

Garrafa, Shallon

From: Cavanagh, Justice Peter (SCJ) <Peter.Cavanagh@scj-csj.ca>
Sent: Thursday, April 8, 2021 10:27 AM
To: Faheim, Monica; Lamek, Edmond; bissell@gsnh.com; Iqbal, Asim
Cc: JUS-G-MAG-CSD-Toronto-SCJ Commercial List
Subject: **[**EXT**]** CWB Maxium Financial Inc. et. al. v. Bless Hui Pharma Inc. et. al. - Court File No. CV-20-00650853-00CL
Attachments: CV-20-00650853-00CL_Receivership Order (Abu Seifein).pdf;
CV-20-00650853-00CL_Sealing Order_08-APR-2021.PDF;
CV-20-00650853-00CL_Consent Amended and Restated Receivership Order.pdf

Counsel:

Asim Iqbal and Monica Faheim (student-at-law) for applicants
Edmond Lamek for respondents
Brendan Bissell for Receiver

Endorsement:

Counsel appeared before me today .

The parties have consented to an order appointing msi Spergel Inc. as receiver over the assets and undertakings, and properties of Abu Seifein Brimley Pharma Inc. I accept that the Confidential Exhibits to the Affidavit of Edward Hopkinson sworn April 7, 2021 are confidential and that a sealing order is proper in the circumstances which is effective until further order of the court. I also grant an order correcting a clerical error in the title of proceedings made in my order dated January 26, 2021. The Amended and Restated Receivership Order is effective *nunc pro tunc* and the Receiver is authorized to post this corrected Order on the case website.

The following endorsement is made on consent.

The motion to appoint msi Spergel Inc. as Receiver in respect of Jimmy's Group Investors Inc. and S&J Property Investors Inc. (the "**Debtors**") is hereby further adjourned on the following terms (the "**Adjournment Terms**"):

By no later than June 2, 2021, Jimmy's Group Investors Inc. will pay:

1. \$415,800 for all of its direct loan obligations owing to the Applicants as at April 7, 2021 (plus accruing interests, costs and fees) as at such date,
2. \$400,295 on account of its guaranteed obligations in respect of Bless Jimmy's Pharma Inc. owing to the Applicants as at April 7, 2021 (plus accruing interests, costs and fees) as at such date, and
3. \$312,500 in exchange for the Applicants' release of its interest in the shares in the capital of Jimmy's Group Investors Inc., which are held by John Gerges and pledged as security for his personal guarantee obligations owing to the Applicants.

In respect of S&J Property Investors Inc.:

1. By no later than June 2, 2021, S&J Property Investors Inc. will:
 - a. repay all of its direct loan obligations owing to the Applicants (plus accruing interests, costs and fees) as at such date (approximately \$523,356),

- b. pay to the Applicants the amount of \$176,000 on account of its guaranteed obligations in respect of Resident Medical Group Inc. loan 1-2 related to the former Agincourt Pharmacy owing to the Applicants as at March 2, 2021 (plus accruing interests, costs and fees) as at such date, and
2. By no later than the date that is the later of May 6, 2021 or 10 calendar days after the Appraisal Delivery Date (as defined below) (the “**S&J First Payment Date**”), S&J Property Investors Inc. will pay to the Applicants an amount equal to 95% of the Average Appraised Value (as defined below) of the S&J Real Property (as defined below) less \$699,356. This payment will be made in exchange for the Applicants’ release of its interest in the shares in the capital of S&J Property Investors Inc., which are held by John Gerges and pledged as security for his personal guarantee obligations owing to the Applicants (the “**Share Release Payment**”).

Any default under these Adjournment Terms by either of Jimmy’s Group Investors Inc. or S&J Property Investors Inc., or both, will constitute a deemed consent to the appointment of a Receiver with respect to the applicable Debtor (the “**Defaulting Debtor**”). In such case, the Applicants will be entitled to seek the appointment of a Receiver on substantially the same terms as the Order granted on consent today in respect of Abu Seifein Brimley Pharma Inc. at the earliest available 9:30 chambers appointment after June 2nd, 2021 (the “**Consent Receivership Order**”), provided that the Applicants may seek a Consent Receivership Order against S&J Property Investors Inc. following the S&J First Payment Date, if S&J Property Investors Inc. fails to make the Share Release Payment. A Defaulting Debtor is deemed to consent to the Consent Receivership Order and waives all rights to oppose the granting of same (if required).

The parties will execute such other documents as may be reasonably necessary to give effect to these Adjournment Terms.

Upon satisfaction of the Adjournment Terms (or as may be reasonably required to implement any contemplated refinancing), the Applicants agree to take commercially reasonable steps to discharge their real and personal property security against Jimmy’s Group Investors Inc. and S&J Investors Inc., including without limitation, the Gerrard Property and Broadview Property, and provide releases in favour of S&J Investors Inc. in respect of all remaining guarantees in favour of the Applicants.

All payments contemplated in these Adjournment Terms will be made by wire transfer to Miller Thomson LLP.

Interpretation

In these Adjournment Terms:

“**Appraisal Delivery Date**” means the date on which the Applicants obtain the Current Appraisals.

“**Average Appraised Value**” means the average value of the Gerrard Property based on the applicable Current Appraisal.

“**Broadview Property**” is the property municipally known as 255 Broadview Avenue, Toronto, ON.

“**Gerrard Property**” is the property municipally known as 721 Gerrard St. E., Toronto, ON.

“**Current Appraisals**” means the appraisals to be obtained by the Applicants for the Gerrard Property from accredited and reputable appraisal firms.

“**S&J Real Property**” means the Gerrard Property owned by S&J Property Investors Inc.

Orders:

Orders to issue in forms of attached orders signed by me.



Cavanagh J.

[EXTERNAL EMAIL / COURRIEL EXTERNE]

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