite #2500 Toronto, ON M5H 1T1  <i>Proposed Receiver</i>	<b>Philip Gennis</b> Tel: 416.498.4325 Email: PGennis@spergel.ca  <b>Mukul Manchanda</b> Tel: 416.498.4314 Email: mmanchanda@spergel.ca
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<b>AND TO:</b>	<b>MCKESSON CANADA CORPORATION</b> 6355 Viscount Road Mississauga, ON L4V 1W2	
<b>AND TO:</b>	<b>KOHL &amp; FRISCH LIMITED</b> 7622 Keele Street Concord, ON L4K 2R5	

<b>AND TO:</b>	<b>MINISTRY OF FINANCE</b> Legal Services Br., 33 King Street West, 6th Floor PO Box 627, Stn. A Oshawa, ON L1H 8H5	<b>Kevin J. O'Hara</b> Email: <a href="mailto:kevin.ohara@fin.gov.on.ca">kevin.ohara@fin.gov.on.ca</a> Tel: 905-433-6934 Fax: 905-436-4510
<b>AND TO:</b>	<b>DEPARTMENT OF JUSTICE</b> 3400-130 King Street West Tax Section, PO Box 36, Exchange Tower Toronto, Ontario M5X 1K6	<b>Diane H. A. Winters</b> Tel: 416.973.3172 Fax: 416.973.0810 Email: <a href="mailto:diane.winters@justice.gc.ca">diane.winters@justice.gc.ca</a>
<b>AND TO:</b>	<b>Goldman, Sloan, Nash and Haber LLP</b> Suite 1600 - 480 University Ave Toronto, ON M5G 1V2  <i>Lawyers for the Proposed Receiver</i>	<b>Brendan Bissel</b> Tel: 416.597.6489 Fax: 416.597.3370 Email: <a href="mailto:bissell@gsnh.com">bissell@gsnh.com</a>
<b>AND TO:</b>	<b>JOHN GERGES</b>  #703 - 676 Sheppard Avenue East Toronto, ON M2K 3E7	Email: <a href="mailto:john.gerges01@gmail.com">john.gerges01@gmail.com</a>
<b>AND TO:</b>	<b>GAMAL FARID GERGES</b>  14774 Woodbine Avenue Gormley, ON L0H 1G0	
<b>AND TO:</b>	<b>SELVIA GERGES</b>  14774 Woodbine Avenue Gormley, ON L0H 1G0	
<b>AND TO:</b>	<b>SALLY G. GERGES</b>  14774 Woodbine Avenue Gormley, ON L0H 1G0	
<b>AND TO:</b>	<b>CHUN-HO CHAN</b>  2 Scott Brown Street Markham, ON L6E 1V9	
<b>AND TO:</b>	<b>SAMIR SHENODA</b>  1543 Morse Place Milton, ON	



	L9T 5V4	
<b>AND TO:</b>	<b>DIEP NGUYEN</b>  #309 - 2088 Lawrence Avenue West Toronto, ON M9N 3Z9	
<b>AND TO:</b>	<b>SANDRA YOUSSEF</b>  676 Sheppard Avenue East Suite #703 North York, ON M2K 1B7	

**EMAIL ADDRESS LIST**

aiqbal@millerthomson.com; tdolny@millerthomson.com; mmanchanda@spergel.ca;  
PGennis@spergel.ca; cfell@wflaw.ca; Edmond.lamek@dlapiper.com;  
kevin.ohara@fin.gov.on.ca; diane.winters@justice.gc.ca; john.gerges01@gmail.com;  
bissell@gsnh.com

# Index

**ONTARIO  
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**Tab H**

This is **Exhibit “H”** referred to in the Affidavit  
of TED (EDWARD) HOPKINSON and SWORN  
BEFORE ME via video-conference with the deponent  
in the City of Bryn Mawr, in the State of  
Pennsylvania, United States of America, and the  
Commissioner in the City of Toronto, Ontario  
this 30th day of October, 2020

DocuSigned by:



A4011B3271544AF

---

A Commissioner for Taking Affidavits  
Tamie Dolny



**MILLER THOMSON**  
AVOCATS | LAWYERS

MILLER THOMSON LLP  
SCOTIA PLAZA  
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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**4231 SHEPPARD AVENUE EAST INC.**  
4231 Sheppard Avenue East, Unit C1  
Scarborough, Ontario M1S 5H5

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by 4231 Sheppard Avenue East Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$260,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated October 21, 2019 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated October 21, 2019 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Resident Medical Group Inc. and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer



scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory Note is \$288,388.58. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$142.22 (collectively, the **"Outstanding Indebtedness"**).

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Resident Medical Group Inc.





FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: 4231 SHEPPARD AVENUE EAST INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of 4231 Sheppard Avenue East Inc. to the Lender in the General Security Agreement granted by 4231 Sheppard Avenue East Inc. in favour of the Lender dated as of October 21, 2019; and
  - (b) Unit 41, Level 1, Metro Toronto Condominium Plan No. 1107 and its appurtenant interest. The description of the condominium property is: City of Scarborough, being: PT. Lot 41, PL.9945 and PT. Lot 26, Conc. 2 and PT. RD. Allowance between lots 26 & 27, CONC.2 as stopped up & closed by By-Law 22099, reg'd as TB477384, des. as parts 1 to 21 (INCL.), Plan 66R16896. S/T and T/W easements as more particularly described in declaration no. D488130. City of Toronto (PIN 12107-0041 (LT)) (the “**Real Property**”), as mortgage registered as Instrument Number AT5269131 on October 23, 2019 , as amended from time to time, in the principal amount of \$400,000.00 over the Real Property.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to 4231 Sheppard Avenue East Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7<sup>th</sup> day of August, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



**MILLER THOMSON**  
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T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and-

**RESIDENT MEDICAL GROUP INC.**  
14744 Woodbine Avenue, Gormley, ON L0H 1G0

Attention: President

Dear Sirs/Mesdames:

**Re: Guarantees by each of Resident Medical Group Inc. (“RMGI”) and John Gerges (“JG” and together with RMGI, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by 4231 Sheppard Avenue East Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$260,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated October 21, 2019 executed by the Borrower (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to RMGI, a guarantee dated October 21, 2019 granted by RMGI in favour of the Lender, pursuant to which RMGI guaranteed the present and future obligations of the Borrower to the Lender (the “**RMGI Guarantee**”); and
- (b) with respect to JG, a guarantee dated October 21, 2019 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the RMGI Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges.  
Resident Medical Group Inc



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:**           **JOHN GERGES**, an insolvent person

**AND TO:**    **RESIDENT MEDICAL GROUP INC.**, an insolvent person


Take notice that:

1.    CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a)   with respect to John Gerges:
    - (i)    All property described as collateral for the obligations of 4231 Sheppard Avenue East Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of October 21, 2019;
    - (ii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of March 11, 2016;
    - (iii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender also dated as of March 11, 2016;
    - (iv)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 18, 2016;
    - (v)    All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of November 5, 2017;
    - (vi)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of May 25, 2018;
    - (vii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of October 21, 2019;
    - (viii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 2, 2018; and

- (ix) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of December 23, 2019.
- (b) with respect to Resident Medical Group Inc.:
  - (i) All property described as collateral for the obligations of 4231 Sheppard Avenue East Inc. to the Lender in the guarantee granted by Resident Medical Group Inc. in favour of the Lender dated as of October 21, 2019;
  - (ii) All property described as collateral for the obligations of Resident Medical Group Inc. to the Lender in the General Security Agreement granted by Resident Medical Group Inc. in favour of the Lender dated as of November 5, 2017; and
  - (iii) All property described as collateral for the obligations of Resident Medical Group Inc. to the Lender in the General Security Agreement granted by Resident Medical Group Inc. in favour of the Lender dated as of October 21, 2019.
- 2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
- 3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to 4231 Sheppard Avenue East Inc.
- 4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.,** by  
its lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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August 7, 2020

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**edmond.lamek@dlapiper.com**

**4231 SHEPPARD AVENUE EAST INC.**  
4231 Sheppard Avenue East, Unit C1  
Scarborough, Ontario M1S 5H5

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by 4231 Sheppard Avenue East Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$260,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated October 21, 2019 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated October 21, 2019 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Resident Medical Group Inc. and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer

scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory Note is \$288,388.58. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$142.22 (collectively, the **"Outstanding Indebtedness"**).

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'G. Marinangeli', written over a horizontal line.

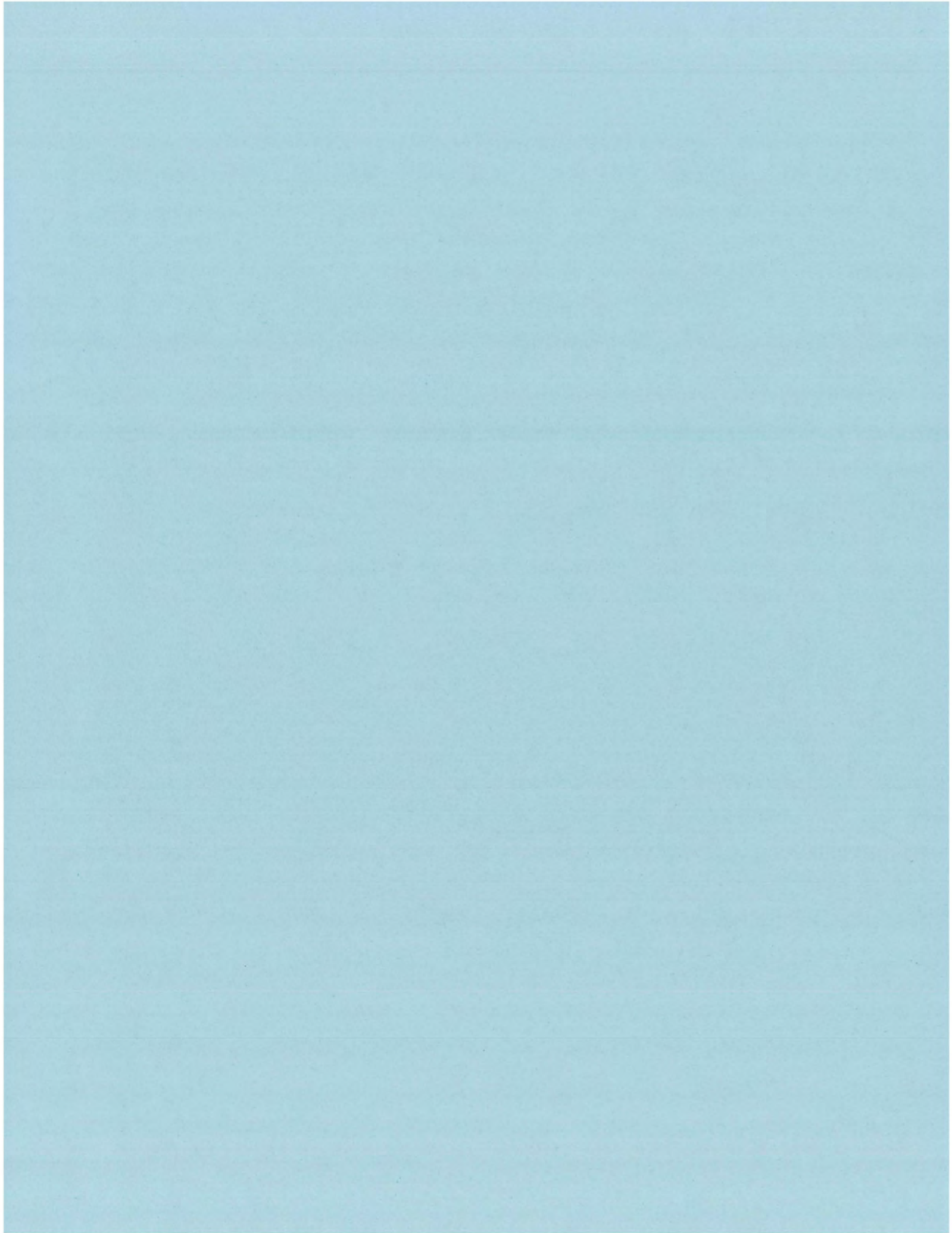
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Resident Medical Group Inc.









**MILLER THOMSON**  
AVOCATS | LAWYERS

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August 7, 2020

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**BLESS JIMMY'S PHARMA INC.**

721 Gerrard Street E.  
Toronto, Ontario M4M 1Y5

Attention: President

-and-

**BLESS JIMMY'S PHARMA INC.**

255 Broadview Avenue  
Toronto, Ontario M4M 2G6

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Bless Jimmy's Pharma Inc. (the "Borrower") to Maxium Financial Services Inc.**

Maxium Financial Services Inc. (the "**Lender**") advanced the sum of \$750,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 15, 2015 executed by the Borrower (the "**Promissory Note**"). As security for the Promissory Note, the Borrower issued a general security agreement dated March 15, 2015 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the "**Borrower Security**").

We note that each of Selvia Gerges, Jimmy's Group Investors Inc., Bless Pharma Inc., John Gerges ("**JG**") and Gamal F. Gerges executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the "**Guarantor Security**" and together with the Borrower Security, the "**Security**").

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$432,937.01. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$213.50 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Selvia Gerges  
Jimmy's Group Investors Inc.  
Bless Pharma Inc.  
John Gerges  
Gamal F. Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**


**TO: BLESS JIMMY'S PHARMA INC.**, an insolvent person

Take notice that:

1. Maxium Financial Services Inc. (the "**Lender**"), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of Bless Jimmy's Pharma Inc. to the Lender in the General Security Agreement granted by Bless Jimmy's Pharma Inc. in favour of the Lender dated as of March 15, 2015.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Bless Jimmy's Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**MAXIUM FINANCIAL SERVICES INC.**  
by its lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





**MILLER THOMSON**  
AVOCATS | LAWYERS

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CANADA

T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**BLESS PHARMA INC.**  
721 Gerrard Street East, Toronto, ON M4M 1Y5

Attention: President

- and -

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and-

**GAMAL F. GERGES**  
14744 Woodbine Avenue Gormley, ON  
L0H 1G0

-and-

**JIMMY'S GROUP INVESTORS INC.**  
255 Broadview Avenue, Toronto, ON M4M 2G6

Attention: President

-and-

**SELVIA GERGES**  
14744 Woodbine Avenue, Gormley, ON L0H 1G0

Dear Sirs/Mesdames:

**Re: Guarantees by each of Selvia Gerges ("SG"), Jimmy's Group Investors Inc. ("JGII"), Bless Pharma Inc. ("BPI"), John Gerges ("JG") and Gamal F. Gerges ("GFG", and together with SG, JGII, BPI and JG, the "Guarantors" and each a "Guarantor") with respect to a Promissory Note issued by Bless Jimmy's Pharma Inc. (the "Borrower") to Maxium Financial Services Inc.**

Maxium Financial Services Inc. (the “**Lender**”) advanced the sum of \$750,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 15, 2015 executed by the Borrower (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to SG, , a guarantee dated March 15, 2015 granted by SG in favour of the Lender, pursuant to which SG guaranteed the present and future obligations of the Borrower to the Lender (the “**SG Guarantee**”);
- (b) with respect to JGII, , a guarantee dated March 15, 2015 granted by JGII in favour of the Lender, pursuant to which JGII guaranteed the present and future obligations of the Borrower to the Lender (the “**JGII Guarantee**”);
- (c) with respect to GFG, a guarantee dated March 15, 2015 granted by GFG in favour of the Lender, pursuant to which GFG guaranteed the present and future obligations of the Borrower to the Lender (the “**GFG Guarantee**”);
- (d) with respect to BPI, a guarantee dated March 15, 2015 granted by BPI in favour of the Lender, pursuant to which BPI guaranteed the present and future obligations of the Borrower to the Lender (the “**BPI Guarantee**”); and
- (e) with respect to JG, a guarantee dated March 15, 2015 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the SG Guarantee, the JGII Guarantee, the GFG Guarantee and the BPI Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.



The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
Sevlia Gerges  
Jimmy's Group Investors Inc.  
Bless Pharma Inc.  
John Gerges  
Gamal F. Gerges





FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:** BLESS PHARMA INC., an insolvent person

**AND TO:** JOHN GERGES, an insolvent person

**AND TO:** GAMAL F. GERGES, an insolvent person

**AND TO:** SELVIA GERGES, an insolvent person

**AND TO:** JIMMY'S GROUP INVESTORS INC., an insolvent person


Take notice that:

1. Maxium Financial Services Inc. (the "**Lender**"), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) With respect to Bless Pharma Inc.:
    - (i) All property described as collateral for the obligations of Bless Jimmy's Pharma Inc. to the Lender in the guarantee granted by Bless Pharma Inc. in favour of the Lender dated as of March 15, 2015; and
    - (ii) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the General Security Agreement granted by Bless Pharma Inc. in favour of the Lender dated as of March 15, 2015.
  - (b) with respect to John Gerges:
    - (i) All property described as collateral for the obligations of Bless Jimmy's Pharma Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of March 15, 2015; and
    - (ii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of March 15, 2015.
  - (c) with respect to Gamal F. Gerges:
    - (i) All property described as collateral for the obligations of Bless Jimmy's Pharma Inc. to the Lender in the guarantee granted by Gamal F. Gerges in favour of the Lender dated as of March 15, 2015; and
    - (ii) All property described as collateral for the obligations of Gamal F. Gerges to the Lender in the General Security Agreement granted by Gamal F. Gerges in favour of the Lender dated as of March 15, 2015.
  - (d) with respect to Selvia Gerges:

- (i) All property described as collateral for the obligations of Bless Jimmy's Pharma Inc. to the Lender in the guarantee granted by Selvia Gerges in favour of the Lender dated as of March 15, 2015; and
  - (ii) All property described as collateral for the obligations of to Selvia Gerges to the Lender in the General Security Agreement granted by Selvia Gerges in favour of the Lender dated as of March 15, 2015.
- (e) with respect to Jimmy's Group Investors Inc.:
- (i) All property described as collateral for the obligations of Bless Jimmy's Pharma Inc. to the Lender in the guarantee granted by Jimmy's Group Investors Inc. in favour of the Lender dated as of March 15, 2015;
  - (ii) All property described as collateral for the obligations of Jimmy's Group Investors Inc. to the Lender in the General Security Agreement granted by Jimmy's Group Investors Inc. in favour of the Lender dated as of March 15, 2015; and
  - (iii) All property described as collateral for the obligations of Jimmy's Group Investors Inc. to the Lender in the General Security Agreement granted by Jimmy's Group Investors Inc. in favour of the Lender also dated as of March 15, 2015.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
  3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Bless Jimmy's Pharma Inc.
  4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**MAXIUM FINANCIAL SERVICES INC.**  
by its lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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AVOCATS | LAWYERS

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F 416.595.8695

MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**BLESS JIMMY'S PHARMA INC.**

721 Gerrard Street E.  
Toronto, Ontario M4M 1Y5

Attention: President

-and-

**BLESS JIMMY'S PHARMA INC.**

255 Broadview Avenue  
Toronto, Ontario M4M 2G6

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Bless Jimmy's Pharma Inc. (the "Borrower") to Maxium Financial Services Inc.**

Maxium Financial Services Inc. (the "**Lender**") advanced the sum of \$750,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 15, 2015 executed by the Borrower (the "**Promissory Note**"). As security for the Promissory Note, the Borrower issued a general security agreement dated March 15, 2015 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the "**Borrower Security**").

We note that each of Selvia Gerges, Jimmy's Group Investors Inc., Bless Pharma Inc., John Gerges ("**JG**") and Gamal F. Gerges executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the "**Guarantor Security**" and together with the Borrower Security, the "**Security**").

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$432,937.01. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$213.50 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'G. Marinangeli', written over a horizontal line.

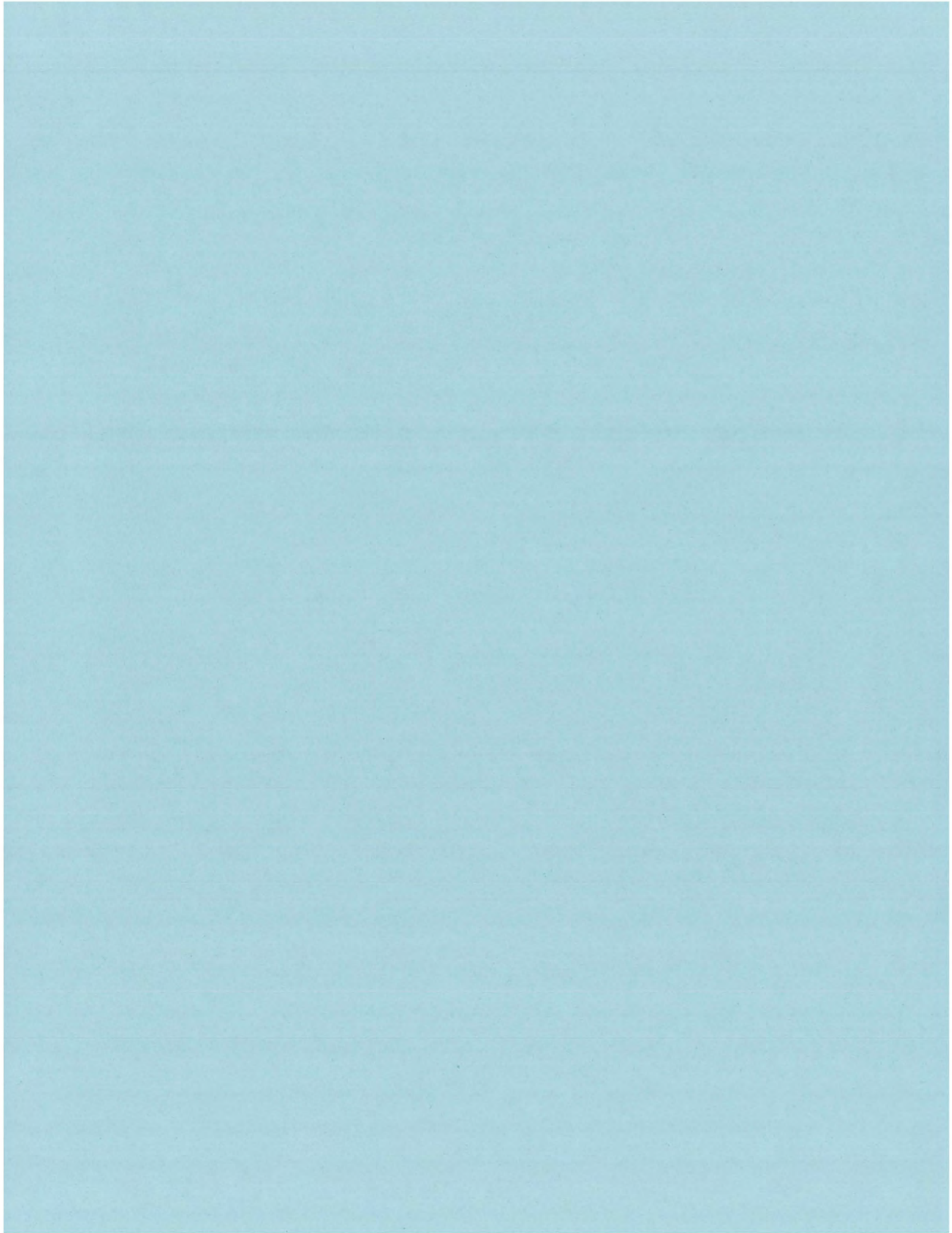
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Selvia Gerges  
Jimmy's Group Investors Inc.  
Bless Pharma Inc.  
John Gerges  
Gamal F. Gerges









**MILLER THOMSON**  
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CANADA

T 416.595.8500  
F 416.595.8695

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August 7, 2020

**Private and Confidential**  
**Delivered via Email to: [\*\*]**

**BLESS PHARMA INC.**  
721 Gerrard Street E.  
Toronto, Ontario M4M 1Y5

Attention: John Gerges

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Bless Pharma Inc. (the “Borrower”) to 1951584 Ontario Inc. (formerly Desante Financial Services Inc.)**

1951584 Ontario Inc. (formerly Desante Financial Services Inc.) (the “**Lender**”) advanced the sum of \$518,331.96 CAD to the Borrower pursuant to the terms of a promissory note dated June 3, 2019 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated June 3, 2019 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of S&J Property Investors Inc., Toronto Apothecary Pharma Inc. (“**TAP**”), John Gerges (“**JG**”) and Gamal F. Gerges executed a standard guarantee and, other than TAP, a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the

Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$537,611.52. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$265.12 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.





The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
S&J Property Investors Inc.  
John Gerges  
Gamal F. Gerges  
Toronto Apothecary Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:** BLESS PHARMA INC., an insolvent person

Take notice that:

1. 1951584 Ontario Inc. (formerly Desante Financial Services Inc.) (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the General Security Agreement granted by Bless Pharma Inc. in favour of the Lender dated as of June 3, 2019; and
  - (b) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the General Security Agreement granted by Bless Pharma Inc. in favour of the Lender also dated as of June 3, 2019.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Bless Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**1951584 ONTARIO INC.** (formerly  
Desante Financial Services Inc.) by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**S&J PROPERTY INVESTORS INC.**  
721 Gerrard Street East, Toronto, ON M4M 1Y5

Attention: John Gerges

- and -

**TORONTO APOTHECARY PHARMA INC.**  
842 Markham Road  
Scarborough, ON M1H 2Y2

Attention: President and Diep Nguyen

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and -

**GAMAL F. GERGES**  
14744 Woodbine Avenue Gormley, ON  
L0H 1G0

Dear Sirs/Mesdames:

**Re: Guarantees by each of S&J Property Investors Inc. (“S&J”), Toronto Apothecary Pharma Inc. (“TAP”), John Gerges (“JG”) and Gamal F. Gerges (“GFG”, and together with S&J, TAP and JG, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by Bless Pharma Inc. (the “Borrower”) to 1951584 Ontario Inc. (formerly Desante Financial Services Inc.)**

1951584 Ontario Inc. (formerly Desante Financial Services Inc.) (the “**Lender**”) advanced the sum of \$518,331.96 CAD to the Borrower pursuant to the terms of a promissory note dated June 3, 2019 executed by the Borrower (the “**Promissory Note**”).

According to the Lender's records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to S&J, a guarantee dated June 3, 2019 granted by S&J in favour of the Lender, pursuant to which S&J guaranteed the present and future obligations of the Borrower to the Lender (the "**S&J Guarantee**");
- (b) with respect to TAP, a guarantee dated March 11, 2016 granted by TAP in favour of the Lender, pursuant to which TAP guaranteed the present and future obligations of the Borrower to the Lender (the "**TAP Guarantee**");
- (c) with respect to GFG, a guarantee dated June 3, 2019 granted by GFG in favour of the Lender, pursuant to which GFG guaranteed the present and future obligations of the Borrower to the Lender (the "**GFG Guarantee**"); and
- (d) with respect to JG, a guarantee dated June 3, 2019 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the "**JG Guarantee**", and together with the GFG Guarantee, the S&J Guarantee and the TAP Guarantee, the "**Guarantees**").

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.



The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per: 

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
S&J Property Investors Inc.  
Toronto Apothecary Pharma Inc.  
John Gerges  
Gamal F. Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:** S&J PROPERTY INVESTORS INC., an insolvent person

**AND TO:** JOHN GERGES, an insolvent person

**AND TO:** GAMAL F. GERGES, an insolvent person

**AND TO:** TORONTO APOTHECARY PHARMA INC., an insolvent person

Take notice that:

1. 1951584 Ontario Inc. (formerly Desante Financial Services Inc.) (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:

(a) With respect to S&J Property Investors Inc.:

- (i) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the guarantee granted by S&J Property Investors Inc. in favour of the Lender dated as of June 3, 2019;
- (ii) All property described as collateral for the obligations of S&J Property Investors Inc. to the Lender in the General Security Agreement granted by S&J Property Investors Inc. in favour of the Lender dated as of June 3, 2019; and
- (iii) All property described as collateral for the obligations of S&J Property Investors Inc. to the Lender in the General Security Agreement granted by S&J Property Investors Inc. in favour of the Lender also dated as of June 3, 2019.

(b) with respect to John Gerges:

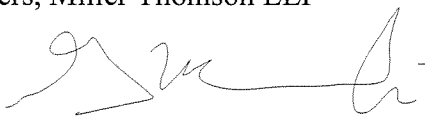
- (i) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of June 3, 2019;
- (ii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of June 3, 2019; and
- (iii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender also dated as of June 3, 2019.

(c) with respect to Gamal F. Gerges:

- (i) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the guarantee granted by Gamal F. Gerges in favour of the Lender dated as of June 3, 2019;
  - (ii) All property described as collateral for the obligations of Gamal F. Gerges to the Lender in the General Security Agreement granted by Gamal F. Gerges in favour of the Lender dated as of June 3, 2019; and
  - (iii) All property described as collateral for the obligations of Gamal F. Gerges to the Lender in the General Security Agreement granted by Gamal F. Gerges in favour of the Lender also dated as of June 3, 2019.
- (d) with respect to Toronto Apothecary Pharma Inc.:
- (i) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the guarantee granted by Toronto Apothecary Pharma Inc. in favour of the Lender dated as of March 11, 2016.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Bless Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**1951584 ONTARIO INC.** (formerly Desante Financial Services Inc.) by its lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





**MILLER THOMSON**  
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T 416.595.8500  
F 416.595.8695

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August 7, 2020

**Private and Confidential**  
**Delivered via Email to: [\*\*]**

**BLESS PHARMA INC.**  
721 Gerrard Street E.  
Toronto, Ontario M4M 1Y5

Attention: John Gerges

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Bless Pharma Inc. (the “Borrower”) to 1951584 Ontario Inc. (formerly Desante Financial Services Inc.)**

1951584 Ontario Inc. (formerly Desante Financial Services Inc.) (the “**Lender**”) advanced the sum of \$518,331.96 CAD to the Borrower pursuant to the terms of a promissory note dated June 3, 2019 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated June 3, 2019 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of S&J Property Investors Inc., Toronto Apothecary Pharma Inc. (“**TAP**”), John Gerges (“**JG**”) and Gamal F. Gerges executed a standard guarantee and, other than TAP, a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the

Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$537,611.52. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$265.12 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

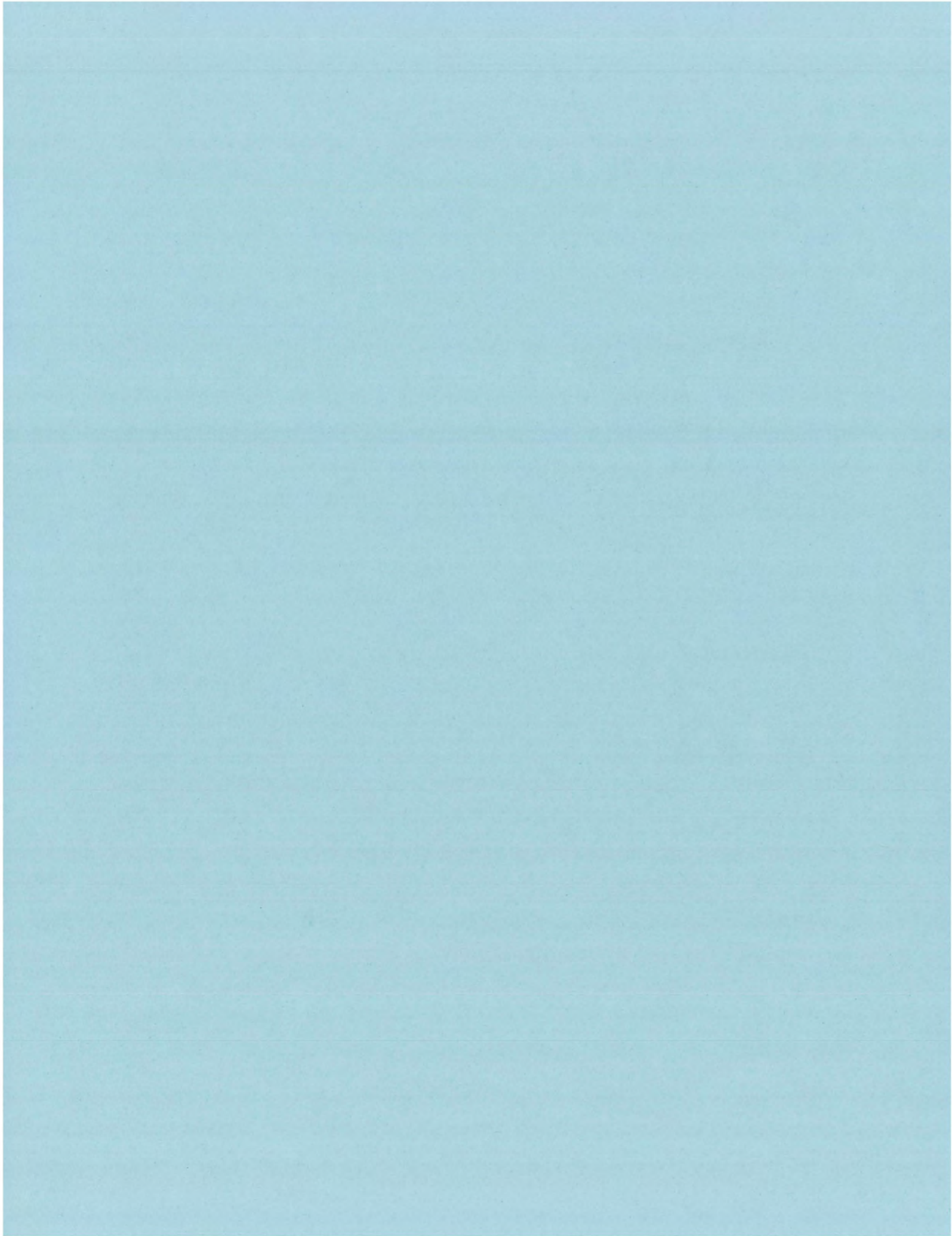


Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

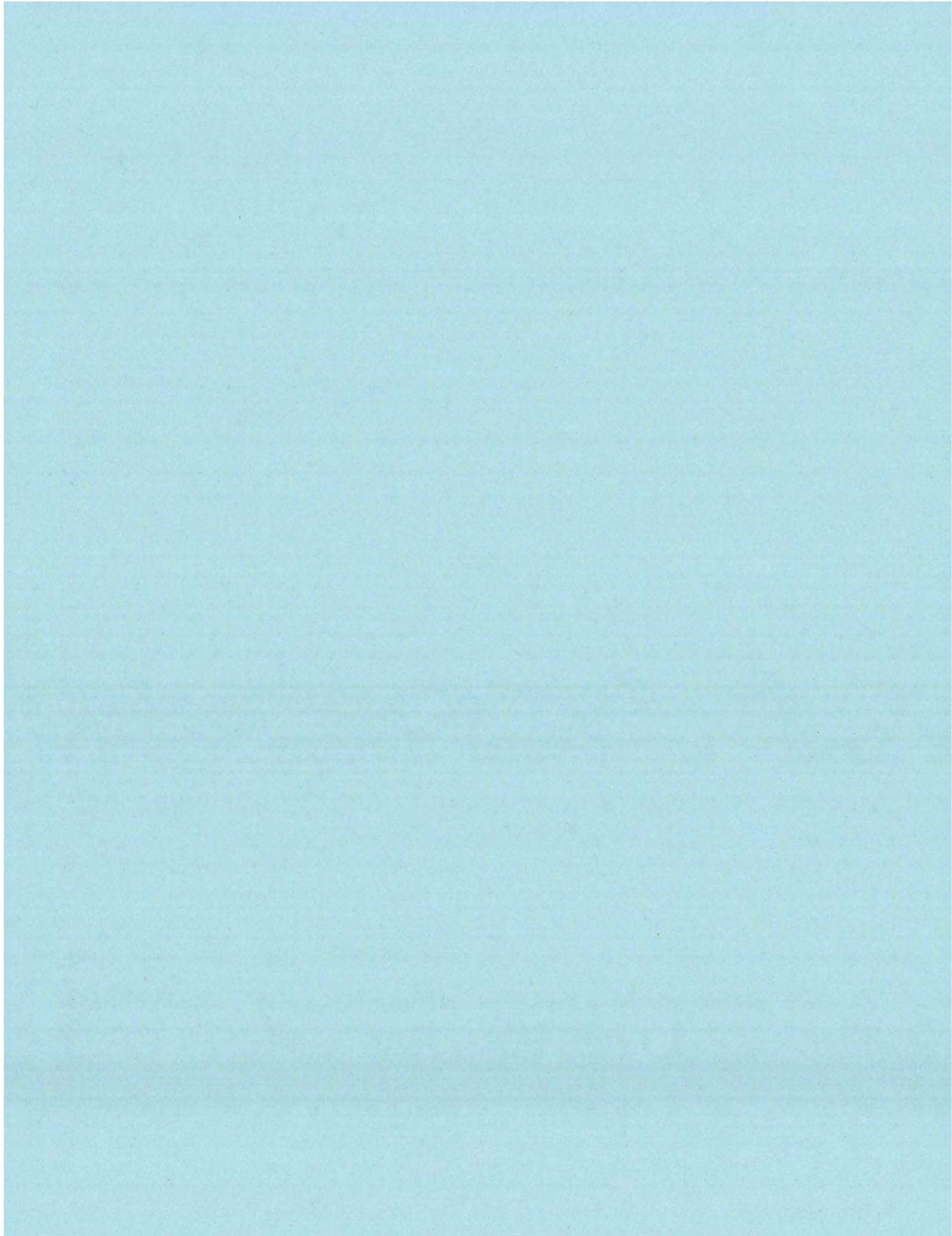
JCC/af

cc. Ted Hopkinson  
S&J Property Investors Inc.  
John Gerges  
Gamal F. Gerges  
Toronto Apothecary Pharma Inc.











**MILLER THOMSON**  
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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**JG WINDSOR INC.**  
2780 Totten Street  
Windsor, Ontario N9B 0A9

Attention: President

-and-

**JG WINDSOR INC.**  
14744 Woodbine Avenue  
Gormley, Ontario L0H 1G0

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by JG Windsor Inc. (the “Borrower”) to Element Financial Corporation**

Element Financial Corporation (the “**Lender**”) advanced the sum of \$410,847.50 CAD to the Borrower pursuant to the terms of a promissory note dated May 27, 2015 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated May 27, 2015 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of John Gerges (“**JG**”) and Bless JG Pharma Inc. executed a standard guarantee pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$250,875.52. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$123.72 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.





The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Bless JG Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: JG WINDSOR INC.**, an insolvent person

Take notice that:

1. Element Financial Corporation (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of JG Windsor Inc. to the Lender in the General Security Agreement granted by JG Windsor Inc., in favour of the Lender dated as of May 27, 2015; and
  - (b) PT LT 97; LTS 98, 99, 100 & 101 , PL 1074; PT Alley, PL 1074 (Closed by R988884) as in R1226023 Designated as PTS 1, 2, 3, 4 & 8, PL 12R23679 ; SIT Ease Over PT 4, PL 12R23679 as in R1018507E; SIT Ease Over PT 8, PL 12R23679 AS IN R1018608E; S/T Ease Over PTS 3, 4 & 8, PL 12 R23679 as in CE364285; T/W Ease Over PTS 5, 6 & 7, PL 12R23679 as in CE:3642 85, SAVE & EXCEPT PARTS 1 - 4 PL 12R24118.; City Of Windsor, municipally known as 2780 Totten Street, Windsor (PIN 01212-0549 LT) (the “**Real Property**”), as mortgage registered as Instrument Number CE659993 (as transferred by Instrument Number CE809960 on December 20, 2017 and further transferred by Instrument Number CE822040 on March 27, 2018) on May 29, 2015 , as amended from time to time, in the principal amount of \$410,000.00 over the Real Property; and
  - (c) a Assignment of General Rents And Leases as mortgage registered as Instrument Number CE659994 (as transferred by Instrument Number CE809963 on December 20, 2017 and further transferred by Instrument Number CE822042 on March 27, 2018) on May 29, 2015 , as amended from time to time, over the Real Property.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to JG Windsor Inc.

4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**ELEMENT FINANCIAL  
CORPORATION** by its lawyers, Miller  
Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



**MILLER THOMSON**  
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F 416.595.8695

MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave,  
Toronto, ON M2K 3E7

- and -

**BLESS JG PHARMA INC.**  
14744 Woodbine Avenue  
Gormley, Ontario L0H 1G0

Attention: President

Dear Sirs/Mesdames:

**Re: Guarantees by each of John Gerges (“JG”) and Bless JG Pharma Inc. (“BJGP”, and together with JG, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by JG Windsor Inc. (the “Borrower”) to Element Financial Corporation**

Element Financial Corporation (the “**Lender**”) advanced the sum of \$410,847.50 CAD to the Borrower pursuant to the terms of a promissory note dated May 27, 2015 executed by the Borrower (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by the Guarantors:

- (a) with respect to JG, a guarantee dated May 26, 2015 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”); and
- (b) with respect to BJGP, a guarantee dated May 26, 2015 granted by BJGP in favour of the Lender, pursuant to which BJGP guaranteed the present and future obligations of the Borrower to the Lender (the “**BJGP Guarantee**”, and together with the JG Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges  
Bless JG Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:**           **JOHN GERGES**, an insolvent person

**AND TO:**   **BLESS JG PHARMA INC.**, an insolvent person

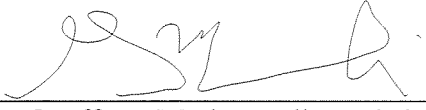
Take notice that:

1.     Element Financial Corporation (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a)    With respect to John Gerges:
    - (i)     All property described as collateral for the obligations of JG Windsor Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of May 26, 2015; and
    - (ii)    All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 26, 2015.
  - (b)    With respect to Bless JG Pharma Inc.:
    - (i)     All property described as collateral for the obligations of JG Windsor Inc. to the Lender in the guarantee granted by Bless JG Pharma Inc. in favour of the Lender dated as of May 26, 2015.
2.     The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3.     The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to JG Windsor Inc.

4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**ELEMENT FINANCIAL  
CORPORATION**, by its lawyers, Miller  
Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**JG WINDSOR INC.**  
2780 Totten Street  
Windsor, Ontario N9B 0A9

Attention: President

-and-

**JG WINDSOR INC.**  
14744 Woodbine Avenue  
Gormley, Ontario L0H 1G0

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by JG Windsor Inc. (the “Borrower”) to Element Financial Corporation**

Element Financial Corporation (the “**Lender**”) advanced the sum of \$410,847.50 CAD to the Borrower pursuant to the terms of a promissory note dated May 27, 2015 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated May 27, 2015 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of John Gerges (“**JG**”) and Bless JG Pharma Inc. executed a standard guarantee pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$250,875.52. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$123.72 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

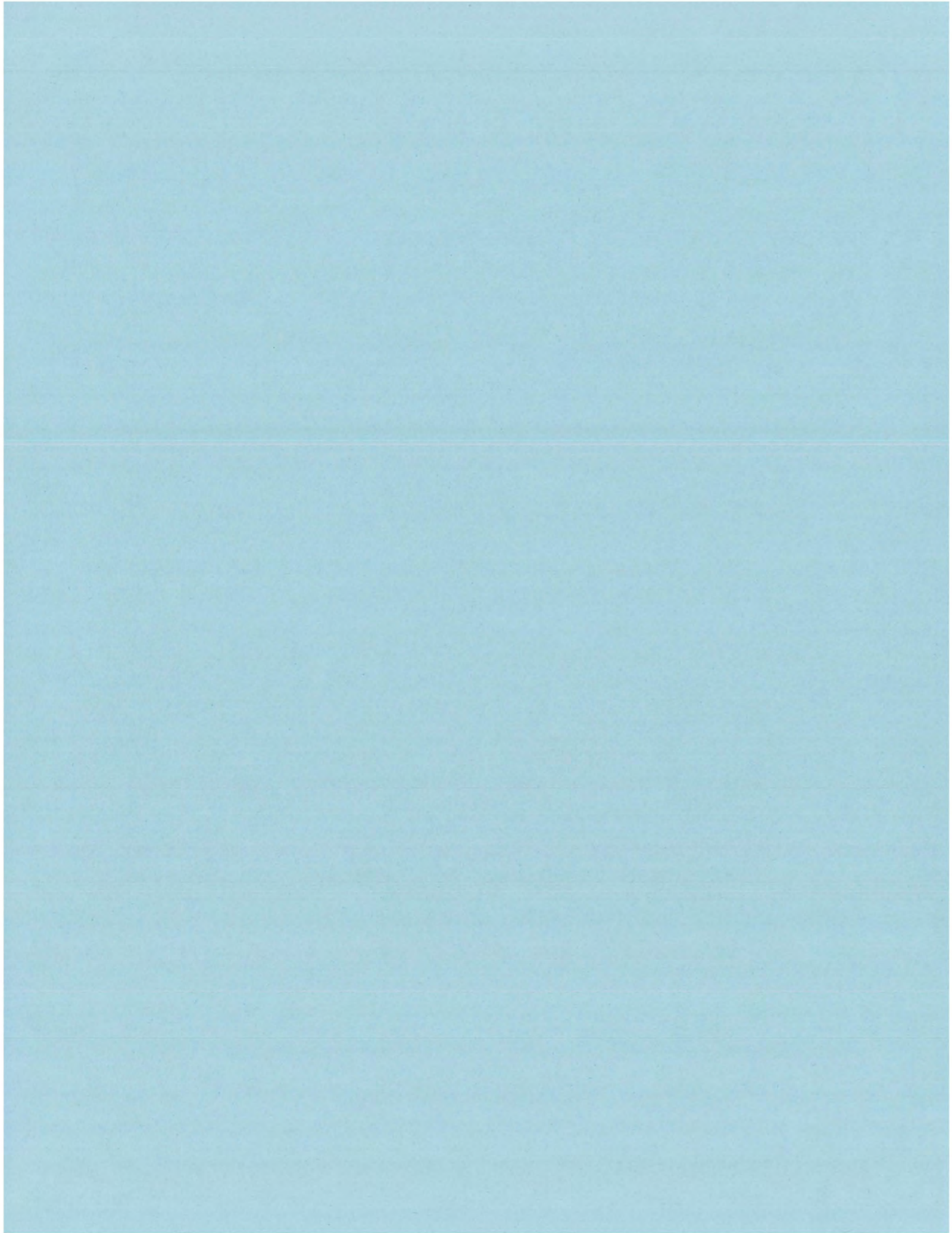


Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Bless JG Pharma Inc.







**MILLER THOMSON**  
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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**JIMMY'S GROUP INVESTORS INC.**  
255 Broadview Avenue  
Toronto, Ontario M4M 2G6

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Jimmy's Group Investors Inc. (the "Borrower") to  
Maxium Financial Services Inc.**

Maxium Financial Services Inc. (the "**Lender**") advanced the sum of \$475,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 15, 2015 executed by the Borrower (the "**Promissory Note**"). As security for the Promissory Note, the Borrower issued a general security agreement dated March 15, 2015 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the "**Borrower Security**").

We note that each of Selvia Gerges, Bless Jimmy's Pharma Inc., Bless Pharma Inc., John Gerges ("**JG**") and Gamal F. Gerges executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the "**Guarantor Security**" and together with the Borrower Security, the "**Security**").

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the

Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$409,927.3. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$202.16 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Selvia Gerges  
Bless Jimmy's Pharma Inc.  
Bless Pharma Inc.  
John Gerges  
Gamal F. Gerges





FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: JIMMY'S GROUP INVESTORS INC.**, an insolvent person

Take notice that:

1. Maxium Financial Services Inc. (the "**Lender**"), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of Jimmy's Group Investors Inc. to the Lender in the General Security Agreement granted by Jimmy's Group Investors Inc. in favour of the Lender dated as of March 15, 2015;
  - (b) All property described as collateral for the obligations of Jimmy's Group Investors Inc. to the Lender in the General Security Agreement granted by Jimmy's Group Investors Inc. in favour of the Lender also dated as of March 15, 2015; and
  - (c) PT LT 1-2 PL 386 RIVERDALE PT 2 63R1040; City of Toronto, municipally known as 255 Broadview Avenue, Toronto (PIN 21071-0244 LT) (the "**Real Property**") pursuant to a mortgage registered as Instrument Number AT3833921 on March 17, 2015, as amended from time to time, in the principal amount of \$1,350,000.00 over the Real Property.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Jimmy's Group Investors Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**MAXIUM FINANCIAL SERVICES INC.**  
by its lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



**MILLER THOMSON**  
AVOCATS | LAWYERS

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MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**BLESS PHARMA INC.**  
721 Gerrard Street East, Toronto, ON M4M 1Y5

Attention: President

- and –

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and –

**GAMAL F. GERGES**  
14744 Woodbine Avenue Gormley, ON  
L0H 1G0

-and-

**BLESS JIMMY'S PHARMA INC.**  
255 Broadview Avenue, Toronto, ON M4M 2G6

Attention: President

-and-

**SELVIA GERGES**  
14744 Woodbine Avenue, Gormley, ON L0H 1G0

Dear Sirs/Mesdames:

**Re: Guarantees by each of Selvia Gerges (“SG”), Bless Jimmy’s Pharma Inc. (“BJPI”), Bless Pharma Inc. (“BPI”), John Gerges (“JG”) and Gamal F. Gerges (“GFG”, and together with SG, BJPI, BPI and JG, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by Jimmy’s Group Investors Inc. (the “Borrower”) to Maxium Financial Services Inc.**

Maxium Financial Services Inc. (the “**Lender**”) advanced the sum of \$475,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 15, 2015 executed by the Borrower (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to SG, , a guarantee dated March 15, 2015 granted by SG in favour of the Lender, pursuant to which SG guaranteed the present and future obligations of the Borrower to the Lender (the “**SG Guarantee**”);
- (b) with respect to BJPI, , a guarantee dated March 15, 2015 granted by BJPI in favour of the Lender, pursuant to which BJPI guaranteed the present and future obligations of the Borrower to the Lender (the “**BJPI Guarantee**”);
- (c) with respect to GFG, a guarantee dated March 15, 2015 granted by GFG in favour of the Lender, pursuant to which GFG guaranteed the present and future obligations of the Borrower to the Lender (the “**GFG Guarantee**”);
- (d) with respect to BPI, a guarantee dated March 15, 2015 granted by BPI in favour of the Lender, pursuant to which BPI guaranteed the present and future obligations of the Borrower to the Lender (the “**BPI Guarantee**”); and
- (e) with respect to JG, a guarantee dated March 15, 2015 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the SG Guarantee, the BJPI Guarantee, the GFG Guarantee and the BPI Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.



The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
Sevlia Gerges  
Bless Jimmy's Pharma Inc.  
Bless Pharma Inc.  
John Gerges  
Gamal F. Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:** BLESS PHARMA INC., an insolvent person

**AND TO:** JOHN GERGES, an insolvent person

**AND TO:** GAMAL F. GERGES, an insolvent person

**AND TO:** SELVIA GERGES, an insolvent person

**AND TO:** BLESS JIMMY'S PHARMA INC., an insolvent person


Take notice that:

1. Maxium Financial Services Inc. (the "**Lender**"), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) With respect to Bless Pharma Inc.:
    - (i) All property described as collateral for the obligations of Jimmy's Group Investors Inc. to the Lender in the guarantee granted by Bless Pharma Inc. in favour of the Lender dated as of March 15, 2015; and
    - (ii) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the General Security Agreement granted by Bless Pharma Inc. in favour of the Lender dated as of March 15, 2015.
  - (b) with respect to John Gerges:
    - (i) All property described as collateral for the obligations of Jimmy's Group Investors Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of March 15, 2015; and
    - (ii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of March 15, 2015.
  - (c) with respect to Gamal F. Gerges:
    - (i) All property described as collateral for the obligations of Jimmy's Group Investors Inc. to the Lender in the guarantee granted by Gamal F. Gerges in favour of the Lender dated as of March 15, 2015; and
    - (ii) All property described as collateral for the obligations of Gamal F. Gerges to the Lender in the General Security Agreement granted by Gamal F. Gerges in favour of the Lender dated as of March 15, 2015.
  - (d) with respect to Selvia Gerges:

- (i) All property described as collateral for the obligations of Jimmy's Group Investors Inc. to the Lender in the guarantee granted by Selvia Gerges in favour of the Lender dated as of March 15, 2015; and
  - (ii) All property described as collateral for the obligations of to Selvia Gerges to the Lender in the General Security Agreement granted by Selvia Gerges in favour of the Lender dated as of March 15, 2015.
- (e) with respect to Bless Jimmy's Pharma Inc.:
- (i) All property described as collateral for the obligations of Jimmy's Group Investors Inc. to the Lender in the guarantee granted by Bless Jimmy's Pharma Inc. in favour of the Lender dated as of March 15, 2015;
  - (ii) All property described as collateral for the obligations of Bless Jimmy's Pharma Inc. to the Lender in the General Security Agreement granted by Bless Jimmy's Pharma Inc. in favour of the Lender dated as of March 15, 2015.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
  3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Jimmy's Group Investors Inc.
  4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**MAXIUM FINANCIAL SERVICES INC.**  
by its lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**JIMMY'S GROUP INVESTORS INC.**  
255 Broadview Avenue  
Toronto, Ontario M4M 2G6

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Jimmy's Group Investors Inc. (the "Borrower") to Maxium Financial Services Inc.**

Maxium Financial Services Inc. (the "**Lender**") advanced the sum of \$475,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 15, 2015 executed by the Borrower (the "**Promissory Note**"). As security for the Promissory Note, the Borrower issued a general security agreement dated March 15, 2015 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the "**Borrower Security**").

We note that each of Selvia Gerges, Bless Jimmy's Pharma Inc., Bless Pharma Inc., John Gerges ("**JG**") and Gamal F. Gerges executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the "**Guarantor Security**" and together with the Borrower Security, the "**Security**").

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the



Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$409,927.3. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$202.16 (collectively, the **"Outstanding Indebtedness"**).

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

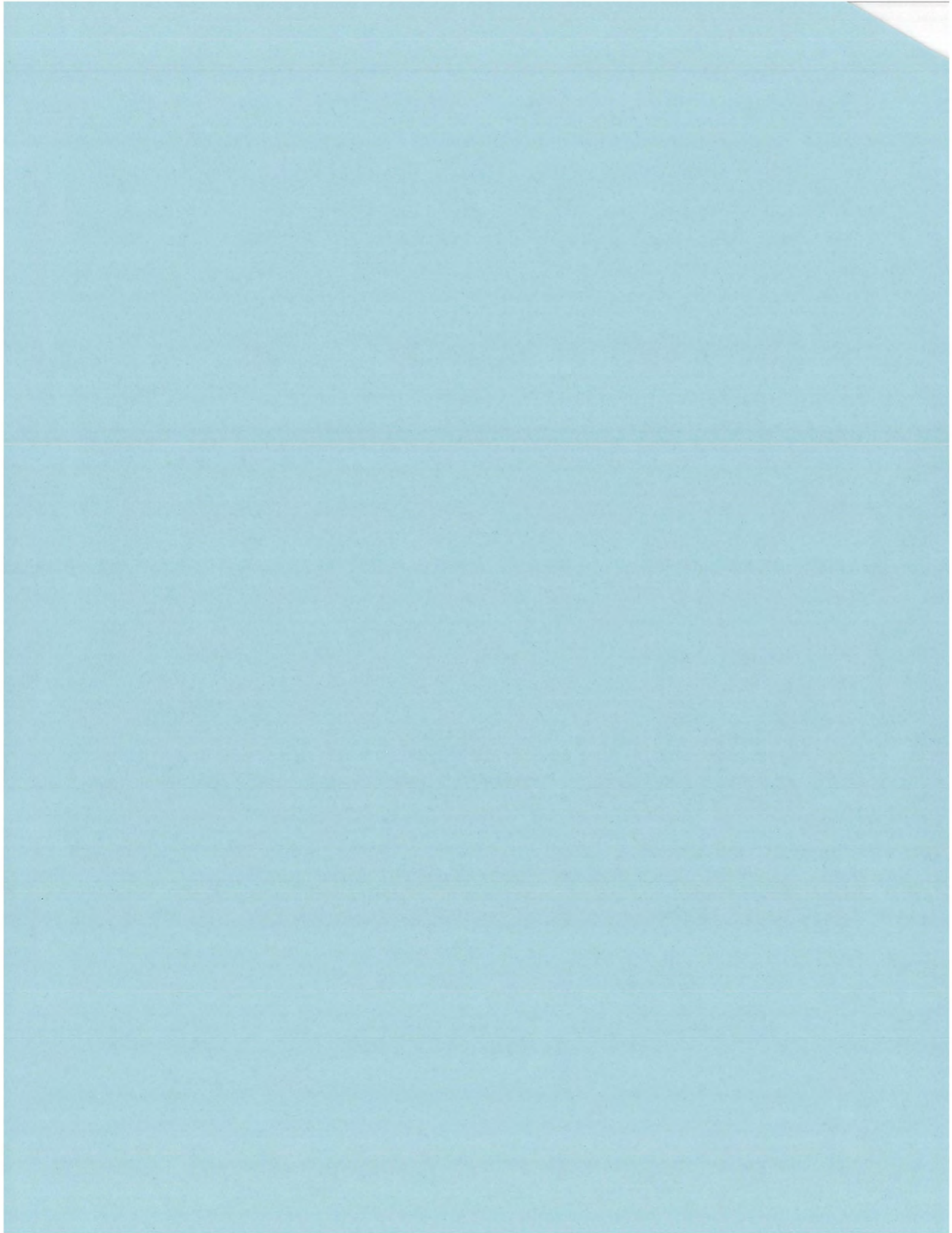


Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Selvia Gerges  
Bless Jimmy's Pharma Inc.  
Bless Pharma Inc.  
John Gerges  
Gamal F. Gerges







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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**JM WESTVIEW PHARMA INC.**  
15 Mill Street E.  
Tilbury, Ontario N0P 2L0

Attention: President

-and-

**JM WESTVIEW PHARMA INC.**  
136 Hailsham Court  
Woodbridge, Ontario L4H 3P1

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by JM Westview Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$762,022.01 CAD to the Borrower pursuant to the terms of a promissory note dated August 2, 2018 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated August 2, 2018 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which JG guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:



- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower;
- (b) the Borrower advised the Lender that as a result of those professional misconduct allegations, Telus Communications Inc. decided to terminate its service agreement with with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower;
- (c) the Borrower has indicated to the Lender that it may move the location of its business without the prior written consent of the Lender; and
- (d) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$603,330.23. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$297.53 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the



Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.

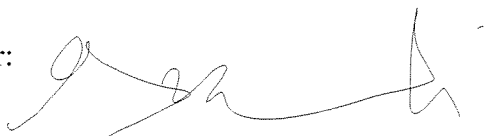
The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'Geoffrey Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: JM WESTVIEW PHARMA INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of JM Westview Pharma Inc. to the Lender in the General Security Agreement granted by JM Westview Pharma Inc. in favour of the Lender dated as of August 2, 2018.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to JM Westview Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





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August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

Dear Sirs/Mesdames:

**Re: Guarantee by John Gerges (the “Guarantor”) with respect to a Promissory Note issued by JM Westview Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$762,022.01 CAD to the Borrower pursuant to the terms of a promissory note dated August 2, 2018 executed by the Borrower (the “**Promissory Note**”).

According to the Lender’s records, the Guarantor is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds a guarantee dated August 2, 2018 granted by the Guarantor in favour of the Lender, pursuant to which the Guarantor guaranteed the present and future obligations of the Borrower to the Lender (the “**Guarantee**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of the Guarantee.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'J. Carhart', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: JOHN GERGES**, an insolvent person


Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of JM Westview Pharma Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of August 2, 2018;
  - (b) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of March 11, 2016;
  - (c) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender also dated as of March 11, 2016;
  - (d) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 18, 2016;
  - (e) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of November 5, 2017;
  - (f) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of May 25, 2018;
  - (g) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of October 21, 2019;
  - (h) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 2, 2018; and
  - (i) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of December 23, 2019.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.

3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to JM Westview Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.**, by  
its lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**JM WESTVIEW PHARMA INC.**  
15 Mill Street E.  
Tilbury, Ontario N0P 2L0

Attention: President

-and-

**JM WESTVIEW PHARMA INC.**  
136 Hailsham Court  
Woodbridge, Ontario L4H 3P1

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by JM Westview Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$762,022.01 CAD to the Borrower pursuant to the terms of a promissory note dated August 2, 2018 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated August 2, 2018 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which JG guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower;
- (b) the Borrower advised the Lender that as a result of those professional misconduct allegations, Telus Communications Inc. decided to terminate its service agreement with with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower;
- (c) the Borrower has indicated to the Lender that it may move the location of its business without the prior written consent of the Lender; and
- (d) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$603,330.23. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$297.53 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the



Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.

The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

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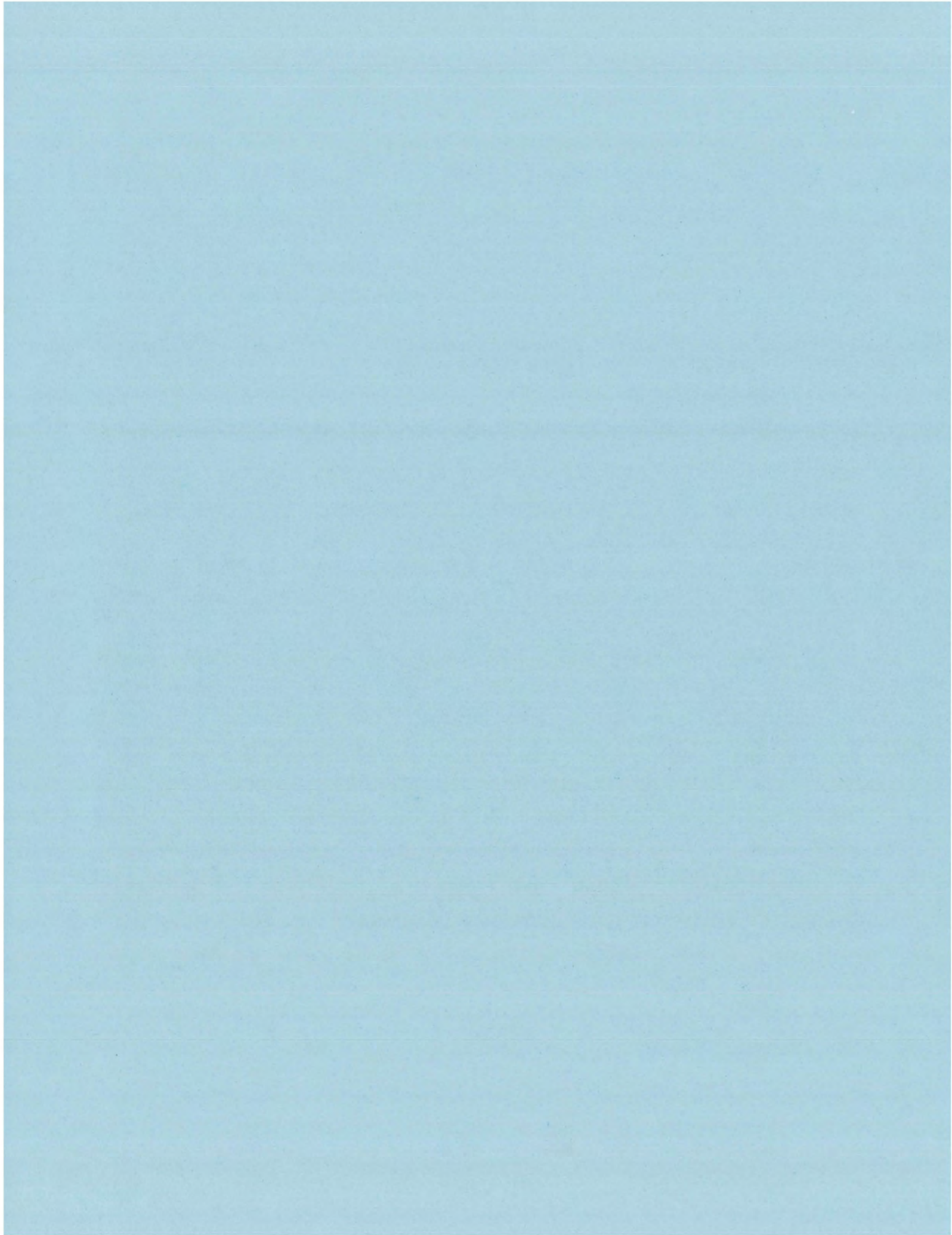
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges









**MILLER THOMSON**  
AVOCATS | LAWYERS

MILLER THOMSON LLP  
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CANADA

T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**JUBILEE PROPERTY INVESTMENTS INC.**

11-280 West Beaver Creek  
Richmond Hill, Ontario L4B 3B1

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Jubilee Property Investments Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$300,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated November 5, 2017 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated November 5, 2017 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Sally G. Gerges, Selvia Gerges, Bless Pharma Inc. (“BPI”), Resident Medical Group Inc. and John Gerges (“JG”) executed a standard guarantee and, other than BPI, a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer

scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$276,545.36. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$136.38 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Sally G. Gerges  
Selvia Gerges  
Bless Pharma Inc.  
Resident Medical Group Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: JUBILEE PROPERTY INVESTMENTS INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of Jubilee Property Investments Inc. to the Lender in the General Security Agreement granted by Jubilee Property Investments Inc. in favour of the Lender dated as of November 5, 2017; and
  - (b) Unit 12, Level 1 and Unit 10, Level 2, York Region Condominium Plan No. 844 ; Pt Blks 1 & 2 PL 65M2203, PTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 36 & 37 65R16399, more fully described in schedule 'A' of declaration LT970887; Richmond Hill; S/T temp ease over PTS 3, 4 & 5 Exprop PL YR1373702, municipally known as 280 West Beaver Creek Road, Unit 11, Richmond Hill, Ontario (PIN 29374-0012, PIN 29374-0096) (the “**Real Property**”), as mortgage registered as Instrument Number YR2756224 on November 7, 2017, as amended from time to time, in the principal amount of \$399,000.00 over the Real Property.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Jubilee Property Investments Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





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T 416.595.8500  
F 416.595.8695

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August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and-

**RESIDENT MEDICAL GROUP INC.**  
14744 Woodbine Avenue, Gormley, ON L0H 1G0

Attention: President

-and-

**SALLY G. GERGES**  
14744 Woodbine Avenue, Gormley, ON L0H 1G0

-and-

**SELVIA GERGES**  
14744 Woodbine Avenue, Gormley, ON L0H 1G0

-and-

**BLESS PHARMA INC.**  
721 Gerrard Street East, Toronto, ON M4M 1Y5

Attention: President

Dear Sirs/Mesdames:

**Re: Guarantees by each of Resident Medical Group Inc. (“RMGI”), Sally G. Gerges (“SGS”), Selvia Gerges (“SG”), Bless Pharma Inc. (“BPI”) and John Gerges (“JG” and together with RMGI, SGS, SG and BPI, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by Jubilee Property Investments Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$300,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated November 5, 2017 executed by the Borrower (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to RMGI, a guarantee dated November 5, 2017 granted by RMGI in favour of the Lender, pursuant to which RMGI guaranteed the present and future obligations of the Borrower to the Lender (the “**RMGI Guarantee**”);
- (b) with respect to SGS, a guarantee dated November 5, 2017 granted by SGS in favour of the Lender, pursuant to which SGS guaranteed the present and future obligations of the Borrower to the Lender (the “**SGS Guarantee**”);
- (c) with respect to SG, a guarantee dated November 5, 2017 granted by SG in favour of the Lender, pursuant to which SG guaranteed the present and future obligations of the Borrower to the Lender (the “**SG Guarantee**”);
- (d) with respect to BPI, a guarantee dated July 27, 2019 granted by BPI in favour of the Lender, pursuant to which BPI guaranteed the present and future obligations of the Borrower to the Lender (the “**BPI Guarantee**”); and
- (e) with respect to JG, a guarantee dated November 5, 2017 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the RMGI Guarantee, the SGS Guarantee, the SG Guarantee and the BPI Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.



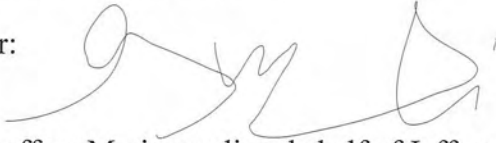


The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges  
Sally G. Gerges  
Selvia Gerges  
Bless Pharma Inc.  
Resident Medical Group Inc



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:** JOHN GERGES, an insolvent person

**AND TO:** SALLY G GERGES, an insolvent person

**AND TO:** SELVIA GERGES, an insolvent person

**AND TO:** RESIDENT MEDICAL GROUP INC., an insolvent person

**AND TO:** BLESS PHARMA INC., an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) with respect to John Gerges:
    - (i) All property described as collateral for the obligations of Jubilee Property Investments Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of November 5, 2017;
    - (ii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of March 11, 2016;
    - (iii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender also dated as of March 11, 2016;
    - (iv) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 18, 2016;
    - (v) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of November 5, 2017;
    - (vi) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of May 25, 2018;
    - (vii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of October 21, 2019;

- (viii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 2, 2018; and
- (ix) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of December 23, 2019.
- (b) with respect to Sally G. Gerges:
  - (i) All property described as collateral for the obligations of Jubilee Property Investments Inc. to the Lender in the guarantee granted by Sally G. Gerges in favour of the Lender dated as of November 5, 2017; and
  - (ii) All property described as collateral for the obligations of Sally G. Gerges to the Lender in the General Security Agreement granted by Sally G. Gerges in favour of the Lender dated as of November 5, 2017.
- (c) with respect to Selvia Gerges:
  - (i) All property described as collateral for the obligations of Jubilee Property Investments Inc. to the Lender in the guarantee granted by Selvia Gerges in favour of the Lender dated as of November 5, 2017; and
  - (ii) All property described as collateral for the obligations of Selvia Gerges to the Lender in the General Security Agreement granted by Selvia Gerges in favour of the Lender dated as of November 5, 2017.
- (d) with respect to Resident Medical Group Inc.:
  - (i) All property described as collateral for the obligations of Jubilee Property Investments Inc. to the Lender in the guarantee granted by Resident Medical Group Inc. in favour of the Lender dated as of November 5, 2017;
  - (ii) All property described as collateral for the obligations of Resident Medical Group Inc. to the Lender in the General Security Agreement granted by Resident Medical Group Inc. in favour of the Lender dated as of November 5, 2017; and
  - (iii) All property described as collateral for the obligations of Resident Medical Group Inc. to the Lender in the General Security Agreement granted by Resident Medical Group Inc. in favour of the Lender dated as of October 21, 2019.
- (e) with respect to Bless Pharma Inc.:
  - (i) All property described as collateral for the obligations of Jubilee Property Investments Inc. to the Lender in the guarantee granted by Bless Pharma Inc. in favour of the Lender dated as of July 27, 2019; and

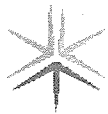
- (ii) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the General Security Agreement granted by Bless Pharma Inc. in favour of the Lender dated as of March 11, 2016.
- 2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
- 3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Jubilee Property Investments Inc.
- 4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.,** by  
its lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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AVOCATS | LAWYERS

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F 416.595.8695

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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**JUBILEE PROPERTY INVESTMENTS INC.**

11-280 West Beaver Creek  
Richmond Hill, Ontario L4B 3B1

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Jubilee Property Investments Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$300,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated November 5, 2017 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated November 5, 2017 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Sally G. Gerges, Selvia Gerges, Bless Pharma Inc. (“BPI”), Resident Medical Group Inc. and John Gerges (“JG”) executed a standard guarantee and, other than BPI, a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer

scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$276,545.36. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$136.38 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



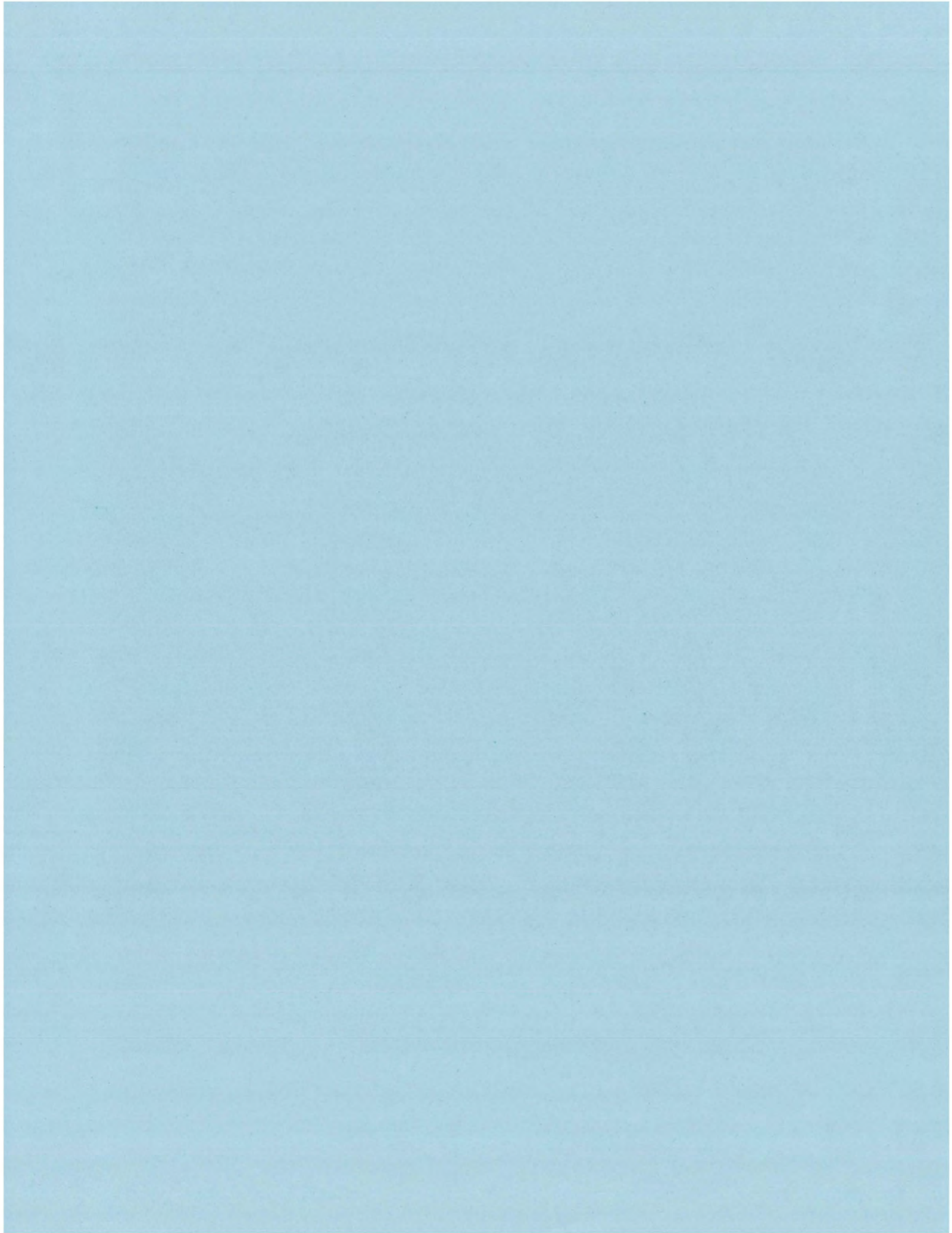
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Sally G. Gerges  
Selvia Gerges  
Bless Pharma Inc.  
Resident Medical Group Inc.











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AVOCATS | LAWYERS

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MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**MAPLE MEDI PHARMA INC.**  
10-2535 Major Mackenzie Drive  
Maple, ON L6A 1C6

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Maple Medi Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,590,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated May 25, 2018 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated May 25, 2018 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Chun-Ho Chan, Bless Pharma Inc. and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the

Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5th day of August, 2020, the full balance outstanding under the Promissory is \$1,576,548.17. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$777.48 (collectively, the "Outstanding Indebtedness").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per: 

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Chun-Ho Chan  
Bless Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: MAPLE MEDI PHARMA INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of Maple Medi Pharma Inc. to the Lender in the General Security Agreement granted by Maple Medi Pharma Inc. in favour of the Lender dated as of May 25, 2018.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Maple Medi Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



**MILLER THOMSON**  
AVOCATS | LAWYERS

MILLER THOMSON LLP  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
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TORONTO, ON M5H 3S1  
CANADA

T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and-

**CHUN-HO CHAN**  
2 Scott Brown Street, Markham, ON L6E 1V9

-and-

**BLESS PHARMA INC.**  
721 Gerrard Street East, Toronto, ON M4M 1Y5

Attention: President

Dear Sirs/Mesdames:

**Re: Guarantees by each of Chun-Ho Chan (“CHC”), Bless Pharma Inc. (“BPI”) and John Gerges (“JG” and together with CHC and BPI, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by Maple Medi Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,590,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated May 25, 2018 executed by the Borrower (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to CHC, a guarantee dated May 25, 2018 granted by CHC in favour of the Lender, pursuant to which CHC guaranteed the present and future obligations of the Borrower to the Lender (the “**CHC Guarantee**”);

- (b) with respect to BPI, a guarantee dated June 27, 2019 granted by BPI in favour of the Lender, pursuant to which BPI guaranteed the present and future obligations of the Borrower to the Lender (the “**BPI Guarantee**”); and
- (c) with respect to JG, a guarantee dated May 25, 2018 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the CHC Guarantee and the BPI Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.


A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:

  
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges  
Chun-Ho Chan  
Bless Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:**           **JOHN GERGES**, an insolvent person

**AND TO:**    **CHUN-HO CHAN**, an insolvent person

**AND TO:**    **BLESS PHARMA INC.**, an insolvent person

Take notice that:

1.     CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:


(a)    with respect to John Gerges:

- (i)     All property described as collateral for the obligations of Maple Medi Pharma Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of May 25, 2018;
- (ii)    All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of March 11, 2016;
- (iii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender also dated as of March 11, 2016;
- (iv)    All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 18, 2016;
- (v)     All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of November 5, 2017;
- (vi)    All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of May 25, 2018;
- (vii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of October 21, 2019;
- (viii)  All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 2, 2018; and

- (ix) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of December 23, 2019.
- (b) with respect to Chun-Ho Chan:
  - (i) All property described as collateral for the obligations of Maple Medi Pharma Inc. to the Lender in the guarantee granted by Chun-Ho Chan in favour of the Lender dated as of May 25, 2018; and
  - (ii) All property described as collateral for the obligations of Chun-Ho Chan to the Lender in the General Security Agreement granted by Chun-Ho Chan in favour of the Lender dated as of May 25, 2018.
- (c) with respect to Bless Pharma Inc.:
  - (i) All property described as collateral for the obligations of Jubilee Property Investments Inc. to the Lender in the guarantee granted by Bless Pharma Inc. in favour of the Lender dated as of June 27, 2019; and
  - (ii) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the General Security Agreement granted by Bless Pharma Inc. in favour of the Lender dated as of March 11, 2016.
- 2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
- 3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Maple Medi Pharma Inc.
- 4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.,** by  
its lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**MAPLE MEDI PHARMA INC.**  
10-2535 Major Mackenzie Drive  
Maple, ON L6A 1C6

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Maple Medi Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,590,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated May 25, 2018 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated May 25, 2018 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Chun-Ho Chan, Bless Pharma Inc. and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the

Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5th day of August, 2020, the full balance outstanding under the Promissory is \$1,576,548.17. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$777.48 (collectively, the "Outstanding Indebtedness").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

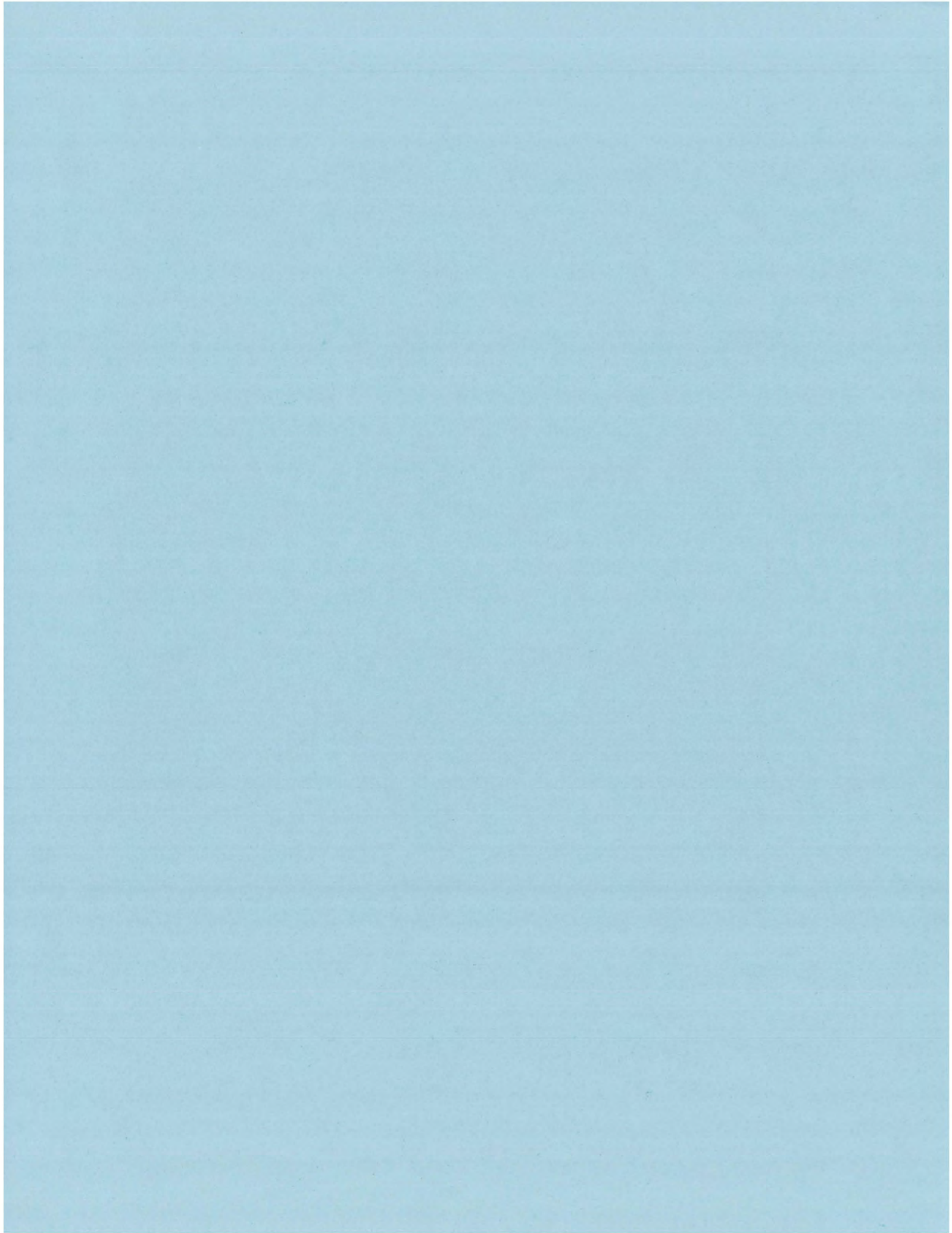
A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Chun-Ho Chan  
Bless Pharma Inc.







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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**RIVER HILL PHARMACY LTD.**  
2086 Lawrence Avenue W., Unit 1-2  
Toronto, Ontario M9N 1J1

Attention: President

-and-

**RIVER HILL PHARMACY LTD.**  
1-2088 Lawrence Avenue W.  
Toronto, Ontario M9N 3Z9

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by River Hill Pharmacy Ltd. (the “Borrower”) to Element Financial Corporation**

Element Financial Corporation (the “**Lender**”) advanced the sum of \$953,597.50 CAD to the Borrower, successor of Bless River Pharma Inc. (“**BRPI**”) by amalgamation, pursuant to the terms of a promissory note dated August 28, 2015 executed by BRPI (the “**Promissory Note 1**”) and \$150,000.00 pursuant to the terms of a promissory note dated August 28, 2015 executed by BRPI (the “**Promissory Note 2**”, and together with Promissory Note 1, the “**Promissory Notes**”). As security for the Promissory Notes, the Borrower issued a general security agreement dated August 26, 2015 in favour of the Lender and such other security as more particularly described in the Promissory Notes (collectively, the “**Borrower Security**”).

We note that John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which JG guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:



- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower;
- (b) the Borrower advised the Lender that as a result of those professional misconduct allegations, Telus Communications Inc. decided to terminate its service agreement with with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower;
- (c) the Borrower has indicated to the Lender that it may move the location of its business without the prior written consent of the Lender; and
- (d) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Notes required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Notes and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under each of the Promissory Notes is as follows:

- (a) With respect to the Promissory Note 1, \$ 605,048.87. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$298.38 (collectively, the "**Promissory Note 1 Outstanding Indebtedness**"); and
- (b) With respect to Promissory Note 2, \$ 11,861.35. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$5.85 (collectively, the "**Promissory Note 2 Outstanding Indebtedness**", and together with the Promissory Note 1 Outstanding Indebtedness, the "**Outstanding Indebtedness**")

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.



We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.

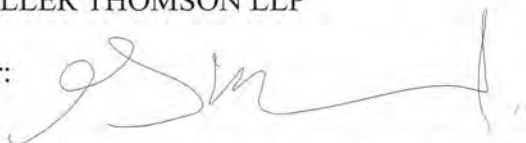
The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: RIVER HILL PHARMACY LTD.**, an insolvent person

Take notice that:

1. Element Financial Corporation (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of River Hill Pharmacy Ltd. to the Lender in the General Security Agreement granted by River Hill Pharmacy Ltd., successor of Bless River Pharma Inc. by amalgamation, in favour of the Lender dated as of August 26, 2015.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to River Hill Pharmacy Ltd.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7<sup>th</sup> day of August, 2020

**ELEMENT FINANCIAL  
CORPORATION** by its lawyers, Miller  
Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





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MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave,  
Toronto, ON M2K 3E7

Dear Sirs/Mesdames:

**Re: Guarantee by John Gerges (the “Guarantor”) with respect to certain Promissory Notes issued by Bless River Pharma Inc. (the “BRPI”), a predecessor of River Hill Pharmacy Ltd. by amalgamation (“RHP”, and together with the BRPI, the “Borrower”) to Element Financial Corporation**

Element Financial Corporation (the “**Lender**”) advanced the sum of \$953,597.50 CAD to the Borrower pursuant to the terms of a promissory note dated August 28, 2015 executed by BRPI, (the “**Promissory Note 1**”) and \$150,000.00 pursuant to the terms of a promissory note dated August 28, 2015 executed by BRPI (the “**Promissory Note 2**”, and together with Promissory Note 1, the “**Promissory Notes**”).

According to the Lender’s records, the Guarantor is obligated to the Lender for any amounts outstanding under the Promissory Notes.

The Lender holds a guarantee dated August 26, 2015 granted by the Guarantor in favour of the Lender, pursuant to which the Guarantor guaranteed the present and future obligations of the Borrower to the Lender (the “**Guarantee**”)

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of the Guarantee.

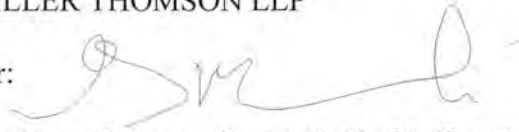
A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

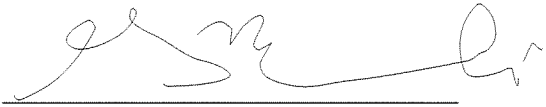
**TO: JOHN GERGES**, an insolvent person

Take notice that:

1. Element Financial Corporation (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of River Hill Pharmacy Ltd., successor of Bless River Pharma Inc. by amalgamation, to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of August 26, 2015; and
  - (b) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 26, 2015.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to River Hill Pharmacy Ltd.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7<sup>th</sup> day of August, 2020

**ELEMENT FINANCIAL  
CORPORATION**, by its lawyers, Miller  
Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**RIVER HILL PHARMACY LTD.**  
2086 Lawrence Avenue W., Unit 1-2  
Toronto, Ontario M9N 1J1

Attention: President

-and-

**RIVER HILL PHARMACY LTD.**  
1-2088 Lawrence Avenue W.  
Toronto, Ontario M9N 3Z9

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by River Hill Pharmacy Ltd. (the “Borrower”) to Element Financial Corporation**

Element Financial Corporation (the “**Lender**”) advanced the sum of \$953,597.50 CAD to the Borrower, successor of Bless River Pharma Inc. (“**BRPI**”) by amalgamation, pursuant to the terms of a promissory note dated August 28, 2015 executed by BRPI (the “**Promissory Note 1**”) and \$150,000.00 pursuant to the terms of a promissory note dated August 28, 2015 executed by BRPI (the “**Promissory Note 2**”, and together with Promissory Note 1, the “**Promissory Notes**”). As security for the Promissory Notes, the Borrower issued a general security agreement dated August 26, 2015 in favour of the Lender and such other security as more particularly described in the Promissory Notes (collectively, the “**Borrower Security**”).

We note that John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which JG guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower;
- (b) the Borrower advised the Lender that as a result of those professional misconduct allegations, Telus Communications Inc. decided to terminate its service agreement with with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower;
- (c) the Borrower has indicated to the Lender that it may move the location of its business without the prior written consent of the Lender; and
- (d) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Notes required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Notes and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under each of the Promissory Notes is as follows:

- (a) With respect to the Promissory Note 1, \$ 605,048.87. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$298.38 (collectively, the "**Promissory Note 1 Outstanding Indebtedness**"); and
- (b) With respect to Promissory Note 2, \$ 11,861.35. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$5.85 (collectively, the "**Promissory Note 2 Outstanding Indebtedness**", and together with the Promissory Note 1 Outstanding Indebtedness, the "**Outstanding Indebtedness**")

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.



We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.

The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



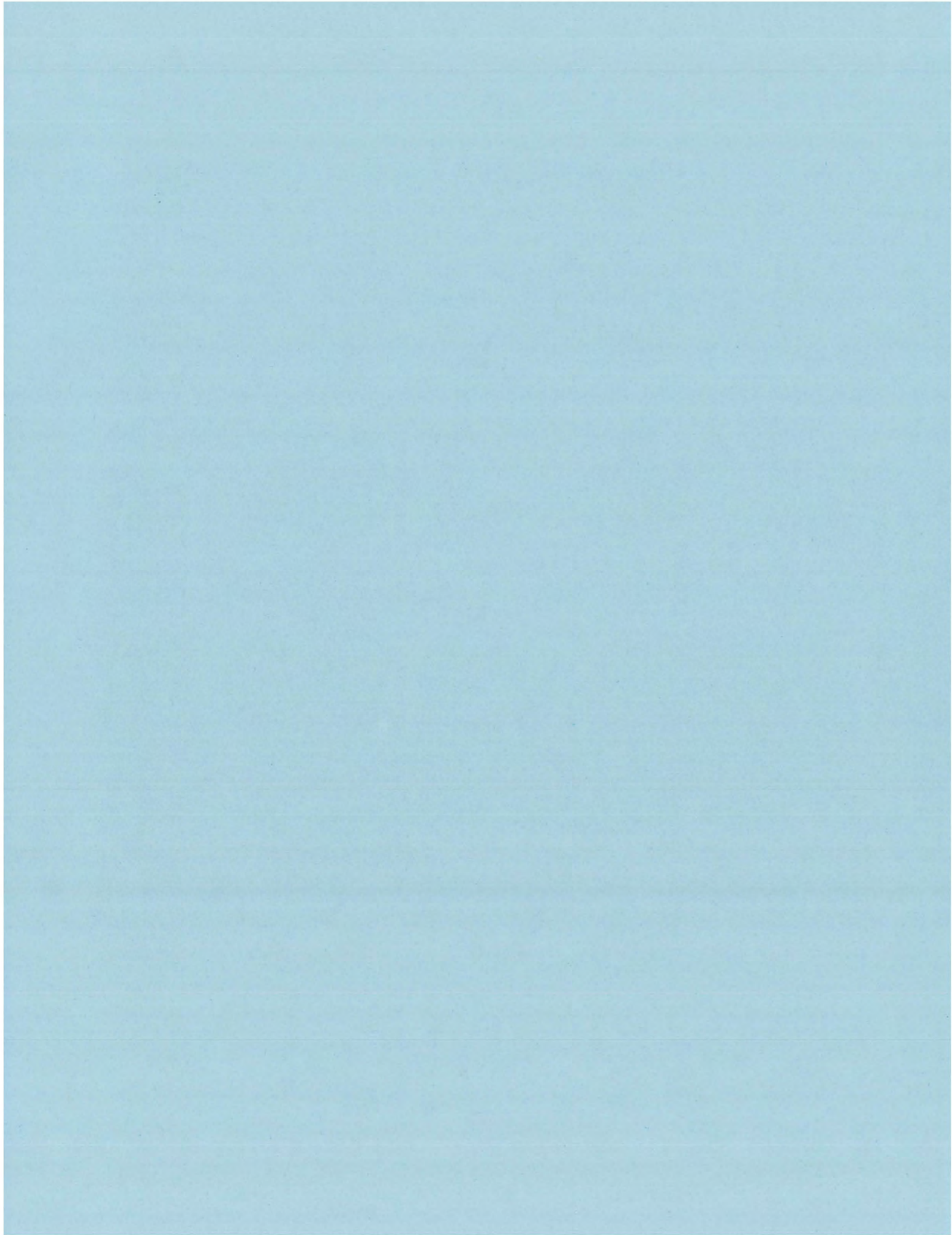
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges











**MILLER THOMSON**  
AVOCATS | LAWYERS

MILLER THOMSON LLP  
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F 416.595.8695

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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**S&J PROPERTY INVESTORS INC.**

721 Gerrard Street E.  
Toronto, Ontario M4M 1Y5

Attention: Gamal F. Gerges

Dear Sirs/Mesdames:

**Re: Promissory Note issued by S&J Property Investors Inc. (the “Borrower”) to 1951584 Ontario Inc. (formerly Desante Financial Services Inc.)**

1951584 Ontario Inc. (formerly Desante Financial Services Inc.) (the “**Lender**”) advanced the sum of \$497,064.09 CAD to the Borrower pursuant to the terms of a promissory note dated June 3, 2019 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated June 3, 2019 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Bless Pharma Inc., John Gerges (“**JG**”) and Gamal F. Gerges executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the

Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$548,827.08. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$ 270.65 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Current Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



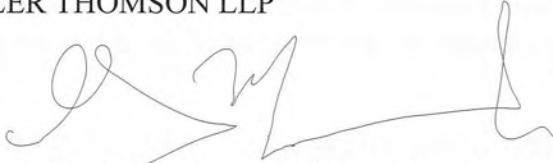
The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Bless Pharma Inc.  
John Gerges  
Gamal F. Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: S&J PROPERTY INVESTORS INC.**, an insolvent person

Take notice that:

1. 1951584 Ontario Inc. (formerly Desante Financial Services Inc.) (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of S&J Property Investors Inc. to the Lender in the General Security Agreement granted by S&J Property Investors Inc. in favour of the Lender dated as of June 3, 2019;
  - (b) All property described as collateral for the obligations of S&J Property Investors Inc. to the Lender in the General Security Agreement granted by S&J Property Investors Inc. in favour of the Lender also dated as of June 3, 2019; and
  - (c) PT Reserve PL 360 Riverdale; PT LT 88 PL 360 Riverdale as in CA760816; City of Toronto, municipally known as 721 Gerrard St. E. Toronto (PIN 21070-0355 LT) (the “**Real Property**”) pursuant to a mortgage registered as Instrument Number AT3575383 on May 6, 2014, as amended from time to time, in the principal amount of \$1,400,450.00 over the Real Property.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to S&J Property Investors Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7<sup>th</sup> day of August, 2020

**1951584 ONTARIO INC.** (formerly Desante Financial Services Inc.) by its lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



**MILLER THOMSON**  
AVOCATS | LAWYERS

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P.O. BOX 1011  
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T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**BLESS PHARMA INC.**  
721 Gerrard Street East, Toronto, ON M4M 1Y5

Attention: John Gerges

- and -

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and -

**GAMAL F. GERGES**  
14744 Woodbine Avenue Gormley, ON  
L0H 1G0

Dear Sirs/Mesdames:

**Re: Guarantees by each of Bless Pharma Inc. (“BPI”), John Gerges (“JG”) and Gamal F. Gerges (“GFG”, and together with BPI and JG, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by S&J Property Investors Inc. (the “Borrower”) to 1951584 Ontario Inc. (formerly Desante Financial Services Inc.)**

1951584 Ontario Inc. (formerly Desante Financial Services Inc.) (the “**Lender**”) advanced the sum of \$497,064.09 CAD to the Borrower pursuant to the terms of a promissory note dated June 3, 2019 executed by the Borrower (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to GFG, a guarantee dated June 3, 2019 granted by GFG in favour of the Lender, pursuant to which GFG guaranteed the present and future obligations of the Borrower to the Lender (the “**GFG Guarantee**”);

- (b) with respect to BPI, a guarantee dated June 3, 2019 granted by BPI in favour of the Lender, pursuant to which BPI guaranteed the present and future obligations of the Borrower to the Lender (the “**BPI Guarantee**”); and
- (c) with respect to JG, a guarantee dated June 3, 2019 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the GFG Guarantee and the BPI Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
Bless Pharma Inc.  
John Gerges  
Gamal F. Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:** BLESS PHARMA INC., an insolvent person

**AND TO:** JOHN GERGES, an insolvent person

**AND TO:** GAMAL F. GERGES, an insolvent person

Take notice that:

1. 1951584 Ontario Inc. (formerly Desante Financial Services Inc.) (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:

(a) With respect to Bless Pharma Inc.:

- (i) All property described as collateral for the obligations of S&J Property Investors Inc. to the Lender in the guarantee granted by Bless Pharma Inc. in favour of the Lender dated as of June 3, 2019;
- (ii) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the General Security Agreement granted by Bless Pharma Inc. in favour of the Lender dated as of June 3, 2019; and
- (iii) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the General Security Agreement granted by Bless Pharma Inc. in favour of the Lender also dated as of June 3, 2019.

(b) with respect to John Gerges:

- (i) All property described as collateral for the obligations of S&J Property Investors Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of June 3, 2019;
- (ii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of June 3, 2019; and
- (iii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender also dated as of June 3, 2019.

(c) with respect to Gamal F. Gerges:

- (i) All property described as collateral for the obligations of S&J Property Investors Inc. to the Lender in the guarantee granted by Gamal F. Gerges in favour of the Lender dated as of June 3, 2019;



- (ii) All property described as collateral for the obligations of Gamal F. Gerges to the Lender in the General Security Agreement granted by Gamal F. Gerges in favour of the Lender dated as of June 3, 2019; and
  - (iii) All property described as collateral for the obligations of Gamal F. Gerges to the Lender in the General Security Agreement granted by Gamal F. Gerges in favour of the Lender also dated as of June 3, 2019.
- 2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
  - 3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to S&J Property Investors Inc.
  - 4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7<sup>th</sup> day of August, 2020

**1951584 ONTARIO INC.** (formerly  
Desante Financial Services Inc.) by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart

Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**S&J PROPERTY INVESTORS INC.**

721 Gerrard Street E.  
Toronto, Ontario M4M 1Y5

Attention: Gamal F. Gerges

Dear Sirs/Mesdames:

**Re: Promissory Note issued by S&J Property Investors Inc. (the “Borrower”) to 1951584 Ontario Inc. (formerly Desante Financial Services Inc.)**

1951584 Ontario Inc. (formerly Desante Financial Services Inc.) (the “**Lender**”) advanced the sum of \$497,064.09 CAD to the Borrower pursuant to the terms of a promissory note dated June 3, 2019 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated June 3, 2019 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Bless Pharma Inc., John Gerges (“**JG**”) and Gamal F. Gerges executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the

Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$548,827.08. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$ 270.65 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Current Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

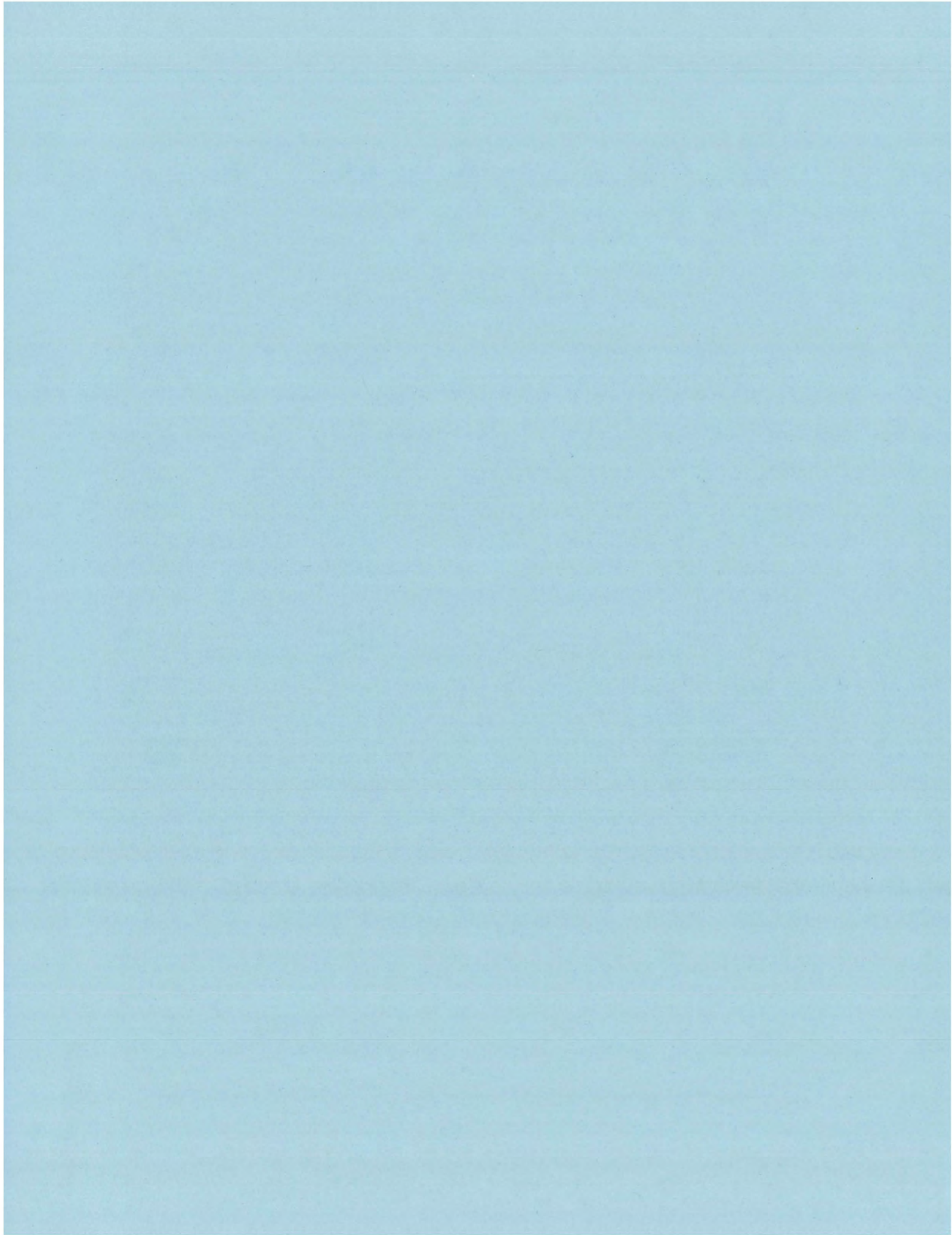
A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Bless Pharma Inc.  
John Gerges  
Gamal F. Gerges









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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**SJ COLBORNE PHARMA INC.**

2A – 164 Colborne Street West  
Brantford, Ontario N3T 1L2

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by SJ Colborne Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$3,075,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated December 24, 2019 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated December 23, 2019 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Samir Shenoda and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the

Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$3,643,675.16. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$1,796.88 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.





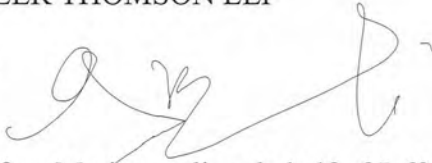
The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Samir Shenoda



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**


**TO: SJ COLBORNE PHARMA INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of SJ Colborne Pharma Inc. to the Lender in the General Security Agreement granted by SJ Colborne Pharma Inc. in favour of the Lender dated as of December 23, 2019.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to SJ Colborne Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



**MILLER THOMSON**  
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August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and-

**SAMIR SHENODA**  
1543 Morse Place, Milton, ON L9T 5V4

Attention: President

Dear Sirs/Mesdames:

**Re: Guarantees by each of Samir Shenoda ("SS") and John Gerges ("JG" and together with SS, the "Guarantors" and each a "Guarantor") with respect to a Promissory Note issued by SJ Colborne Pharma Inc. (the "Borrower") to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the "**Lender**") advanced the sum of \$3,075,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated December 24, 2019 executed by the Borrower (the "**Promissory Note**").

According to the Lender's records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to SS, a guarantee dated December 23, 2019 granted by SS in favour of the Lender, pursuant to which SS guaranteed the present and future obligations of the Borrower to the Lender (the "**SS Guarantee**"); and
- (b) with respect to JG, a guarantee dated December 23, 2019 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the "**JG Guarantee**", and together with the SS Guarantee, the "**Guarantees**").

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges.  
Samir Shenoda



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:**           **JOHN GERGES**, an insolvent person

**AND TO:**    **SAMIR SHENODA**, an insolvent person

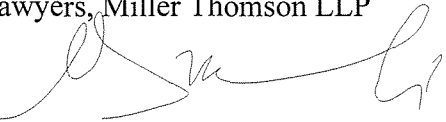
Take notice that:

1.    CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a)   with respect to John Gerges:
    - (i)    All property described as collateral for the obligations of SJ Colborne Pharma Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of December 23, 2019;
    - (ii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of March 11, 2016;
    - (iii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender also dated as of March 11, 2016;
    - (iv)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 18, 2016;
    - (v)    All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of November 5, 2017;
    - (vi)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of May 25, 2018;
    - (vii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of October 21, 2019;
    - (viii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 2, 2018;

- (ix) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of December 23, 2019; and
  - (x) All property described as collateral for the obligations of John Gerges to the Lender in the Share Purchase Agreement dated December 23, 2019 entered into by John Gerges and the Lender, and pursuant to which John Gerges pledged shares representing 50% of the issued and outstanding common shares of SJ Colborne Pharma Inc. to the Lender.
- (b) with respect to Samir Shenoda:
- (i) All property described as collateral for the obligations of SJ Colborne Pharma Inc. to the Lender in the guarantee granted by Samir Shenoda in favour of the Lender dated as of December 23, 2019;
  - (ii) All property described as collateral for the obligations of Samir Shenoda to the Lender in the General Security Agreement granted by Samir Shenoda in favour of the Lender dated as of December 23, 2019; and
  - (iii) All property described as collateral for the obligations of Samir Shenoda to the Lender in the Share Purchase Agreement dated December 23, 2019 entered into by Samir Shenoda and the Lender, and pursuant to which Samir Shenoda pledged shares representing 50% of the issued and outstanding common shares of SJ Colborne Pharma Inc. to the Lender.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
  3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to SJ Colborne Pharma Inc.
  4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.,** by  
its lawyers, **Miller Thomson LLP**

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



**MILLER THOMSON**  
AVOCATS | LAWYERS

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CANADA

T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**SJ COLBORNE PHARMA INC.**

2A – 164 Colborne Street West  
Brantford, Ontario N3T 1L2

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by SJ Colborne Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$3,075,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated December 24, 2019 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated December 23, 2019 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Samir Shenoda and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the



Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$3,643,675.16. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$1,796.88 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



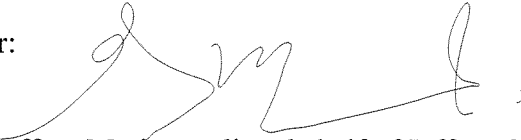
The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

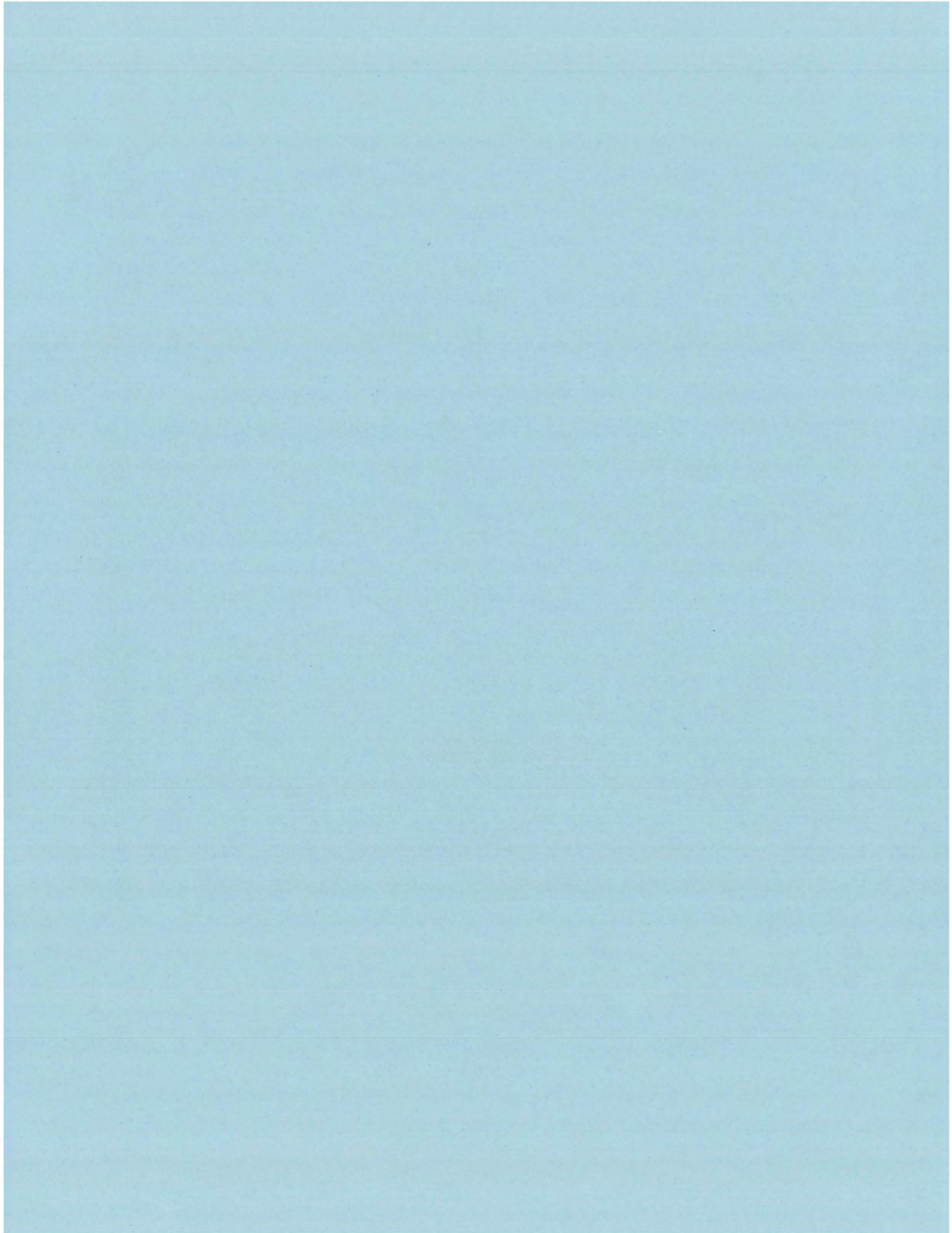
A handwritten signature in black ink, appearing to read 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Samir Shenoda







**MILLER THOMSON**  
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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**TORONTO APOTHECARY PHARMA INC.**  
842 Markham Road  
Scarborough, Ontario M1H 2Y2

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Toronto Apothecary Pharma Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$720,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 11, 2016 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated March 11, 2016 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of 2503338 Ontario Inc., Toronto Surrey Pharma Inc. (“**TSPI**”), Bless Pharma Inc. and John Gerges (“**JG**”) executed a standard guarantee and, other than TSPI, a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower;
- (b) the Borrower advised the Lender that as a result of those professional misconduct allegations, Telus Communications Inc. decided to terminate its service agreement with with respect to the computerized processing of the

dispensing of prescriptions which is important to the operation of the business of the Borrower;

- (c) the Borrower has indicated to the Lender that it may move the location of its business without the prior written consent of the Lender; and
- (d) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$499,313.04. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$246.24 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



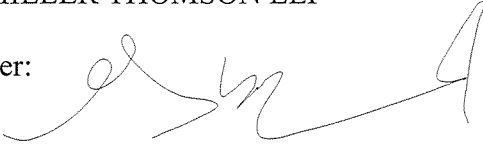
The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
2503338 Ontario Inc.  
Toronto Surrey Pharma Inc.  
Bless Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: TORONTO APOTHECARY PHARMA INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of Toronto Apothecary Pharma Inc. to the Lender in the General Security Agreement granted by Toronto Apothecary Pharma Inc. in favour of the Lender dated as of March 11, 2016; and
  - (b) All property described as collateral for the obligations of Toronto Apothecary Pharma Inc. to the Lender in the General Security Agreement granted by Toronto Apothecary Pharma Inc. in favour of the Lender also dated as of March 11, 2016.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Toronto Apothecary Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7<sup>th</sup> day of August, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





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[MILLERTHOMSON.COM](http://MILLERTHOMSON.COM)

August 7, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and-

**BLESS PHARMA INC.**  
721 Gerrard Street E.  
Toronto, Ontario M4M 1Y5

Attention: President

-and-

**2503338 ONTARIO INC.**  
14744 Woodbine Avenue  
Gormley, Ontario L0H 1G0

Attention: President

-and-

**TORONTO SURREY PHARMA INC.**  
1715 Victoria Park Avenue  
Scarborough, Ontario M1R 1R7

Attention: President

Dear Sirs/Mesdames:

**Re: Guarantees by each of 2503338 Ontario Inc. ("250"), Toronto Surrey Pharma Inc. ("TSPI"), Bless Pharma Inc. ("BPI") and John Gerges ("JG" and together with 250, TSPI and BPI, the "Guarantors" and each a "Guarantor") with respect to a Promissory Note issued by Toronto Apothecary Pharma Inc. (the "Borrower") to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$720.450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 11, 2016 executed by the Borrower (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to 250, a guarantee granted by 250 in favour of the Lender, pursuant to which 250 guaranteed the present and future obligations of the Borrower to the Lender (the “**250 Guarantee**”);
- (b) with respect to TSPI, a guarantee dated March 30, 2016 granted by TSPI in favour of the Lender, pursuant to which TSPI guaranteed the present and future obligations of the Borrower to the Lender (the “**TSPI Guarantee**”); and
- (c) with respect to BPI, a guarantee granted by BPI in favour of the Lender, pursuant to which BPI guaranteed the present and future obligations of the Borrower to the Lender (the “**BPI Guarantee**”); and
- (d) with respect to JG, a guarantee dated March 11, 2016 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the 250 Guarantee, the TSPI Guarantee and the BPI Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.



The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges  
2503338 Ontario Inc.  
Toronto Surrey Pharma Inc.  
Bless Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:**           **JOHN GERGES**, an insolvent person

**AND TO:**    **2503338 ONTARIO INC.**, an insolvent person

**AND TO:**    **TORONTO SURREY PHARMA INC.**, an insolvent person

**AND TO:**    **BLESS PHARMA INC.**, an insolvent person

Take notice that:

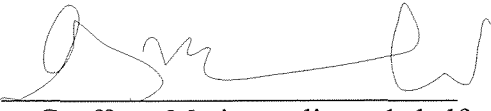
1.    CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a)   with respect to John Gerges:
    - (i)   All property described as collateral for the obligations of Toronto Apothecary Pharma Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of March 11, 2016;
    - (ii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of March 11, 2016;
    - (iii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender also dated as of March 11, 2016;
    - (iv)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 18, 2016;
    - (v)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of November 5, 2017;
    - (vi)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of May 25, 2018;
    - (vii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of October 21, 2019;

- (viii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 2, 2018; and
    - (ix) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of December 23, 2019.
  - (b) with respect to 2503338 Ontario Inc.:
    - (i) All property described as collateral for the obligations of Toronto Apothecary Pharma Inc. to the Lender in the guarantee granted by 2503338 Ontario Inc. in favour of the Lender; and
    - (ii) All property described as collateral for the obligations of 2503338 Ontario Inc. to the Lender in the General Security Agreement granted by 2503338 Ontario Inc. in favour of the Lender dated as of March 11, 2016.
  - (c) with respect to Toronto Surrey Pharma Inc.:
    - (i) All property described as collateral for the obligations of Toronto Apothecary Pharma Inc. to the Lender in the guarantee granted by Toronto Surrey Pharma Inc. in favour of the Lender dated as of March 30, 2016.
  - (d) with respect to Bless Pharma Inc.:
    - (i) All property described as collateral for the obligations of Toronto Apothecary Pharma Inc. to the Lender in the guarantee granted by Bless Pharma Inc. in favour of the Lender; and
    - (ii) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the General Security Agreement granted by Bless Pharma Inc. in favour of the Lender dated as of March 11, 2016.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Toronto Apothecary Pharma Inc.

4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7<sup>th</sup> day of August, 2020

**CWB MAXIUM FINANCIAL INC.**, by  
its lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**TORONTO APOTHECARY PHARMA INC.**  
842 Markham Road  
Scarborough, Ontario M1H 2Y2

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Toronto Apothecary Pharma Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$720,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 11, 2016 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated March 11, 2016 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of 2503338 Ontario Inc., Toronto Surrey Pharma Inc. (“**TSPI**”), Bless Pharma Inc. and John Gerges (“**JG**”) executed a standard guarantee and, other than TSPI, a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower;
- (b) the Borrower advised the Lender that as a result of those professional misconduct allegations, Telus Communications Inc. decided to terminate its service agreement with with respect to the computerized processing of the



dispensing of prescriptions which is important to the operation of the business of the Borrower;

- (c) the Borrower has indicated to the Lender that it may move the location of its business without the prior written consent of the Lender; and
- (d) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "**Share Sales Program**"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$499,313.04. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$246.24 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

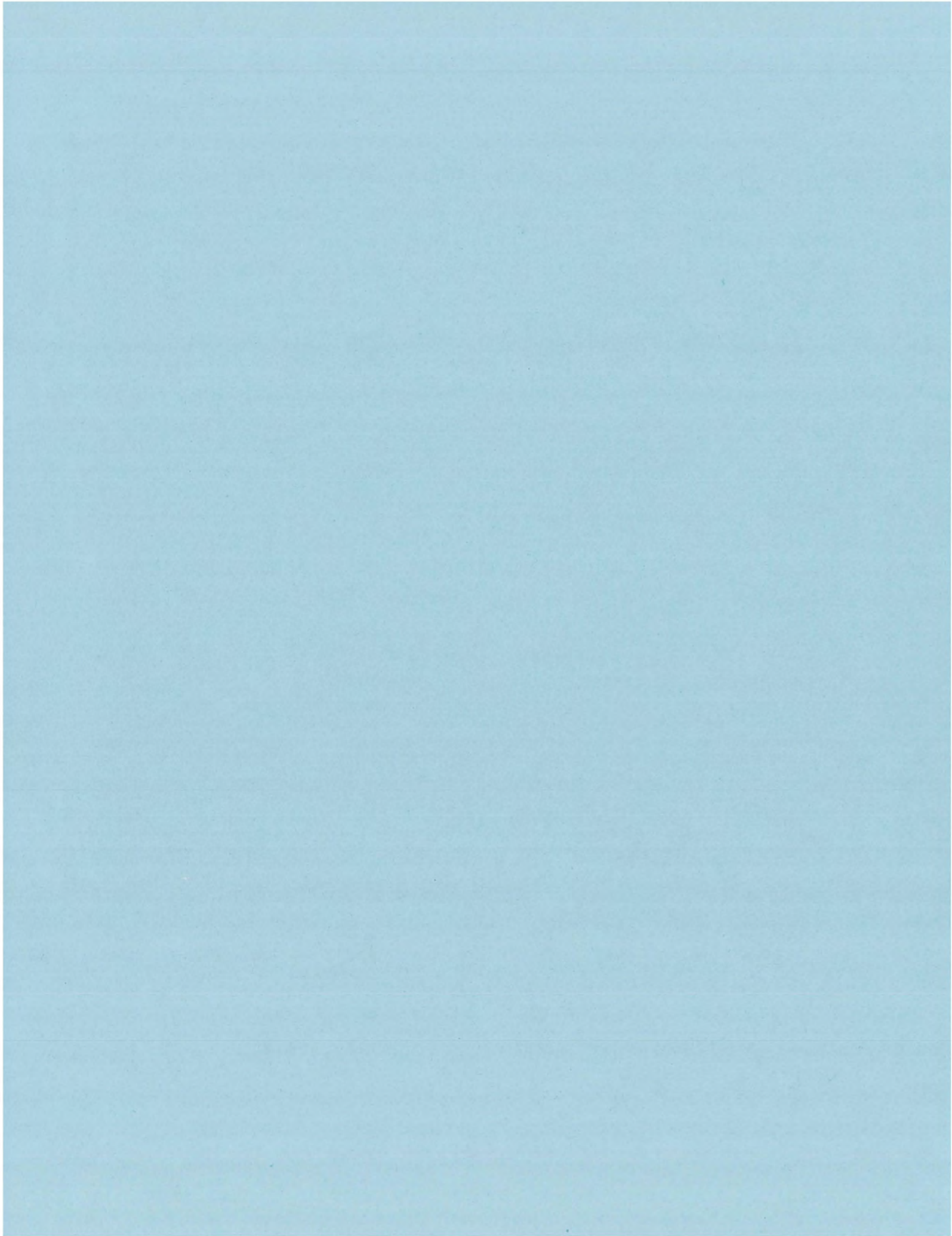


Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
2503338 Ontario Inc.  
Toronto Surrey Pharma Inc.  
Bless Pharma Inc.









**MILLER THOMSON**  
AVOCATS | LAWYERS

MILLER THOMSON LLP  
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MILLERTHOMSON.COM

August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**TORONTO SURREY PHARMA INC.**

1715 Victoria Park Avenue  
Scarborough, Ontario M1R 1R7

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Toronto Surrey Pharma Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$950,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 30, 2016 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated March 30, 2016 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Toronto Apothecary Pharma Inc. and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the

Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5th day of August, 2020, the full balance outstanding under the Promissory is \$658,489.94. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$324.73 (collectively, the **"Outstanding Indebtedness"**).

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the **"Legal Fees"** and together with the Current Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'G. Carhart', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Toronto Apothecary Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: TORONTO SURREY PHARMA INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of Toronto Surrey Pharma Inc. to the Lender in the General Security Agreement granted by Toronto Surrey Pharma Inc. in favour of the Lender dated as of March 30, 2016; and
  - (b) All property described as collateral for the obligations of Surrey Drug Mart Ltd. (predecessor by amalgamation of Toronto Surrey Pharma Inc.) to the Lender in the General Security Agreement granted by Surrey Drug Mart Ltd. (predecessor by amalgamation of Toronto Surrey Pharma Inc.) in favour of the Lender also dated as of March 30, 2016.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Toronto Surrey Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





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August 7, 2020

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**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and-

**TORONTO APOTHECARY PHARMA INC.**  
842 Markham Road, Scarborough, ON M1H 2Y2

Attention: President

Dear Sirs/Mesdames:

**Re: Guarantees by each of Toronto Apothecary Pharma Inc. ("TAP") and John Gerges ("JG" and together with TAP, the "Guarantors" and each a "Guarantor") with respect to a Promissory Note issued by Toronto Surrey Pharma Inc. (the "Borrower") to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the "**Lender**") advanced the sum of \$950,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 30, 2016 executed by the Borrower (the "**Promissory Note**").

According to the Lender's records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to TAP, a guarantee dated March 31, 2016 granted by TAP in favour of the Lender, pursuant to which TAP guaranteed the present and future obligations of the Borrower to the Lender (the "**TAP Guarantee**"); and
- (b) with respect to JG, a guarantee dated March 30, 2016 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the "**JG Guarantee**", and together with the TAP Guarantee, the "**Guarantees**").

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges  
Toronto Apothecary Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:**           **JOHN GERGES**, an insolvent person

**AND TO:**   **TORONTO APOTHECARY PHARMA INC.**, an insolvent person

Take notice that:

1.   CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a)   with respect to John Gerges:
    - (i)   All property described as collateral for the obligations of Toronto Surrey Pharma Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of March 30, 2016;
    - (ii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of March 11, 2016;
    - (iii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender also dated as of March 11, 2016;
    - (iv)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 18, 2016;
    - (v)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of November 5, 2017;
    - (vi)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of May 25, 2018;
    - (vii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of October 21, 2019;
    - (viii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 2, 2018; and

- (ix) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of December 23, 2019.
- (b) with respect to Toronto Apothecary Pharma Inc.
  - (i) All property described as collateral for the obligations of Toronto Surrey Pharma Inc. to the Lender in the guarantee granted by Toronto Apothecary Pharma Inc. in favour of the Lender dated as of March 31, 2016;
  - (ii) All property described as collateral for the obligations of Toronto Apothecary Pharma Inc. to the Lender in the General Security Agreement granted by Toronto Apothecary Pharma Inc. in favour of the Lender dated as of March 11, 2016; and
  - (iii) All property described as collateral for the obligations of Toronto Apothecary Pharma Inc. to the Lender in the General Security Agreement granted by Toronto Apothecary Pharma Inc. in favour of the Lender also dated as of March 11, 2016.
- 2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
- 3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Toronto Surrey Pharma Inc.
- 4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7<sup>th</sup> day of August, 2020

**CWB MAXIUM FINANCIAL INC.,** by  
its lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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August 7, 2020

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**TORONTO SURREY PHARMA INC.**

1715 Victoria Park Avenue  
Scarborough, Ontario M1R 1R7

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Toronto Surrey Pharma Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$950,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated March 30, 2016 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated March 30, 2016 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Toronto Apothecary Pharma Inc. and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the

Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5th day of August, 2020, the full balance outstanding under the Promissory is \$658,489.94. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$324.73 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Current Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



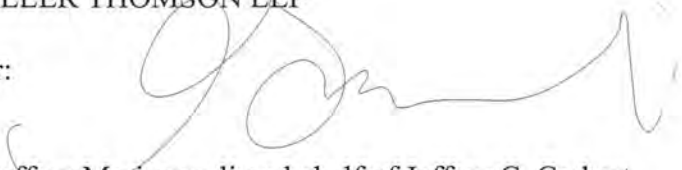
The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

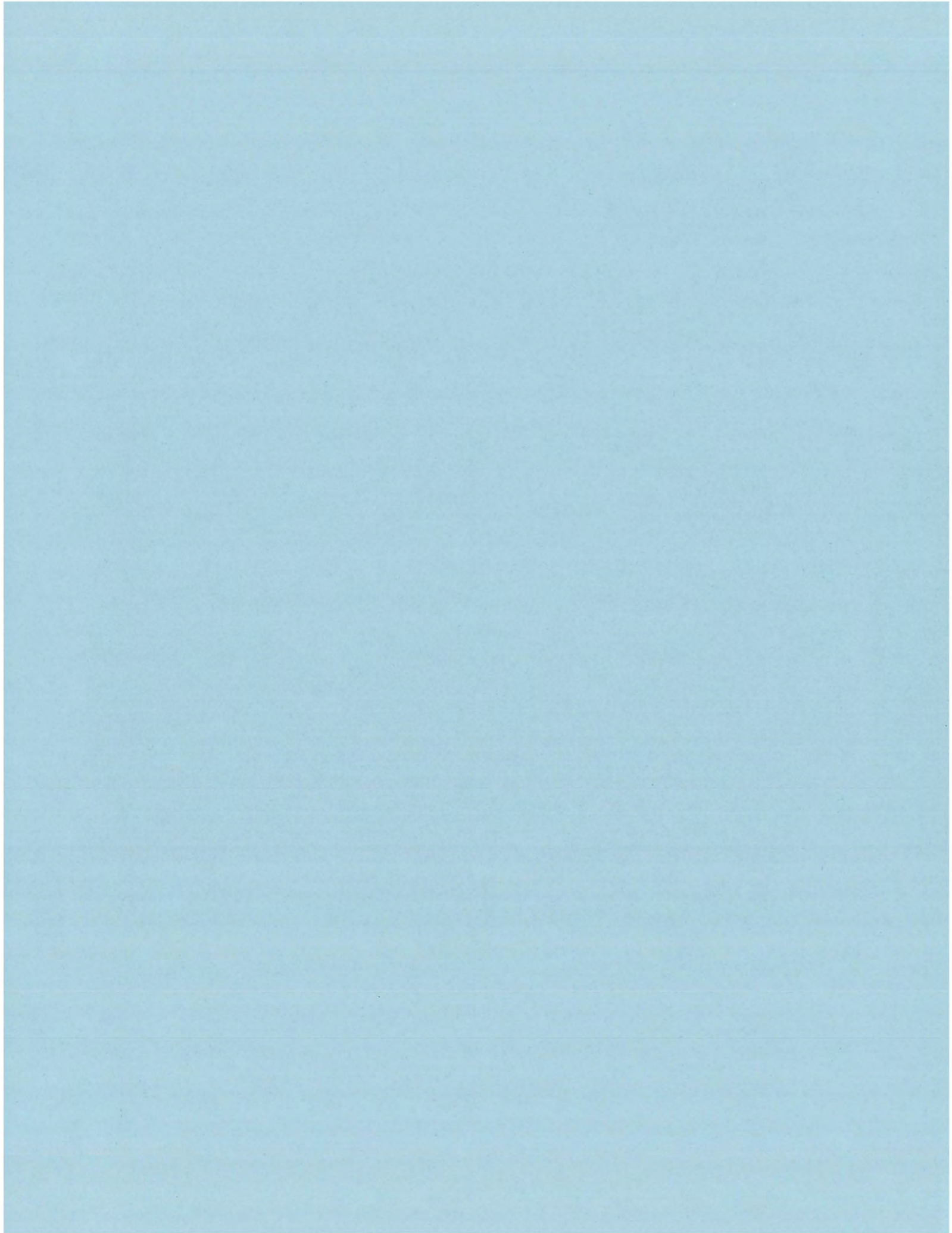
  
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Toronto Apothecary Pharma Inc.









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August 7, 2020

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**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**WESTWAY HOLDINGS INC.**  
160 The Westway, Etobicoke, ON M9P 2C1  
Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Westway Holdings Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$900,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated January 22, 2018 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated January 22, 2018 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Ramachandran Ramapathy and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the

year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$853,131.97. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$420.72 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Current Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'G. Carhart', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Ramachandran Ramapathy



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

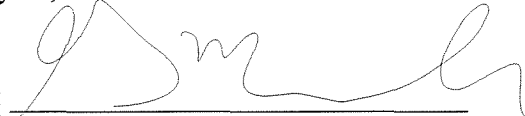
**TO: WESTWAY HOLDINGS INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of Westway Holdings Inc. to the Lender in the General Security Agreement granted by Westway Holdings Inc. in favour of the Lender dated as of January 22, 2018; and
  - (b) All property described as collateral for the obligations of St. Marina & St. Abraam Ltd. (predecessor by amalgamation of Westway Holdings Inc.) to the Lender in the General Security Agreement granted by St. Marina & St. Abraam Ltd. (predecessor by amalgamation of Westway Holdings Inc.) in favour of the Lender also dated as of January 22, 2018.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Westway Holdings Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020.

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





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August 7, 2020

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**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and-

**RAMACHANDRAN RAMAPATHY**  
25 Palomino Crescent, Toronto, ON M2K 1W2

Dear Sirs/Mesdames:

**Re: Guarantees by each of Ramachandran Ramapathy (“RR”) and John GerGES (“JG” and together with RR, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by Westway Holdings Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$900,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated January 22, 2018 executed by the Borrower (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under the Promissory Note.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to RR, a guarantee dated January 22, 2018 granted by RR in favour of the Lender, pursuant to which RR guaranteed the present and future obligations of the Borrower to the Lender (the “**RR Guarantee**”); and
- (b) with respect to JG, a guarantee dated January 22, 2018 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the RR Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

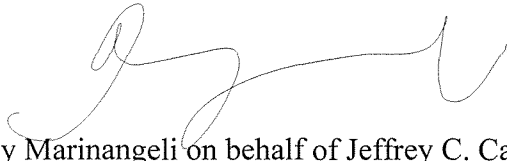
A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 31 day of August, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges  
Ramachandran Ramapathy





FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:**           **JOHN GERGES**, an insolvent person

**AND TO:**    **RAMACHANDRAN RAMAPATHY**, an insolvent person

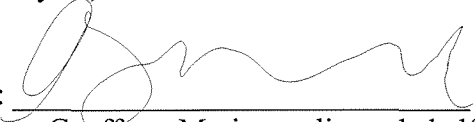
Take notice that:

1.    CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a)   with respect to John Gerges:
    - (i)   All property described as collateral for the obligations of Westway Holdings Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of January 22, 2018;
    - (ii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of March 11, 2016;
    - (iii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender also dated as of March 11, 2016;
    - (iv)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 18, 2016;
    - (v)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of November 5, 2017;
    - (vi)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of May 25, 2018;
    - (vii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of October 21, 2019;
    - (viii)   All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 2, 2018; and

- (ix) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of December 23, 2019.
- (b) with respect to Ramachandran Ramapathy:
  - (i) All property described as collateral for the obligations of Westway Holdings Inc. to the Lender in the guarantee granted by Ramachandran Ramapathy in favour of the Lender dated as of January 22, 2018; and
  - (ii) All property described as collateral for the obligations of Ramachandran Ramapathy to the Lender in the General Security Agreement granted by Ramachandran Ramapathy in favour of the Lender dated as of January 22, 2018.
- 2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
- 3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 7, 2020 from Miller Thomson LLP to Westway Holdings Inc.
- 4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 7 day of August, 2020

**CWB MAXIUM FINANCIAL INC.,** by  
its lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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August 7, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**WESTWAY HOLDINGS INC.**  
160 The Westway, Etobicoke, ON M9P 2C1

Attention: President

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Westway Holdings Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$900,450.00 CAD to the Borrower pursuant to the terms of a promissory note dated January 22, 2018 executed by the Borrower (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated January 22, 2018 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Ramachandran Ramapathy and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”)

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG as more particularly described in detail in the default letter dated March 3, 2020 sent by Miller Thomson LLP to the Borrower; and
- (b) the Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender’s agreement was needed in respect to a detailed share sales program involving the Borrower (the “**Share Sales Program**”). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the

year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 5<sup>th</sup> day of August, 2020, the full balance outstanding under the Promissory is \$853,131.97. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$420.72 (collectively, the "**Outstanding Indebtedness**").

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$6,857.14 (the "**Legal Fees**" and together with the Current Outstanding Indebtedness, the "**Indebtedness**"). This amount is also payable by the Borrower in accordance with the terms the Promissory Note and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on August 31, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by August 31, 2020 or the Borrower does not demonstrate, by August 31, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before August 31, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'G. Marinangeli', written over a horizontal line.

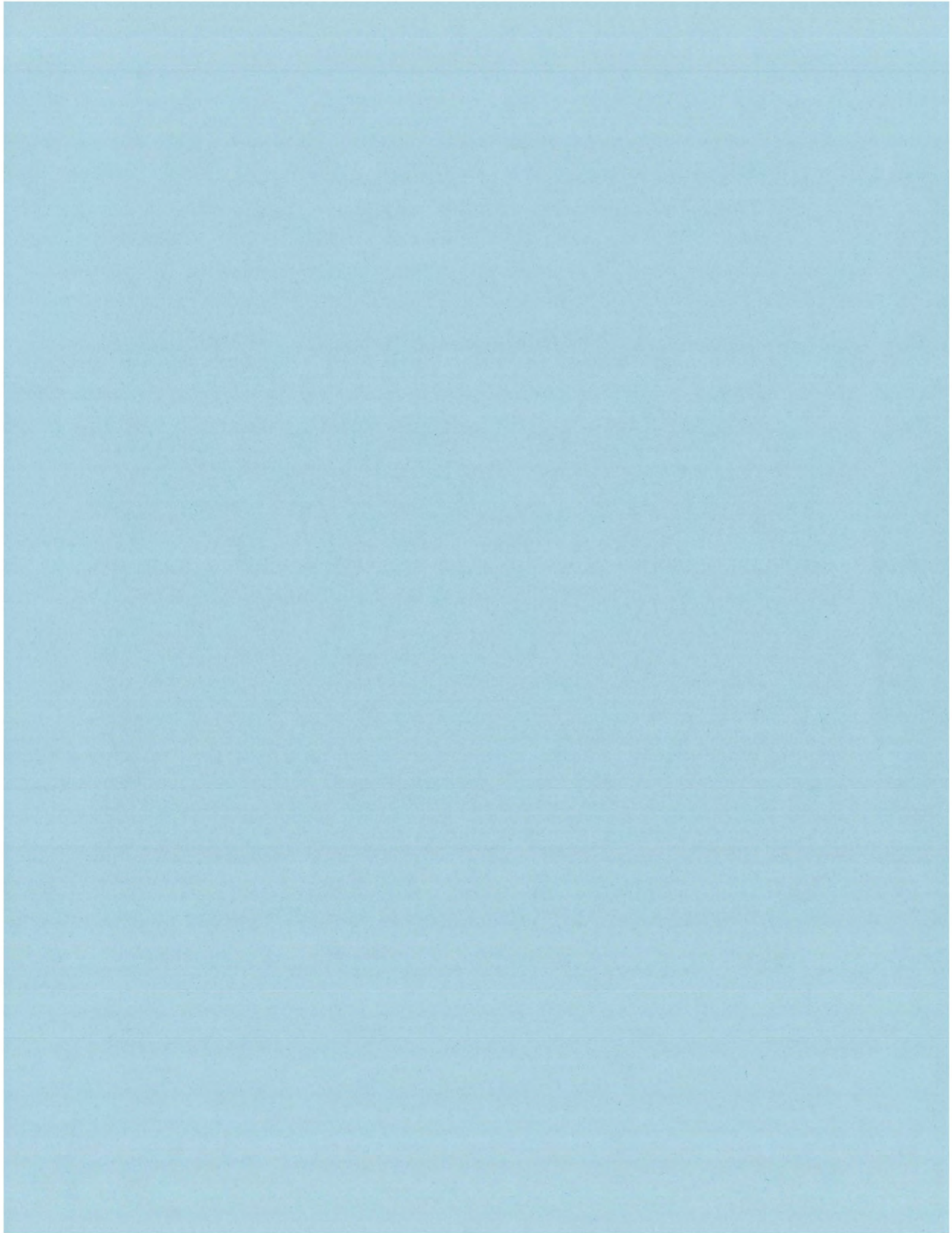
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
John Gerges  
Ramachandran Ramapathy









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September 3, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**ABU SEIFEIN BRIMLEY PHARMA INC.**

127 Montezuma Trail  
Agincourt, Ontario M1V 1K4

Attention: Sandra Youssef

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Abu Seifein Brimley Pharma Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,780,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated April 11, 2019, as amended by an amending agreement dated April 7, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated April 11, 2019 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Sandra Youssef, St. Mary Cooksville Pharma Inc. and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG relating to: (i) certain charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable;



- (b) the Borrower defaulted on its scheduled August payment due and owing to the Lender pursuant to the Promissory Note; and
- (c) the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 27 day of August, 2020, the full balance outstanding under the Promissory Note is \$1,893,573.95. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$933.82 (collectively, the **"Outstanding Indebtedness"**)

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$1,000 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on September 28, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by September 28, 2020 or the Borrower does not demonstrate, by September 28, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



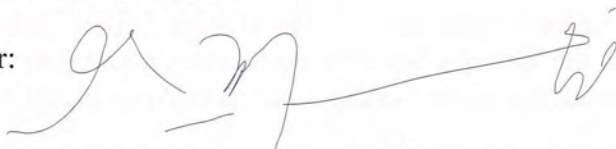
The Lender reserves its right to act before September 28, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Sandra Youssef  
John Gerges  
St. Mary Cooksville Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: ABU SEIFEIN BRIMLEY PHARMA INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) all property described as collateral for the obligations of Abu Seifein Brimley Pharma Inc. to the Lender in the General Security Agreement granted by Abu Seifein Brimley Pharma Inc. in favour of the Lender dated as of April 11, 2019.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated September 3, 2020 from Miller Thomson LLP to Abu Seifein Brimley Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 3 day of September, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart

Telephone: (416) 595-8615

jcarhart@millerthomson.com



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F 416.595.8695

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September 3, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave  
Toronto, ON M2K 3E7

-and-

**SANDRA YOUSSEF**  
703-676 Sheppard Ave, East  
North York, ON M2K 3E7

-and-

**ST. MARY COOKSVILLE PHARMA INC.**  
3035 Hurontario Street  
Mississauga, ON L5A 2G9

Attention: Sandra Youssef

Dear Sirs/Mesdames:

**Re: Guarantees by each of John Gerges (“JG”), Sandra Youssef (“SY”) and St. Mary Cooksville Pharma Inc. (“SMCP”, and together with JG and SY, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by Abu Seifein Brimley Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,780,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated April 11, 2019, as amended by an amending agreement dated April 7, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under each of the Promissory Notes.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to SY, a guarantee dated April 11, 2019 granted by SY in favour of the Lender, pursuant to which SY guaranteed the present and future obligations of the Borrower to the Lender (the “**SY Guarantee**”); and
- (b) with respect to SMCP, a guarantee dated April 11, 2019 granted by SMCP in favour of the Lender, pursuant to which SMCP guaranteed the present and future obligations of the Borrower to the Lender (the “**SMCP Guarantee**”); and
- (c) with respect to JG, a guarantee dated April 11, 2019 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the DN Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 28 day of September, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
John Gerges  
Sandra Youssef  
St. Mary Cooksville Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:**           **JOHN GERGES**, an insolvent person

**AND TO:**    **SANDRA YOUSSEF**, an insolvent person

**AND TO:**    **ST. MARY COOKSVILLE PHARMA INC.**, an insolvent person


Take notice that:

1.    CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a)   with respect to John Gerges:
    - (i)   all property described as collateral for the obligations of Abu Seifein Brimley Pharma Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of April 11, 2019; and
    - (ii)   all property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of October 31, 2018.
  - (b)   with respect to Sandra Youssef:
    - (i)   all property described as collateral for the obligations of Abu Seifein Brimley Pharma Inc. to the Lender in the guarantee granted Sandra Youssef in favour of the Lender dated as of April 11, 2019; and
    - (ii)   all property described as collateral for the obligations of Sandra Youssef to the Lender in the General Security Agreement granted by Sandra Youssef in favour of the Lender dated as of October 31, 2018.
  - (c)   with respect to St. Mary Cooksville Pharma Inc.:
    - (i)   all property described as collateral for the obligations of Abu Seifein Brimley Pharma Inc. to the Lender in the guarantee granted by St. Mary Cooksville Pharma Inc. in favour of the Lender dated as of April 11, 2019; and
    - (ii)   all property described as collateral for the obligations of St. Mary Cooksville Pharma Inc. to the Lender in the General Security Agreement granted by St. Mary Cooksville Pharma Inc. in favour of the Lender dated as of October 31, 2018.
2.    The security that is to be enforced is in the form of the security listed in paragraph 1 above.

3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated September 3, 2020 from Miller Thomson LLP to Abu Seifein Brimley Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 3 day of September, 2020

**CWB MAXIUM FINANCE INC.**, by its  
lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





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September 3, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**ABU SEIFEIN BRIMLEY PHARMA INC.**

127 Montezuma Trail  
Agincourt, Ontario M1V 1K4

Attention: Sandra Youssef

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Abu Seifein Brimley Pharma Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,780,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated April 11, 2019, as amended by an amending agreement dated April 7, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated April 11, 2019 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Sandra Youssef, St. Mary Cooksville Pharma Inc. and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG relating to: (i) certain charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable;

- (b) the Borrower defaulted on its scheduled August payment due and owing to the Lender pursuant to the Promissory Note; and
- (c) the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 27 day of August, 2020, the full balance outstanding under the Promissory Note is \$1,893,573.95. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$933.82 (collectively, the **"Outstanding Indebtedness"**)

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$1,000 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on September 28, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by September 28, 2020 or the Borrower does not demonstrate, by September 28, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



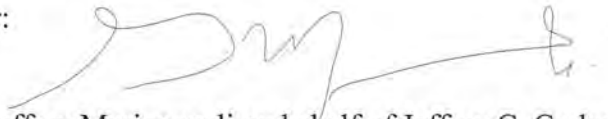
The Lender reserves its right to act before September 28, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

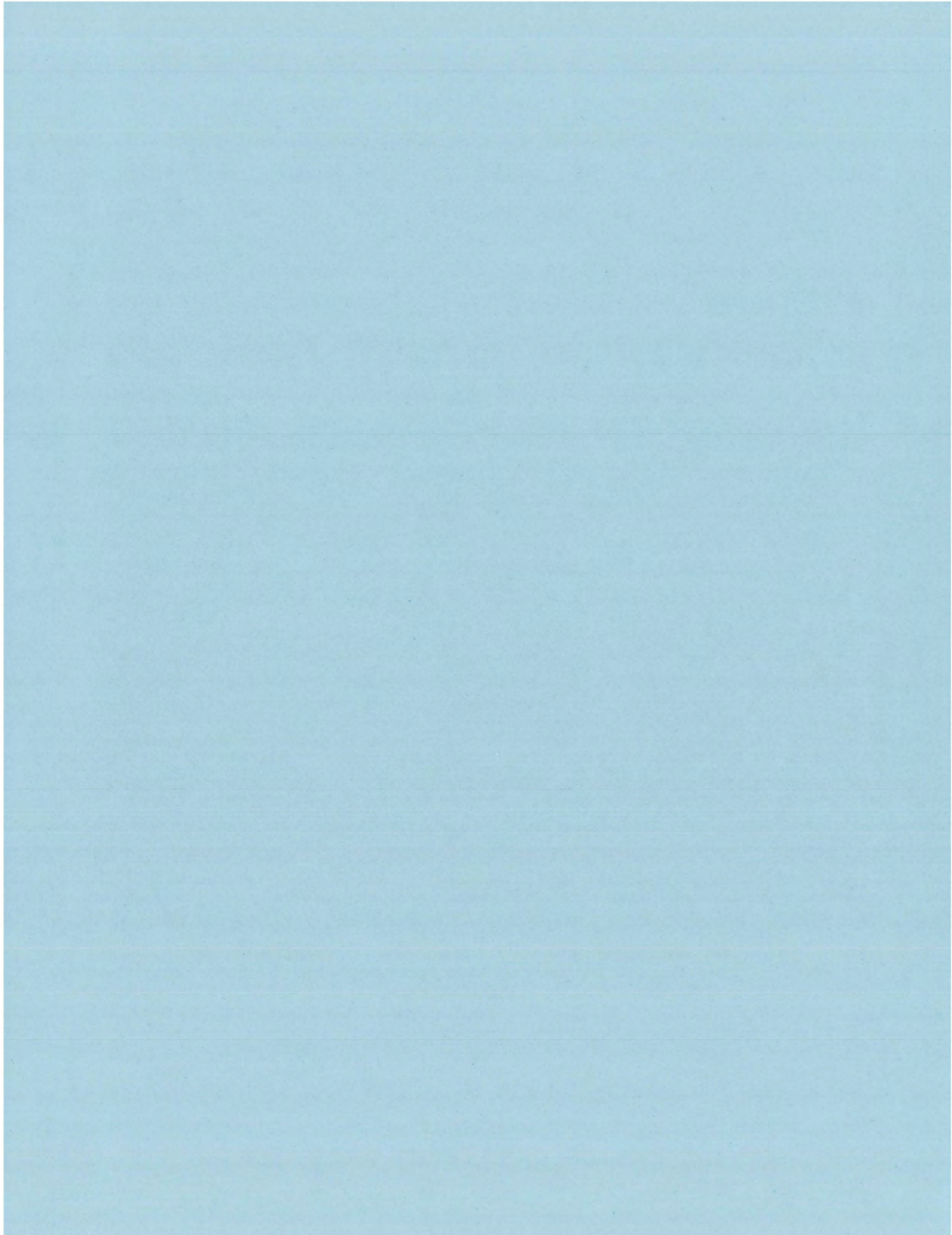
A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Sandra Youssef  
John Gerges  
St. Mary Cooksville Pharma Inc.







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September 3, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**ST. MARY THEOTOKOS PHARMA INC.**  
300 B Spadina Ave.,  
Toronto, ON M5T 2E7

Attention: John Gerges

Dear Sirs/Mesdames:

**Re: Promissory Note issued by St. Mary Theotokos Pharma Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,300,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated August 18, 2016, as amended by an amending agreement dated April 20, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated August 18, 2016 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Diep Nguyen and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG relating to: (i) certain charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable;
- (b) the Borrower defaulted on its scheduled August payment due and owing to the Lender pursuant to the Promissory Note; and



- (c) the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 27 day of August, 2020, the full balance outstanding under the Promissory Note is \$987,178.95. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$486.83 (collectively, the **"Outstanding Indebtedness"**)

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$1,000 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on September 28, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by September 28, 2020 or the Borrower does not demonstrate, by September 28, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before September 28, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Diep Nguyen  
John Gerges.





FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: ST. MARY THEOTOKOS PHARMA INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) all property described as collateral for the obligations of St. Mary Theotokos Pharma Inc. to the Lender in the General Security Agreement granted by St. Mary Theotokos Pharma Inc. in favour of the Lender dated as of August 18, 2016.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated September 3, 2020 from Miller Thomson LLP to St. Mary Theotokos Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 3 day of September, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



**MILLER THOMSON**  
AVOCATS | LAWYERS

MILLER THOMSON LLP  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
P.O. BOX 1011  
TORONTO, ON M5H 3S1  
CANADA

T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

September 3, 2020

**Private and Confidential**  
**Delivered via Email to:**  
**edmond.lamek@dlapiper.com**

**JOHN GERGES**  
676 Sheppard Ave  
Toronto, ON M2K 3E7

-and-

**DIEP NGUYEN**  
800 Queenston Road  
Stoney Creek, ON L8G 1A7

Dear Sirs/Mesdames:

**Re: Guarantees by each of John Gerges (“JG”) and Diep Nguyen (“DN”, and together with JG, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by St. Mary Theotokos Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,300,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated August 18, 2016, as amended by an amending agreement dated April 20, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under each of the Promissory Notes.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to DN, a guarantee dated August 18, 2016 granted by DN in favour of the Lender, pursuant to which DN guaranteed the present and future obligations of the Borrower to the Lender (the “**DN Guarantee**”); and
- (b) with respect to JG, a guarantee dated August 18, 2016 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the DN Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 28 day of September, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'G. Marinangeli', followed by a long horizontal line extending to the right.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

CC. Ted Hopkinson  
Diep Nguyen  
John Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:**           **JOHN GERGES**, an insolvent person

**AND TO:**   **DIEP NGUYEN.**, an insolvent person

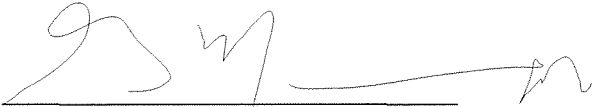
Take notice that:

1.     CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a)    with respect to John Gerges:
    - (i)     all property described as collateral for the obligations of St. Mary Theotokos Pharma Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of August 18, 2016; and
    - (ii)    all property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 18, 2016
  - (b)    with respect to Diep Nguyen:
    - (i)     all property described as collateral for the obligations of St. Mary Theotokos Pharma Inc. to the Lender in the guarantee granted by Diep Nguyen in favour of the Lender dated as of August 18, 2016;
    - (ii)    all property described as collateral for the obligations of Diep Nguyen to the Lender in the General Security Agreement granted by Diep Nguyen in favour of the Lender dated as of August 18, 2016; and
    - (iii)   all property described as collateral for the obligations of Diep Nguyen to the Lender in the Share Pledge Agreement dated August 18, 2016 entered into by Diep Nguyen and the Lender, and pursuant to which Diep Nguyen pledged shares representing 100% of the issued and outstanding common shares of St. Mary Theotokos Pharma Inc. to the Lender.
2.     The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3.     The total amount of indebtedness secured by the security is as set out in the attached demand letter dated September 3, 2020 from Miller Thomson LLP to St. Mary Theotokos Pharma Inc.

4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 3 day of September, 2020

**CWB MAXIUM FINANCE INC.**, by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



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September 3, 2020

**Private and Confidential**  
**Delivered Via Email to**  
**edmond.lamek@dlapiper.com**

**ST. MARY THEOTOKOS PHARMA INC.**

300 B Spadina Ave.,  
Toronto, ON M5T 2E7

Attention: John Gerges

Dear Sirs/Mesdames:

**Re: Promissory Note issued by St. Mary Theotokos Pharma Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,300,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated August 18, 2016, as amended by an amending agreement dated April 20, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated August 18, 2016 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Diep Nguyen and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG relating to: (i) certain charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable;
- (b) the Borrower defaulted on its scheduled August payment due and owing to the Lender pursuant to the Promissory Note; and

- (c) the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 27 day of August, 2020, the full balance outstanding under the Promissory Note is \$987,178.95. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$486.83 (collectively, the **“Outstanding Indebtedness”**)

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$1,000 (the **“Legal Fees”** and together with the Outstanding Indebtedness, the **“Indebtedness”**). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on September 28, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by September 28, 2020 or the Borrower does not demonstrate, by September 28, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.





The Lender reserves its right to act before September 28, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

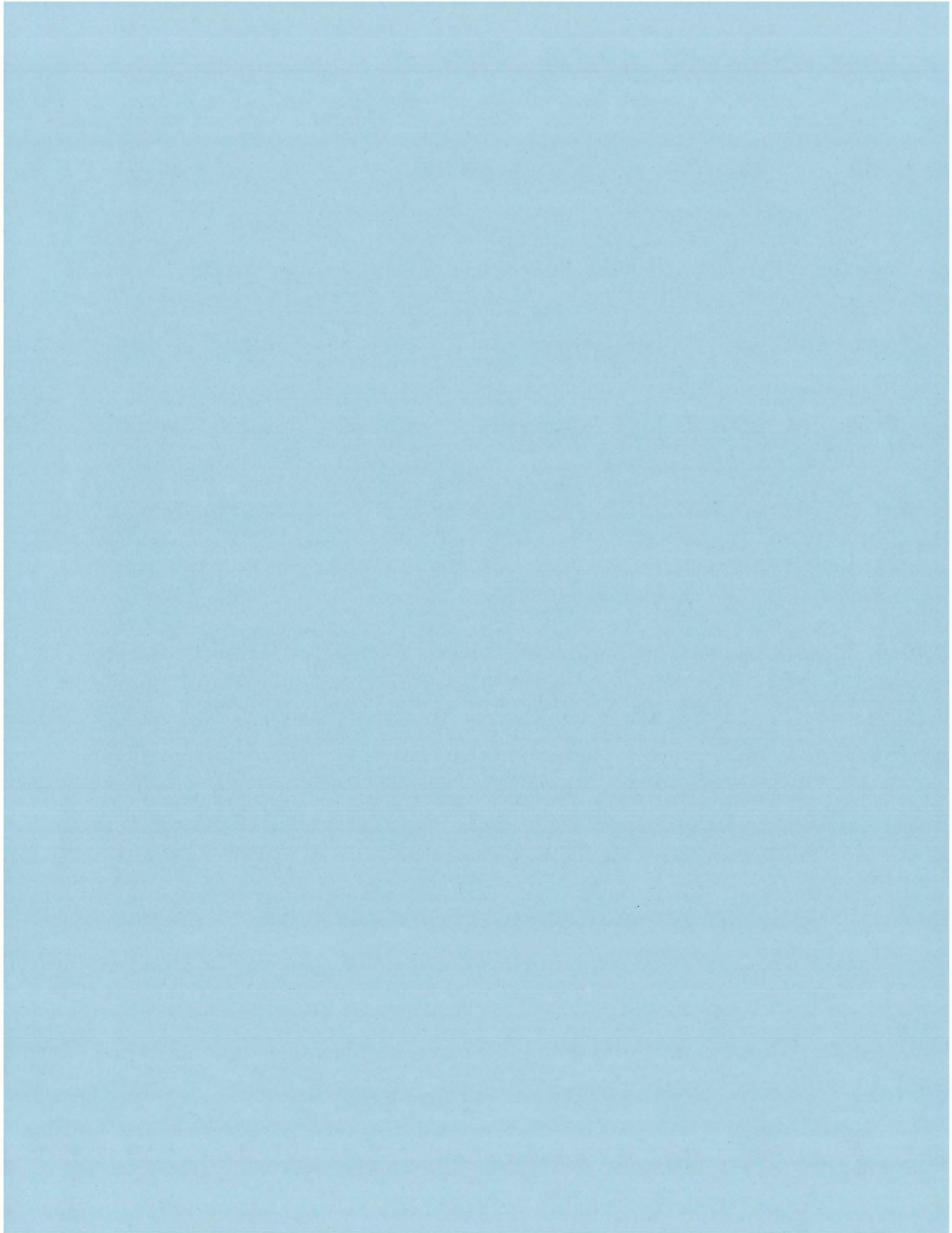
A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

CC. Ted Hopkinson  
Diep Nguyen  
John Gerges.







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T 416.595.8500  
F 416.595.8695

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August 24, 2020

**Private and Confidential**  
**Delivered Via Courier**

**RESIDENT MEDICAL GROUP INC.**  
14774 Woodbine Avenue  
Gormley, Ontario L0H 1G0

Attention: Sally Gerges

Dear Sirs/Mesdames:

**Re: Promissory Notes issued by Resident Medical Group Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (as successor to Desante Financial Services Inc.) (the “**Lender**”) advanced the sum of \$730,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated February 26, 2016, as amended by an amending agreement dated April 8, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note 1**”), \$1,050,450.00 pursuant to the terms of a promissory note dated March 2, 2017, as amended by an amending agreement dated April 8, 2020 executed by the Borrower in favour of the Lender (the “**Promissory Note 2**”) and \$1,800,450.00 pursuant to the terms of a promissory note dated September 30, 2017, as amended by an amending agreement April 8, 2020 executed by the Borrower in favour of the Lender (the “**Promissory Note 3**”, and together with Promissory Note 1 and Promissory Note 2, the “**Promissory Notes**”). As security for the Promissory Notes, the Borrower issued a general security agreement dated February 26, 2016 in favour of the Lender and such other security as more particularly described in the Promissory Notes (collectively, the “**Borrower Security**”).

We note that each of Bless Pharma Inc., S&J Property Investors Inc., 4231 Sheppard Avenue East Inc., Selvia G. Gerges, Sally Gerges and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:



- (a) certain professional misconduct allegations against JG relating to: (i) certain charges against John Gerges in connection with opioid trafficking; and (ii) certain violations of professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacists, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable; and
- (b) the Borrower defaulted on its scheduled August 2020 payment due and owing to the Lender pursuant to each of the Promissory Notes.

On account of defaults under the Promissory Notes and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 21 day of August, 2020, the full balance outstanding under each of the Promissory Notes is as follows:

- (a) With respect to the Promissory Note 1, \$506,352.43. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$249.71 (collectively, the **"Promissory Note 1 Outstanding Indebtedness"**);
- (b) With respect to Promissory Note 2, \$865,677.73. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$426.91 (collectively, the **"Promissory Note 2 Outstanding Indebtedness"**); and
- (c) With respect to Promissory Note 3, \$1,635,600.58. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$806.60 (collectively, the **"Promissory Note 3 Outstanding Indebtedness"**, and together with the Promissory Note 1 Outstanding Indebtedness and the Promissory Note 2 Outstanding Indebtedness, the **"Outstanding Indebtedness"**)

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$2,666.66 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on September 19, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by September 19, 2020 or the Borrower does not demonstrate, by September 19, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



The Lender reserves its right to act before September 19, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Bless Pharma Inc.  
S&J Property Insurance Inc.  
4231 Sheppard Avenue East Inc.  
John Gerges  
Selvia G. Gerges  
Sally Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

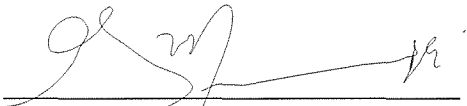
**TO: RESIDENT MEDICAL GROUP INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (as successor to Desante Financial Services Inc.) (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) All property described as collateral for the obligations of Resident Medical Group Inc. to the Lender in the General Security Agreement granted by Resident Medical Group Inc. in favour of the Lender dated as of February 26, 2016.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 24, 2020 from Miller Thomson LLP to Resident Medical Group Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 24 day of August, 2020

**CWB MAXIUM FINANCIAL INC.** (as  
successor to Desante Financial Services  
Inc.) by its lawyers, Miller Thomson LLP

Per:   
\_\_\_\_\_  
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com



**MILLER THOMSON**  
AVOCATS | LAWYERS

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40 KING STREET WEST, SUITE 5800  
P.O. BOX 1011  
TORONTO, ON M5H 3S1  
CANADA

T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

August 24, 2020

**Private and Confidential**  
**Delivered Via Courier**

**BLESS PHARMA INC.**  
721 Gerrard Street East, Toronto, ON M4M 1Y5

Attention: John Gerges

-and –

**S&J PROPERTY INVESTORS INC.**  
721 Gerrard Street E.  
Toronto, Ontario M4M 1Y5

Attention: Gamal F. Gerges

- and –

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and –

**4231 SHEPPARD AVENUE EAST INC. 4231**  
Sheppard Avenue East, Unit C1 Scarborough,  
Ontario M1S 5H5  
Attention: President

-and-

**SALLY GERGES**  
14744 Woodbine Avenue, Gormley, ON L0H 1G0

-and-

**SELVIA G. GERGES**  
14744 Woodbine Avenue, Gormley, ON L0H 1G0



Dear Sirs/Mesdames:

**Re: Guarantees by each of Bless Pharma Inc. ("BPI"), John Gerges ("JG"), 4231 Sheppard Avenue East Inc. ("4231"), Sally Gerges ("SG"), Selvia G. Gerges ("SGG") and S&J Property Investors Inc. ("SJPI", and together with BPI, JG, 4231, SG and SGG, the "Guarantors" and each a "Guarantor") with respect to Promissory Notes issued by Resident Medical Group Inc. (the "Borrower") to CWB Maxium Financial Inc. (formerly Desante Financial Services Inc.)**

CWB Maxium Financial Inc. (as successor to Desante Financial Services Inc.) (the "**Lender**") advanced the sum of \$730,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated February 26, 2016, as amended by an amending agreement dated April 8, 2020 executed by the Borrower in favour of Lender (the "**Promissory Note 1**") , \$1,050,450.00 pursuant to the terms of a promissory note dated March 2, 2017, as amended by an amending agreement dated April 8, 2020 executed by the Borrower in favour of the Lender (the "**Promissory Note 2**") and \$1,800,450.00 pursuant to the terms of a promissory note dated September 30, 2017, as amended by an amending agreement April 8, 2020 executed by the Borrower in favour of the Lender (the "**Promissory Note 3**", and together with Promissory Note 1 and Promissory Note 2, the "**Promissory Notes**").

According to the Lender's records, each of the Guarantors is obligated to the Lender for any amounts outstanding under each of the Promissory Notes.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to BPI, a guarantee dated February 26, 2016 granted by BPI in favour of the Lender, pursuant to which BPI guaranteed the present and future obligations of the Borrower to the Lender (the "**BPI Guarantee**");
- (b) with respect to 4231, a guarantee dated October 21, 2019 granted by 4231 in favour of the Lender, pursuant to which BPI guaranteed the present and future obligations of the Borrower to the Lender (the "**4231 Guarantee**");
- (c) with respect to SJPI, a guarantee dated February 26, 2016 granted by SJPI in favour of the Lender, pursuant to which BPI guaranteed the present and future obligations of the Borrower to the Lender (the "**SJPI Guarantee**");
- (d) with respect to SG, a guarantee dated February 26, 2016 granted by SG in favour of the Lender, pursuant to which SG guaranteed the present and future obligations of the Borrower to the Lender (the "**SG Guarantee**");
- (e) with respect to SGG, a guarantee dated February 26, 2016 granted by SGG in favour of the Lender, pursuant to which SGG guaranteed the present and future obligations of the Borrower to the Lender (the "**SGG Guarantee**"); and
- (f) with respect to JG, a guarantee dated February 26, 2016 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and



future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the BPI Guarantee, the 4231 Guarantee, the SJPI Guarantee, the SG Guarantee and the SGG Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 19 day of September, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

CC. Ted Hopkinson  
Bless Pharma Inc.  
S&J Property Insurance Inc.  
4231 Sheppard Avenue East Inc.  
John Gerges  
Selvia G. Gerges  
Sally Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:** JOHN GERGES, an insolvent person

**AND TO:** 4231 SHEPPARD AVENUE EAST INC., an insolvent person

**AND TO:** S&J PROPERTY INVESTORS INC. , an insolvent person

**AND TO:** SALLY GERGES, an insolvent person

**AND TO:** SELVIA G. GERGES, an insolvent person

**AND TO:** BLESS PHARMA INC., an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (as successor to Desante Financial Services Inc.) (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) with respect to John Gerges:
    - (i) All property described as collateral for the obligations of Resident Medical Group Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of February 26, 2016; and
    - (ii) All property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of February 26, 2016.
  - (b) with respect to 4231 Sheppard Avenue East Inc.:
    - (i) All property described as collateral for the obligations of Resident medical Group Inc. to the Lender in the guarantee granted by 4231 Sheppard Avenue East Inc. in favour of the Lender dated as of October 21, 2019; and
    - (ii) All property described as collateral for the obligations of 4231 Sheppard Avenue East Inc. to the Lender in the General Security Agreement granted by 4231 Sheppard Avenue East Inc. in favour of the Lender dated as of October 21, 2019.
  - (c) with respect to S&J Property Investors Inc.:
    - (i) All property described as collateral for the obligations of Resident Medical Group Inc. to the Lender in the guarantee granted by S&J Property Investors Inc. in favour of the Lender dated as of February 26, 2016; and

- (ii) All property described as collateral for the obligations of S&J Property Investors Inc. to the Lender in the General Security Agreement granted by S&J Property Investors Inc. in favour of the Lender dated as of May 5, 2014.
  - (d) with respect to Bless Pharma Inc.:
    - (i) All property described as collateral for the obligations of Resident Medical Group Inc. to the Lender in the guarantee granted by Bless Pharma Inc. in favour of the Lender dated as of February 26, 2016; and
    - (ii) All property described as collateral for the obligations of Bless Pharma Inc. to the Lender in the General Security Agreement granted by Bless Pharma Inc. in favour of the Lender dated as of May 5, 2014.
  - (e) with respect to Sally Gerges.:
    - (i) All property described as collateral for the obligations of Resident Medical Group Inc. to the Lender in the guarantee granted by Sally Gerges in favour of the Lender dated as of February 26, 2016; and
    - (ii) All property described as collateral for the obligations of Sally Gerges to the Lender in the General Security Agreement granted by Sally Gerges in favour of the Lender dated as of February 26, 2016.
  - (f) with respect to Selvia G. Gerges:
    - (i) All property described as collateral for the obligations of Resident Medical Group Inc. to the Lender in the guarantee granted by Selvia G. Gerges in favour of the Lender dated as of February 26, 2016; and
    - (ii) All property described as collateral for the obligations of Selvia G. Gerges to the Lender in the General Security Agreement granted by Selvia G. Gerges in favour of the Lender dated as of February 26, 2016.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
  3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 24, 2020 from Miller Thomson LLP to Resident Medical Group Inc.

4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 24 day of August, 2020

**CWB MAXIUM FINANCE INC.** (as  
successor to Desante Financial Services  
Inc.) by its lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millertthomson.com





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T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

August 24, 2020

**Private and Confidential**  
**Delivered Via Courier**

**RESIDENT MEDICAL GROUP INC.**  
14774 Woodbine Avenue  
Gormley, Ontario L0H 1G0

Attention: Sally Gerges

Dear Sirs/Mesdames:

**Re: Promissory Notes issued by Resident Medical Group Inc. (the “Borrower”) to  
CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (as successor to Desante Financial Services Inc.) (the “**Lender**”) advanced the sum of \$730,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated February 26, 2016, as amended by an amending agreement dated April 8, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note 1**”), \$1,050,450.00 pursuant to the terms of a promissory note dated March 2, 2017, as amended by an amending agreement dated April 8, 2020 executed by the Borrower in favour of the Lender (the “**Promissory Note 2**”) and \$1,800,450.00 pursuant to the terms of a promissory note dated September 30, 2017, as amended by an amending agreement April 8, 2020 executed by the Borrower in favour of the Lender (the “**Promissory Note 3**”, and together with Promissory Note 1 and Promissory Note 2, the “**Promissory Notes**”). As security for the Promissory Notes, the Borrower issued a general security agreement dated February 26, 2016 in favour of the Lender and such other security as more particularly described in the Promissory Notes (collectively, the “**Borrower Security**”).

We note that each of Bless Pharma Inc., S&J Property Investors Inc., 4231 Sheppard Avenue East Inc., Selvia G. Gerges, Sally Gerges and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG relating to: (i) certain charges against John Gerges in connection with opioid trafficking; and (ii) certain violations of professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable; and
- (b) the Borrower defaulted on its scheduled August 2020 payment due and owing to the Lender pursuant to each of the Promissory Notes.

On account of defaults under the Promissory Notes and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 21 day of August, 2020, the full balance outstanding under each of the Promissory Notes is as follows:

- (a) With respect to the Promissory Note 1, \$506,352.43. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$249.71 (collectively, the **"Promissory Note 1 Outstanding Indebtedness"**);
- (b) With respect to Promissory Note 2, \$865,677.73. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$426.91 (collectively, the **"Promissory Note 2 Outstanding Indebtedness"**); and
- (c) With respect to Promissory Note 3, \$1,635,600.58. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$806.60 (collectively, the **"Promissory Note 3 Outstanding Indebtedness"**, and together with the Promissory Note 1 Outstanding Indebtedness and the Promissory Note 2 Outstanding Indebtedness, the **"Outstanding Indebtedness"**)

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$2,666.66 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on September 19, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by September 19, 2020 or the Borrower does not demonstrate, by September 19, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.





The Lender reserves its right to act before September 19, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

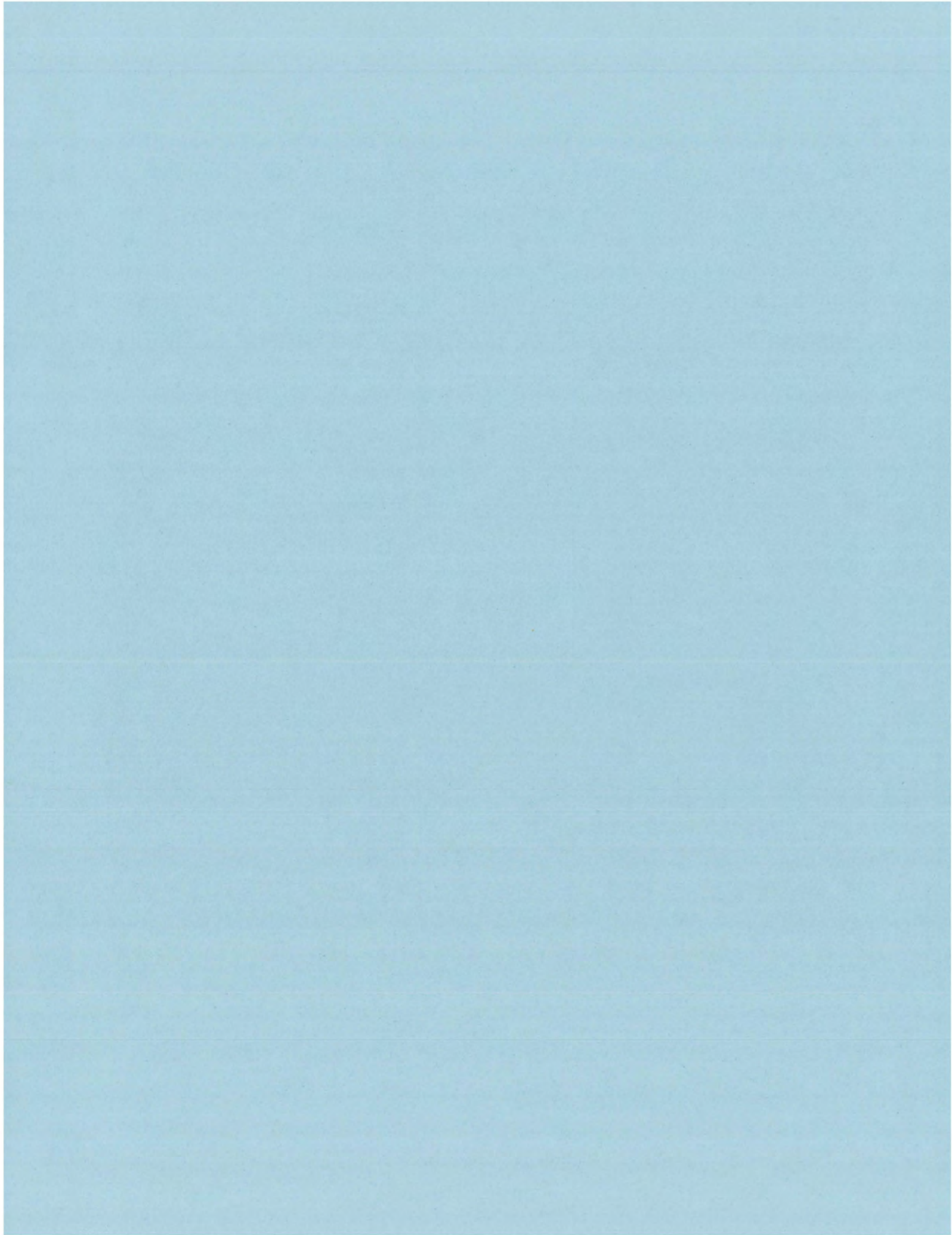
A handwritten signature in black ink, appearing to read 'G. Marinangeli', followed by a horizontal line and a small flourish.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Bless Pharma Inc.  
S&J Property Insurance Inc.  
4231 Sheppard Avenue East Inc.  
John Gerges  
Selvia G. Gerges  
Sally Gerges







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August 24, 2020

**Private and Confidential**  
**Delivered Via Courier**

**STONEY CREEK PHARMA INC.**

800 Queenston Road  
Stoney Creek, Ontario L8G 1A7

Attention: Diep Nguyen

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Stoney Creek Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,725,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated August 18, 2016, as amended by an amending agreement dated April 13, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated August 18, 2016 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Diep Nguyen and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG relating to: (i) certain charges against John Gerges in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable;

- (b) the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower; and
- (c) the Borrower defaulted on its scheduled August 2020 payment due and owing to the Lender pursuant to the Promissory Notes.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 21 day of August, 2020, the full balance outstanding under the Promissory Note is \$1,312,250.32. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$647.14 (collectively, the “**Outstanding Indebtedness**”)

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$2,666.66 (the “**Legal Fees**” and together with the Outstanding Indebtedness, the “**Indebtedness**”). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on September 19, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by September 19, 2020 or the Borrower does not demonstrate, by September 19, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



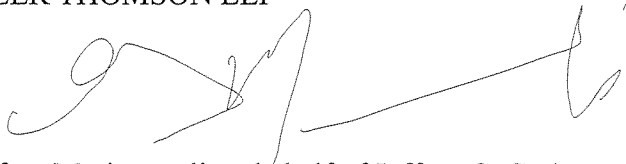
The Lender reserves its right to act before September 19, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to be 'G. Marinangeli', written over a horizontal line.

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Diep Nguyen  
John Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO: STONEY CREEK PHARMA INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) all property described as collateral for the obligations of Stoney Creek Pharma Inc. to the Lender in the General Security Agreement granted by Stoney Creek Pharma Inc. in favour of the Lender dated as of August 18, 2016.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 24, 2020 from Miller Thomson LLP to Stoney Creek Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 24 day of August, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per: 

Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart

Telephone: (416) 595-8615

jcarhart@millerthomson.com



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CANADA

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F 416.595.8695

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August 24, 2020

**Private and Confidential**  
**Delivered Via Courier**

**JOHN GERGES**  
676 Sheppard Ave, Toronto, ON M2K 3E7

-and-

**DIEP NGUYEN**  
800 Queenston Road  
Stoney Creek, ON L8G 1A7

Dear Sirs/Mesdames:

**Re: Guarantees by each of, John Gerges (“JG”) and Diep Nguyen (“DN”, and together with JG, the “Guarantors” and each a “Guarantor”) with respect to a Promissory Note issued by Stoney Creek Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,725,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated August 18, 2016, as amended by an amending agreement dated April 13, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”).

According to the Lender’s records, each of the Guarantors is obligated to the Lender for any amounts outstanding under each of the Promissory Notes.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to DN, a guarantee dated August 18, 2016 granted by DN in favour of the Lender, pursuant to which DN guaranteed the present and future obligations of the Borrower to the Lender (the “**DN Guarantee**”); and
- (b) with respect to JG, a guarantee dated August 18, 2016 granted by JG in favour of the Lender, pursuant to which JG guaranteed the present and future obligations of the Borrower to the Lender (the “**JG Guarantee**”, and together with the DN Guarantee, the “**Guarantees**”).

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.



We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 19 day of September, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
Diep Nguyen  
John Gerges



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:**           **JOHN GERGES**, an insolvent person

**AND TO:**   **DIEP NGUYEN.**, an insolvent person

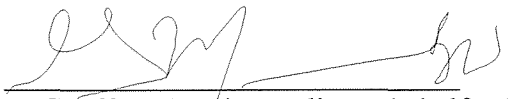
Take notice that:

1.     CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a)    with respect to John Gerges:
    - (i)     all property described as collateral for the obligations of Stoney Creek Pharma Inc. to the Lender in the guarantee granted by John Gerges in favour of the Lender dated as of August 18, 2016; and
    - (ii)    all property described as collateral for the obligations of John Gerges to the Lender in the General Security Agreement granted by John Gerges in favour of the Lender dated as of August 18, 2016.
  - (b)    with respect to Diep Nguyen:
    - (i)     all property described as collateral for the obligations of Stoney Creek Pharma Inc. to the Lender in the guarantee granted by Diep Nguyen in favour of the Lender dated as of August 18, 2016; and
    - (ii)    all property described as collateral for the obligations of Diep Nguyen to the Lender in the General Security Agreement granted by Diep Nguyen in favour of the Lender dated as of August 18, 2016.
2.     The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3.     The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 24, 2020 from Miller Thomson LLP to Stoney Creek Pharma Inc.

4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 24 day of August, 2020

**CWB MAXIUM FINANCE INC.**, by its  
lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millertomson.com



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August 24, 2020

**Private and Confidential**  
**Delivered Via Courier**

**STONEY CREEK PHARMA INC.**

800 Queenston Road  
Stoney Creek, Ontario L8G 1A7

Attention: Diep Nguyen

Dear Sirs/Mesdames:

**Re: Promissory Note issued by Stoney Creek Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$1,725,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated August 18, 2016, as amended by an amending agreement dated April 13, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated August 18, 2016 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Diep Nguyen and John Gerges (“**JG**”) executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) certain professional misconduct allegations against JG relating to: (i) certain charges against John Gerges in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable;

- (b) the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower; and
- (c) the Borrower defaulted on its scheduled August 2020 payment due and owing to the Lender pursuant to the Promissory Notes.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 21 day of August, 2020, the full balance outstanding under the Promissory Note is \$1,312,250.32. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$647.14 (collectively, the **"Outstanding Indebtedness"**)

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$2,666.66 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on September 19, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by September 19, 2020 or the Borrower does not demonstrate, by September 19, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.



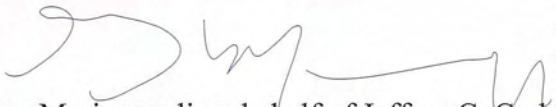
The Lender reserves its right to act before September 19, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



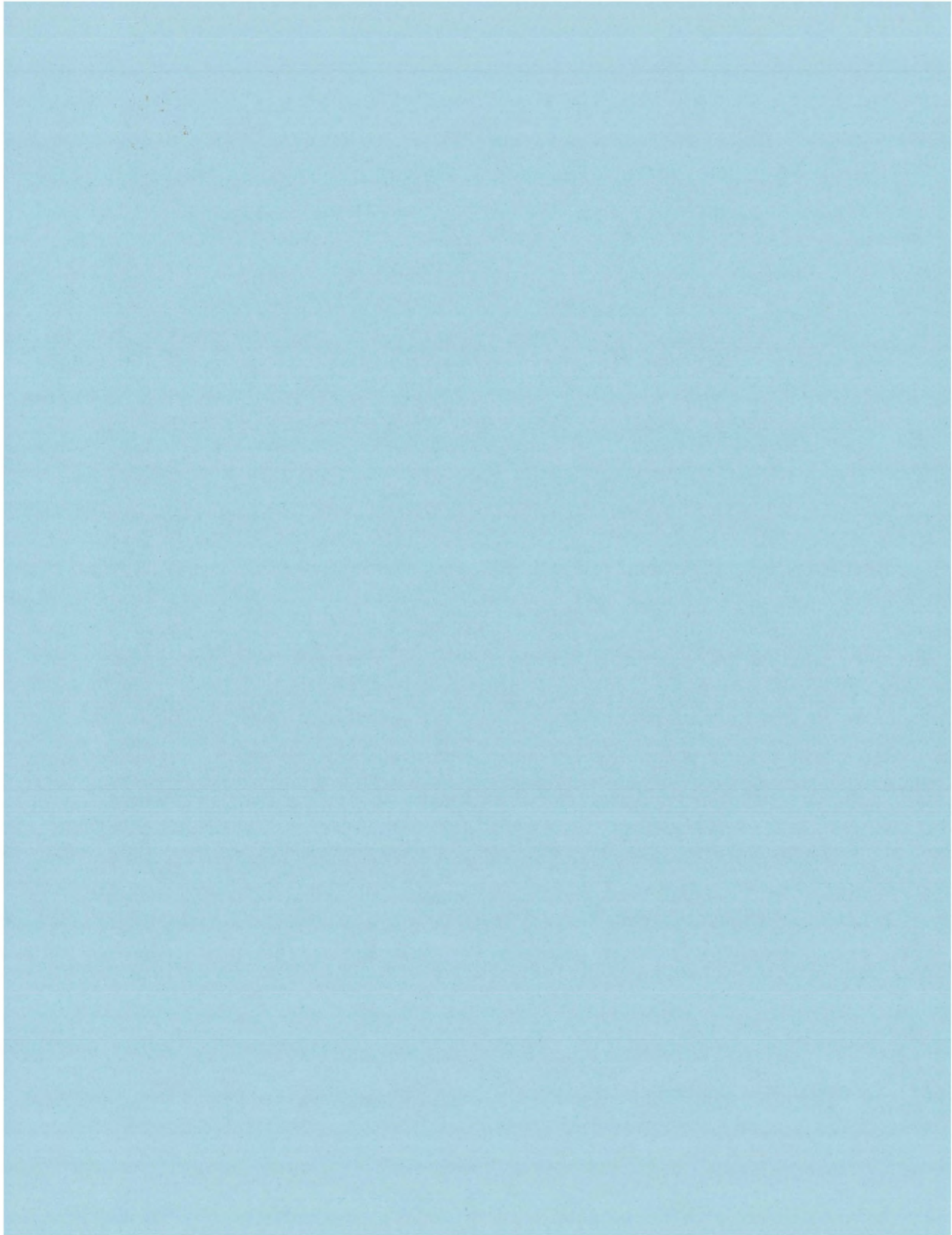
Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

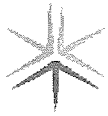
cc. Ted Hopkinson  
Diep Nguyen  
John Gerges











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August 24, 2020

**Private and Confidential**  
**Delivered Via Courier**

**SJ EAST PHARMA INC.**  
12 Elizabeth Street  
Brighton, Ontario Canada K0K 1H0

Attention: John Gerges

Dear Sirs/Mesdames:

**Re: Promissory Note issued by SJ East Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$2,465,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated July 25, 2017, as amended by an amending agreement dated April 7, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated July 21, 2017 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Diep Nguyen and Stoney Creek Pharma Inc. executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) the Borrower defaulted on its scheduled August 2020 payment due and owing to the Lender pursuant to the Promissory Notes; and
- (b) the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 21 day of August, 2020, the full balance outstanding under the Promissory Note is \$2,182,814.37. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$1,076.46 (collectively, the **"Outstanding Indebtedness"**)

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$2,666.66 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on September 19, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by September 19, 2020 or the Borrower does not demonstrate, by September 19, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.

The Lender reserves its right to act before September 19, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Diep Nguyen  
Stoney Creek Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**


**TO: SJ EAST PHARMA INC.**, an insolvent person

Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) all property described as collateral for the obligations of SJ East Pharma Inc. to the Lender in the General Security Agreement granted by SJ East Pharma Inc. in favour of the Lender dated as of July 21, 2017.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 24, 2020 from Miller Thomson LLP to SJ East Pharma Inc.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 24 day of August, 2020

**CWB MAXIUM FINANCIAL INC.** by its  
lawyers, Miller Thomson LLP

Per:   
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millertomson.com



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August 24, 2020

**Private and Confidential**  
**Delivered Via Courier**

**STONEY CREEK PHARMA  
INC.**

800 Queenston Road

Stoney Creek, Ontario L8G 1A7

Attention: Diep Nguyen

-and-

**DIEP NGUYEN**  
800 Queenston Road  
Stoney Creek, ON L8G 1A7

Dear Sirs/Mesdames:

**Re: Guarantees by each of Stoney Creek Pharma Inc. ("SCP") and Diep Nguyen ("DN", and together with SCP, the "Guarantors" and each a "Guarantor") with respect to a Promissory Note issued by SJ East Pharma Inc. (the "Borrower") to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the "**Lender**") advanced the sum of \$2,465,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated July 25, 2017, as amended by an amending agreement dated April 7, 2020 executed by the Borrower in favour of Lender (the "**Promissory Note**").

According to the Lender's records, each of the Guarantors is obligated to the Lender for any amounts outstanding under each of the Promissory Notes.

The Lender holds the following guarantees granted by Guarantors:

- (a) with respect to DN, a guarantee dated July 21, 2017 granted by DN in favour of the Lender, pursuant to which DN guaranteed the present and future obligations of the Borrower to the Lender (the "**DN Guarantee**");
- (b) with respect to SCP, a guarantee dated July 21, 2017 granted by SCP in favour of the Lender, pursuant to which SCP guaranteed the present and future obligations of the Borrower to the Lender (the "**SCP Guarantee**", and together with the DN Guarantee, the "**Guarantees**").

Today the Lender has demanded payment of the obligations of the Borrower to the Lender. A copy of that demand letter is enclosed.

We hereby demand payment of the obligations of the Borrower to the Lender from each of you, in accordance with the time periods and terms of payment set out in the enclosed letter to the Borrower and the terms of each of the Guarantees.

A notice of intention to enforce security is enclosed, in accordance with the provisions of the *Bankruptcy and Insolvency Act*, with respect to the security that you issued in favour of the Lender in support of your obligations in this regard.

The Lender reserves its right to act before the 19 day of September, 2020 if, for example, the Lender considers the property under its security to be in peril.

Yours truly,

MILLER THOMSON LLP

Per:



Geoffrey Marinangeli on behalf of Jeffrey C. Carhart  
JCC/af

cc. Ted Hopkinson  
Diep Nguyen  
Stoney Creek Pharma Inc.



FORM 115

**Notice of Intention to Enforce Security**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)**

**TO:** STONEY CREEK PHARMA INC., an insolvent person

**AND TO:** DIEP NGUYEN., an insolvent person

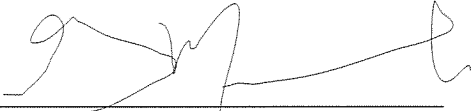
Take notice that:

1. CWB Maxium Financial Inc. (the “**Lender**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
  - (a) with respect to Stoney Creek Pharma Inc.:
    - (i) all property described as collateral for the obligations of SJ East Pharma Inc. to the Lender in the guarantee granted by Stoney Creek Pharma Inc. in favour of the Lender dated as of July 21, 2017; and
    - (ii) all property described as collateral for the obligations of Stoney Creek Pharma Inc. to the Lender in the General Security Agreement granted by Stoney Creek Pharma Inc. in favour of the Lender dated as of August 18, 2016.
  - (b) with respect to Diep Nguyen:
    - (i) all property described as collateral for the obligations of SJ East Pharma Inc. to the Lender in the guarantee granted by Diep Nguyen in favour of the Lender dated as of July 21, 2017;
    - (ii) all property described as collateral for the obligations of Diep Nguyen to the Lender in the General Security Agreement granted by Diep Nguyen in favour of the Lender dated as of August 18, 2016; and
    - (iii) all property described as collateral for the obligations of Diep Nguyen to the Lender in the Share Pledge Agreement dated July 21, 2017 entered into by Diep Nguyen and the Lender, and pursuant to which Diep Nguyen pledged shares representing 100% of the issued and outstanding common shares of SJ East Pharma Inc. to the Lender.
2. The security that is to be enforced is in the form of the security listed in paragraph 1 above.
3. The total amount of indebtedness secured by the security is as set out in the attached demand letter dated August 24, 2020 from Miller Thomson LLP to SJ East Pharma Inc.

4. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement.

Dated at Toronto this 24 day of August, 2020

**CWB MAXIUM FINANCE INC.**, by its  
lawyers, Miller Thomson LLP

Per:   
\_\_\_\_\_  
Geoffrey Marinangeli on behalf of  
Jeffrey C. Carhart  
Telephone: (416) 595-8615  
jcarhart@millerthomson.com





**MILLER THOMSON**  
AVOCATS | LAWYERS

MILLER THOMSON LLP  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
P.O. BOX 1011  
TORONTO, ON M5H 3S1  
CANADA

T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

August 24, 2020

**Private and Confidential**  
**Delivered Via Courier**

**SJ EAST PHARMA INC.**  
12 Elizabeth Street  
Brighton, Ontario Canada K0K 1H0

Attention: John Gerges

Dear Sirs/Mesdames:

**Re: Promissory Note issued by SJ East Pharma Inc. (the “Borrower”) to CWB Maxium Financial Inc.**

CWB Maxium Financial Inc. (the “**Lender**”) advanced the sum of \$2,465,450.00 CAD to the Borrower, pursuant to the terms of a promissory note dated July 25, 2017, as amended by an amending agreement dated April 7, 2020 executed by the Borrower in favour of Lender (the “**Promissory Note**”). As security for the Promissory Note, the Borrower issued a general security agreement dated July 21, 2017 in favour of the Lender and such other security as more particularly described in the Promissory Note (collectively, the “**Borrower Security**”).

We note that each of Diep Nguyen and Stoney Creek Pharma Inc. executed a standard guarantee and a general security agreement pursuant to which they each guaranteed payment of all amounts due and owing by the Borrower to the Lender (collectively, the “**Guarantor Security**” and together with the Borrower Security, the “**Security**”).

To date, the Borrower has defaulted on its obligations under the Promissory Note and the Security. These defaults include, but are not limited to, the following:

- (a) the Borrower defaulted on its scheduled August 2020 payment due and owing to the Lender pursuant to the Promissory Notes; and
- (b) the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower.

On account of defaults under the Promissory Note and Security, all amounts owing to the Lender thereunder are now due and payable. As of the 21 day of August, 2020, the full balance outstanding under the Promissory Note is \$2,182,814.37. Interest shall continue to accrue until the date of payment, calculated at a per diem amount of \$1,076.46 (collectively, the **"Outstanding Indebtedness"**)

The Lender has also incurred legal fees on account of the default of the Borrower in the amount of approximately \$2,666.66 (the **"Legal Fees"** and together with the Outstanding Indebtedness, the **"Indebtedness"**). This amount is also payable by the Borrower in accordance with the terms the Promissory Notes and the Security.

We confirm that the Lender has declared all of the obligations of the Borrower to the Lender to be immediately due and payable. We also enclose herewith a notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

All of the Indebtedness of the Borrower to the Lender must be paid by 2:00 p.m. on September 19, 2020. Payment should be made to our office by certified cheque payable to the Lender. In the event that the Borrower does not remit the required funds by September 19, 2020 or the Borrower does not demonstrate, by September 19, 2020 its ability to pay the funds at a later date, on terms satisfactory to the Lender, the Lender reserves its right to commence proceedings against the Borrower, without further notice, including, without limitation, with respect to the appointment of a receiver and/or manager pursuant to the Borrower Security.

The Lender reserves its right to act before September 19, 2020 if, for example, the Lender considers the property under its security to be in peril.

We trust that you will respond accordingly.

Yours truly,

MILLER THOMSON LLP

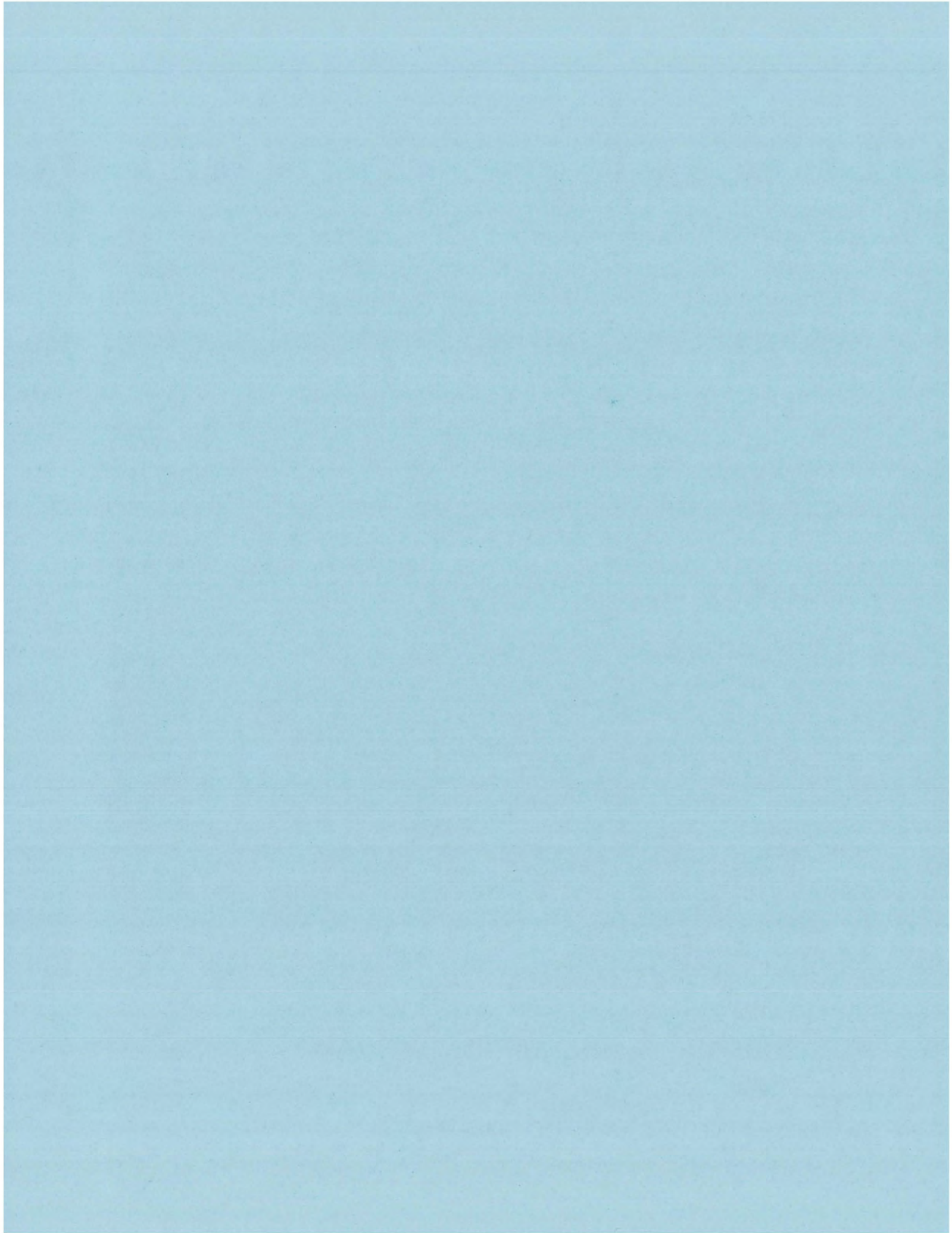
Per:

Geoffrey Marinangeli on behalf of Jeffrey C. Carhart

JCC/af

cc. Ted Hopkinson  
Diep Nguyen  
Stoney Creek Pharma Inc.







MAXIMUM  
FINANCIAL

#333347

Registered Letter

Monday August 17<sup>th</sup>, 2020

Olde Walkerville Holdings Inc.  
Attention: Ramachandran Ramapathy  
1701 Wyandotte Street, East  
Windsor, Ontario N8Y 1C9

*Aug 20' - Ben  
proposed a sale/  
restructure - working on  
part of John  
Gerges Portfolio  
default*

**WITHOUT PREJUDICE  
DEMAND PAYMENT - \$2,908,586.50**

Dear Sir:

Please be advised that you are in arrears in the amount of \$30,794.73 and are accordingly deemed to be in default. A copy of the Promissory Note along with the Amending Agreement are attached for your information.

We are now demanding payment in full in the amount of \$2,908,586.50 which represents the total amount owing for all contracts.

If payment in full has not been received by Thursday August 27<sup>th</sup>, 2020, CWB Maximum Financial Services will have no other alternative than to proceed with collection, repossession of our equipment and the necessary legal action.

It is in your best interest to contact this office immediately to discuss payment arrangements.

**PLEASE BE ADVISED THAT WE HAVE INSTRUCTED OUR LEGAL COUNSEL TO OPEN A FILE.**

**TIME IS NOW OF THE ESSENCE. GOVERN YOURSELF ACCORDINGLY.**

Regards

Benjamin Wyatt  
Vice President - Portfolio  
Attachment



**REGISTERED  
DOMESTIC**  
CUSTOMER RECEIPT

**RECOMMANDÉ  
RÉGIME INTÉRIEUR**  
REÇU DU CLIENT



To / Destinataire	
Name / Nom	Olde Walkerville
Address / Adresse	1701 Wyandotte
City / Prov. / Postal Code	Windsor
Declared Value / Valeur déclarée	\$
33-888-684 (17-12)	

FOR DELIVERY CONFIRMATION	CONFIRMATION DE LIVRAISON
canadapost.ca	postescanada.ca
1 888 550-6333	
CPC Tracking Number	Numero de repérage de la SCP
RN 477 043 153 CA	

*Demand*



FORM 86

NOTICE OF INTENTION TO ENFORCE A SECURITY  
(Rule 124)

TO: Olde Walkerville Holdings Inc. an insolvent person

TAKE NOTICE THAT:

1. CWB MAXIUM FINANCIAL, a secured creditor, intends to enforce its security on the insolvent person's property described below:

"As described in the attached General Security Agreement"

2. The security that is to be enforced is in the form of the attached General Security Agreement.

3. The total amount of indebtedness secured by the security is \$2,908,586.50 together with interest and costs.

4. The secured creditor will not have the right to enforce the security until after the expiry of the ten day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

DATED at Toronto, this 17<sup>th</sup> day of August, 2020.

CWB MAXIUM FINANCIAL

Per:

Benjamin Wyett  
Vice President - Portfolio



REGISTERED  
DOMESTIC  
CUSTOMER RECEIPT

RECOMMANDÉ  
RÉGIME INTÉRIEUR  
REÇU DU CLIENT



To		Destinataire	
Name	Olde Walkerville	Name	
Address	1701 Windotte	Address	
City / Prov. / Postal Code	Windsor	City / Prov. / Code postal	
Declared Value		Value déclarée	\$

FOR DELIVERY CONFIRMATION	CONFIRMATION DE LA LIVRAISON
enquidpost.ca	postcanada.ca
1 888 550-6333	

CPC Trading Number  
RN 477 043 140 CA

33-000-684 (17-12)

Enforce



MAXIMUM  
FINANCIAL

Registered Letter

Monday August 17<sup>th</sup>, 2020

Olde Walkerville Holdings Inc.  
Attention: Ramachandran Ramapathy  
870 Erie Street, East  
Windsor, Ontario N9A 3Y6

**WITHOUT PREJUDICE  
DEMAND PAYMENT - \$2,908,586.50**

Dear Sir:

Please be advised that you are in arrears in the amount of \$30,794.73 and are accordingly deemed to be in default. A copy of the Promissory Note along with the Amending Agreement are attached for your information.

We are now demanding payment in full in the amount of \$2,908,586.50 which represents the total amount owing for all contracts.

If payment in full has not been received by Thursday August 27<sup>th</sup>, 2020, CWB Maximum Financial Services will have no other alternative than to proceed with collection, repossession of our equipment and the necessary legal action.

It is in your best interest to contact this office immediately to discuss payment arrangements.

**PLEASE BE ADVISED THAT WE HAVE INSTRUCTED OUR LEGAL COUNSEL TO OPEN A FILE.**

**TIME IS NOW OF THE ESSENCE. GOVERN YOURSELF ACCORDINGLY.**

Regards

Benjamin Wyatt  
Vice President - Portfolio  
Attachment



**REGISTERED  
DOMESTIC**  
CUSTOMER RECEIPT

**RECOMMANDÉ  
RÉGIME INTÉRIEUR**  
REÇU DU CLIENT



To / Destinataire	
Name / Nom	Olde Walkerville
Address / Adresse	870 Erie St
City / Prov. / Postal Code	Windsor
Declared Value / Valeur déclarée	\$ Demand
33-086-504 (17-12)	
FOR DELIVERY CONFIRMATION / CONFIRMATION DE LA LIVRAISON	
CanadaPost.ca / canada.ca	
1 888 550-6333	
CPC Tracking Number / Numéro de suivi de la CCP	
RN 477 043 215 CA	

FORM 86

NOTICE OF INTENTION TO ENFORCE A SECURITY  
(Rule 124)

TO: Olde Walkerville Holdings Inc. an insolvent person

TAKE NOTICE THAT:

1. CWB MAXIUM FINANCIAL, a secured creditor, intends to enforce its security on the insolvent person's property described below:

"As described in the attached General Security Agreement"

2. The security that is to be enforced is in the form of the attached General Security Agreement.

3. The total amount of indebtedness secured by the security is \$2,908,586.50 together with interest and costs.

4. The secured creditor will not have the right to enforce the security until after the expiry of the ten day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

DATED at Toronto, this 17<sup>th</sup> day of August, 2020.

CWB MAXIUM FINANCIAL

Per: 

Benjamin Wyett  
Vice President - Portfolio



REGISTERED  
DOMESTIC  
CUSTOMER RECEIPT

RECOMMANDÉ  
RÉGIME INTÉRIEUR  
REÇU DU CLIENT



To / Destinataire	
Name / Nom	Olde Walkerville
Address / Adresse	870 Erie St
City / Prov. / Postal Code	Windsor
Declared Value / Valeur déclarée	\$

FOR DELIVERY CONFIRMATION		CONFIRMATION DE LA LIVRAISON	
canadapost.ca	in-rr	postescanada.ca	
1 888 550-6333			

CPC Tracking Number / Numéro de suivi de la SCP  
RN 477 043 207 CA

Enforce





Registered Letter

Monday August 17<sup>th</sup>, 2020

Ramachandran Ramapathy  
25 Palomino Crescent  
North York, Ontario  
M2K 1W2

RE: Olde Walkerville Holdings Inc.  
Amount: \$2,908,586.50

Dear Sir:

Please be advised that the subject Olde Walkerville Holdings Inc. are/is in arrears in the amount of \$30,794.73 and are accordingly deemed to be in default. A Demand for payment was issued to Olde Walkerville Holdings Inc. on August 17<sup>th</sup>, 2020. A personal Guarantee was executed by you on October 18<sup>th</sup>, 2018 to support the outstanding debt of Olde Walkerville Holdings Inc., a copy of which is herewith attached for your information.

We are now demanding payment in full in the amount of \$2,908,586.50 which represents the total amount owing for all contracts.

If payment in full has not been received by Thursday August 27<sup>th</sup>, 2020, CWB Maxium Financial will have no other alternative than to proceed with the necessary legal action.

It is in your best interest to contact this office immediately to discuss payment arrangements.

**PLEASE BE ADVISED THAT WE HAVE INSTRUCTED OUR LEGAL COUNSEL TO OPEN A FILE.**

**TIME IS NOW OF THE ESSENCE. GOVERN YOURSELF ACCORDINGLY.**

Regards

Benjamin Wyatt  
Vice President - Portfolio  
Attachments



REGISTERED  
DOMESTIC  
CUSTOMER RECEIPT

RECOMMANDÉ  
RÉGIME INTÉRIEUR  
REÇU DU CLIENT



To / Destinataire		FOR DELIVERY / CONFIRMATION	
Name / Nom	Ramapathy	CONFIRMATION DE LA LIVRAISON	
Address / Adresse	25 Palomino	Canada Post en français	
City / Prov. / Postal Code	North York	1888 550-6333	
Declared Value / Valeur déclarée	\$	CPC Tracking Number / Numéro de suivi de la SCP	
Guarantor - Olde Walkerville		RN 477 043 198 CA	

FORM 86

NOTICE OF INTENTION TO ENFORCE A SECURITY  
(Rule 124)

TO: Ramachandran Ramapathy, an insolvent person

TAKE NOTICE THAT:

1. CWB MAXIUM FINANCIAL, a secured creditor, intends to enforce its security on the insolvent person's property described below:

"As described in the attached General Security Agreement"

2. The security that is to be enforced is in the form of the attached General Security Agreement.

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4. The secured creditor will not have the right to enforce the security until after the expiry of the ten day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

DATED at Toronto, this 17<sup>th</sup> day of August, 2020.

CWB MAXIUM FINANCIAL

Per:



Benjamin Wyett  
Vice President - Portfolio



REGISTERED  
DOMESTIC  
CUSTOMER RECEIPT

RECOMMANDÉ  
RÉGIME INTÉRIEUR  
REÇU DU CLIENT



To Name <i>Ramapathy</i>	Destinataire Nom <i>Ramapathy</i>	FOR DELIVERY CONFIRMATION Canada Post poster (canada.ca) 1888 550-6333	CONFIRMATION DE LA LIVRAISON poster (canada.ca)
Address <i>25 Palomino</i>	Adresse <i>25 Palomino</i>		
City / Prov. / Postal Code <i>North York</i>	Ville / Prov. / Code postal <i>North York</i>	CFO Tracking Number RN 477 042 351 CA	
Declared Value Valeur déclarée \$ <i>Enforce</i>	33-006-504 (17-12) <i>Guarantor - Oide Walkerville</i>		



MAXIMUM  
FINANCIAL

Registered Letter

Monday August 17<sup>th</sup>, 2020

Chin-To Yuen  
Personal and Confidential  
218 Shoreview Court  
Windsor, Ontario N8P 1M7

RE: Olde Walkerville Holdings Inc.  
Amount: \$2,908,586.50

Dear Sir:

Please be advised that the subject Olde Walkerville Holdings Inc. are/is in arrears in the amount of \$30,794.73 and are accordingly deemed to be in default. A Demand for payment was issued to Olde Walkerville Holdings Inc. on August 17<sup>th</sup>, 2020. A personal Guarantee was executed by you on October 18<sup>th</sup>, 2018 to support the outstanding debt of Olde Walkerville Holdings Inc., a copy of which is herewith attached for your information.

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It is in your best interest to contact this office immediately to discuss payment arrangements.

**PLEASE BE ADVISED THAT WE HAVE INSTRUCTED OUR LEGAL COUNSEL TO OPEN A FILE.**

**TIME IS NOW OF THE ESSENCE. GOVERN YOURSELF ACCORDINGLY.**

Regards

Benjamin Wyatt  
Vice President - Portfolio  
Attachments



REGISTERED  
DOMESTIC  
CUSTOMER RECEIPT

RECOMMANDÉ  
RÉGIME INTÉRIEUR  
REÇU DU CLIENT



To / Destinataire	
Name / Nom	Yuen
Address / Adresse	218 Shoreview
City / Prov. / Postal Code / Ville / Prov. / Code postal	Windsor
Product / Produit / Value / Valeur	\$
33-086-584 (17-12) Guarantor - Olde Walkerville	

FOR DELIVERY CONFIRMATION / CONFIRMATION DE LA LIVRAISON

canadapost.ca / poste.canada.ca

1 888 550-6333

CPC Tracking Number / Numéro de suivi de la BCP: RN 477 042 422 CA

FORM 86

NOTICE OF INTENTION TO ENFORCE A SECURITY  
(Rule 124)

TO: Chin-To Yuen, an insolvent person

TAKE NOTICE THAT:

1. CWB MAXIUM FINANCIAL, a secured creditor, intends to enforce its security on the insolvent person's property described below:

"As described in the attached General Security Agreement"

2. The security that is to be enforced is in the form of the attached General Security Agreement.

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4. The secured creditor will not have the right to enforce the security until after the expiry of the ten day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

DATED at Toronto, this 17<sup>th</sup> day of August, 2020.

CWB MAXIUM FINANCIAL

Per:

Benjamin Wyett  
Vice President - Portfolio



REGISTERED  
DOMESTIC  
CUSTOMER RECEIPT

RECOMMANDÉ  
RÉGIME INTÉRIEUR  
REÇU DU CLIENT



To Name	Destinataire Nom
Address	Adresse
City / Prov. / Postal Code	Ville / Prov. / Code postal
Declared Value	Value déclarée

FOR DELIVERY CONFIRMATION	CONFIRMATION DE LA LIVRAISON
canadapost.ca	postescanada.ca
1 888 550-6333	


33-080-584 (17-12)

Guarantor - Olde Walkerville

CPC Tracking Number  
RN 477 042 436 CA

**Tab I**

This is **Exhibit “I”** referred to in the Affidavit  
of TED (EDWARD) HOPKINSON and SWORN  
BEFORE ME via video-conference with the deponent  
in the City of Bryn Mawr, in the State of  
Pennsylvania, United States of America, and the  
Commissioner in the City of Toronto, Ontario  
this 30th day of October, 2020

DocuSigned by:  
  
A4011B3271544AE

A Commissioner for Taking Affidavits

Tamie Dolny

## **Marinangeli, Geoffrey**

---

**From:** Carhart, Jeffrey  
**Sent:** Tuesday, October 6, 2020 12:01 PM  
**To:** Lamek, Edmond; Caitlin Fell  
**Cc:** Marinangeli, Geoffrey  
**Subject:** RE: CWB - GERGES //

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Dear Edmond and Caitlin

I am following up on my e mail of October 1<sup>st</sup> below and my call yesterday to Edmond

We have not had any response to the simple requests set out in my October 1<sup>st</sup> message

Meanwhile, among other things: (i) John Gerges has indicated to MSI that several companies within the Gerges group of companies no longer have insurance and John Gerges has acknowledged to MSI that CWB was not been provided with evidence that new insurance has been put in place on terms satisfactory to CWB, giving rise to yet another default under the loan arrangements; and (ii) several companies with the Gerges group of companies have failed to make their regularly scheduled payments to CWB (in some cases, more than two such payments in a row have now been missed).

Further to our October 1<sup>st</sup> e mail below – and just to be clear - CWB stands by the enforceability of all guarantees. However, we note that, among other things, Caitlin suggested in her correspondence that the parties are continuing to speak with each other and to have constructive, business-like dialogue about the Gerges group of companies. The request for confirmation of the matters set out in our October 1<sup>st</sup> e mail below, including the requested confirmation from the guarantors in question, was meant, in plain terms, to see if the parties continue to believe in such a constructive, business-like approach to the situation. The fact that such confirmation has not been forthcoming and that the lines of communication have effectively gone dead at this stage is very disappointing to CWB.

We plan to send a memo under separate cover detailing the various defaults relating to: (i) missed payments (ii) lapsed insurance coverage. In turn, based on those defaults and the earlier and other defaults itemized in our previous correspondence, we expect to receive instructions to seek the appointment of MSI as a Receiver.


**JEFFREY C. CARHART**  
Partner

**Miller Thomson LLP**  
Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, Ontario M5H 3S1  
**Direct Line:** +1 416.595.8615  
**Fax:** +1 416.595.8695



**Tab J**

This is **Exhibit “J”** referred to in the Affidavit  
of TED (EDWARD) HOPKINSON and SWORN  
BEFORE ME via video-conference with the deponent  
in the City of Bryn Mawr, in the State of  
Pennsylvania, United States of America, and the  
Commissioner in the City of Toronto, Ontario  
this 30th day of October, 2020

DocuSigned by:  
  
A4011B3271544AF...

A Commissioner for Taking Affidavits

Tamie Dolny

## **Marinangeli, Geoffrey**

---

**From:** Carhart, Jeffrey  
**Sent:** Tuesday, October 6, 2020 12:01 PM  
**To:** Lamek, Edmond; Caitlin Fell  
**Cc:** Marinangeli, Geoffrey  
**Subject:** RE: CWB - GERGES //

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Dear Edmond and Caitlin

I am following up on my e mail of October 1<sup>st</sup> below and my call yesterday to Edmond

We have not had any response to the simple requests set out in my October 1<sup>st</sup> message

Meanwhile, among other things: (i) John Gerges has indicated to MSI that several companies within the Gerges group of companies no longer have insurance and John Gerges has acknowledged to MSI that CWB was not been provided with evidence that new insurance has been put in place on terms satisfactory to CWB, giving rise to yet another default under the loan arrangements; and (ii) several companies with the Gerges group of companies have failed to make their regularly scheduled payments to CWB (in some cases, more than two such payments in a row have now been missed).

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## **JEFFREY C. CARHART**

**Partner**

**Miller Thomson LLP**  
Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, Ontario M5H 3S1  
**Direct Line:** +1 416.595.8615  
**Fax:** +1 416.595.8695



**Tab K**

This is **Exhibit “K”** referred to in the Affidavit  
of TED (EDWARD) HOPKINSON and SWORN  
BEFORE ME via video-conference with the deponent  
in the City of Bryn Mawr, in the State of  
Pennsylvania, United States of America, and the  
Commissioner in the City of Toronto, Ontario  
this 30th day of October, 2020

DocuSigned by:



A4011B3271544AF...

---

A Commissioner for Taking Affidavits

Tamie Dolny

## MEMORANDUM Toronto

**To:** **DLA Piper (Canada) LLP**, counsel for the Group A Borrowers (as defined in Schedule B)  
Attention: Edmond Lamek

**AND TO:** **Weisz Fell Kour LLP**, counsel for the Group B Borrowers (as defined in Schedule B)  
Attention: Caitlin Fell

**From:** **Miller Thomson LLP (“MT”)**, counsel for the Lenders (as defined below)

**Date:** October 15, 2020

**Subject:** Summary of Defaults of the Borrowers and Guarantors and Steps Taken by Lenders

**MT File:** 0249851.0001

---

### 1. Purpose

The purpose of this memorandum is to summarize: a) the defaults as at October 7, 2020 under the Loan Agreements listed in Schedule A (the “**Loan Agreements**”) and such security executed in connection with the Loan Agreements (the “**Security**”), as applicable, granted by each of the Obligor (as defined in Schedule B); and b) certain steps taken by each of 1951584 Ontario Inc. (the “**195 Lender**”), successor of Desante Financial Services Inc. and Maxium Financial Services Inc. (“**MFS**”) by amalgamation, and CWB Maxium Financial Inc. (the “**CWB Lender**”, and together with the 195 Lender, the “**Lenders**” and each a “**Lender**”) to address and enforce on such defaults. For certainty, the steps taken by the Lenders to address and enforce on such defaults that are described in this memo are not exhaustive and the summary of steps set out in this memo is meant to only provide a general overview.

### 2. Defaults and Steps taken by Lenders

(a) Initial Defaults – Default Letters: March 3, 2020

On or around January 2020, the Lenders became aware that JG (as defined in Schedule B) had been: a) criminally charged in connection with opioid trafficking (the “**Criminal Charges**”); and b) disciplined by the Ontario College of Pharmacists for certain professional

misconduct (the “**Professional Misconduct**” and together with the Criminal Charges, the “**Initial Defaults**”). The Initial Defaults constitute defaults under the Original 14 Loan Agreements. In response to the Criminal Charges and Professional Misconduct, MT, on behalf of the Lenders, issued default letters, each dated March 3, 2020, to each of the Original 14 Borrowers (as defined in Schedule B) and applicable Guarantors (as defined in Schedule B) (the “**Default Letters**”). The Default Letters were successfully served on each of the Original 14 Borrowers and applicable Guarantors on either March 3, 2020 or March 4, 2020, as applicable.

- (b) Additional Defaults – Demand Letters and Notices to Enforce Security: August 7, 2020

In response to the Initial Defaults, JG, speaking on behalf of the Original 14 Borrowers, advised the Lenders that in order to satisfy the obligations under each of the Original 14 Loan Agreements (as defined in Schedule A), the Lender would need to agree to a sales program (the “**Sales Program**”) involving each of the Original 14 Borrowers. In connection with the Sales Program, JG, speaking on behalf of the Original 14 Borrowers, and the Lenders agreed to work towards a forbearance agreement that would, among other things, deal with the Sales Program and the mechanics of how the obligations under each of the Original 14 Loan Agreements would be repaid (the “**Forbearance Agreement**”). An initial draft of the Forbearance Agreement was circulated by MT to Edmond Lamek on or around July 16, 2020.

Without significant progress made on the Forbearance Agreement, MT, on behalf of the Lenders, issued demand letters and notices to enforce security, each dated August 7, 2020, to each of the Original 14 Borrowers and applicable Guarantors (the “**Original 14 Demand Letters and BIA Notices**”). The Original 14 Demand Letters and BIA Notices also included additional new defaults of certain of the Original 14 Borrowers under the Original 14 Loan Agreements that occurred after the issuance of the Default Letters. Edmond Lamek agreed to accept service of the Original 14 Demand Letters and BIA Notices by way of PDF and email.

- (c) Defaults under the Additional Loan Agreements – Demand Letters and Notices to Enforce Security: August 24, 2020 and September 3, 2020

Upon the Lenders’ review and audit of the Additional Loan Agreements (as such term is defined in Schedule A), the Lenders determined that the Additional Borrowers (as such term is defined in Schedule B) had committed a number of defaults under their respective Additional Loan Agreements and the applicable Security. In respect to such defaults, MT sent out additional default letters and notices to enforce security on:

- (i) August 24, 2020 to each of RMGI, SCPI and SJEPI and the applicable Guarantors under the applicable Additional Loan Agreement (the “**August 24, 2020 Default Packages**”); and
- (ii) September 3, 2020 to each of SMTPI and ASBI and the applicable Guarantors under the applicable Additional Loan Agreement (the “**September 3, 2020 Default Packages**”).



The August 24, 2020 Default Packages were delivered via courier. Edmond Lamek agreed to accept service of the September 3, 2020 Default Packages by way of PDF and email.

(d) Additional Defaults by the Original 14 Borrowers

On October 1, 2020, MT sent an email to Edmond Lamek and Caitlin Fell regarding, among other things, additional defaults under certain of the Loan Agreements and the applicable Security (the "**October 1 Email**"). A copy of the October 1 Email is attached hereto as Schedule C.

Additionally, on October 6, 2020, MT sent a follow-up email to Edmond Lamek and Caitlin Fell regarding, among other things, additional defaults pertaining to lapsed insurance coverage and missed payments under certain of the Loan Agreements (the "**October 6 Email**"). A copy of the October 6 Email is attached hereto as Schedule D.

3. **Summary of Defaults as at October 7, 2020**

A summary of existing defaults under each Loan Agreement as at October 7, 2020 is attached hereto as Schedule E.

## SCHEDULE A – LOAN AGREEMENTS

1. a promissory note dated June 3, 2019 in the amount of \$518,331.96 executed by Bless Pharma Inc. in favour of the 195 Lender, and assigned by the 195 Lender to the CWB Lender (the “**BPI Promissory Note**”)
2. a promissory note dated May 27, 2015 in the amount of \$410,847.50 executed by JG Windsor Inc. in favour of Element Financial Corporation (“**EFC**”), and assigned by EFC to the CWB Lender (the “**JGWI Promissory Note**”)
3. a promissory note dated March 15, 2015 in the amount of \$475,450.00 executed by Jimmy’s Group Investors Inc. in favour of the 195 Lender (successor of MFS by amalgamation) (the “**JGII Promissory Note**”)
4. a promissory note dated August 2, 2018 in the amount of \$762,022.01 executed by JM Westview Pharma Inc. in favour of the CWB Lender (the “**JMWPI Promissory Note**”)
5. a promissory note dated November 5, 2017 in the amount of \$300,450.00 executed by Jubilee Property Investments Inc. in favour of the CWB Lender (the “**JPII Promissory Note**”)
6. a promissory note dated May 25, 2018 in the amount of \$1,590,450.00 executed by Maple Medi Pharma Inc. in favour of the CWB Lender (the “**MMPI Promissory Note**”)
7. a promissory note dated August 28, 2015 in the amount of \$953,597.50 executed by Bless River Pharma Inc. (predecessor of River Hill Pharmacy Ltd. by amalgamation) in favour of EFC and assigned by EFC to the CWB Lender (the “**RHP Promissory Note 1**”)
8. a promissory note dated August 28, 2015 in the amount of \$150,000.00 executed by Bless River Pharma Inc. (predecessor of River Hill Pharmacy Ltd. by amalgamation) in favour of EFC and assigned by EFC to the CWB Lender (the “**RHP Promissory Note 2**”, and together with the RHP Promissory Note 1, the “**RHP Promissory Notes**”)
9. a promissory note dated June 3, 2019 in the amount of \$497,064.09 executed by S&J Property Investors Inc. in favour of the 195 Lender, and assigned by the 195 Lender to the CWB Lender (the “**S&J Promissory Note**”)
10. a promissory note dated December 24, 2019 in the amount of \$3,075,450.00 executed by SJ Colborne Pharma Inc. in favour of the CWB Lender (the “**SJCPI Promissory Note**”)
11. a promissory note dated March 11, 2016 in the amount of \$720,450.00 executed by Toronto Apothecary Pharma Inc. in favour of the CWB Lender (the “**TAP Promissory Note**”)
12. a promissory note dated March 30, 2016 in the amount of \$950,450.00 executed by Toronto Surrey Pharma Inc. (successor of Surrey Drug Mart Ltd.) in favour of the CWB Lender (the “**TSPI Promissory Note**”)

13. a promissory note dated January 22, 2018 in the amount of \$900,450.00 executed by Westway Holdings Inc. (successor of St. Marina & St. Abraam Ltd.) in favour of the CWB Lender (the “**WHI Promissory Note**”)
14. a promissory note dated October 21, 2019 in the amount of \$260,450.00 executed by 4231 Sheppard Avenue East Inc. in favour of the CWB Lender (the “**4231 Promissory Note**”)
15. a promissory note dated March 15, 2015 in the amount of \$750,450.00 executed by Bless Jimmy’s Pharma Inc. in favour of the 195 Lender (successor of MFS by amalgamation) (the “**BJPI Promissory Note**”)
16. a promissory note dated April 11, 2019, as amended by an amending agreement dated April 7, 2020 in the amount of \$1,780,450.00 executed by Abu Seifein Brimley Pharma Inc. in favour of the CWB Lender (the “**ASB Promissory Note**”)
17. a promissory note dated February 26, 2016, as amended by an amending agreement dated April 8, 2020 in the amount of \$730,450.00 executed by Resident Medical Group Inc. in favour of the CWB Lender (the “**RMGI Promissory Note 1**”)
18. a promissory note dated March 2, 2017, as amended by an amending agreement dated April 8, 2020 in the amount of \$1,050,450.00 executed by Resident Medical Group Inc. in favour of the CWB Lender in (the “**RMGI Promissory Note 2**”)
19. a promissory note dated September 30, 2017, as amended by an amending agreement dated April 8, 2020 in the amount of \$1,800,450.00 executed by Resident Medical Group Inc. in favour of the CWB Lender (the “**RMGI Promissory Note 3**”, and together with RMGI Promissory Note 1 and RMGI Promissory Note 2, the “**RMGI Promissory Notes**”)
20. a promissory note dated July 25, 2017, as amended by an amending agreement dated April 7, 2020 in the amount of \$2,465,450.00 executed by SJ East Pharma Inc. in favour of the CWB Lender (the “**SJEPI Promissory Note**”)
21. a promissory note dated August 18, 2016, as amended by an amending agreement dated April 20, 2020 in the amount of \$1,300,450.00 executed by St. Mary Theotokos Pharma Inc. in favour of the CWB Lender (the “**SMTPI Promissory Note**”)
22. a promissory note dated August 18, 2016, as amended by an amending agreement dated April 13, 2020 in the amount of \$1,725,450.00 executed by Stoney Creek Pharma Inc. in favour of the CWB Lender (the “**SCPI Promissory Note**”)

Items 1 through 15 are sometimes collectively referred to as the “**Original 14 Loan Agreements.**”

Items 16 through 22 are sometimes collectively referred to as the “**Additional Loan Agreements.**”

## **SCHEDULE B – BORROWERS AND GUARANTORS**

### **Corporation Entities**

1. S&J Property Investors Inc. (**“S&J”**)
2. Bless Pharma Inc. (**“BPI”**)
3. Toronto Apothecary Pharma Inc. (**“TAP”**)
4. River Hill Pharmacy Ltd. (successor of Bless River Pharma Inc.) (**“RHP”**)
5. JG Windsor Inc. (**“JGWI”**)
6. Bless JG Pharma Inc. (**“BJGPI”**)
7. Bless Jimmy’s Pharma Inc. (**“BJPI”**)
8. Jimmy’s Group Investors Inc. (**“JGII”**)
9. JM Westview Pharma Inc. (**“JMWPI”**)
10. 2503338 Ontario Inc. (**“250”**)
11. Toronto Surrey Pharma Inc. (successor of Surrey Drug Mart Ltd.) (**“TSPI”**)
12. Jubilee Property Investments Inc. (**“JPPI”**)
13. Resident Medical Group Inc. (**“RMGI”**)
14. Westway Holdings Inc. (successor of St. Marina & St. Abraam Ltd.) (**“WHI”**)
15. Maple Medi Pharma Inc. (**“MMPI”**)
16. 4231 Sheppard Avenue East Inc. (**“4231”**)
17. SJ Colborne Pharma Inc. (**“SJCPI”**)
18. Stoney Creek Pharma Inc. (**“SCPI”**)
19. St. Mary Theotokos Pharma Inc. (**“SMTPI”**)
20. SJ East Pharma Inc. (**“SJEPI”**)
21. Abu Seifein Brimley Pharma Inc. (**“ASBPI”**)
22. St. Mary Cooksville Pharma Inc. (**“SMCPI”**)

### **Individual Entities**

1. John Gerges (**“JG”**)
2. Gamal Farid Gerges (**“GFG”**)

3. Selvia Gerges (“**SG**”)
4. Sally G. Gerges (“**SGS**”)
5. Ramachandran Ramapathy (“**RR**”)
6. Chun-Ho Chan (“**CHC**”)
7. Samir Shenoda (“**SS**”)
8. Diep Nguyen (“**DN**”)
9. Sandra Youssef (“**SY**”)

S&J, BPI, TAP, RHP, JGWI, BJPI, JGII, JMWPI, TSPI, JPPI, RMGI, WHI, MMPI, 4231, SJCPI, SCPI, SMTPI, SJEPI and ASBPI are sometimes collectively referred to as the “**Borrowers**” and each a “**Borrower**.”

S&J, BPI, TAP, RHP, JGWI, BJPI, JGII, JMWPI, TSPI, JPPI, WHI, MMPI, 4231, SJCPI are sometimes collectively referred to as the “**Original 14 Borrowers**.”

RMGI SCPI, SMTPI, SJEPI and ASBPI are sometimes collectively referred to as the “**Additional Borrowers**.”

TAP, RHP, JGWI, JMWPI, TSPI, JPPI, RMGI, WHI, MMPI, 4231, SCPI, SMTPI, SJEPI and ASBPI are sometimes collectively referred to as the “**Group A Borrowers**.”

S&J, BPI, BJPI, ,JGII, SJCPI are sometimes collectively referred to as the “**Group B Borrowers**.”

JG, GFG, SG, SGS, RR, CHC, SS, S&J, BPI, TAP, BJGPI, BJPI, JGII, 250, TSPI, RMGI, DN, SY, SCPI, 4231, SMCPI are sometimes collectively referred to as the “**Guarantors**” and each a “**Guarantor**.”

The Borrowers and Guarantors are sometimes collectively referred to as the “**Obligors**” and each an **Obligor**”.

**SCHEDULE C – OCTOBER 1, 2020 CORRESPONDENCE**

See attached.

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**From:** Carhart, Jeffrey  
**Sent:** Thursday, October 1, 2020 5:58 PM  
**To:** Lamek, Edmond <edmond.lamek@dlapiper.com>; Caitlin Fell <cfell@wfkllaw.ca>  
**Cc:** Marinangeli, Geoffrey <gmarinangeli@millertthomson.com>  
**Subject:** CWB - GERGES //

Dear Edmond and Caitlin

I acknowledge receipt of Caitlin's most correspondence

We intend to respond to that correspondence in full under separate cover, company by company, as per the format that Caitlin used. Suffice to say at this time that we do not accept the position set out in Caitlin's letters and, again, we will provide more detail in that regard under separate cover.

At this time we are writing with respect to the following matters:

A - GERRARD HEALTHCARE PHARMA INC. / BLESS PHARMA INC. / BLESS JIMMY'S PHARMA INC.

Our understanding in this regard – and our requests of you at this time - are as follows:

- 1 John Gerges advised CWB in October of 2019 that (i) Bless Pharma Inc. ("Bless Pharma") and (ii) Bless Jimmy's Pharma Inc. ("Bless Jimmy's") were going to amalgamate with Gerrard Healthcare Pharma Inc. ("Gerrard Healthcare") (the "Amalgamation")
- 2 The shares of Bless Pharma are owned : (i) as to 49% - by Gamal Gerges and (ii) as to the balance – by John Gerges
- 3 The shares of Bless Jimmy are owned: (i) as to 40% - by Selvia Gerges and Sally Gerges and (ii) as to the balance – by John Gerges
- 4 The shares of Gerrard Healthcare are owned: (i) as to 49% - by Gamal Gerges and (ii) as to the balance – by John Gerges
- 5 Selvia Gerges and Sally Gerges have provided guarantees in favour of CWB with respect to Bless Jimmy and Gamal Gerges has provided a guarantee in favour of CWB with respect to Bless Pharma
- 6 John asked CWB to approve the Amalgamation which approval was given
- 7 A General Security Agreement (limited to being in support of a guarantee executed by Gerrard Healthcare concerning Arch Angel) was executed by Gerrard Healthcare in favour of CWB
- 8 However the Amalgamation was not completed
- 9 Nevertheless the business of each of (i) Bless Pharma and (ii) Bless Jimmy have been discontinued....so it would seem that – notwithstanding that the Amalgamation was not completed – the business assets of each of Bless Pharma and Bless Jimmy were transferred to Gerrard Healthcare on some basis although we need you to advise as to all of the details associated with that situation and provide us with copies of all relevant documentation pursuant to or in connection with such transfers
- 10 In that regard, we understand that Bless Jimmy continues to make payments to CWB notwithstanding that their business has been discontinued and has seemingly been transferred to Gerrard Healthcare. In contrast, we also understand that Bless Pharma missed their September 15<sup>th</sup> payment.



11 Can you please advise as to (i) when this Amalgamation will be completed and (ii) the status of each of the businesses in question

12 In particular, Caitlin, can you please confirm immediately that Selvia Gerges, Sally Gerges and Gamal Gerges each support the amalgamation unconditionally – and that, in particular that the guarantees of Selvia Gerges, Sally Gerges and Gamal Gerges referred to above continue to apply in all respects.

#### B – RESIDENT MEDICAL GROUP INC. – OPERATING AS AGINCOURT

Our understanding in this regard – and our requests of you at this time - are as follows:

1 The shares of Resident Medical Group Inc., operating as Agincourt (“Agincourt”) are owned: (i) as to 50% by Selvia Gerges and (ii) as to 50% by Sally Gerges

2 CWB holds a guarantee of each of (i) Selvia Gerges (ii) Sally Gerges and (iii) John Gerges with respect to this indebtedness

3 A site visit and the financial information shows that the business of this company has deteriorated significantly

4 At this time, John has proposed to CWB that the business assets of Agincourt be sold for a price that is below the amount owed to CWB by Agincourt by approximately \$200,000. He has further proposed that this “shortfall” would then be guaranteed by another entity who would provide a mortgage in support of that guarantee.

5 Meanwhile CWB has also been told that the insurance coverage on this business has lapsed. CWB immediately requires satisfactory evidence that: (i) there is comprehensive insurance in place with respect to this business and (ii) the insurer recognizes the interest of CWB in such insurance policy / policies and (iii) the coverage cannot be cancelled without proper prior written notice to CWB

6 Caitlin, can you please confirm immediately that the guarantees of Sally Gerges and Selvia Gerges continue to apply in all respects – without limitation (and with reference to point B- 4 above) please confirm that (i) each of Sally Gerges and Selvia Gerges approve the proposal made by John Gerges with respect to the sale of the Agincourt business assets and (ii) the guarantees of Sally Gerges and Selvia Gerges apply notwithstanding the shortfall that John has proposed

Thank you

#### **JEFFREY C. CARHART**

Partner

#### **Miller Thomson LLP**

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**SCHEDULE D – OCTOBER 6, 2020 CORRESPONDENCE**

See attached.

## **Marinangeli, Geoffrey**

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**From:** Carhart, Jeffrey  
**Sent:** Tuesday, October 6, 2020 12:01 PM  
**To:** Lamek, Edmond; Caitlin Fell  
**Cc:** Marinangeli, Geoffrey  
**Subject:** RE: CWB - GERGES //

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Dear Edmond and Caitlin

I am following up on my e mail of October 1<sup>st</sup> below and my call yesterday to Edmond

We have not had any response to the simple requests set out in my October 1<sup>st</sup> message

Meanwhile, among other things: (i) John Gerges has indicated to MSI that several companies within the Gerges group of companies no longer have insurance and John Gerges has acknowledged to MSI that CWB was not been provided with evidence that new insurance has been put in place on terms satisfactory to CWB, giving rise to yet another default under the loan arrangements; and (ii) several companies with the Gerges group of companies have failed to make their regularly scheduled payments to CWB (in some cases, more than two such payments in a row have now been missed).

Further to our October 1<sup>st</sup> e mail below – and just to be clear - CWB stands by the enforceability of all guarantees. However, we note that, among other things, Caitlin suggested in her correspondence that the parties are continuing to speak with each other and to have constructive, business-like dialogue about the Gerges group of companies. The request for confirmation of the matters set out in our October 1<sup>st</sup> e mail below, including the requested confirmation from the guarantors in question, was meant, in plain terms, to see if the parties continue to believe in such a constructive, business-like approach to the situation. The fact that such confirmation has not been forthcoming and that the lines of communication have effectively gone dead at this stage is very disappointing to CWB.

We plan to send a memo under separate cover detailing the various defaults relating to: (i) missed payments (ii) lapsed insurance coverage. In turn, based on those defaults and the earlier and other defaults itemized in our previous correspondence, we expect to receive instructions to seek the appointment of MSI as a Receiver.

**JEFFREY C. CARHART**  
**Partner**

**Miller Thomson LLP**  
Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, Ontario M5H 3S1  
**Direct Line:** +1 416.595.8615  
**Fax:** +1 416.595.8695

**SCHEDULE E– SUMMARY OF DEFAULTS UNDER EACH LOAN AGREEMENT**

#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
1.	Bless Pharma Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	August 7, 2020 - Original 14 Demand Letters and BIA Notices



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		The Borrower defaulted on its scheduled September payment due and owing to the Lender pursuant to the BPI Promissory Note	As of the date hereof
		Insurance held by Borrower has lapsed	As of the date hereof
2.	JG Windsor Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put	August 7, 2020 - Original 14 Demand Letters and BIA Notices

#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	
		The Borrower defaulted on its scheduled August payment due and owing to the Lender pursuant to the JWGI Promissory Note	As of the date hereof
		Insurance held by Borrower has lapsed	As of the date hereof
3.	Jimmy's Group Investors Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's	August 7, 2020 - Original 14 Demand Letters and BIA Notices



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	
4.	JM Westview Pharma Inc.	<p>Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable</p> <p>The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "<b>Share Sales Program</b>"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed</p>	<p>March 3, 2020 - Default Letter</p> <p>August 7, 2020 - Original 14 Demand Letters and BIA Notices</p> <p>August 7, 2020 - Original 14 Demand Letters and BIA Notices</p>



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	
		The Borrower advised the Lender that as a result of those professional misconduct allegations, Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower;	August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower has indicated to the Lender that it may move the location of its business without the prior written consent of the Lender	August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower defaulted on its scheduled August, September and October payment due and owing to the Lender pursuant to the JMWPI Promissory Note	As of the date hereof
5.	Jubilee Property Investments Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program	August 7, 2020 - Original 14 Demand Letters and BIA Notices

#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	
6.	Maple Medi Pharma Inc.	<p>Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable</p> <p>The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "<b>Share Sales Program</b>"). The Lender expended significant time and resources evaluating the Share Sales</p>	<p>March 3, 2020 - Default Letter</p> <p>August 7, 2020 - Original 14 Demand Letters and BIA Notices</p> <p>August 7, 2020 - Original 14 Demand Letters and BIA Notices</p>



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		<p>Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward</p> <p>The Borrower defaulted on its scheduled August and October payment due and owing to the Lender pursuant to the MMPI Promissory Note</p> <p>Insurance held by Borrower has lapsed</p>	<p></p> <p>As of the date hereof</p> <p>As of the date hereof</p>
7.	River Hill Pharmacy Ltd.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	<p>March 3, 2020 - Default Letter</p> <p>August 7, 2020 - Original 14 Demand Letters and BIA Notices</p>

#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower advised the Lender that as a result of those professional misconduct allegations, Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower	August 7, 2020 - Original 14 Demand Letters and BIA Notices
		the Borrower has indicated to the Lender that it may move the location of its business without the prior written consent of the Lender	August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower defaulted on its scheduled August, September and October 2020 payment due and owing to the Lender pursuant to RHP Promissory Notes	As of the date hereof



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
8.	S&J Property Investors Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	August 7, 2020 - Original 14 Demand Letters and BIA Notices
9.	SJ Colborne Pharma Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking;	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters

#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	and BIA Notices
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	August 7, 2020 - Original 14 Demand Letters and BIA Notices
		Insurance held by Borrower has lapsed	As of the date hereof
10.	Toronto Apothecary Pharma Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters and BIA Notices



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward.	August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower advised the Lender that as a result of those professional misconduct allegations, Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower	August 7, 2020 - Original 14 Demand Letters and BIA Notices
		the Borrower has indicated to the Lender that it	August 7, 2020 - Original 14 Demand Letters



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		may move the location of its business without the prior written consent of the Lender	and BIA Notices
		The Borrower defaulted on its scheduled August 2020 payment due and owing to the Lender pursuant to TAP Promissory Note	As of the date hereof
		Insurance held by Borrower has lapsed	As of the date hereof
11.	Toronto Surrey Pharma Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put	August 7, 2020 - Original 14 Demand Letters and BIA Notices

#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	
		The Borrower defaulted on its scheduled August and October 2020 payments due and owing to the Lender pursuant to TPSI Promissory Note	As of the date hereof
		Insurance held by Borrower has lapsed	As of the date hereof
12.	Westway Holdings Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed	August 7, 2020 - Original 14 Demand Letters and BIA Notices



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	
		The Borrower defaulted on its scheduled August, September and October 2020 payments due and owing to the Lender pursuant to WHI Promissory Note	As of the date hereof
		Insurance held by Borrower has lapsed	As of the date hereof
		The Borrower advised the Lender that as a result of those professional misconduct allegations, Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower	As of the date hereof
13.	4231 Sheppard Avenue East Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters and BIA Notices
		The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the " <b>Share Sales Program</b> "). The Lender expended significant time	August 7, 2020 - Original 14 Demand Letters and BIA Notices

#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward	
		The Borrower defaulted on its scheduled August payment due and owing to the Lender pursuant to the 4231 Promissory Note	As of the date hereof
		Insurance held by Borrower has lapsed	As of the date hereof
14.	Bless Jimmy's Pharma Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	March 3, 2020 - Default Letter  August 7, 2020 - Original 14 Demand Letters and BIA Notices



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		<p>The Borrower advised the Lender that in order for the Borrower to satisfy its obligations to the Lender, the Lender's agreement was needed in respect to a detailed share sales program involving the Borrower (the "<b>Share Sales Program</b>"). The Lender expended significant time and resources evaluating the Share Sales Program and during that time the Lender also agreed to defer scheduled payments of principal and interest owing by the Borrower to the Lender under the Promissory Note required in March, April and May in the year 2020. Despite the Lender's efforts and accommodations, the Borrower subsequently advised the Lender such program could no longer be pursued because the proposed purchaser no longer wished to pursue it. The Borrower has acknowledged a need for it to put forward an alternate program to satisfy its obligations to Lender, but no such program, acceptable to the Lender has been put forward</p> <p>Insurance held by Borrower has lapsed</p>	<p>August 7, 2020 - Original 14 Demand Letters and BIA Notices</p> <p>As of the date hereof</p>
15.	Abu Seifein Brimley Pharma Inc.	<p>Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable</p>	September 3, 2020 Default Packages

#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		The Borrower defaulted on its scheduled August payment due and owing to the Lender pursuant to the ASB Promissory Note	September 3, 2020 Default Packages
		The Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower	September 3, 2020 Default Packages
		Insurance held by Borrower has lapsed	As of the date hereof
16.	Resident Medical Group Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	August 24, 2020 Default Packages
		The Borrower defaulted on its scheduled August, September and October 2020 payment due and owing to the Lender pursuant to the RMGI Promissory Notes	1) In respect to August missed payment - August 24, 2020 Default Packages 2) In respect to the September and October missed payment – as of the date hereof
		Insurance held by Borrower has lapsed	As of the date hereof
17.	SJ East Pharma Inc	The Borrower defaulted on its scheduled August and October 2020 payment due and owing to the Lender pursuant to the SJEPI Promissory Note	1) In respect to August missed payment - August 24, 2020 Default Packages 2) In respect to the October missed payment – as of the date hereof



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
		the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower	August 24, 2020 Default Packages
		Insurance held by Borrower has lapsed	As of the date hereof
18.	St. Mary Theotokos Pharma Inc.	Certain professional misconduct allegations against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	September 3, 2020 Default Packages
		The Borrower defaulted on its scheduled August and September 2020 payment due and owing to the Lender pursuant to the SMTPI Promissory Note	1) In respect to August missed payment - September 3, 2020 Default Packages 2) In respect to the September missed payment – as of the date hereof
		the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower	September 3, 2020 Default Packages
		Insurance held by Borrower has lapsed	As of the date hereof
19.	Stoney Creek Pharma	Certain professional misconduct allegations	August 24, 2020 Default Packages



#	Borrower	Default	Date of Notice to Borrower and Guarantors /Borrower's and Guarantor's Counsel
	Inc.	against JG relating to: (i) certain criminal charges against JG in connection with opioid trafficking; and (ii) certain violation professional misconduct referred to the Discipline Committee of the Ontario College of Pharmacist, including, but not limited to, dispensing an incorrect number of tablets to a patient, failing to maintain accurate records, failing to maintain the standards of the profession, and engaging in conduct considered unprofessional and dishonourable	
		The Borrower defaulted on its scheduled August and October 2020 payment due and owing to the Lender pursuant to SCPI Promissory Note	1) In respect to August missed payment - August 24, 2020 Default Packages 2) In respect to the October missed payment – as of the date hereof
		Insurance held by Borrower has lapsed	As of the date hereof
		the Borrower advised the Lender that Telus Communications Inc. decided to terminate its service agreement with respect to the computerized processing of the dispensing of prescriptions which is important to the operation of the business of the Borrower	August 24, 2020 Default Packages

# Tab 3

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

THE HONOURABLE MR. ) DAY, THE  
JUSTICE HAINEY ) DAY OF , 2020  
BETWEEN

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

Applicants

-and-

2503338 ONTARIO INC., 4231 SHEPPARD AVENUE EAST INC., ABU SEIFEIN  
BRIMLEY PHARMA INC., BLESS JIMMY'S PHARMA INC., BLESS PHARMA INC., JG  
WINDSOR INC., JIMMY'S GROUP INVESTORS INC., JM WESTVIEW PHARMA INC.,  
JUBILEE PROPERTY INVESTMENTS INC., MAPLE MEDI PHARMA INC., RESIDENT  
MEDICAL GROUP INC., RIVER HILL PHARMACY LTD., S&J PROPERTY INVESTORS  
INC., SJ COLBORNE PHARMA INC., SJ EAST PHARMA INC., ST. MARY COOKSVILLE  
PHARMA INC., ST. MARY THEOTOKOS PHARMA INC., STONEY CREEK PHARMA  
INC., TORONTO APOTHECARY PHARMA INC., TORONTO SURREY PHARMA INC.,  
WESTWAY HOLDINGS INC. and OLDE WALKERVILLE HOLDINGS INC.

Respondents

**ORDER**  
**(appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing msi Spergel inc. ("**Spergel**") as receiver (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and properties of 2503338 Ontario Inc., 4231 Sheppard Avenue, Abu Seifein Brimley Pharma Inc., Bless Jimmy's Pharma Inc., Bless Pharma Inc., JG Windsor Inc., Jimmy's Group Investors Inc., JM Westview Pharma Inc., Jubilee Property Investments Inc.,

Maple Medi Pharma Inc., Resident Medical Group Inc., River Hill Pharmacy Ltd., S&J Property Investors Inc., SJ Colborne Pharma Inc., St. Mary Cooksville Pharma Inc., St. Mary Theotokos Pharma Inc., Stoney Creek Pharma Inc., Toronto Apothecary Pharma Inc., Toronto Surrey Pharma Inc., Westway Holdings Inc., and Olde Walkerville Holdings Inc. (together, the “**Debtors**”) acquired for, or used in relation to businesses carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Edward Hopkinson sworn October 30, 2020, and on reading the Consent executed by the Respondents to the appointment of a receiver, and on hearing the submissions of counsel for the Applicants and the Respondents and the other Counsel listed on the Counsel Slip, no one else appearing although duly served according to the Affidavit of Service of [●], sworn [●], 2020;

### **SERVICE**

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

### **APPOINTMENT**

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Spergel is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of each of the Debtors acquired for, or used in relation to a business carried on by each of the Debtors, including all proceeds thereof (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) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors (or any one of them), including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors (or any one of them);
- (d) to engage pharmacists, consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors (or any one of them) or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors (or any one of them) and to exercise all remedies of the Debtors (or any one of them) in collecting such monies, including, without limitation, to enforce any security held by the Debtors (or any one of them);
- (g) to settle, extend or compromise any indebtedness owing to the Debtors (or any one of them);
- (h) 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 Debtors (or any one of them), for any purpose pursuant to this Order;

- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors (or any one of them), the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
  - (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 \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$100,000.00; 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 summarily dispose of Property that is perishable or likely to depreciate rapidly in value;
  - (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the

Receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors (or any one of them);
- (q) to enter into agreements with any licensed insolvency trustee in bankruptcy appointed in respect of the Debtors (or any one of them), including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors (or any one of them);
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors (or any one of them) may have;
- (s) to inquire into and report to the Applicants and the Court on the financial condition of the Debtors (or any one of them) and the Property; and
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;
- (u) 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 Debtors (or any one of them), and without interference from any other Person.

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

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their 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, including, but not limited to the Ontario College of Pharmacists, the Ministry of Health and Long-Term Care, the Ontario Drug Benefit Program and any insurance company (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 client records and prescription information ("**Client Records**"), books, documents, securities, contracts, orders, billing privileges, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors (or any one of them), 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, subject to Paragraph 6A herein, 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.

5A. THIS COURT ORDERS that, should the Receiver deem it necessary to seek from any insurance company or its pharmacy benefits manager personal information regarding persons covered pursuant to benefit plans which might have had claims under such plans relating to the Debtors (or any one of them), such information shall be sought pursuant to a motion on notice to the insurance company and its pharmacy benefits manager. Such information shall only be released by the insurance company or its pharmacy benefits manager on the agreement of such insurance company or as provided in the Order so obtained.

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.

6A. THIS COURT ORDERS that with respect to the Client Records, the Receiver shall: (i) take all steps reasonably necessary to maintain the integrity of the confidential aspects of the Client Records; (ii) if necessary, appoint a pharmacist licensed and qualified to practice in the Province of Ontario to act as custodian (the “**Custodian**”) for the Client Records; (iii) not allow anyone other than the Receiver or the Custodian to have access to the Client Records; and (iv) allow the Debtors (or any one of them) supervised access to the Client Records for any purposes required pursuant to the *Regulated Health Professions Act, 1991*, the *Pharmacy Act, 1991* or any other governing Ontario or Canadian statute that requires the Debtors (or any one of them), from time to time, to perform certain obligations.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver’s entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

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

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

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

10. THIS COURT ORDERS that all rights and remedies against the Debtors (or any one of them), 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 Debtors (or any one of them) to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors (or any one of them) from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

### **NO INTERFERENCE WITH THE RECEIVER**

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

## **CONTINUATION OF SERVICES**

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors (or any one of them) 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, claims processing services, payment processing services, payroll services, insurance, transportation services, utility or other services to the Debtors (or any one of them) 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 applicable Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the applicable Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

## **RECEIVER TO HOLD FUNDS**

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

## **EMPLOYEES**

14. THIS COURT ORDERS that all employees of the Debtors (or any one of them) shall remain the employees of the Debtors (or any one of them) until such time as the Receiver, on the applicable Debtor's (or Debtors') behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor

employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

#### PIPEDA

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

16. THIS COURT ORDERS that, pursuant to section 42 of the Ontario *Personal Health Information Protection Act* (“PHIPA”), the Receiver shall only disclose personal health information to prospective purchasers or bidders who are potential successor(s) to the pharmacy business of the Debtors (or any one of them) (the “Pharmacy”) as Health Information Custodian(s) (as defined in the PHIPA) for the purposes of allowing the potential successor to assess and evaluate the operations of the Pharmacy. Each potential successor to whom such personal health information is disclosed is required in advance of such disclosure to review and sign an acknowledgement of this Order indicating that it agrees to keep the information confidential and secure and not to retain any of the information longer than is necessary for the purposes of the assessment or evaluation, and if such potential successor does not complete a Sale, such potential successor shall return all such information to the Receiver, or in the alternative shall destroy all such information. Such acknowledgement shall be deemed to be an

agreement between the Receiver and the potential successor for the purposes of section 42 of PHIPA.

### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

17. 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**

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

### **RECEIVER’S ACCOUNTS**

19. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to



the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver’s Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a 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.

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

21. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### FUNDING OF THE RECEIVERSHIP

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$300,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

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

25. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

#### **SERVICE AND NOTICE**

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

27. 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 applicable Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the applicable 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**

28. 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.

29. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors (or any one of them).

30. 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.

31. 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.

32. THIS COURT ORDERS that the Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

33. 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.

34. THIS COURT ORDERS that the Receiver, its counsel and counsel for the Applicant are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the applicable Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

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## SCHEDULE "A"

### RECEIVER CERTIFICATE

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

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

1. THIS IS TO CERTIFY that msi Spergel inc., the Receiver (the "**Receiver**") of the assets, undertakings and properties of 2503338 Ontario Inc., 4231 Sheppard Avenue, Abu Seifein Brimley Pharma Inc., Bless Jimmy's Pharma Inc., Bless Pharma Inc., JG Windsor Inc., Jimmy's Group Investors Inc., JM Westview Pharma Inc., Jubilee Property Investments Inc., Maple Medi Pharma Inc., Resident Medical Group Inc., River Hill Pharmacy Ltd., S&J Property Investors Inc., SJ Colborne Pharma Inc., St. Mary Cooksville Pharma Inc., St. Mary Theotokos Pharma Inc., Stoney Creek Pharma Inc., Toronto Apothecary Pharma Inc., Toronto Surrey Pharma Inc., Westway Holdings Inc., and Olde Walkerville Holdings Inc., (collectively the "**Debtors**") acquired for, or used in relation to businesses carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the \_\_\_\_ day of \_\_\_\_\_, 2020 (the "**Order**") made in an action having Court file number CV-\_\_\_\_\_, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the \_\_\_\_\_ day of each month] after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_ day of \_\_\_\_\_, 2020.

msi Spergel inc., solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

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

Name:

Title:



**1951584 ONTARIO INC.** et al.  
Applicants

and

**2503338 ONTARIO INC.,** et al.  
Respondents

Court File No: CV- 20-00650853-00CL

***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**  
**(Commercial List)**

Proceeding commenced at Toronto

**ORDER**  
**(APPOINTING RECEIVER)**

**MILLER THOMSON LLP**

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40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

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Tamie Dolny, LSO#: 77958U  
Email: tdolny@millerthomson.com

Lawyers for the Applicants

Court File No. ~~—CV—~~

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE ~~—MR.~~ ) ~~WEEKDAY~~DAY, THE #  
 )  
JUSTICE ~~—~~HAINES ) DAY OF ~~MONTH~~ , ~~20YR~~2020

BETWEEN

**PLAINTIFF<sup>1</sup>**

Plaintiff

~~—and—~~

**DEFENDANT**

Defendant

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

Applicants

~~—and—~~

2503338 ONTARIO INC., 4231 SHEPPARD AVENUE EAST INC., ABU SEIFEIN BRIMLEY  
PHARMA INC., BLESS JIMMY'S PHARMA INC., BLESS PHARMA INC., JG WINDSOR  
INC., JIMMY'S GROUP INVESTORS INC., JM WESTVIEW PHARMA INC., JUBILEE  
PROPERTY INVESTMENTS INC., MAPLE MEDI PHARMA INC., RESIDENT MEDICAL  
GROUP INC., RIVER HILL PHARMACY LTD., S&J PROPERTY INVESTORS INC., SJ  
COLBORNE PHARMA INC., SJ EAST PHARMA INC., ST. MARY COOKSVILLE  
PHARMA INC., ST. MARY THEOTOKOS PHARMA INC., STONEY CREEK PHARMA  
INC., TORONTO APOTHECARY PHARMA INC., TORONTO SURREY PHARMA INC.,  
WESTWAY HOLDINGS INC. and OLDE WALKERVILLE HOLDINGS INC.

<sup>1</sup> The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application.  
This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.

Respondents

## ORDER (appointing Receiver)

THIS ~~MOTION~~APPLICATION made by the ~~Plaintiff~~<sup>2</sup>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 ~~[RECEIVER'S NAME]~~msi Spergel inc. ("Spergel") as receiver ~~and manager~~ (in such ~~capacities~~capacity, the "~~Receiver~~") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~ (2503338 Ontario Inc., 4231 Sheppard Avenue, Abu Seifein Brimley Pharma Inc., Bless Jimmy's Pharma Inc., Bless Pharma Inc., JG Windsor Inc., Jimmy's Group Investors Inc., JM Westview Pharma Inc., Jubilee Property Investments Inc., Maple Medi Pharma Inc., Resident Medical Group Inc., River Hill Pharmacy Ltd., S&J Property Investors Inc., SJ Colborne Pharma Inc., St. Mary Cooksville Pharma Inc., St. Mary Theotokos Pharma Inc., Stoney Creek Pharma Inc., Toronto Apothecary Pharma Inc., Toronto Surrey Pharma Inc., Westway Holdings Inc., and Olde Walkerville Holdings Inc. (together, the "~~Debtor~~" "~~Debtors~~") acquired for, or used in relation to a ~~business~~businesses carried on by the ~~Debtor~~Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the ~~affidavit~~Affidavit of ~~[NAME]~~Edward Hopkinson sworn ~~[DATE]~~October 30, 2020, and on reading the ~~Exhibits thereto~~Consent executed by the Respondents to the appointment of a receiver, and on hearing the submissions of counsel for ~~[NAMES]~~ the Applicants and the Respondents and the other Counsel listed on the Counsel Slip, no one else appearing ~~for [NAME]~~ although duly served ~~as appears from~~according to the ~~affidavit~~Affidavit of ~~service~~Service of ~~[NAME]~~, sworn ~~[DATE]~~[DATE] ~~and on reading the consent of [RECEIVER'S NAME] to act as the Receiver, 2020:~~

### SERVICE

<sup>2</sup> Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".



1. THIS COURT ORDERS that the time for service of the Notice of ~~Motion~~Application and the ~~Motion~~Application Record and the Report is hereby abridged and validated<sup>3</sup> so that this motion 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, ~~[RECEIVER'S NAME]~~Spergel is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of each of the Debtor~~Debtors~~ acquired for, or used in relation to a business carried on by each of the Debtor~~Debtors~~, including all proceeds thereof (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) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the ~~Debtor~~Debtors (or any one of them), including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the ~~Debtor~~Debtors (or any one of them);

<sup>3</sup> ~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

- (d) to engage pharmacists, consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the ~~Debtor~~ Debtors (or any one of them) or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~ Debtors (or any one of them) and to exercise all remedies of the ~~Debtor~~ Debtors (or any one of them) in collecting such monies, including, without limitation, to enforce any security held by the ~~Debtor~~ Debtors (or any one of them);
- (g) to settle, extend or compromise any indebtedness owing to the ~~Debtor~~ Debtors (or any one of them);
- (h) 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~~ Debtors (or any one of them), for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the ~~Debtor~~ Debtors (or any one of them), the Property or the Receiver, and to settle or compromise any such proceedings.<sup>4</sup> The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

<sup>4</sup> ~~This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~



- (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 \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$100,000.00; 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*, ~~for section 31 of the Ontario *Mortgages Act*, as the case may be,~~<sup>5</sup> shall not be required, ~~and in each case the Ontario *Bulk Sales Act* shall not apply.~~

- (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 summarily dispose of Property that is perishable or likely to depreciate rapidly in value;
- (n) ~~(m)~~ 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

<sup>5</sup> ~~If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~



and the ~~receivership~~Receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (o) ~~(n)~~ to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) ~~(e)~~ 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~~Debtors (or any one of them);
- (q) ~~(p)~~ to enter into agreements with any licensed insolvency trustee in bankruptcy appointed in respect of the ~~Debtor~~Debtors (or any one of them), including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the ~~Debtor~~Debtors (or any one of them);
- (r) ~~(q)~~ to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Debtors (or any one of them) may have;
- (s) to inquire into and report to the Applicants and the Court on the financial condition of the Debtors (or any one of them) and the Property; and
- (t) ~~(r)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;
- (u) 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~~Debtors (or any one of them), 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~~Debtors, (ii) all of ~~its~~their 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, including, but not limited to the Ontario College of Pharmacists, the Ministry of Health and Long-Term Care, the Ontario Drug Benefit Program and any insurance company (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 client records and prescription information ("Client Records"), books, documents, securities, contracts, orders, billing privileges, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the ~~Debtor~~ Debtors (or any one of them), 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, subject to Paragraph 6A herein, 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.

5A. THIS COURT ORDERS that, should the Receiver deem it necessary to seek from any insurance company or its pharmacy benefits manager personal information regarding persons covered pursuant to benefit plans which might have had claims under such plans relating to the Debtors (or any one of them), such information shall be sought pursuant to a motion on notice to the insurance company and its pharmacy benefits manager. Such information shall only be released by the insurance company or its pharmacy benefits manager on the agreement of such insurance company or as provided in the Order so obtained.



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.

6A. THIS COURT ORDERS that with respect to the Client Records, the Receiver shall: (i) take all steps reasonably necessary to maintain the integrity of the confidential aspects of the Client Records; (ii) if necessary, appoint a pharmacist licensed and qualified to practice in the Province of Ontario to act as custodian (the “Custodian”) for the Client Records; (iii) not allow anyone other than the Receiver or the Custodian to have access to the Client Records; and (iv) allow the Debtors (or any one of them) supervised access to the Client Records for any purposes required pursuant to the *Regulated Health Professions Act, 1991*, the *Pharmacy Act, 1991* or any other governing Ontario or Canadian statute that requires the Debtors (or any one of them), from time to time, to perform certain obligations.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver’s entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court

upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO PROCEEDINGS AGAINST THE ~~Debtor~~DEBTORS OR THE PROPERTY**

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

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

10. THIS COURT ORDERS that all rights and remedies against the ~~Debtor~~Debtors (or any one of them), 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~~Debtors (or any one of them) to carry on any business which the ~~Debtor~~Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the ~~Debtor~~Debtors (or any one of them) from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH THE RECEIVER**

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



## CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the ~~Debtor~~ Debtors (or any one of them) 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, claims processing services, payment processing services, payroll services, insurance, transportation services, utility or other services to the ~~Debtor~~ Debtors (or any one of them) 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 applicable Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the applicable Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

## RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the **"Post Receivership Accounts"**) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

## EMPLOYEES

14. THIS COURT ORDERS that all employees of the ~~Debtor~~ Debtors (or any one of them) shall remain the employees of the ~~Debtor~~ Debtors (or any one of them) until such time as the Receiver, on the applicable Debtor's (or Debtors') behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including



any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

#### PIPEDA

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

16. THIS COURT ORDERS that, pursuant to section 42 of the Ontario *Personal Health Information Protection Act* ("PHIPA"), the Receiver shall only disclose personal health information to prospective purchasers or bidders who are potential successor(s) to the pharmacy business of the Debtors (or any one of them) (the "**Pharmacy**") as Health Information Custodian(s) (as defined in the PHIPA) for the purposes of allowing the potential successor to assess and evaluate the operations of the Pharmacy. Each potential successor to whom such personal health information is disclosed is required in advance of such disclosure to review and sign an acknowledgement of this Order indicating that it agrees to keep the information confidential and secure and not to retain any of the information longer than is necessary for the purposes of the assessment or evaluation, and if such potential successor does not complete a Sale, such potential successor shall return all such information to the Receiver, or in the



alternative shall destroy all such information. Such acknowledgement shall be deemed to be an agreement between the Receiver and the potential successor for the purposes of section 42 of PHIPA.

### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

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

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

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

### **RECEIVER'S ACCOUNTS**

19. ~~18.~~ 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.<sup>6</sup>

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

21. ~~20.~~ THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### FUNDING OF THE RECEIVERSHIP

22. ~~21.~~ THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$300,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the **"Receiver's Borrowings Charge"**) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

<sup>6</sup> ~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~



23. ~~22.~~ THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

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

25. ~~24.~~ THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

#### SERVICE AND NOTICE

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

27. ~~26.~~ 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 applicable Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the applicable 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

28. ~~27.~~ 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.

29. ~~28.~~ THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the ~~Debtor~~ Debtors (or any one of them).

30. ~~29.~~ 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.

31. ~~30.~~ 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.

32. ~~31.~~ THIS COURT ORDERS that the ~~Plaintiff~~ Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff~~ Applicant's security or, if not so provided by the ~~Plaintiff~~ Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the ~~Debtor's~~ Debtors' estate with such priority and at such time as this Court may determine.



33.     ~~32.~~ 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.

34.     THIS COURT ORDERS that the Receiver, its counsel and counsel for the Applicant are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the applicable Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

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**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

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

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

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~msi Spergel inc., the ~~receiver~~Receiver (the "**Receiver**") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~of 2503338 Ontario Inc., 4231 Sheppard Avenue, Abu Seifein Brimley Pharma Inc., Bless Jimmy's Pharma Inc., Bless Pharma Inc., JG Windsor Inc., Jimmy's Group Investors Inc., JM Westview Pharma Inc., Jubilee Property Investments Inc., Maple Medi Pharma Inc., Resident Medical Group Inc., River Hill Pharmacy Ltd., S&J Property Investors Inc., SJ Colborne Pharma Inc., St. Mary Cooksville Pharma Inc., St. Mary Theotokos Pharma Inc., Stoney Creek Pharma Inc., Toronto Apothecary Pharma Inc., Toronto Surrey Pharma Inc., Westway Holdings Inc., and Olde Walkerville Holdings Inc., (collectively the "**Debtors**") acquired for, or used in relation to a ~~business~~businesses carried on by the ~~Debtor~~Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the \_\_\_\_ day of \_\_\_\_\_, ~~20~~2020 (the "**Order**") made in an action having Court file number ~~CLCV~~\_\_\_\_\_, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the \_\_\_\_\_ day of each month] after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the



Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_ day of \_\_\_\_\_, ~~20~~ 2020.

~~[RECEIVER'S NAME]~~ msi Spergel inc., solely  
in its capacity  
as Receiver of the Property, and not in its  
personal capacity

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

1951584 ONTARIO INC., et al. and 2503338 ONTARIO INC., et al.  
Applicants Respondents

Court File No: CV-

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(Commercial List)

Proceeding commenced at Toronto

ORDER  
(APPOINTING RECEIVER)

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Document comparison by Workshare 10.0 on Monday, November 2, 2020 6:01:54 PM

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Rendering set	Standard

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Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:
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Insertions	209
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Style change	0
Format changed	0
Total changes	397

**1951584 ONTARIO INC. et al.**  
Applicants

and **2503338 ONTARIO INC. et al.**  
Respondents

Court File No: CV- 20-00650853-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(Commercial List)**

Proceeding commenced at Toronto

**NOTICE OF APPLICATION**  
**(VOLUME 3 OF 3)**

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