

COUNSEL SLIP

Court File No. CV-18-68384-004

Date: Dec 19/18

No. On List 5

ROYAL BANK OF CANADA
vs.

Title of Proceeding 2576230 ONTARIO INC.

Counsel for:

Plaintiff(s)
Applicant(s)
Petitioner(s)

M. Freake for RBC

Phone No. 416-369-4326

Fax No. 416-867-9223

Counsel for:

Defendant(s)
Respondent(s)

R. BIRKEN

Phone No. 416 869 7616

Fax No. 416 869 0547

S.F. DUNPHY, J 19 Dec 2018

The Bank made demands + a 249 notices on Oct 5 + 9 2018 after several months of default and negotiations reached a dead end in the Bank's eyes at least. This proceeding was filed a month later and adj once at the defs' request. The defs have no serious dispute re existence of defaults and debt even if there may be some issues around the edges as to the amount of

the debt (precisely - in change in order of magnitude).

The real issue is the debtors have an offer to buy one location and are in the process of seeking offers for the other. They believe a surplus can be realized.

They may be right, but they have not convinced the bank of that nor have they even provided the Bank with the offer they do have to allow the bank to evaluate it. Ultimately this is a

business decision and not a legal one and the depts have not helped themselves by playing their cards close to the chest. Order granted -

the order will be held for one hour (until 12:40 pm) to allow last minute discussions but is otherwise in effect now.

Air [Signature]