

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

**TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.**

Respondents

MOTION RECORD

**(Motion for approval of sale agreement)
(9:30 Hearing scheduled for June 5, 2018)**

May 25, 2018

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSUC# 42081V)
rmoses@mindengross.com
Tel: 416-369-4115
Fax: 416-864-9223

Lawyers for msi Spergel inc., in its capacity
as Court Appointed Receiver of Toronto
Machine & Tool Company Limited and
Toronto Machine & Tool Inc.

TO: **SERVICE LIST**

SERVICE LIST
ROYAL BANK OF CANADA v. TORONTO MACHINE & TOOL COMPANY LIMITED
and TORONTO MACHINE & TOOL INC.
COURT FILE NO. CV-17-587642-00CL
MOTION DATE: TUESDAY, JUNE 5, 2018

TO:	SERVICE BY EMAIL/COURIER
<p>1. MSI SPERGEL INC. 505 Consumers Road, Suite 200 Toronto ON M2J 4V8</p> <p>Tel: 416-498-4314 Fax: 416-494-7199</p> <p>Mukul Manchanda Email: mmanchanda@spergel.ca</p> <p>Receiver</p>	<p>mmanchanda@spergel.ca</p>
AND TO:	
<p>2. DEVRY SMITH FRANK LLP Lawyers & Mediators 95 Barber Greene Road, Suite 100 Toronto ON M3C 3E9</p> <p>Kelli Preston Tel: 416-449-1400 Fax: 416-449-7071 Email: kelli.preston@devrylaw.ca</p> <p>Lawyers for Royal Bank of Canada</p>	<p>kelli.preston@devrylaw.ca</p>
AND TO:	
<p>3. CANADA REVENUE AGENCY c/o Department of Justice Ontario Regional Office</p> <p>The Exchange Tower, Box 36 130 King Street West, Suite 3400 Toronto ON M5X 1K6</p> <p>Diane Winters Tel: 416-952-8563 Email: diane.winters@justice.gc.ca</p>	<p>diane.winters@justice.gc.ca</p>

AND TO:	
4. MINISTRY OF FINANCE Legal Services Branch College Park, 777 Bay Street, 11 th Floor Toronto ON M5G 2C8 Kevin J. O'Hara, Counsel Tel: 416-327-8436 Email: kevin.ohara@ontario.ca	kevin.ohara@ontario.ca
AND TO:	
5. INSOLVENCY UNIT Province of Ontario insolvency.unit@ontario.ca	insolvency.unit@ontario.ca
AND TO:	
6. FOGLER RUBINOFF LLP 300 – 77 King Street West Toronto ON M5K 1G8 Joel D. Farber Tel: 416-365-3707 Email: jfarber@foglers.com Lawyers for Maynards Industries Canada Ltd.	jfarber@foglers.com
AND TO:	
7. BEARD WINTER LLP 701-130 Adelaide Street West Toronto ON M5H 2K4 George D. Crossman Tel: 416-306-1700 Email: crossman@beardwinter.com Lawyers for Anthony and Josephine Gazzaruso	crossman@beardwinter.com
AND TO:	
8. LOOPSTRA NIXON LLP Woodbine Place 600 – 135 Queens Plate Drive Toronto ON M9W 6V7	gphoenix@loonix.com

R. Graham Phoenix Tel: 416-748-4776 Email: gphoenix@loonix.com Lawyers for Certified Fixture & Gear Inc.	
AND TO:	
9. TORONTO MACHINE & TOOL COMPANY LIMITED 38 Milne Avenue Toronto ON M1L 1K1 Respondent	BY COURIER
AND TO:	
10. TORONTO MACHINE & TOOL INC. 38 Milne Avenue Toronto ON M1L 1K1 Respondent	BY COURIER
AND TO:	
11. METALLI GROUP INC. 502 – 1900 Lake Shore Boulevard Toronto ON M6S 1A4	BY COURIER
AND TO:	
12. DONWAY FORD SALES LIMITED 1975 Eglinton Avenue East Scarborough ON M1L 2N1	BY COURIER
AND TO:	
13. JOHN CHRISTENSEN 3 Wisteria Road Toronto ON M1R 4X7	BY COURIER
AND TO:	
14. NATIONAL LEASING GROUP INC. 1525 Buffalo Place Winnipeg MB R3T 1L9	BY COURIER

INDEX

TAB	DOCUMENT	PAGE NOS.
A	Notice of Motion returnable on June 5, 2018; Draft Approval and Vesting Order; Draft Ancillary Order	1-14
B	First Report of the Receiver, msi Spergel inc., to Court, dated May 24, 2018, and the Appendices thereto	15-28
1	Appendix “1” – Receivership Order of Justice Hainey dated February 27, 2018	29-44
2	Appendix “2” – Purchase Agreement (redacted)	45-75
3	Appendix “3” – Fee Affidavit of Mukul Manchanda related to the estate of TMT Inc., sworn May 23, 2018	76-99
4	Appendix “4” – Fee Affidavit of Mukul Manchanda related to the estate of TMT Inc., sworn May 23, 2018	100-116
5	Appendix “5” – Fee Affidavit of Timothy Dunn related to the estate of TMT Inc., sworn May 24, 2018	117-141
6	Appendix “6” – Fee Affidavit of Timothy Dunn related to the estate of TMT Inc., sworn May 24, 2018	142-166
7	Appendix “7” – Receiver’s Interim Statement of Receipts and Disbursements as at May 18, 2018	167-169
1	Confidential Appendix “1” – Platinum Appraisal – filed separately with the Court	170
2	Confidential Appendix “2” – Canam Appraisal – filed separately with the Court	171
3	Confidential Appendix “3” – Maynards Asset Sale Proposal – filed separately with the Court	172
4	Confidential Appendix “4” – Receiver’s Bid Summary – filed separately with the Court	173
5	Confidential Appendix “5” – Unredacted copy of Purchase Agreement – filed separately with the Court	174

TAB A

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

**TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.**

Respondents

**NOTICE OF MOTION
(9:30 hearing scheduled for June 5, 2018)**

msi Spergel inc. ("**Spergel**"), in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**"), of the assets, undertakings and property of Toronto Machine & Tool Company Limited and Toronto Machine & Tool Inc. (collectively the "**Debtors**"), will make a motion to a Judge presiding over the Commercial List on Tuesday, June 5, 2018 at 9:30 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, 8th Floor, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR an Approval and Vesting Order and an Ancillary Order, substantially in the form attached hereto as **Schedules "A"** and **"B"**, respectively:

- (a) If necessary, abridging the time for service and filing, and dispensing with further service of this notice of motion and motion record such that the motion is properly returnable on the date that it is heard;
- (b) approving the First Report of the Receiver dated May 24, 2018 (the “**Report**”) and approving the actions of the Receiver described therein;
- (c) approving the Receiver’s Interim Statement of Receipts and Disbursements as at May 18, 2018;
- (d) approving the form of Purchase Agreement between the Receiver and the Purchaser (as defined in the Report) appended in redacted form to the Report (an unredacted copy of the Purchase Agreement is to be sealed as Confidential Appendix 5), and authorizing the Receiver to complete the transaction contemplated thereby (the “**Transaction**”);
- (e) vesting in the Purchaser the Debtors’ and the Receiver’s right, title and interest in and to the Purchased Assets (as defined in the Purchase Agreement) free and clear of any claims and encumbrances;
- (f) approving the fees and disbursements of the Receiver and its counsel, Minden Gross LLP, for the period to and including May 18, 2018;
- (g) sealing the Confidential Appendices to the Report until the completion of the Transaction, or until further order of this Honourable Court; and
- (h) such further and other relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

2. Pursuant to an order of the Honourable Mr. Justice Hainey dated February 27, 2018, Spergel was appointed as receiver of all of the assets, undertakings and property of the Debtors (the "**Receivership Order**").

3. The Receiver taken certain steps in the receivership, such as but not limited to, collecting accounts receivable and selling certain assets pursuant to the Receivership Order.

4. The Receiver is seeking Court approval of the sale of the Purchased Assets to Maynards Industries Canada Ltd. ("**Maynards**") and approval of the Purchase Agreement.

5. The Debtors' secured parties, Royal Bank of Canada, John Christensen and the Lessors (as defined in the Report), support the sale of the Purchased Assets to Maynards.

6. The Purchase Agreement contemplates that the Purchased Assets will be vested in Maynards.

7. The Receiver recommends that the Court approve the Purchase Agreement and the Transaction contemplated by the Purchase Agreement.

8. A sealing order is required because Confidential Appendices to the Report contain certain commercially sensitive information, the release of which could prejudice the stakeholders of the Debtors.

9. The facts and recommendations described in the Report.

10. The inherent and equitable jurisdiction of this Honourable Court.
11. The terms of the Receivership Order.
12. Section 243 of the *Bankruptcy and Insolvency Act*.
13. Section 101 of the *Courts of Justice Act*.
14. Rules 1.04, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*.
15. Such further and other relief as the lawyers may advise.

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

1. First Report of the Receiver dated May 24, 2018 and the appendices thereto.
2. Such further and other material as counsel may submit and this Honourable Court may permit.

Date: May 25, 2018

MINDEN GROSS LLP
Barristers and Solicitors
145 King Street West, Suite 2200
Toronto ON M5H 4G2

Rachel Moses (LSUC #42081V)
rmoses@mindengross.com
Tel: 416-369-4115
Fax: 416-864-9223

Lawyers for MSI Spergel Inc., in its capacity as Court Appointed Receiver of Toronto Machine & Tool Company Limited and Toronto Machine & Tool Inc.

TO: **SERVICE LIST**

Schedule "A"

Court File No. CV-17-587642-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE
JUSTICE

)
)
)

TUESDAY, THE 5TH
DAY OF JUNE, 2018

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.**

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Toronto Machine & Tool Company Limited and Toronto Machine & Tool Inc. (collectively, the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Maynards Industries Canada Ltd. (the "**Purchaser**") dated May 23, 2018 and appended to the Report of the Receiver dated May 24, 2018 (the "**Report**"), and vesting in the Purchaser the Debtors' right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, 8th Floor, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of Christine Cavarzan sworn May ●, 2018 filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"¹) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated January 5, 2018; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (collectively, the "**Encumbrances**"), and this Court orders that all

¹ The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds² from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale³, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

4. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

5. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "●" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

6. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;

² The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

³ This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **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.

Schedule A – Form of Receiver's Certificate

Court File No. CV-17-587642-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.**

Respondent

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the "**Court**") dated January 5, 2018, msi Spergel inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Toronto Machine & Tool Company Limited and Toronto Machine & Tool Inc. (the "**Debtors**").

B. Pursuant to an Order of the Court dated June 5, 2018, the Court approved the agreement of purchase and sale made as of May 23, 2018 (the "**Sale Agreement**") between the Receiver and Maynards Industries Canada Ltd. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtors' right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section • of the Sale Agreement have been

satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section • of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**msi Spergel inc., in its capacity as
Receiver of the undertaking, property
and assets of Toronto Machine & Tool
Company Limited and Toronto Machine
& Tool Inc., and not in its personal
capacity**

Per: _____
Name:
Title:

//

Schedule "B"

Court File No. CV-17-587642-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

TUESDAY, THE 5th DAY

)

JUSTICE

)

OF JUNE, 2018

B E T W E E N :

ROYAL BANK OF CANADA

Applicant

and

**TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.**

Respondents

ANCILLARY ORDER

THIS MOTION, made by msi Spergel inc. ("**Spergel**"), in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**"), of the assets, undertakings and property of Toronto Machine & Tool Company Limited and Toronto Machine & Tool Inc. (collectively the "**Debtors**"), for an order, amongst other things: (i) approving the First Report of the Receiver dated May 24, 2018 (the "**First Report**") and the actions of the Receiver set out therein; (ii) approving the form of Sale Agreement between the Receiver and the Purchaser (as defined in the Report) and authorizing the Receiver to complete the transaction contemplated thereby (the "**Transaction**"), (iii) vesting in the Purchaser the Debtors' and the Receiver's right, title and interest in and to the Purchased Assets (as defined in the Report) free and clear of any claims and encumbrances, and (iv) sealing the Confidential Appendices to the Report until to the completion of the Transaction, or until further order of this Honourable Court, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and the Appendices and the Confidential Appendices attached thereto, including the fee affidavit of Mukul Manchanda sworn May 23, 2018 for the Receiver and the fee affidavit of Timothy Dunn sworn May 24, 2018 for Minden Gross LLP (the fee affidavits of Mr. Manchanda and Mr. Dunn are collectively referred to herein as the “**Fee Affidavits**”), and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Christine Cavarzan sworn May , 2018, filed:

1. **THIS COURT ORDERS** that the Report be and is hereby approved and the conduct and activities of the Receiver, as set out in the Report, are hereby approved.
2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, Minden Gross LLP, as set out in the Report and the Fee Affidavits are hereby approved.
3. **THIS COURT ORDERS** that the Receiver’s Interim Statement of Receipts and Disbursement as described in the Report is hereby approved.
4. **THIS COURT ORDERS** that the Confidential Appendices (as defined in the Report) shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon filing of the Receiver’s Certificate.

B E T W E E N

ROYAL BANK OF CANADA
Applicant

-and-

TORONTO MACHINE & TOOL COMPANY LIMITED, et al
Respondents
Court File No. CV-17-587642-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ANCILLARY ORDER

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSUC# 42081V)
rmoses@mindengross.com

Tel: 416-369-4115
Fax: 416-864-9223

Lawyers for the Receiver,
msi Spergel inc.

(File No. 4109084)

B E T W E E N

ROYAL BANK OF CANADA
Applicant

-and-

TORONTO MACHINE & TOOL COMPANY LIMITED, et al
Respondents
Court File No. CV-17-587642-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**NOTICE OF MOTION
(RETURNABLE JUNE 5, 2018)**

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSUC# 42081V)
rmoses@mindengross.com

Tel: 416-369-4115
Fax: 416-864-9223

Lawyers for the Receiver,
msi Spergel inc.

(File No. 4109084)

7/1

TAB B

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

**TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.**

Respondents

**FIRST REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF
TORONTO MACHINE & TOOL COMPANY LIMITED AND TORONTO MACHINE &
TOOL INC.**

May 24, 2018

TABLE OF CONTENTS

1.0	APPOINTMENT AND BACKGROUND	Page 1
2.0	PURPOSE OF THIS REPORT AND DISCLAIMER	Page 1
3.0	ACTIONS OF THE RECEIVER UPON APPOINTMENT	Page 2
4.0	TRANSACTION	Page 5
5.0	REAL PROPERTIES	Page 7
6.0	FEES AND DISBURSEMENTS OF THE RECEIVER	Page 7
7.0	FEES AND DISBURSEMENTS OF RECEIVER'S COUNSEL	Page 8
8.0	RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS	Page 8
9.0	RECOMMENDATION	Page 8

APPENDICES

1. Receivership Order of the Honourable Justice Hainey dated February 27, 2018
2. Redacted copy of the Purchase Agreement
3. Fee Affidavit of Mukul Manchanda related to the estate of TMT Inc., sworn May 23, 2018
4. Fee Affidavit of Mukul Manchanda related to the estate of TMT Ltd., sworn May 23, 2018
5. Fee Affidavit of Timothy Dunn related to the estate of TMT Inc., sworn May 24, 2018
6. Fee Affidavit of Timothy Dunn related to the estate of TMT Ltd., sworn May 24, 2018
7. Receiver's Interim Statement of Receipts and Disbursements as at May 18, 2018

CONFIDENTIAL APPENDICES

1. The Platinum Appraisal
2. The Canam Appraisal
3. The Maynards Offer
4. The Receiver's Bid Summary
5. Unredacted copy of the Purchase Agreement

1.0 APPOINTMENT AND BACKGROUND

- 1.0.1 This first report (this “**Report**”) is filed by msi Spergel inc. (“**Spergel**”) in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of Toronto Machine & Tool Company Limited (“**TMT Ltd.**”) and Toronto Machine & Tool Inc. (“**TMT Inc.**” together with TMT Ltd. shall be referred to herein as the “**Companies**”).
- 1.0.2 TMT Inc. was a Canadian owned, private corporation carrying on business as a supplier of machined castings and components, fabrications and assemblies for industries including Pulp and Paper, Oil and Gas, Mining, Agriculture, Manufacturing, Industrial/Heavy Machinery and Automotive. TMT Inc. operated from the premises located at 37 Milne Avenue, Scarborough, Ontario (the “**Milne Premises**”) and 57 Mack Avenue, Scarborough, Ontario (the “**Mack Premises**” together with the Milne Premises shall be referred to herein as the “**Premises**”).
- 1.0.3 TMT Ltd. is a Canadian owned private corporation. TMT Ltd. owns the Milne Premises and the Mack Premises along with substantially all of the equipment and machinery that was used by TMT Inc. in its operations.
- 1.0.4 Spergel was appointed as the Receiver of all the assets, undertakings and properties of the Companies (collectively, the “**Property**”) by Order of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made February 27, 2018 (the “**Receivership Order**”). The Receivership Order was made upon the application of the Companies’ general secured creditor, Royal Bank of Canada (“**RBC**”). Attached as **Appendix “1”** to this Report is a copy of the Receivership Order.

2.0 PURPOSE OF THIS REPORT AND DISCLAIMER

2.0.1 The purpose of this Report is to advise the Court as to the steps taken by the Receiver in these proceedings and to seek Orders from this Court:

- (a) approving this Report and the actions of the Receiver described herein, including, without limitation, the Receiver's interim statement of receipts and disbursements as at May 18, 2018 (the "**Interim R&D**");
- (b) approving a transaction (the "**Transaction**") contemplated by an agreement of purchase and sale dated May 23, 2018 (the "**Purchase Agreement**") entered into between Maynards Industries Canada Ltd., as buyer (the "**Purchaser**") and the Receiver, as seller, whereby the Purchaser will acquire the Companies' right, title and interest in and to the Purchased Assets (as defined in the Purchase Agreement);
- (c) vesting in the Purchaser the Companies' right, title and interest in and to the Purchased Assets free and clear of all liens, charges and security interests and other encumbrances;
- (d) sealing the Confidential Appendices (as defined herein) to this Report pending the closing of the Transaction or further Order of the Court; and
- (e) approving the fees and disbursements of the Receiver and its independent legal counsel, Minden Gross LLP (the "**Receiver's Counsel**") for the period to and including May 18, 2018;

2.0.2 The Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Report for any other purpose.

2.0.3 In preparing this Report, the Receiver has relied upon certain information provided to it by the Companies' former management. The Receiver has

not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information.

- 2.0.4 All references to dollars in this Report are in Canadian currency unless otherwise noted.

3.0 ACTIONS OF THE RECEIVER UPON APPOINTMENT

- 3.0.1 A copy of the Receivership Order was provided to the Companies by RBC's counsel and by the Receiver. In addition, the Receiver prepared its statutory Notice and Statement of the Receiver in accordance with subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act* (Canada) for each of TMT Ltd. and TMT Inc. and mailed copies of same to all creditors of the Companies known to the Receiver.
- 3.0.2 On February 28, 2018, the Receiver attended at the Premises and met with one of the Companies' principals, Dan Blum ("**Dan**"). The Receiver in consultation with Dan decided that there would be no benefit in continuing the operation of TMT Inc. As such the Receiver took possession of the Property of the Companies and terminated the employment of all employees of TMT Inc.

Accounts Receivable

- 3.0.3 After taking possession of the Property, the Receiver extracted an accounts receivable listing from the accounting server and took steps to realize on TMT Inc.'s outstanding accounts receivable. In this regard, the Receiver issued demand letters on March 6, 2018 to all customers listed in the TMT Inc.'s books and records totaling \$320,444.25. As at the date of this Report, the Receiver has collected \$371,947.34 in respect of TMT

Inc.'s accounts receivable. The collection of receivables are in excess of the book value of receivables mainly because on the day the Receiver took possession, TMT Inc. was holding un-deposited cheques which were later deposited by the Receiver in its trust account.

Inventory

- 3.0.4 The Receivership Order empowers the Receiver to, among other things, sell the assets of the Companies without the approval of this Honourable Court, for any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000.
- 3.0.5 During discussions with Dan, the Receiver discovered that TMT Inc. had certain raw materials and work in progress of a specialized nature (collectively the "**Unfinished Inventory**"). The Receiver was further advised by Dan that certain customers of TMT Inc. may be willing to purchase the Unfinished Inventory at the price agreed upon prior to the Receivership as long as the price is adjusted to the percentage of completion of the Unfinished Inventory. As such the Receiver contacted each customer identified by Dan and entered into eight (8) different transactions with customers and collected a total of \$217,632.21 excluding *Harmonized Sales Tax* ("**HST**") for the Unfinished Inventory. The Receiver believes that it was commercially reasonable for the Receiver to sell the Unfinished Inventory to existing customers as the Receiver was able to collect full value for same as oppose to getting liquidation or scrap value. None of the transactions the Receiver entered into with the customers exceeded the limit set out in the Receivership Order.

Leased Equipment

- 3.0.6 During the Receiver's meeting with Dan, he advised that the CFG Leased Assets (as defined in the Purchase Agreement) situated at the Premises

were leased by TMT Inc. from Certified Fixture & Gear Inc. ("**CFG**") and 3rd Party Inspection Services Inc. ("**3PI**" together with CFG shall be referred to herein as the "**Lessors**").

- 3.0.7 A review of the *Personal Property Security Act* search of TMT Inc. indicated that there were no registrations against TMT Inc. by the Lessors. As such the Receiver, in consultation with the Receiver's Counsel, was not satisfied with the perfection of the Lessor's security interest in the CFG Leased Assets. Accordingly, the Receiver advised the Lessors that the Lessors' security interest in the CFG Leased Assets was not effective against the Receiver and that the Receiver would arrange to realize on the CFG Leased Assets.
- 3.0.8 Subsequently, the Receiver's counsel received a letter from the Lessors' counsel advising, among other things, that Anthony Gazzaruso ("**Anthony**") and Josephine Gazzaruso ("**Josephine**") are secured creditors of the Lessors and that the CFG Leased Assets are subject to the security interest of Anthony and Josephine. He further advised that the security interest of Anthony and Josephine in the CFG Leased Assets ranks in priority to any secured creditor of TMT Inc.
- 3.0.9 Given the priority dispute related to the CFG Leased Assets the Lessors have agreed to the Receiver selling the CFG Leased Assets as a separate lot in its sales process. It was further agreed that the Receiver will hold the proceeds from the sale of CFG Leased Assets pending the settlement of the priority dispute between the Lessors and the other secured creditors of TMT Inc.

WAGE EARNER'S PROTECTION PROGRAM

- 3.0.10 The Receiver has mailed Wage Earner Protection Program notifications, including schedules of amounts payable, to all eligible former employees of TMT Inc. The Receiver estimates that the amounts owed to employees

which would provide an employee with security for payment pursuant to sections 81.3 or 81.4 of the *Bankruptcy and Insolvency Act* total \$52,788.59.

3.0 TRANSACTION

- 4.0.1 Pursuant to the terms of the Receivership Order, the Receiver was empowered and authorized to, among other things, market any or all of the Companies' assets, including advertising and soliciting offers in respect of the assets and negotiating such terms and conditions of sale as the Receiver, in its discretion, deemed appropriate.
- 4.0.2 On April 13, 2018, following a review of the financial information and operations of the Companies, the Receiver sent email invitation to various auctioneers for expressions of interest in the assets of the Companies. In addition the Receiver placed an ad in the Globe and Mail and the Insolvency Insider regarding same. The Receiver determined that selling the assets of the Companies through an auction process was the most cost effective and efficient method of dealing with the assets, as there was no interest in the Companies as a going concern, and attempting to sell each asset individually would have likely resulted in higher realization costs and lower recovery. The Receiver required all interested parties to sign confidentiality agreements prior to disclosing the asset listing for the auction. Eighteen (18) interested parties signed the confidentiality agreement and obtained the information related to the assets. The Receiver received five (5) written offers for the assets. The assets offered for sale were divided into three categories as follows; a) TMT Ltd. assets; b) TMT Inc. assets; and c) CFG Leased Assets. All of the offers provided an allocation of the offer price between the three categories.
- 4.0.3 The Receiver sought and obtained two appraisals for the assets of the Companies. The appraisals were conducted by Platinum Asset Services

(the “**Platinum Appraisal**”) and Canam-Appraiz Inc. (the “**Canam Appraisal**” together with the Platinum appraisal shall be referred to herein as the “**Appraisals**”). The Platinum Appraisal and the Canam Appraisal are attached to this Report as **Confidential Appendices “1” and “2”**.

- 4.0.4 After reviewing the offers, the Receiver determined that the outright purchase offer (the “**Maynards Offer**”) from Maynards Industries Canada Ltd. would net the highest realization and be the most appropriate transaction for the benefit of the stakeholders, as the Receiver would not be required to expend resources managing an auction process, and further be assured of the purchase price, rather than having to rely on a percentage of the auction sales to determine its recovery. The Maynards Offer is also in excess of the Forced Liquidation Value amount expressed in the Appraisals. Attached to this Report as **Confidential Appendix “3”** is a copy of the Maynards Offer.
- 4.0.5 As part of the Transaction, if approved by the Court, the Purchaser will conduct an auction at the Premises. The Purchaser will remove any unsold assets following the auction, such that all assets contemplated in the Purchase Agreement will be removed from the Premises in a timely manner and the Premises will be left in a clean condition.
- 4.0.6 A copy of the Receiver’s bid summary is attached as **Confidential Appendix “4”** to this Report (the “**Bid Summary**”). Upon receipt of the written offers, the Receiver obtained confidentiality agreements from RBC, John Christensen a secured creditor of the Companies and the Lessors (the “**Secured Parties**”) and shared the Bid Summary along with the written offers with them. The Secured Parties have all indicated to the Receiver that they support the acceptance of the Maynards Offer.
- 4.0.7 The Receiver has entered into the Purchase Agreement with the Purchaser. A redacted copy of the Purchase Agreement, excluding the

financial terms, is attached as **Appendix “2”** to this Report. A fully executed, unredacted, copy of the Purchase Agreement is attached as **Confidential Appendix “5”** to this Report (collectively with Confidential Appendices 1, 2, 3 and 4, the “**Confidential Appendices**”).

- 4.0.8 The Receiver is seeking a sealing order in respect of the Confidential Appendices as they each contain commercially sensitive information, the release of which prior to the completion of the Transaction would be prejudicial to the stakeholders of the Companies.

5.0 REAL PROPERTIES

- 5.0.1 As noted previously in this Report, TMT Ltd. owns the Milne Premises and the Mack Premises. The Receiver retained the services of Cornwall Property Consultants Ltd. and Appraisal Group Inc. to provide an appraisal of the value of each of the Milne premises and the Mack Premises. The Receiver also engaged the services of Altech Environmental Consulting Ltd. to prepare both Phases I and II Environmental Assessment Reports related to the Premises. The Receiver is currently awaiting receipt of the Phase II Environmental Assessment Report.
- 5.0.2 In addition, the Receiver has requested and received listing proposals in relation to listing the Premises from Colliers Macaulay Nicolls (Ontario) Inc. and Avison Young. The Receiver is currently reviewing the listing proposals.

6.0 FEES AND DISBURSEMENTS OF THE RECEIVER

- 6.0.1 Attached hereto as **Appendix “3”** is the Affidavit of Mukul Manchanda, sworn May 23, 2018, which incorporates by reference a copy of the Receiver’s time dockets pertaining to the estate of TMT Inc., for the period to and including May 18, 2018 in the amount of \$61,456.72 inclusive of

disbursements and HST. This represents a total of 219.95 hours at an average rate of \$246.49 per hour.

- 6.0.2 Attached hereto as **Appendix “4”** is the Affidavit of Mukul Manchanda, sworn May 23, 2018, which incorporates by reference a copy of the Receiver’s time dockets pertaining to the estate of TMT Ltd., for the period to and including May 18, 2018 in the amount of \$44,128.48 inclusive of disbursements and HST. This represents a total of 135.35 hours at an average rate of \$288.52 per hour.

7.0 FEES AND DISBURSEMENTS OF RECEIVER’S COUNSEL

- 7.0.1 Attached hereto as **Appendix “5”** is the Affidavit of Timothy Dunn, sworn May 24, 2018, which incorporates by reference a copy of the accounts rendered by the Receiver’s Counsel in relation to the estate of TMT Inc. for the period to and including May 18, 2018 in the amount of \$25,507.44 inclusive of disbursements and HST.
- 7.0.2 Attached hereto as **Appendix “6”** is the Affidavit of Timothy Dunn, sworn May 24, 2018, which incorporates by reference a copy of the accounts rendered by the Receiver’s Counsel in relation to the estate of TMT Ltd. for the period to and including May 18, 2018 in the amount of \$24,332.80 inclusive of disbursements and HST.
- 7.0.3 The Receiver has reviewed the accounts of Receiver’s Counsel and, given the Receiver’s involvement in this matter, the Receiver is of the view that all the work set out in the accounts of the Receiver’s Counsel was carried out and was necessary. The hourly rates of the lawyers who worked on this matter were reasonable in light of the services required, and the services were carried out by lawyers with the appropriate level of experience.

8.0 RECEIVER'S INTERIM STATEMENTS OF RECEIPTS AND DISBURSEMENTS

8.0.1 Attached hereto as **Appendix "7"** are copies of the Receiver's Interim Receipts and Disbursements for each of TMT Inc. and TMT Ltd.

9.0 RECOMMENDATION

9.0.1 The Receiver respectfully requests that this Honourable Court grant the relief sought in this Report.

Dated at Toronto this 24th day of May, 2018.

msi Spergel inc.,
solely in its capacity as court-appointed
Receiver of Toronto Machine & Tool Inc. and
Toronto Machine & Tool Company Ltd. and not in
its personal or corporate capacity

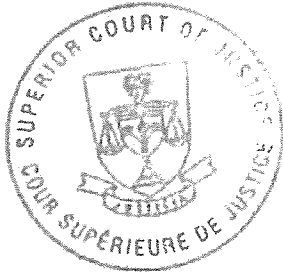
Per:



Mukul Manchanda, CIRP, LIT
Principal

APPENDIX “1”

Revised: January 21, 2014
s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver



Court File No. CV-17-587642-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

TUESDAY, THE 27TH
DAY OF FEBRUARY,
2018
FRIDAY, THE 5TH

THE HONOURABLE MR.

JUSTICE HAINEY

)
)
)

DAY OF JANUARY, 2018

ROYAL BANK OF CANADA

Applicant

- and -

**TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.**

Respondent

**ORDER
(appointing Receiver)**

THIS MOTION 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. as receiver (the "Receiver") without security, of all of the assets, undertakings and properties of Toronto Machine & Tool Company Limited and Toronto Machine & Tool Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Wojciech Karwala sworn December 1, 2017 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, no one appearing for the Respondents or interest parties although duly served as appears from the affidavit of service of David Florek sworn December 4, 2017 and the affidavit of service of Laura Monteforte sworn December 1, 2017, and on reading the consent of msi Spergel inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion 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, msi Spergel inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (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 engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (d) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (e) to settle, extend or compromise any indebtedness owing to the Debtor;
- (f) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (g) 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, 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;
- (h) 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;
- (i) 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 \$100,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; 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*, [or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (j) 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;
- (k) 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;
- (l) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (n) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

- (o) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (p) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

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 OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or

with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

RECEIVER TO HOLD FUNDS

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 shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's 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 Debtor, and shall return all

other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

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

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.

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.

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

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 \$150,000.00 (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.

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.

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.

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

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 [http:// www.spergel.ca/torontomachine](http://www.spergel.ca/torontomachine).

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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

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.

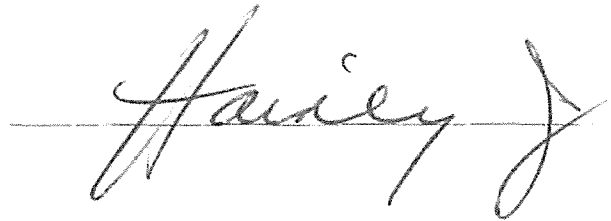
28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

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.

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.

31. 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 Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

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.



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

FEB 27 2018



DOCSTOR: 1771742/9

PER / PAR:

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 Toronto Machine & Tool Company Limited and Toronto Machine & Tool Inc. acquired for, or used in relation to a business carried on by the Debtor, 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__ (the "Order") made in an action having Court file number _____, 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 _____, 2016.

msi Spergel inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

ROYAL BANK OF CANADA

and

TORONTO MACHINE & TOOL COMPANY
LIMITED, ET. AL..

Court File No. CV-17-587642-00CL

Applicant

Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

IN THE MATTER OF AN 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.C43, AS AMENDED

Proceeding commenced at
TORONTO

ORDER

DEVRY SMITH FRANK LLP

Lawyers & Mediators

95 Barber Greene Road, Suite 100

Toronto, Ontario M3C 3E9

KELLI PRESTON

LSUC #: 47467B

Tel : (416) 449-1400

Fax: (416) 449-7071

Lawyers for the Applicant

174

APPENDIX “2”

ASSET PURCHASE AGREEMENT

This Agreement dated May 23, 2018 is made,

BETWEEN:

msl SPERGEL Inc., solely in its capacity as court appointed receiver of Toronto Machine & Tool Company Limited and Toronto Machine & Tool Inc., and not in its personal capacity and without any personal or corporate liability

(hereinafter referred to as the "Vendor")

-and-

MAYNARDS INDUSTRIES CANADA LTD., a corporation incorporated under the laws of the Province of Ontario

(hereinafter referred to as the "Purchaser")

RECITALS

WHEREAS:

- A. Pursuant to the Appointment Order (as hereinafter defined), the Vendor was appointed as receiver of the assets, undertakings and properties of each of Toronto Machine & Tool Company Limited ("Toronto Limited") and Toronto Machine & Tool Inc. ("Toronto Inc.");
- B. The Appointment Order, among other things, authorizes the Vendor to market and sell all or any part of the assets, undertakings and properties of the Companies;
- C. The Purchaser has agreed to purchase from the Vendor, and the Vendor has agreed to sell to the Purchaser, all of the Companies' right, title and interest, if any, in and to the Purchased Assets (as is hereinafter defined).

NOW THEREFORE, in consideration of the promises and mutual covenants and agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties hereto agree with each other as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions.

In this Agreement, the following terms shall have the meanings set out below unless the context requires otherwise:

- (1) "Agreement" means this Agreement, including any Schedule to this Agreement, as it or they may be amended or supplemented from time to time, and the expressions "hereof", "herein",

Ch R

"hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement.

(2) "Applicable Law" means, with respect to any Person, property, transaction, event or other matter, any Law relating or applicable to such Person, property, transaction, event or other matter. Applicable Law also includes, where appropriate, any interpretation of the Law (or any part) by any Person having jurisdiction over it, or charged with its administration or interpretation.

(3) "Appointment Order" means the Order made by the Honourable Mr. Justice Hainey on February 27, 2018, appointing the Vendor as receiver of all of the assets, undertakings and properties of each of Toronto Limited and Toronto Inc.

(4) "Approval and Vesting Order" means an order made by the Court substantially in the form attached hereto as Schedule 1.1(4).

(5) "Books and Records" means all books, records, files and papers, including computer programs (including source and object code), software programs, manuals and data, sales and advertising materials, lists of present and former customers and suppliers, personnel, and all copies and recordings of the foregoing.

(6) "Business Day" means any day except Saturday, Sunday or any day on which banks are generally not open for business in the City of Toronto.

(7) "Business Premises" means collectively and individually, 38 Milne Avenue, Toronto and 57 Mack Avenue, Toronto.

(8) "CFG Leased Assets" means the personal property assets as described and listed in Schedule 1.1(8) hereto.

(9) "Canadian Dollars" means the lawful currency of Canada.

(10) "Closing" means the completion of the purchase and sale of the Purchased Assets in accordance with the provisions of this Agreement.

(11) "Closing Date" means June 5, 2018 or such other date as may be agreed by the Purchaser and the Vendor.

(12) "Closing Time" means the time of closing on the Closing Date provided for in Section 3.1.

(13) "Companies" means collectively, Toronto Limited and Toronto Inc. and "Company" means any one of them;

(14) "Contracts" means all rights and interests of the Companies to and in all executory contracts, agreements and arrangements whether or not signed to which either of them is a party and/or by which any of the Purchased Assets is bound.

(15) "Court" means the Ontario Superior Court of Justice, Commercial List.

(16) "Deposit" has the meaning given in Section 2.3.

(17) "Excluded Assets" means only the following assets, undertakings or properties of the Companies:

a e

- (a) the Real Property;
 - (b) Accounting server and a desktop computer;
 - (c) all goods, machinery and equipment subject to true operating leases;
 - (d) the right to receive insurance recoveries under any insurance policies in existence on the date hereof in respect only of any claims with respect to Excluded Assets; and
 - (e) any other assets that the Purchaser elects to exclude in writing prior to Closing in accordance with the terms of this Agreement.
- (18) "Governmental Entity" means any federal, provincial, or municipal court, board, tribunal, arbitrator or arbitral panel, administrative agency or commission or other governmental or regulatory agency, ministry, department or authority.
- (19) "HST" means the harmonized sales tax imposed under the *Excise Tax Act* (Canada).
- (20) "Law" means common law, order, judgment, decree, law, statute, ordinance, rule, instrument, code, constitution, treaty, rule, regulation or other requirement of any Governmental Entity.
- (21) "Liabilities" means all costs, expenses, charges, debts, liabilities, claims, demands and obligations, whether primary or secondary, direct or indirect, fixed, contingent, absolute or otherwise, under or in respect of any contract, agreement, arrangement, lease, commitment or undertaking. Applicable Law and Taxes.
- (22) "Party" means a party to this Agreement and any reference to a Party includes its successors and permitted assigns; "Parties" means every Party.
- (23) "Person" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity.
- (24) "Purchased Assets" means all of the Vendor's and Companies' right, title and interest in, to and under or relating to the following assets, but excluding the Excluded Assets:
- (a) the Toronto Inc. Assets;
 - (b) the Toronto Limited Assets;
 - (c) the CFG Leased Assets.
- (25) "Purchase Price" has the meaning given in Section 2.2.
- (26) "Purchaser" has the meaning given in the recitals above.
- (27) "Purchaser's Solicitors" means Fogler, Rubinoff LLP.
- (28) "Real Property" means collectively 38 Milne Avenue, Toronto, Ontario and 57 Mack Avenue, Toronto, Ontario.

(29) "Removal Time" means 3:00 p.m. (Toronto time) on July 27, 2018.

(30) "Rights" has the meaning given in Section 3.4.

(31) "Taxes" means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax including Canada Pension Plan and provincial pension plan contributions, employment insurance payments and workers compensation premiums, together with any instalments with respect thereto, and any interest, fines and penalties, imposed by any governmental authority (including federal, state, provincial, municipal and foreign governmental authorities), and whether disputed or not.

(32) "Toronto Inc. Assets" means the personal property assets of Toronto Inc. as described and listed in Schedule 1.1 (32).

(33) "Toronto Limited Assets" means the personal property assets of Toronto Limited as described and listed in Schedule 1.1(33).

(34) "Transaction" means the transaction of purchase and sale contemplated by this Agreement.

(35) "Vendor" has the meaning given in the recitals above.

(36) "Vendor's Solicitors" means Minden Gross LLP.

1.2 Headings and Table of Contents.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.3 No Strict Construction.

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

1.4 Number and Gender.

Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

1.5 Business Days.

If any payment is required to be made or other action is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be made or taken on the next Business Day.

1.6 Currency and Payment Obligations.

Except as otherwise expressly provided in this Agreement:

a B

- (a) all dollar amounts referred to in this Agreement are stated in Canadian Dollars; and
- (b) any payment contemplated by this Agreement shall be made by wire transfer to the offices of the Vendor's solicitors, or as the Vendor may direct in writing.

1.7 Statute References.

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.

1.8 Section and Schedule References.

Unless the context requires otherwise, references in this Agreement to Sections or Schedules are to Sections or Schedules of this Agreement. The Schedules to this Agreement, listed as follows, are an integral part of this Agreement:

Schedule 1.1(6) Approval and Vesting Order
 Schedule 1.1(8) CFG Leased Assets
 Schedule 1.1(32) Toronto Inc. Assets
 Schedule 1.1(33) Toronto Limited Assets

ARTICLE 2 **PURCHASE OF ASSETS**

2.1 Agreement to Purchase and Sell.

Subject to the terms and conditions of this Agreement, the Vendor shall sell and the Purchaser shall purchase the Purchased Assets.

2.2 Amount of Purchase Price.

The purchase price payable by the Purchaser to the Vendor for the Purchased Assets (the "Purchase Price") shall be [REDACTED] exclusive of any applicable Taxes.

2.3 Deposit.

The Vendor is holding a deposit provided by the Purchaser (the "Deposit") in the amount of [REDACTED]. The Purchaser authorizes the Vendor to disburse the Deposit in accordance with the following provisions:

- (1) if the purchase and sale of the Purchased Assets is completed in accordance with the terms of this Agreement, then the Deposit shall be released from trust and applied towards payment of the Purchase Price;
- (2) if the purchase and sale of the Purchased Assets is not completed due solely to a default by the Purchaser, then the Deposit shall be forfeited by the Purchaser as liquidated damages (and not as a penalty) without prejudice to any other rights and remedies of the Vendor arising from the Purchaser's default; and

a C

- (3) if the purchase and sale of the Purchased Assets is not completed for any other reason, then the Deposit shall be returned to the Purchaser and the Purchaser and the Vendor shall be released from all obligations under this Agreement.

2.4 Payment of Purchase Price.

The Purchase Price shall be paid and satisfied by the Purchaser at the Closing as follows:

- (1) the Deposit shall be paid to the Vendor and credited against the Purchase Price in accordance with subsection 2.3(1); and
- (2) the balance shall be paid to the Vendor by way of wire transfer to the offices of Vendor's Solicitors, or as the Vendor may direct in writing.

2.5 Allocation of Purchase Price.

The Purchase Price shall be allocated among the Purchased Assets in the manner agreed to by the Purchaser and Vendor prior to Closing (acting reasonably) and the Parties shall file their respective income tax returns prepared in accordance with such allocations.

2.6 Payment of Taxes and Indemnity.

The Purchaser shall pay all Taxes resulting from the Transaction (other than Taxes payable under applicable legislation by the Vendor). The Purchaser hereby indemnifies and saves the Vendor harmless from and against all claims and demands for the payment of Taxes exigible in connection with the Transaction, including penalties and interest thereon and any liabilities or costs incurred as a result of any failure to pay such Taxes when due.

2.7 HST Election.

At the Closing, and if available at law, the Vendor and the Purchaser shall execute jointly an election under Section 167 of the *Excise Tax Act* (Canada) to have the sale of the Purchased Assets take place on a HST-free basis under Part IX of the *Excise Tax Act* (Canada) and the Purchaser shall file such election with its HST return for the reporting period in which the sale of the Purchased Assets takes place.

2.8 Excluded Liabilities

The Purchaser shall not assume and shall not be liable for any debts, liabilities or other obligations of any Company.

2.9 Excluded Assets.

Notwithstanding anything to the contrary in this Agreement, the Purchaser may, at its option, exclude any of the Purchased Assets from the Transaction prior to the Time of Closing, whereupon such Purchased Assets shall be Excluded Assets, provided, however, that there shall be no adjustment in the Purchase Price and the Purchaser shall remove the Excluded Assets from the Business Premises in accordance with the provisions of Article 7 hereof.

2.10 No Purchase Price Adjustments.

Dr. P.

52

The Purchaser acknowledges, confirms and agrees that there shall be no adjustment of any kind to the Purchase Price for any reason.

2.11 Marketing

From and after execution of this Agreement up until the Removal Time, the Purchaser shall be entitled to the use of all intellectual property of the Companies including but not limited to copyrights, trade names, brand names, corporate names or any other type of intellectual property reasonably required by the Purchaser in order to advertise, auction and/or solicit proposals for third party sales of the Purchased Assets.

**ARTICLE 3
CLOSING ARRANGEMENTS**

3.1 Closing.

The Closing shall take place at 12:00 p.m. on the Closing Date at the offices of the Vendor's Solicitors, or at such other time on the Closing Date or such other place as may be agreed orally or in writing by the Vendor and the Purchaser. All of the Purchased Assets are to be located on the Business Premises on Closing.

3.2 Vendor's Closing Deliveries.

At the Closing, the Vendor shall deliver or cause to be delivered to the Purchaser the following documents:

- (1) Bill of Sale, in a form agreed to by the Vendor and the Purchaser prior to Closing (acting reasonably) executed by the Vendor;
- (2) the election referred to in section 2.7 executed by the Vendor, if applicable;
- (3) a Purchase Price allocation agreement referred to in Section 2.5;
- (4) a certificate of an officer of the Vendor, dated as of the Closing Date, confirming that (i) all of the representations and warranties of the Vendor contained in this Agreement are true as of the Closing Date, with the same effect as though made on and as of the Closing Date and (ii) that each of the conditions precedent in Section 4.3 of this Agreement have been fulfilled, performed or waived as of the Closing Date;
- (5) the Approval and Vesting Order and the vesting certificate relating thereto;
- (6) all deeds of conveyance, bills of sale, assurances, transfers, assignments, consents, and such other agreements, documents and instruments as may be reasonably requested by the Purchaser or the Purchaser's Solicitors to complete the Transaction; and
- (7) all such other agreements, documents and instruments as may be reasonably requested by the Purchaser or the Purchaser's Solicitors to complete the Transaction.

3.3 Purchaser's Closing Deliveries.

u C

At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor the following documents and payments:

- (1) Bill of Sale, in a form agreed to by the Vendor and the Purchaser prior to Closing (acting reasonably) executed by the Purchaser;
- (2) the payments referred to in subsections 2.4(1) and 2.4(2);
- (3) the election referred to in subsection 2.7 executed by the Purchaser, if applicable;
- (4) a Purchase Price allocation agreement referred to in Section 2.5;
- (5) a certificate of an officer of the Purchaser, dated as of the Closing Date, confirming that (i) all of the representations and warranties of the Purchaser contained in this Agreement are true as of the Closing Date, with the same effect as though made on and as of the Closing Date and (ii) that each of the conditions precedent in Section 4.1 of this Agreement have been fulfilled, performed or waived as of the Closing Date;
- (6) an indemnity agreement re: Taxes, in a form agreed to by the Vendor and the Purchaser prior to Closing (acting reasonably) duly executed by the Purchaser; and
- (7) all such other agreements, documents and instruments as may be reasonably requested by the Vendor or the Vendor's Solicitors to complete the Transaction.

3.4 **Non-Transferable and Non-Assignable Purchased Assets.**

To the extent that any of the Purchased Assets to be transferred to the Purchaser on the Closing, or any claim, right or benefit arising under or resulting from such Purchased Assets (collectively, the "Rights"), is not capable of being transferred without the approval, consent or waiver of any third Person, or if the transfer of a Right would constitute a breach of any obligation under, or a violation of, any Applicable Law unless the approval, consent or waiver of such third Person is obtained, then, except as expressly otherwise provided in this Agreement and without limiting the rights and remedies of the Purchaser contained elsewhere in this Agreement, this Agreement shall not constitute an agreement to transfer such Rights unless and until such approval, consent or waiver has been obtained. After the Closing and for a period of 10 days following the Closing, or such later date as the Parties may agree, the Vendor shall:

- (a) comply with the terms and provisions of the Rights as agent for the Purchaser at the Purchaser's cost and for the Purchaser's benefit;
- (b) cooperate with the Purchaser in any reasonable and lawful arrangements designed to provide the benefits of such Rights to the Purchaser; and
- (c) enforce, at the reasonable request of the Purchaser and at the expense and for the account of the Purchaser, any rights of the Vendor or any Company arising from such Rights against any third Person, including the right to elect to terminate any such rights in accordance with the terms of such rights upon the written direction of the Purchaser.

In order that the full value of the Rights may be realized for the benefit of the Purchaser, the Vendor shall, at the request and expense and under the direction of the Purchaser, in the name of the Vendor or otherwise as the Purchaser may specify, take all such action and do or cause to be done all such things as

in R

are, in the reasonable opinion of the Purchaser, necessary or proper in order that the obligations of any Company under such Rights may be performed in such manner that the value of such Rights is preserved and enures to the benefit of the Purchaser, and that any moneys due and payable and to become due and payable to the Purchaser in and under the Rights are received by the Purchaser. The Vendor shall promptly pay to the Purchaser all moneys collected by or paid to the Vendor in respect of every such Right. To the extent that such approval, consent or waiver has not been obtained by the 10th day following the Closing, or such later date as the Parties may agree, such Right shall be deemed to be an Excluded Asset and the Vendor may terminate any agreement pertaining to such Right. The Purchaser shall indemnify and hold the Vendor harmless from and against any claim or liability under or in respect of such Rights arising because of any action of the Vendor taken in accordance with this Section.

ARTICLE 4 **CONDITIONS OF CLOSING**

4.1 Purchaser's Conditions.

The Purchaser shall not be obliged to complete the Transaction unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Purchaser and may be waived, in whole or in part, in writing by the Purchaser at any time; and the Vendor agrees with the Purchaser to take all such actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

- (1) *Representations and Warranties.* The representations and warranties of the Vendor in Section 5.2 shall be true and correct at the Closing.
- (2) *Vendor's Compliance.* The Vendor shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before Closing and shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 3.2 or elsewhere in this Agreement.
- (3) *No Litigation.* There shall be no litigation or proceedings pending against any of the Parties hereto, or involving the Companies' business or any of the Purchased Assets, for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper.
- (4) *Approval and Vesting Order.* The Approval and Vesting Order shall have been obtained and shall not have been appealed, stayed, varied or set aside.

4.2 Condition Not Fulfilled.

If any condition in Section 4.1 has not been fulfilled at or before the Closing Time, then the Purchaser in its sole discretion may, without limiting any rights or remedies available to the Purchaser at law or in equity, either:

- (1) terminate this Agreement by notice to the Vendor, in which event the Purchaser shall be released from its obligations under this Agreement and the Deposit shall be promptly returned to the Purchaser; or

- (2) waive compliance with any such condition without prejudice to its right of termination in the event of non fulfillment of any other condition.

4.3 Vendor's Conditions.

The Vendor shall not be obliged to complete the Transaction unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Vendor, and may be waived, in whole or in part, in writing by the Vendor at any time; and the Purchaser agrees with the Vendor to take all such actions, steps and proceedings within the Purchaser's reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

- (1) *Representations and Warranties.* The representations and warranties of the Purchaser in Section 5.1 shall be true and correct at the Closing.
- (2) *Purchaser's Compliance.* The Purchaser shall have performed and complied with all of the terms and conditions in this Agreement on its part to be to be performed by or complied with at or before the Closing Time and shall have executed and delivered or caused to have been executed and delivered to the Vendor at the Closing Time all the documents contemplated in Section 3.3 or elsewhere in this Agreement.
- (3) *Approval and Vesting Order.* The Approval and Vesting Order shall have been obtained and shall not have been appealed, stayed, varied or set aside.
- (4) *No Litigation.* There shall be no litigation or proceedings pending against any of the Parties hereto, or involving the Companies' business or any of the Purchased Assets, for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper.

4.4 Condition Not Fulfilled.

If any condition in Section 4.3 shall not have been fulfilled at or before the Closing Time, then the Vendor in its sole discretion may, without limiting any rights or remedies available to the Vendor at law or in equity, either:

- (1) terminate this Agreement by notice to the Purchaser in which event the Vendor shall be released from all obligations under this Agreement and, unless the condition that was not fulfilled was contained in subsection 4.3(1) and (2), the Deposit thereon shall be promptly returned to the Purchaser and the Purchaser shall be released from all obligations under this Agreement; or
- (2) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfillment of any other condition.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Purchaser.

As a material inducement to the Vendor's entering into this Agreement and completing the Transaction and acknowledging that the Vendor is entering into this Agreement in reliance upon the

Handwritten initials/signature

representations and warranties of the Purchaser set out in this Section 5.1, the Purchaser represents and warrants to the Vendor as follows:

- (1) *Incorporation and Power.* The Purchaser is, or will be at the Closing Time, a corporation duly incorporated under the laws of the jurisdiction of its incorporation and is duly organized, validly subsisting and in good standing under such laws.
- (2) *Due Authorization.* The Purchaser has, or will have at the Closing Time, all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments. The execution and delivery of this Agreement and such other agreements and instruments and the completion of the Transaction and such other agreements and instruments have been, or will have been at the Closing Time, duly authorized by all necessary corporate action on the part of the Purchaser.
- (3) *Enforceability of Obligations.* This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms subject, however, to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other laws affecting the enforcement of the rights of creditors or others and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought.
- (4) *HST/GST.* The Purchaser is a "registrant" under Part IX of the *Excise Tax Act* (Canada) and its registration number is R● or the Purchaser will be such a "registrant" at the Closing Time and will notify the Vendor of its registration number prior to such time.

5.2 Representations and Warranties of the Vendor.

As a material inducement to the Purchaser's entering into this Agreement and completing the Transaction and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Vendor set out in this Section 5.2, the Vendor represents and warrants to the Purchaser as follows:

- (1) *Non-Residency.* The Vendor is not now and does not intend to become, prior to Closing, a non-resident of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada).
- (2) *Authority to Sell.* Subject to obtaining the Approval and Vesting Order prior to Closing, on Closing the Vendor shall have the right, power and authority to sell the Purchased Assets and to perform all other obligations contemplated in this Agreement, in accordance with the terms and conditions of this Agreement and the Approval and Vesting Order.
- (3) *HST/GST.* The Vendor is a "registrant" under Part IX of the *Excise Tax Act* (Canada) and its registration number is R● or the Vendor will be such a "registrant" at the Closing Time and will notify the Purchaser of its registration number prior to such time.
- (4) *Control of Business Premises.* The Vendor has all necessary right, title and interest in the Business Premises so as to permit the Purchaser access as permitted under this Agreement.

5.3 Survival of Representations and Warranties.

The representations and warranties of the Purchaser and Vendor contained in Sections 5.1 and 5.2, respectively, or any other agreement, certificate or instrument delivered pursuant to this Agreement shall survive the Closing until the earlier of three (3) months thereafter and the date on which the Receiver is discharged by the Court.

5.4 "As is, Where is".

The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an "as is, where is", no recourse basis as they shall exist on the Closing Date subject to the Vendor's covenant that the Purchased Assets shall all be located at the Business Premises. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, existence, fitness for any particular purpose, or at all, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Vendor to sell or assign same save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply hereto and have been waived by the Purchaser. The description of the Purchased Assets contained in this Agreement is for the purpose of identification only. No representation, warranty or condition has or will be given by the Vendor concerning completeness or the accuracy of such descriptions. The Purchaser further acknowledges that all written and oral information (including, without limitation, analyses, financial information and projections, compilations and studies) obtained by the Purchaser from the Vendor with respect to the Purchased Assets or otherwise relating to the transactions contemplated in this Agreement has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete. The Purchaser further acknowledges that the Vendor shall be under no obligation to deliver the Purchased Assets to the Purchaser and that it shall be the Purchaser's responsibility to take possession of the Purchased Assets.

ARTICLE 6
RISK OF LOSS

6.1 Risk of Loss.

Until the Closing, the Purchased Assets shall remain at the risk of the Vendor. In the event that the Purchased Assets, or any part thereof, are materially damaged by fire or other hazard from the date of this Agreement until the Closing Time, provided that the Vendor shall give written notice to the Purchaser of such material damage, and the Purchaser may elect in writing to the Vendor that it will either:

- (a) accept the proceeds of any insurance available or actually paid to the Vendor and apply same in respect of the Purchase Price and otherwise complete the Transaction in accordance with the terms set out in this Agreement; or
- (b) terminate this Agreement.

The Purchaser shall have five (5) Business Days after receiving notice from the Vendor of material damage to make its election in accordance with subsection 6.1(a) and 6.1(b) above. For the purposes of this section 6.1, damage to the Purchased Assets shall be considered material if the amount of such damage is equal to or greater than \$100,000.

Handwritten initials

In the event that this Agreement is terminated in accordance with subsection 6.1(b) above, the Deposit shall forthwith be returned to the Purchaser, without deduction.

In the event that the damage to the Purchased Assets is less than \$100,000, the Transaction shall be completed in accordance with the terms of this Agreement and without any reduction in, or adjustment to, the Purchase Price or any other change in the terms of this Agreement, provided however, the Purchaser shall receive any insurance proceeds payable in connection with said damage as and when they become available.

From and after Closing, the Purchased Assets shall be at the risk of the Purchaser.

ARTICLE 7

POST-CLOSING ARRANGEMENTS

7.1 Removal of Purchased Assets.

The Purchaser shall be responsible, at its cost and expense, for removing the Purchased Assets from the Business Premises by the Removal Time. From Closing to the Removal Time, the Purchaser shall have unrestricted access to the Business Premises for the purposes of the removal and/or sale of the Purchased Assets. The Purchaser shall not be responsible for any occupancy costs and the Vendor shall ensure adequate heat, hydro, water and all other necessary utilities required for the orderly removal and/or sale of the Purchased Assets.

7.2 The Purchaser shall leave the Business Premises in broom swept condition following removal of the Purchased Assets, including removal of any and all debris arising from or caused by removal of the Purchased Assets. The Purchaser shall be responsible to ensure that the removal of the Purchased Assets shall be done in a workmanlike manner.

7.3 The Vendor, or its authorized representative, shall be entitled to be present during the removal of the Purchased Assets from the Business Premises.

7.4 Any disassembling and moving of the Purchased Assets will be done at the expense of the Purchaser. Should the Purchaser abandon, fail to remove or fail to cause the Purchased Assets to be removed, the Purchaser shall reimburse the Vendor for all costs incurred by the Vendor in connection with the removal and/or disposal of such Purchased Assets.

7.5 The Purchaser shall have no obligation to clean any spills of oil, lubricants, grease or any other liquid remaining after removal of any of the Purchased Assets, including any toxic or hazardous waste, or environmental pollutants, including paints, solvents and other chemicals found at the Business Premises save and except to the extent that the Purchaser or its agents, employees, invitees or guests have caused such adverse or other environmental condition at, under or near the Business Premises.

7.6 The Purchaser shall remedy or repair any conditions resulting from the removal of the Purchased Assets, including, without limitation, removing or capping all electrical wires and air/water/other lines to the buss bar/nearest wall and all bolts "blown off". The Purchaser shall place safety barriers around any pits and holes in a flooring surface; provided that the Purchaser shall have no responsibility to remedy any damages or conditions to or remedy any existing environmental, fire or life safety condition of the Business Premises existing as of the Closing Date or following removal of the Purchased Assets save as is expressly provided for herein.

[Handwritten signature]

7.7 In the event that the Purchaser is desirous of re-selling any of the Purchased Assets from the Business Premises to a third party purchaser or purchasers in the period between the Closing Time and the Removal Time, the Vendor shall:

- (a) execute any waiver documentation reasonably required by the Vendor to permit third parties to obtain access to the Business Premises;
- (b) indemnify and hold harmless the Vendor and the Companies, as may be applicable, for any damage, harm or other loss occasioned by the preparation and removal of the Purchased Assets from the Business Premises by the Purchaser or a third party; and
- (c) provide evidence satisfactory to the Vendor of personal liability and property damage insurance in an amount of no less than \$5,000,000.

7.8 In the event that the Purchaser fails to (i) remove, or cause to have removed, the Purchased Assets by the Removal Time, (ii) leave the Business Premises in the condition required under this Article 7, or should the Vendor determine, acting reasonably, that the Purchaser will be unable to remove the Purchased Assets and satisfy its other obligations under the Agreement before the Removal Time, the Vendor shall be entitled to make such arrangements with third party removers and cleaners as are necessary to ensure that the Purchased Assets are removed and the Business Premises left in the condition required under this Article 7 by the Removal Time, and all such costs (including the professional fees and disbursements incurred by the Vendor) shall be the sole responsibility of the Purchaser.

ARTICLE 8

OTHER POST-CLOSING MATTERS

8.1 Non Merger.

Each Party hereby agrees that all provisions of this Agreement, other than the conditions in Article 4, shall forever survive the execution, delivery and performance of this Agreement, Closing and the execution, delivery and performance of any and all documents delivered in connection with this Agreement.

8.2 Further Assurances.

Each Party shall promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things in connection with this Agreement that the other Party may reasonably require, for the purposes of giving effect to this Agreement.

ARTICLE 9

GENERAL

9.1 Expenses.

Each Party shall be responsible for its own legal and other expenses (including any Taxes imposed on such expenses) incurred in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the Transaction and for the payment of any broker's commission, finder's fee or like payment payable by it in respect of the purchase and sale of the Purchased Assets pursuant to this Agreement.

9.2 Announcements.

[Handwritten initials]

Except as required by law, all public announcements concerning the Transaction provided for in this Agreement or contemplated by this Agreement shall be jointly approved as to form, substance and timing by the parties to this Agreement after consultation.

9.3 Capacity

It is acknowledged by the Purchaser that the Vendor is entering into this Agreement solely in its capacity as court-appointed receiver of the assets, undertakings and properties of the Companies, and that the Vendor shall have no personal or corporate liability under or as a result of this Agreement. Any claim against the Vendor shall be limited to and only enforceable against the assets, undertakings and properties then held by or available to the Vendor in its capacity as court-appointed receiver of the Companies and shall not apply to its personal property and other assets held by it in any other capacity. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Purchased Assets.

9.4 Notices

- (1) Any notice, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent by fax or other similar means of electronic communication, in each case to the applicable address set out below:

- (i) msi Spergel inc.
505 Consumers Road, Suite 200
Toronto, Ontario M2J 4V8

Attention: Mukul Manchanda
Email: mmanchanda@spergel.ca

with a copy to:

Minden Gross LLP
145 King Street West, Suite 2200
Toronto, Ontario M5H 4G2

Attention: Timothy R. Dunn
Email: tdunn@mindengross.com

- (ii) if to the Purchaser, to:

Maynards Industries Canada Ltd.
75 International Blvd.
Suite 102
Toronto, Ontario M9W 6L9

Attention: Mike McIntosh

Email: mmcintosh@maynards.com

with a copy to:

Handwritten initials: "K" and "C"

Fogler, Rubinoff LLP
77 King Street West, Suite 3000
Toronto, ON
M5K 1G8

Attention: Joel D. Farber

Email: jfarber@foglers.com

- (2) Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, faxed or sent before 4:30 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth (5th) Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.
- (3) Any Party may from time to time change its address under this Section 9.4 by notice to the other Party given in the manner provided by this Section.

9.5 **Time of Essence.**

Time shall be of the essence of this Agreement in all respects.

9.6 **Time Periods.**

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

9.7 **Entire Agreement.**

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions, understandings and agreements between the Parties pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

9.8 **Amendments and Waiver.**

No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by the Purchaser and the Vendor. The Vendor and the Purchaser may consent to any such amendment at any time prior to the Closing with, in the case of the Purchaser, the prior authorization of its

a

board of directors. No waiver by either Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

9.9 **Severability.**

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

9.10 **Language.**

The Parties have required that this Agreement and all deeds, documents and notices relating to this Agreement be drawn up in the English language. Les parties aux présentes ont exigé que le présent contrat et tous autres contrats, documents ou avis afférents aux présentes soient rédigés en langue anglaise.

9.11 **Governing Law.**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in that Province and shall be treated, in all respects, as an Ontario contract. Any action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby or thereby may be brought in the courts of the Province of Ontario and each party irrevocably submits and agrees to attorn to the exclusive jurisdiction of such courts in any such action or proceeding.

9.12 **Successors and Assigns.**

No party to this Agreement shall have the right to assign any of its rights and obligations hereunder without the prior written consent of the other party hereto which consent shall not be unreasonably withheld. The Purchaser may assign its rights and obligations under this Agreement to an affiliate of the Purchaser, provided that the Purchaser remains liable, jointly, with such affiliate for all the obligations of the Purchaser hereunder. To the extent that any such assignment occurs, this Agreement and all provisions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

9.13 **No Third Party Beneficiaries.**

This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns or as specifically referred to herein.

9.14 **Counterparts.**

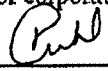
This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed either in original, faxed or email PDF form and the parties adopt any signatures received by a receiving fax machine or email PDF as original signatures of the parties; provided, however, that any party providing its signature in such manner shall promptly forward to the other party an original of the signed copy of this Agreement which was so faxed or emailed.

[remainder of page intentionally left blank]

Da E


IN WITNESS WHEREOF the parties have executed this Agreement.

inst SPERGEL Inc., solely in its capacity as court
appointed receiver of Toronto Machine & Tool
Company Limited and Toronto Machine & Tool
Inc., and not in its personal capacity and without
personal or corporate liability

By: 
Name: MUKUL MAN CHANDRA, CIPR, LIT
Title: PRINCIPAL

I have authority to bind the corporation.

MAYNARDS INDUSTRIES CANADA LTD.

By: 
Name: Aaron Stegmann
Title: COO

I have authority to bind the corporation.

SCHEDULE 1.1(8)
CFG Leased Assets

65

LIST OF ASSETS TORONTO MACHINE & TOOL INC.

(CEG)

I#	QTY	PIC	DESCRIPTION	MODEL	S/N
1	1	98	COLCHESTER, 14" X 98", ENGINE LATHE	MASTER 2500	N/A
2	1	99	FIRST, 9" X 42", TURRET MILL, POWER DRAW BAR, X-AXIS POWERFEED, HEIDENAHIN, 2 AXIS, DIGITAL READOUT	LC-18SVS	84010677
3	1	100	FIRST CNC VERTICAL MACHINING CENTRE, 15,000 RPM SPINDLE, 24 ATC, CHIP CONVEYOR, FANUC, 181-MB, CNC CONTROL, 2011	V43	80100171
4	1	101	FIRST, GANTRY CNC VERTICAL MACHINING CENTRE, FANUC, 181-MB, CNC CONTROL, 2010	MCV2000	90400070
5	1		EMPIRE SHOT BLAS		

M R

66

SCHEDULE 1.1(32)

Toronto Inc. Assets

AC

67

LIST OF ASSETS TORONTO MACHINE & TOOL INC.

I#	QTY	PIC	DESCRIPTION	MODEL	S/N
1	1	1	LOT OF METAL BAR STOCK, MISCELLANEOUS INVENTORY	N/A	N/A

AC

68

LIST OF ASSETS TORONTO MACHINE & TOOL INC.

(CFG)

I#	QTY	PIC	DESCRIPTION	MODEL	S/N
1	1	98	COLCHESTER, 14" X 98", ENGINE LATHE	MASTER 2500	N/A
2	1	99	FIRST, 9" X 42", TURRET MILL, POWER DRAW BAR, X-AXIS POWERFEED, HEIDENAHIN, 2 AXIS, DIGITAL READOUT	LC-185VS	84010677
3	1	100	FIRST CNC VERTICAL MACHINING CENTRE, 15,000 RPM SPINDLE, 24 ATC, CHIP CONVEYOR, FANUC, 181-MB, CNC CONTROL, 2011	V43	80100171
4	1	101	FIRST, GANTRY CNC VERTICAL MACHINING CENTRE, FANUC, 181-MB, CNC CONTROL, 2010	MCV2000	90400070
5	1		EMPIRE SHOT BLAS		

AL

.....69

SCHEDULE 1.1(33)
Toronto Limited Assets

#3257901 v2 | 4109084

MR

LIST OF ASSETS TORONTO MACHINE & TOOL COMPANY LTD.

I#	QTY	PIC	DESCRIPTION	MODEL	S/N
1	1	1	FORD SMITH PEDESTAL GRINDER	41-P	1039
2	1	2	DEWALT PEDESTAL GRINDER	N/A	N/A
3	1	2	ARBOGA BELT SANDER	N/A	N/A
4	1	3	GREENERD ARBOUR PRESS, 1901	NO 4	N/A
5	1	4	PRAZIS OPTICAL COMPARATOR	N/A	N/A
6	1	5	T.S.C, 8" x 16", SURFACE GRINDER, 1966	N/A	1963
7	1	6	ENERPAC, H-FRAME HYDRAULIC PRESS	RR-5013	N/A
8	1	7	CLARK LPG FORKLIFT, 3,000 LBS, 130" MAXIMUM LIFT, 1990	C500 30	235 598 4265
9	1	8	HEYLIGENSTAEDT, 60" X 120", GAP BED LATHE, 5.5" SPINDLE BORE, 1953	N/A	184638
10	1	9-10	SIRCO, 40" X 166", GAP BED ENGINE LATHE, 5.5" SPINDLE BORE, 1976	PA-36	0207
11	1	11	OSTER THREADING MACHINE	N/A	792A-XM-444
12	1	12	FRED TOWN & SONS, 5' RADIAL ARM DRILL WITH BOX TABLE, 1970	N/A	8240
13	1	13	STANKO, 30" X 137", GAP BED LATHE, 3" SPINDLE BORE	1M636	2324
14	1	14	HOWA, 20" X 40", GAP BED LATHE, 1975	1000	10161
15	1	15	HOWA, 24" X 80", GAP BED LATHE, 1975	2000	2050
16	1	16	IKEGAI, 20" X 60", ENGINE LATHE WITH DIGITAL READOUT	A20	N/A
17	1	17	IKEGAI, 20" X 60", ENGINE LATHE	A20	19284
18	1	18	CHUBU KOKI, 36" x 40", GAP BED LATHE, 1975	CLL 1000	456
19	1	19	XIASHI VERTICAL SLOTTING MACHINE, 600MM X 320MM, 1984	B5032	84065

LIST OF ASSETS TORONTO MACHINE & TOOL COMPANY LTD.

I#	QTY	PIC	DESCRIPTION	MODEL	S/N
20	1	20	DOALL, TILTING TABLE, VERTICAL BANDSAW WITH BLADE WELDER	ML	5014643
21	1	21	OVERHEAD CRANE, 3 TON, TOP RIDING, 15' SPAN (APPROX.)	N/A	N/A
22	1	22	OVERHEAD CRANE, 2 TON, TOP RIDING, 15' SPAN (APPROX.)	N/A	N/A
23	1	23	OVERHEAD CRANE, 3 TON, DOUBLE GIRDER, TOP RIDING, 15' SPAN (APPROX.)	N/A	N/A
24	1	24	UNION HORIZONTAL BORING MILL, 3 AXIS, WITH HEIDENHAIN DIGITAL READOUT, 1988	BFT 102	19332 26
25	1	25	FORD SMITH STROKE SLOTTER, 1965	N/A	1035
26	1	26	TOS HORIZONTAL MILLING MACHINE WITH DRO	FG32U	32000107
27	1	27	DARBERT, 10" X 50" TURRET MILL, POWER DRAW BAR, DIGITAL READOUT	N/A	F12203
28	1	28	VERTICUT VERTICAL BANDSAW	115B	724
29	1	29	AMADA HORIZONTAL BANDSAW WITH ROLLER CONVEYOR, 1967	CRH-300	220615
30	1	30	LARCO, 3 TON, SINGLE GIRDER, TOP RIDING, OVERHEAD CRANE, 25' SPAN (APPROX.)	N/A	N/A
31	1	31	SECOND, 5 TON, DOUBLE GIRDER, OVERHEAD CRANE, 25' SPAN (APPROX.)	N/A	772945
32	1	32	CHAMPION, 10 HP, HORIZONTAL, TANK MOUNTED, PISTON TYPE, AIR COMPRESSOR	N/A	N/A
33	1	33	A&H, 10 HP, VERTICAL, TANK MOUNTED, PISTON TYPE, AIR COMPRESSOR	AHS-K118B-1V	S-661
34	1	34	YALE, 6000 LBS., 2 STAGE, LPG FORKLIFT, 123" MAXIMUM LIFT, 4,131 HOURS	GLC060RDJUA083	Y435698

LIST OF ASSETS TORONTO MACHINE & TOOL COMPANY LTD.

I#	QTY	PIC	DESCRIPTION	MODEL	S/N
35	1	35	SMTCL (MAS STEEL), CNC HORIZONTAL BORING MILL, 2012	MHBM AH130	ZT1100037
36	1	36	HOBART, 450 AMP, MIG WELDER WITH WIRE FEED	MEGA FLEX 450 RVS	N/A
37	1	37	L TEC, PLASMAC, 70 AMP, PLASMA CUTTER	PCM-70	N/A
38	1	38	LTEC, 300 AMP, TIG WELDER WITH WATER COOLER	HELIARC 306	N/A
39	1	39	LINCOLN, IDEALARC, 500 AMP, STICK WELDER	R3R-500	N/A
40	1	40	BALDOR PEDESTAL GRINDER	N/A	N/A
41	1	41	SCOTCHMAN DVORAK HYDRAULIC IRON WORKER	314	5534
42	1	42	BIGNOZZI, 63 TON, HYDRAULIC PRESS	BP53	N/A
43	1	43	STARTRITE HORIZONTAL BANDSAW	H250A	N/A
44	1	44	AIR COMPRESSOR, 25 HP, HORIZONTAL, TANK MOUNTED, PISTON TYPE	N/A	N/A
45	1	45	CHAMPION, 25 HP, HORIZONTAL, TANK MOUNTED, PISTON TYPE, AIR COMPRESSOR	N/A	N/A
46	1	46-47	VIPER CNC VERTICAL MACHINING CENTRE, 4-AXIS ROTARY TABLE, 24 ATC, CHIP CONVEYOR, FANUC, SERIES 0-I-MC, CNC CONTROL, 2007	PRO-1000AP	009901
47	1	48-49	OKUMA CNC VERTICAL MACHINING CENTRE, 20 ATC, OKUMA, OSP700M, CNC CONTROL	CADET MATE	0309
48	1	50-51	LEADWELL CNC VERTICAL MACHINING CENTRE, 24 ATC, CHIP CONVEYOR, FAGOR CNC, CONTROL, 2013	V60-S	L2TAB0502
49	1	52-53	FADAL, 6030HT, CNC VERTICAL MACHINING CENTRE, 20 ATC, FADAL, CNC 88HS, CONTROLS, 1999	907-1	9904625

LIST OF ASSETS TORONTO MACHINE & TOOL COMPANY LTD.

I#	QTY	PIC	DESCRIPTION	MODEL	S/N
50	1	54-55	MATSUURA CNC VERTICAL MACHINING CENTRE, 20 ATC, YASNAC CNC CONTROL, 1988	MC-600V	871206471
51	1	56-57	MATSUURA CNC VERTICAL MACHINING CENTRE, 20 ATC, YASNAC CNC CONTROL, 1990	RA-2	900108153
52	1	58-59	HYUNDAI CNC LATHE, CHIP CONVEYOR, HITROL, 840C, CNC CONTROL	HIT-8S	7007-030
53	1	60-61	HYUNDAI CNC LATHE, CHIP CONVEYOR, SIEMENS, SINUMERIK, CNC CONTROL	HIT-15S	2206-306
54	1	62-63	HYUNDAI CNC LATHE, CHIP CONVEYOR, SIEMENS, SINUMERIK, CNC CONTROL, 1995	HIT-18S	5-188
55	1	64-65	HYUNDAI CNC LATHE, CHIP CONVEYOR, SIEMENS, SINUMERIK, CNC CONTROL, 1995	HIT-18S	5-187
56	1	66-67	DARBERT VERTICAL MACHINING CENTRE, 24 ATC, CHIP SHOOTER, FANUC, SERIES 0-MD, CNC CONTROL, 1998	VTEC-4	9800353
57	1	68-69	COLCHESTER CNC LATHE, CHIP CONVEYOR, GE FANUC, SERIES 0-T, CONTROLS, 1995	TORNADO 300	C30035
58	1	70-71	LEADWELL CNC LATHE, FANUC, SERIES 0I-TC, CONTROLS, CHIP CONVEYOR, 2008	LTC-35B	L2TJH0365
59	1	72-73	HYUNDAI, WIA, CNC LATHE, CHIP CONVEYOR, FANUC, I SERIES, CONTROLS, 2012	L300-C	G3158-0489
60	1	74-75	TOPPER VERTICAL MACHINING CENTRE, FANUC, SERIES 18-M, CNC CONTROL, 2001	TMV-510T	010250
61	1	76-77	TOPPER CNC DRILL AND TAP CENTRE, 4TH ACCESS ROTARY TABLE, CHIP CONVEYOR, FANUC, SERIES 0- M, CONTROLS, 2000	TMV-510	10073
62	1	78	NIDER GEAR HEADED DRILL	NI 70	7970706
63	1	79	CLEEREMAN VERTICAL SLOTTER	N/A	N/A

74

LIST OF ASSETS TORONTO MACHINE & TOOL COMPANY LTD.

I#	QTY	PIC	DESCRIPTION	MODEL	S/N
63	1	80	MAS, 60", RADIAL ARM DRILL WITH BOX TABLE, 1962	VR-4	6604
64	1	81	CASER RADIAL ARM DRILL WITH BOX TABLE (NOT IN SERVICE)	112	26667
65	1	82	WHACHEON, 460MM X 1500MM, ENGINE LATHE, HEIDENHAIN 2 AXIS, DIGITAL READ OUT, 1989	WL-460	8906-50
66	1	83	MICROWEILY, 16" X 30", ENGINE LATHE, HEIDENHAIN, 2 AXIS, DIGITAL READ OUT, 1998	TY-1630S	A8701-001
67	1	84	STANDARD MODERN, 11" X 20", TOOL ROOM LATHE	11 20	N/A
68	1	85	DARBERT, 10" X 50" TURRET MILL, POWER DRAW BAR, X-AXIS POWER FEED, DIGITAL READOUT	N/A	N/A
69	1	86	HOWA SANGYO, 17" X 40", VERTICAL MILL, 1972	HOWA 1000	42237
70	1	87	BRIDGEPORT TURRET MILL, ANILAM, 2-AXIS, NEWALL DIGITAL READOUT	N/A	J143891
71	2	88	POTTSTOWN MULTI-HEAD HUB TAUPER	475XX	1A91, N/A
72	1	89	BALDOR PEDESTAL GRINDER	N/A	N/A
73	1	90	USL TOOL CUTTER GRINDER	N/A	N/A
74	1	91	OLIVER DISC SANDER	N/A	382
75	1	92	PEDESTAL GRINDER/POLISHER	N/A	N/A
76	1	93	ARCHDALE HORIZONTAL MILL	N/A	N/A
77	1	94	VERTICUT VERTICAL BANDSAW	115	115-A-279
78	1	95	SELECT VERTICAL BANDSAW WITH BLADE WELDER (NOT IN SERVICE)	N/A	40340

a C

75

LIST OF ASSETS TORONTO MACHINE & TOOL COMPANY LTD.

I#	QTY	PIC	DESCRIPTION	MODEL	S/N
79	1	96	HYDRAULIC SHOP PRESS	N/A	N/A
80	1	97	CATERPILLAR, 4,750 LBS, 3 STAGE, LPG FORKLIFT, SIDE SHIFT, 187" MAXIMUM LIFT, 3,517 HOURS, 2009	C5000	AT9003006
81	1		PEDESTAL GRINDERS, JIB CRANES, OVERHEAD CRANES NOT LISTED, PNEUMATIC TOOLS, VICES, SAW-HORSES, PEDESTAL DRILL PRESSES, INDEXING TABLES, DOLLIES, PUMP CARTS, CONTENTS OF TOOL CRIB, SNOW BLOWER, STRAPPING CART, FUME EXTRACTORS, SPRAY BOOTH, FLAMMABLE CABINETS, RIGGING EQUIPMENT, PALLET RACKING, FANS, POWER TOOLS, LADDERS, MACHINE VICES, BELT AND DISC SANDERS, GANG DRILLS, TOOL AND CUTTER GRINDERS NOT OTHERWISE LISTED, FUME EXTRACTORS, COMPRESSORS NOT OTHERWISE LISTED, ETC.	N/A	N/A

OK

APPENDIX “3”

Court File No. CV-17-587642-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.

Respondent

AFFIDAVIT OF MUKUL MANCHANDA
(Sworn May 23, 2018)

I, **MUKUL MANCHANDA**, of the City of Brampton, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Licensed Insolvency Trustee with msi Spergel Inc. ("**Spergel**"), the Court-Appointed Receiver (the "**Receiver**") of Toronto Machine & Tool Inc. (the "**Debtor**"), and as such have knowledge of the matters to be deposed herein, except where such knowledge is stated to be based on information and belief, in which case I state the source of the information and verily believe such information to be true.
2. The Receiver was appointed, without security, of certain of the assets, undertakings and properties of the Debtor by Order of the Honourable Justice Hailey dated February 27, 2018.
3. In connection with the receivership for the period from December 1, 2017 to May 18, 2018 fees of \$61,456.72 inclusive of HST and disbursements charged by Spergel as detailed in the billing

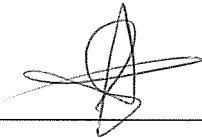
summary and time dockets attached hereto as **Exhibit "1"** to this, my Affidavit. This represents 219.95 hours at an effective rate of \$246.49 per hour.

4. The hourly billing rates detailed in this Affidavit are comparable to the hourly rates charged by Spergel for services rendered in relation to similar proceedings.

5. This Affidavit is made in support of a motion to, *inter alia*, approve the interim receipts and disbursement of the Receiver and its accounts.

6. I make this Affidavit for no improper purpose.

SWORN before me at the City of
Toronto, in the Province of Ontario
this 23rd day of May, 2018.



Commissioner for Taking Affidavits

)
)
)
)
)
)
)



Mukul Manchanda

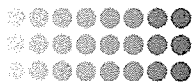
Selwyn Larry Postan, a Commissioner, etc.,
Province of Ontario, for msi Spergel inc.,
and Spergel & Associates inc.
Expires July 25, 2018.

**This is Exhibit "1" of the Affidavit of
Mukul Manchanda
Sworn before me on this 23rd day of May, 2018**

A handwritten signature in black ink, appearing to be 'Selwyn Larry Postan', written in a cursive, stylized script.

A Commissioner, Etc.

**Selwyn Larry Postan, a Commissioner, etc.,
Province of Ontario, for msi Spergel inc.,
and Spergel & Associates inc.
Expires July 25, 2018.**



SPERGEL

80

March 26, 2018

Invoice #: 11470

Toronto Machine & Tool Inc.

Invoice

RE: Toronto Machine & Tool Inc.

FOR PROFESSIONAL SERVICES RENDERED in the period November 30, 2017 to March 23, 2018, including review and analysis of financial information, taking possession and realization of assets and correspondence with management.

	Hours	Hourly Rate	Total
Philip H. Gennis, LL.B., CIRP, Trustee	5.65	\$445.00	\$2,514.25
Deborah Hombostel, CPA, CA, CIRP, Trustee	1.00	445.00	445.00
Selwyn Postan	21.50	195.00	4,192.50
Eileen Sturge	53.10	195.00	10,354.50
Daniel Battiston, CPA, CA, CIRP, Trustee	5.60	290.00	1,624.00
Frieda Kanaris	7.70	195.00	1,501.50
Mukul Manchanda, CIRP, Trustee	58.80	290.00	17,052.00
Others	2.60	50.00	130.00
Total Professional fees	155.95	\$242.47	\$37,813.75
HST			4,915.79
Reimbursable Expenses			
PPSA Search			\$74.60
Total Reimbursable expenses			\$74.60
HST on expenses			\$5.54
Total			\$42,809.68

HST Registration #R103478103

(AATOMT-R)

msi Spergel inc. Licensed Insolvency Trustees 505 Consumers Road, Suite 200, Toronto, ON M2J 4V8 • Tel 416 497 1660 • Fax 416 494 7199

• Barrie 705 722 5090 • Hamilton 905 527 2227 • Mississauga 905 602 4143 • Oshawa 905 721 8251 • Toronto-Central 416 778 8813
• Brampton 905 874 4905 • London 519 902 2772 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Saskatchewan 306 341 1660

Member **CAIRP** Canadian Association of Insolvency
and Restructuring Practitioners

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network

81

Filters Used:

- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 3/26/18

Page 1 of 9

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Daniel Battiston (DBA)					
Mon	03/05/2018	Attend premises. Assistance and supervision of inventory count and removal of third-party property from site. Assist with WEPP, T4 and ROE matters. Execute independent contractor agreements with former staff. Travel to and from premises.	5.60	\$290.00	\$1,624.00
Daniel Battiston (DBA)			5.60		\$1,624.00
Deborah Hornbostel (DHO)					
Tues	03/06/2018	Review and sign cheque	0.10	\$445.00	\$44.50
Tues	03/13/2018	Supervise SLP on WEPPA processing, amend claim form and schedule A and spreadsheet, provide appraiser info to FK	0.90	\$445.00	\$400.50
Deborah Hornbostel (DHO)			1.00		\$445.00
Eileen Sturge (EST)					
Thur	03/01/2018	Attend at premises. Prepare letters to utility companies; prepare termination letters for employees. Request receivables listing from Dan Bloom and B. Jawor. Input listing to prepare for letters to recover outstanding receivables. Preliminary review of process used to track receivables. Tour both buildings to locate all entries that must be secured. Secure premises after employees retrieved personal tools. Return to office and package termination letters for mailing; arrange for mailing. Deposit cheque.	7.50	\$195.00	\$1,462.50
Fri	03/02/2018	Attend at premises. Request vendor listings and addresses from Dan Bloom. Several discussions with Schaeffler re WSIB clearance certificate required prior to removal of items. Return to HO to deposit cheques; apply for RT0002 HST account for AATOMT-R and prepare RC59 document. Attempt to fax to CRA.	5.00	\$195.00	\$975.00
Sun	03/04/2018	Enter vendors, addresses and amounts owing; prepare draft Notice and Statement of Receiver. Fax RC59 and HST10 forms to CRA.	3.20	\$195.00	\$624.00
Mon	03/05/2018	Request unpaid wage/vacation pay information; enter WEPPA information for employees	3.30	\$195.00	\$643.50
Mon	03/05/2018	Attend at premises. Obtain Clearance certificate to allow Schaeffler; forward to M. Manchanda; request that bank statements be prepared for review; request that Dan Blum obtain a certified cheque for funds on deposit in TD account. Email termination letter to A. Lee as requested. Request that F. Kanaris print NOR's for M. Manchanda's approval; i/c re same. Open gated area to allow for Shaeffler to pick up their equipment and ensure all exits are secured.	4.50	\$195.00	\$877.50
Tues	03/06/2018	Meet with B. Jawor and review requirements for the day - updated receivables; payroll; final HST reporting. Meet with M. Thompson and have contract employee agreement signed in duplicate - provide Mr. Thompson with copy for his records. Obtain detailed receivables listings from B Jawor for each receivable; pull documentation for outstanding receivables. Prepare receivables letters for mailing and email same. Draft freeze account letter to TD. Email bank statements to F. Kanaris and box monthly banking records for review.	7.50	\$195.00	\$1,462.50
Thur	03/08/2018	Contact CRA regarding trust exam; email invoice listing to SKF; witness employee contract for V. Persaud, stay on site until Techflow inventory removed; secure premises; enter, obtain approval and process payment for Bozena Jawor.	4.50	\$195.00	\$877.50
Mon	03/12/2018	Attend at premises; print independant employee contract for S. Palmer; pick up of Cedar Springs water bottles; Josef Gas pick up of 9 cylinders; schedule trust exam for March 15 at premises; secure premises prior to leaving. Deposit cheques from Super Seal.	5.50	\$195.00	\$1,072.50

80

Filters Used:

- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 3/26/18

Page 2 of 9

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Eileen Sturge (EST)					
Thur	03/15/2018	Attend at premises; provide trust examiner with documentation to complete trust exam; allow entry of representatives from EGS and SKF; pick up skids by BLM; obtain hours worked from Steve Palmer; secure premises before leaving.	4.00	\$195.00	\$780.00
Tues	03/20/2018	Attend at office to scan invoices for Cooper, GST/HST assessment and email to M. Manchanda; prepare cheque requisitions for casual labour; contact Karon at SKF and advise we will investigate overpayment; take prospective purchaser on tour of both buildings; ensure buildings are secure prior to leaving; travel to and from premises.	8.00	\$195.00	\$1,560.00
Fri	03/23/2018	Prepare release for Donway Ford	0.10	\$195.00	\$19.50
Eileen Sturge (EST)			53.10		\$10,354.50
Frieda Kanaris (FKA)					
Thur	03/01/2018	Attend to mail redirection at post office; deposit A/R cheques; set-up estate file in Ascend.	0.50	\$195.00	\$97.50
Fri	03/02/2018	Deposit A/R cheque and, count and deposit petty cash; t/c with FCA re insurance; emails and t/c with Mukul.	0.50	\$195.00	\$97.50
Mon	03/05/2018	Prepare letter to FCA adding msi as loss payee and named insured; deposit cheque; prepare and print labels for mailing Notice of Receiver to creditors, photocopy notices for mailing; prepare fax sheet and fax to O.R.	1.20	\$195.00	\$234.00
Tues	03/06/2018	Fax Notice of Receiver to O.R., fax Court Order; deposit RBC bank draft.	0.20	\$195.00	\$39.00
Wed	03/07/2018	Attend at premises, return to office, t/c to CRA to inquire if RT0002 account opened; fax and mail demand letters; review email from FCA and send responding email re insurance premium; commence review of bank statements and cancelled cheques for RBC account; obtain wire transfer details from banking and forward to Mukul.	1.60	\$195.00	\$312.00
Thur	03/08/2018	Review email from Lock-it, save photos taken at premises in directory; mail out employee T4's and ROE's; deposit cheque from Techflow.	0.50	\$195.00	\$97.50
Fri	03/09/2018	Continue with review of bank statements and cancelled cheques, prepare schedule of payments >\$5,000; review and respond to email from Mukul re wire transfer of funds, confirm receipt with banking department, prepare deposit form.	2.50	\$195.00	\$487.50
Mon	03/12/2018	Finalize review of bank statements.	0.30	\$195.00	\$58.50
Wed	03/14/2018	Prepare deposit form for bank draft from BLM Auto, scan and save signed invoice in directory;	0.20	\$195.00	\$39.00
Thur	03/15/2018	Review email from Mukul, provide wire transfer details.	0.10	\$195.00	\$19.50
Tues	03/20/2018	T/c from account debtor (SKF)	0.10	\$195.00	\$19.50
Frieda Kanaris (FKA)			7.70		\$1,501.50
Inga Friptuleac (IFR)					
Mon	02/26/2018	BA Set-up	0.20	\$50.00	\$10.00
Mon	03/05/2018	Deposits; Issue cheque	1.00	\$50.00	\$50.00
Mon	03/12/2018	Deposits	0.40	\$50.00	\$20.00
Mon	03/19/2018	Deposits; Term Investment	0.60	\$50.00	\$30.00
Inga Friptuleac (IFR)			2.20		\$110.00
Mukul Manchanda (MMA)					
Wed	11/29/2017	Prepared estimated calculation of principal, interest and penalties that may be associated with a 3rd party demand from CRA on account of the unremitted source deductions.	0.50	\$290.00	\$145.00

Filters Used:

- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 3/26/18

Page 3 of 9

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Thur	11/30/2017	Requested PPSA and corporate profile searches. Receipt and review of same.	0.20	\$290.00	\$58.00
Fri	02/23/2018	Receipt and review of an email from W. Karwala to D. Blum regarding Spergel attending at the company as consultant to review the current state of affairs of the company. Receipt and review of an email from D. Blum advising that he is not opposed to Spergel's appointment as long as it is in an unofficial capacity. Review of further email exchanges between W. Karwala and D. Blum. Left a voicemail for W. Karwala to call me back.	0.30	\$290.00	\$87.00
Mon	02/26/2018	Telephone conversation with W. Karwala regarding our mandate to review the financial affairs of the company prior to our appointment as receiver. Agreed that I would send him an engagement letter to be signed by the bank and by the company. Drafted the engagement letter and emailed same to W. Karwala. Receipt and review of multiple email exchanges between W. Karwala and D. Blum regarding the appointment of the receiver if the shareholders did not inject funds to pay down RBC. Telephone conversation with K. Preston, she advised that she will be sending the receivership order to the court and obtain the signed order. Telephone conversation with R. Moses regarding acting as counsel for the receiver. Sent an email to R. Moses providing her with the names of the debtors and the principal of the debtors to clear conflicts. Sent an email to Rocco asking him to attend at the premises of the debtors tomorrow to change locks and take pictures.	1.30	\$290.00	\$377.00
Tues	02/27/2018	Receipt and review of an email from W. Karwala to R. Dodick regarding the appointment of the receiver. Receipt and review an email from R. Dodick asking me to call him to discuss the realization of the property. Telephone call to R. Dodick left a voicemail for him to call me back. Telephone conversation with K. Preston - she advised that she has booked a 9:30 hearing tomorrow to obtain the order. Sent an email to R. Moses advising of same. Lengthy telephone conversation with R. Doddick regarding the offer to purchase the real estate and the operating the business to maximize value.	1.20	\$290.00	\$348.00

Filters Used:

- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 3/26/18

Page 4 of 9

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Wed	02/28/2018	Sent an email to K. Preston regarding the date of the receivership order. Telephone discussion with K. Preston regarding same. Sent an email to K. Kallish and R. Moses containing the receivership order. Telephone discussion with K. Kallish regarding the file. Email exchanges and telephone discussion with Rocco regarding taking possession of the premises. Email exchanges with K. Preston regarding obtaining the application record and other materials related to the file. Receipt and review of emails from T. Mason containing the materials. Email exchanges with K. Kallish and R. Moses regarding serving the receivership order with the wrong date. Sent an email to D. Blum and R. Dodick advising of the appointment of the receiver and set a time for meeting to take possession of the assets. Receipt and review of an email from K. Preston containing the issued and entered receivership order with the correct date. Receipt and review of an email from R. Dodick asking for the receiver to confirm whether it has taken possession of the assets of the company. Sent an email to R. Dodick confirming that receiver has taken possession of the assets of the company and that the company has ceased operations. Email exchanges with K. Kallish containing the revised order and asking to keep the billings separate for two companies. Travel to the premises of the company and attended a meeting with D. Blum, did a tour of the premises and inspected the work in progress. Agreed with D. Blum that the cost of completing the work in progress will not generate a benefit to the estate. D. Blum agreed that receiver takes possession of the assets of the company and the company will cease operations. Conducted a town hall with the employees and advised of the receivership proceedings and that their employment was terminated effective today. Answered queries of employees and supervised the removal of personal property by the employees. Sent an email to I. Friptuleac asking to open the bank account. Telephone discussion with W. Karwala, asked him to freeze the bank accounts and forward funds to the receiver. Sent an email to F. kanaris instructing her to conduct the mail redirection. Sent an email to topu asking him to activate the case website. Drafted termination letter and emailed same to K. Kallish for his comments. Met with Rocco gave him the tour of the premises and the exit doors for which the locks needed to be changed. Travel to the office to drop off the receivable cheques to be deposited in the trust account.	5.20	\$290.00	\$1,508.00

85

Filters Used:

- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 3/26/18

Page 5 of 9

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Thur	03/01/2018	Email exchanges with W. Karwala regarding funds in the account. Telephone discussion regarding same. Travel to the premises of the company and attended meeting with D. Blum. Prepared an independent contractor agreement for Bozena and engaged her to updated books and records and prepare T4's and ROE's. Review of internal financial statements and instructed E. Struge to prepare letters to utility companies, termination letters to employees, gather backup for accounts receivable, prepared demand letters to customers and prepared notice and statement of the receiver. Review of the letters to utility companies, edited same and provided an executed copy to be sent to the utility companies. Receipt and review of an email from Rocco containing the pics of the premises. Receipt and review of an email from K. Kallish containing his comments regarding the termination letter. Provided same to E. Struge to mail to employees. Receipt and review of an email from D. Blum containing the vendor listing. Receipt and review of an email from R. Dodick advising that his firm is a creditor in the proceedings and asked to be put on the service list. Discussion with D. Blum regarding R. Dodicks engagement, D. Blum confirmed that R. Dodick was only engaged for TMT Inc. Sent an email to R. Dodick advising him of the same and asking him to provide evidence of his engagement for both companies. Receipt and review of the PPSA search and corporate profile search. Receipt and review of an email from Ray advising that the case website is now active. Uploaded all of the required documents on the case website. Receipt and review of an email from D. Blum regarding a leased truck. Review of voicemail from Donway Ford.	4.80	\$290.00	\$1,392.00
Fri	03/02/2018	Travel to the premises of the company. Attended meeting with D. Blum. Discussion regarding the inventory that the customers may be interested in purchasing. Agreed with D. Blum that we will bring in certain former employees of the company to sort out the inventory / WIP by customer. Telephone call with B. Spickelmeier of Schaeffler regarding the receivership proceedings. She advised that Schaeffler is interested in purchasing certain inventory and WIP. Coordinated same with D. Blum. Further email exchanges with Schaeffler regarding purchase of certain inventory. Email exchanges with R. Dodick regarding a summary of receiver's activities to be included in the proposal trustee's report. Provided him with the summary. Email exchanges and telephone conversation with F. Kanaris regarding the insurance with FCA. Attended to other administrative matters and answered queries of former employees. Travel back.	2.70	\$290.00	\$783.00
Sat	03/03/2018	Reviewed financial statements and trial balance. Noted a TD bank account with \$48K balance. Email exchanges with D. Blum regarding same. Prepared independent contractor agreements for former employees to engage them on per diem basis. Email exchanges with D. Battiston regarding attendance at the premises on Monday.	1.80	\$290.00	\$522.00
Mon	03/05/2018	Email exchanges and telephone discussions with D. Blum, E. Sturge and D. Battiston regarding identification of inventory that can be sold to customers and access to certain customers to identify remove their property from the premises. Email exchanges with I. Friptuleac regarding a stop payment on the cheque. Receipt and review of a letter to insurance company. Prepared a fully executed copy of the letter and emailed same to F. Kanaris. Telephone conversations with T. Fisher regarding a leased vehicle.	1.40	\$290.00	\$406.00

84

Filters Used:

- File ID: AATOMT-R: to AATOMT-R:
 - Time Entry Bill Status: Un-Billed to Un-Billed
 - Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 3/26/18

Page 6 of 9

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Tues	03/06/2018	Travel to the premises of the company. Dealt with various customers including Schaeffler, SKF, BLM Automatic, EGS regarding finished goods and WIP. Supervise the inventory count and answer questions of former employees. Prepared independent contractor agreements to engage former employees to help count the inventory by customer. Review and approved demand letters to be sent to customers regarding outstanding receivables. Email exchanges and telephone conversations with customers regarding outstanding receivables.	3.10	\$290.00	\$899.00
Wed	03/07/2018	Travel to the premises of the company. Attended to matters related to sale of WIP and finished goods to customers. Various telephone conversation and email exchanges with customers regarding same. Prepared draft invoice for sale of inventory and emailed same to K. Kallish for review and comments. Receipt and review of an email from K. Kallish containing his comments. Telephone discussion with K. Kallish regarding same. Discussions with Bozena regarding updating books and obtaining general ledger and other reporting from the software. Receipt and review of an email from R. Doddick containing the year end journal entries. Sent an email to Bozena asking her to update the books. Receipt and review of an email from B. McKnight containing the proposal trustee's report.	4.20	\$290.00	\$1,218.00
Thur	03/08/2018	Travel to the premises of the company. Attended to all matters related to the sale of the WIP and finished goods. Discussions with Bozena regarding recording year end journal entries. Receipt and review of an email from Bozena containing the updated books. Forwarded same to R. Doddick.	3.60	\$290.00	\$1,044.00
Fri	03/09/2018	Telephone discussion with T. Fisher regarding the leased vehicle. Asked him to provide me with the copies of lease agreement and a payout statements. Receipt and review of same and forwarded same to K. Kallish to review the security. Email exchanges and telephone conversations with various customers regarding sale of inventory and finished goods.	1.20	\$290.00	\$348.00
Mon	03/12/2018	Email exchanges with D. Blum regarding setting up a site visit for customers to view inventory and work in progress. Email exchanges with K. Freeman advising of our availability and confirming the visit with EGS for Wednesday. Sent an email to K. Kallish providing him with a copy of the lease and payout statement for the Ford truck leased by the company and asked for a review of Ford's security. Email exchanges and telephone conversations with BLM Auto regarding inventory and wip. Prepared an invoice for the WIP and emailed same to BLM and asked to arrange pickup tomorrow. Email exchanges with Rocco regarding property management services. Email exchanges with Ruben of Schaeffler regarding pickup of the inventory. Email exchanges with S. Postan regarding WEPPA. Email exchanges with SKF regarding WIP. Email exchanges with P. Guilbert regarding outstanding receivables and WIP. Email exchanges with C. Ross regarding setting up a call to discuss SKF's goods and WIP. Email exchanges regarding WIP for Bartell. Email exchanges regarding WIP of Cooper. Receipt and review of an email from S. Postan containing the WEPPA documents. Sent an email to S. postan containing my comments.	3.00	\$290.00	\$870.00

Filters Used:

- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 3/26/18

Page 7 of 9

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Tues	03/13/2018	Travel to the premises of of the company. Met with certain former employees. Arranged for shipment of certain WIP / inventory to certain customers. Supervised the shipping procedure. Conference call with C. Ross of SKF regarding purchase of certain inventory. Discussed the issue of outstanding receivables and the intellectual property of SKF. Receipt and review of an email from P. Gomes regarding an offer to purchase certain inventory. Sent an email to P. Gomes advising him of the amount the receiver requires for the inventory. Telephone conversation with P. Gomes regarding same. Email exchanges with S. Postan and G. Goldblatt regarding WEPPA letter. Receipt and review of an email from C. Ross asking for explanation of certain items. Telephone discussion with K. Kallish regarding C. Ross's comment about the intellectual property of SKF. Sent an email to C. Ross answering his questions. Email exchanges and discussions with D. Blum regarding the inventory / finished goods available for Cooper. Email exchanges with H. Mascarenhas of Cooper regarding inventory and WIP. Email exchanges with Karry Freeman regarding setting up a site visit. Email exchanges with R. Martinez of Schaeffler regarding purchase of Fey Rings. Travel back.	7.00	\$290.00	\$2,030.00
Wed	03/14/2018	Email exchanges with K. Freeman regarding setting up a date and time for visit to view WIP / finished goods. Email exchanges with C. Ross regarding purchase of inventory. Email exchanges with H. Mascarenhas regarding order status and outstanding invoices. Various telephone conversation with D. Blum, C. Ross and other customers. Telephone conversation with creditors, answered queries. Discussions regarding the use of Form 31 for WEPPA.	2.50	\$290.00	\$725.00
Thur	03/15/2018	Email exchanges with C. Ross regarding timing of the visit. Instructed E. Struge to allow access to C. Ross to view the finished goods and property belonging to SKF. Email exchanges with C. Ross regarding payment of outstanding receivable. Receipt and review of an email from R. Martinez providing a list of Fey Rings that Schaeffler is proposing to buy. Email exchanges with R. Martinez regarding taking the entire lot of Fey Rings. Receipt and review of an email from W. Karwala containing the payout letter. Telephone conversations with various creditors regarding the process.	1.80	\$290.00	\$522.00
Fri	03/16/2018	Various email exchanges and telephone conversations with C. Ross regarding WIP and outstanding receivables. Prepared an invoice for the WIP and emailed same to C. Ross. Email exchanges regarding proof of wire transfer funds related to outstanding receivables and purchase of WIP. Prepared an invoice for Ipex and emailed same to P. Guilbert. Email exchanges with D. Blum regarding SKF and Schaeffler's offer to purchase certain. Receipt and review of an email from Ruben of Schaeffler providing a list of items that he is interested in purchasing. Sent an email to Ruben advising that the agreement was to purchase the entire lot of Fey Rings. I further advised him that the Receiver is entertaining another buyer for the Fey Rings.	2.50	\$290.00	\$725.00

Filters Used:

- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 3/26/18

Page 8 of 9

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Mon	03/19/2018	Travel to the premises of the company. Meeting with the personnel of SKF to release the property belonging to SKF and the WIP purchased by SKF. Communications with D. Blum regarding asking S. Palmer to attend at the premises and assist in loading the inventory on the truck of SKF. Supervised the move of the goods. Receipt and review of an email from I. Friptuleac advising that the wire transfers from SKF were received. Email exchanges with R. Martinez regarding sale of the Fey Rings inventory. Email exchanges with P. Guilbert regarding the receiver's hst number and payment of outstanding receivables. Email exchanges with S. Postan regarding WEPPA. Telephone conversation with E. Struge regarding collection of receivable from Schaeffler. Receipt and review of an email from E. Struge to Schaeffler asking for an update regarding the payment of receivables.	5.00	\$290.00	\$1,450.00
Tues	03/20/2018	Attended at the premises of the company. Meeting with D. Blum, S. Persaud and S. Palmer. Asked S. Persaud and S. Palmer to segregate inventory / finished goods per customer in a designated area in the warehouse. Further asked S. Persaud and S. palmer to conduct a physical count of the Fey Rings inventory.	3.00	\$290.00	\$870.00
Thur	03/22/2018	Email exchanges with H. Macarenhas regarding discrepancy in the price for the goods to be sold to cooper. Review of emails from D. Blum regarding the price discrepancy. Email exchanges with EGS regarding purchase of raw material and other work in progress. Email exchanges with SKF regarding overpayment of receivables. investigated same.	0.80	\$290.00	\$232.00
Fri	03/23/2018	Email exchanges with H. Mescerehns regarding picking up Coppers property. Prepared a listing of Fey Rings along with updated quantity, price and discount and emailed same to Ruben and asked him to advise how he would like to proceed. Receipt and review of an email from Ruben asking me to send him an invoice. Prepared the invoice and emailed same to Ruben. Email exchanges regarding SKF and Cooper orders.	1.70	\$290.00	\$493.00
Mukul Manchanda (MMA)			58.80		\$17,052.00
Philip H. Gennis (PGE)					
Fri	12/01/2017	All matters preliminary to engagement, including review of draft order; receipt and review of application record.	1.25	\$445.00	\$556.25
Tues	12/05/2017	Email exchange with Counsel.	0.20	\$445.00	\$89.00
Thur	12/14/2017	Telephone discussion with Counsel for RBC; telephone discussion with WK at RBC.	0.50	\$445.00	\$222.50
Fri	03/02/2018	All matters post-receivership appointment; instructing staff; coordinatin with MM.	2.50	\$445.00	\$1,112.50
Mon	03/05/2018	Discussion with MM regarding status of possessory issues.	0.50	\$445.00	\$222.50
Thur	03/15/2018	Review proposal from Alltech Environmental for Phase 1 Report.	0.50	\$445.00	\$222.50
Thur	03/22/2018	Review and approve payable.	0.20	\$445.00	\$89.00
Philip H. Gennis (PGE)			5.65		\$2,514.25
Selwyn Postan (SPO)					
Tues	03/13/2018	WEPPA: - Register Corporation on Service Canada Web site for WEPPA claims; Input employee claims to Service Canada Web site; Prepare and merge Employee Claim forms with WEPPA Excel spreadsheet; Review and revise spreadsheet for error and missing data; Prepare WEPPA claim form, Appendix A	3.00	\$195.00	\$585.00
Wed	03/14/2018	WEPPA: - Input employee claims to Service Canada Web site; Prepare and merge Employee Claim forms with WEPPA Excel spreadsheet; Prepare WEPPA claim form, Appendix A	7.00	\$195.00	\$1,365.00

89

Filters Used:

- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

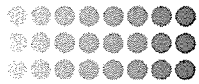
MSGG - Detailed Time Dockets

Printed on: 3/26/18

Page 9 of 9

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Selwyn Postan (SPO)					
Thur	03/15/2018	WEPPA: - Input employee claims to Service Canada Web site; Prepare and merge Employee Claim forms with WEPPA Excel spreadsheet; Review and revise spreadsheet for errors and missing data; Prepare WEPPA claim form, Appendix A	7.00	\$195.00	\$1,365.00
Fri	03/16/2018	WEPPA: - Prepare and merge Employee Claim forms with WEPPA Excel spreadsheet; Prepare WEPPA claim form, Appendix A, collate and attend to mailing	3.50	\$195.00	\$682.50
Thur	03/22/2018	WEPPA: - Update and input claims received on Service Canada Web site for WEPPA claims and update Excel spreadsheet, TC's and emails to employees;	1.00	\$195.00	\$195.00
Selwyn Postan (SPO)			21.50		\$4,192.50
Shenaz Tolat (STO)					
Thur	03/01/2018	Two PPSA searches and 2 corporate profile searches requested by Mukul Manchanda Toronto Machine & Tool Company Limited Toronto Machine & Tool Inc.	0.40	\$50.00	\$20.00
Shenaz Tolat (STO)			0.40		\$20.00
Total for File ID AATOMT-R:			155.95		\$37,813.75
Grand Total:			155.95		\$37,813.75



SPERGEL

90

April 27, 2018

Invoice #: 11492

Toronto Machine & Tool Inc.

Invoice

RE: Toronto Machine & Tool Inc.

FOR PROFESSIONAL SERVICES RENDERED in the period March 24, 2018 to April 20, 2018, including review of financial information, realization of assets and correspondence with management.

	Hours	Hourly Rate	Total
Alan Spergel, CPA, CA, FCIRP, CFE, Trustee	0.30	\$445.00	\$133.50
Philip H. Gennis, LL.B., CIRP, Trustee	1.70	445.00	756.50
Selwyn Postan	4.50	195.00	877.50
Eileen Sturge	14.50	195.00	2,827.50
Daniel Battiston, CPA, CA, CIRP, Trustee	4.40	290.00	1,276.00
Frieda Kanaris	0.10	195.00	19.50
Mukul Manchanda, CIRP, Trustee	20.80	290.00	6,032.00
Others	1.60	50.00	80.00
Total Professional fees	47.90	\$250.57	\$12,002.50
HST			1,560.33
Total			\$13,562.83

HST Registration #R103478103

(AATOMT-R)

msi Spergel inc. Licensed Insolvency Trustees 505 Consumers Road, Suite 200, Toronto, ON M2J 4V8 • Tel 416 497 1660 • Fax 416 494 7199

• Barrie 705 722 5090 • Hamilton 905 527 2227 • Mississauga 905 602 4143 • Oshawa 905 721 8251 • Toronto-Central 416 778 8813
• Brampton 905 874 4905 • London 519 902 2772 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Saskatchewan 306 341 1660

Member **CAIRP** Canadian Association of Insolvency
and Restructuring Practitioners

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network

Filters Used:

- Time Entry Date: 1/01/70 to 4/20/18
- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 4/27/18

Page 1 of 5

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Alan Spergel (ASP)					
Wed	03/28/2018	Review and sign cheques (2)	0.20	\$445.00	\$89.00
Thur	03/29/2018	Review and sign cheque	0.10	\$445.00	\$44.50
Alan Spergel (ASP)			0.30		\$133.50
Daniel Battiston (DBA)					
Fri	03/23/2018	Review status of inventory, receivables and customer collections to date. Review sales limit to date. Discussion re: invoicing of customers, payment and pickup of goods during upcoming week.	1.00	\$290.00	\$290.00
Mon	03/26/2018	Follow up with IPEX re: payment of outstanding PO and receivables. Assistance with arranging for pickup of goods.	1.40	\$290.00	\$406.00
Tues	03/27/2018	Further assistance with arranging for pickup of goods with IPEX. Assistance with Schaeffle invoicing re: sale of Fey Rings.	1.60	\$290.00	\$464.00
Wed	03/28/2018	Prepare deposit requisition for customer payments.	0.40	\$290.00	\$116.00
Daniel Battiston (DBA)			4.40		\$1,276.00
Eileen Sturge (EST)					
Mon	03/26/2018	Meet with Terry Fisher of Donway Ford to have Release signed; allow access to Ford F350 for removal of plates and return of vehicle to Donway Ford. Secure gate and rolling door. Prepare draft interim invoice.	0.70	\$195.00	\$136.50
Thur	03/29/2018	Travel to and from premises; allow access for pick up by IpeX; record time for S. Palmer; secure premises prior to leaving	2.00	\$195.00	\$390.00
Thur	04/05/2018	Attend at premises to allow access for Dan Blum; walkaround both buildings; secure premises prior to departure.	2.30	\$195.00	\$448.50
Fri	04/06/2018	Assist S. Palmer in filing claim.	0.20	\$195.00	\$39.00
Fri	04/06/2018	Scan and email invoices for Emerson	0.30	\$195.00	\$58.50
Mon	04/16/2018	Travel to and from premises; meet S. Palmer; supervise loading of 10 skids for Cooper; secure premises.	2.30	\$195.00	\$448.50
Tues	04/17/2018	Prepare deposit requisition for Schaeffler and Triple M Metal; cheque requisition for RotoPrecision and arrange for courier pick up and delivery of fey ring to Spergel	0.40	\$195.00	\$78.00
Wed	04/18/2018	Travel to and from premises; arrange access for liquidator; wait for pick up by Schaeffler; photos of water leak; discussion with D. Blum re leak; secure premises prior to leaving.	6.00	\$195.00	\$1,170.00
Fri	04/20/2018	Prepare NDA's; emails to from M. Manchanda re same.	0.30	\$195.00	\$58.50
Eileen Sturge (EST)			14.50		\$2,827.50
Frieda Kanaris (FKA)					
Wed	03/28/2018	Requisition payment for lock change.	0.10	\$195.00	\$19.50
Frieda Kanaris (FKA)			0.10		\$19.50
Inga Friptuleac (IFR)					
Mon	03/26/2018	Deposits; Issue cheque	0.60	\$50.00	\$30.00
Mon	04/02/2018	Issue cheque	0.20	\$50.00	\$10.00
Mon	04/09/2018	Deposits;	0.40	\$50.00	\$20.00
Mon	04/16/2018	deposits	0.40	\$50.00	\$20.00
Inga Friptuleac (IFR)			1.60		\$80.00
Mukul Manchanda (MMA)					

Filters Used:

- Time Entry Date: 1/01/70 to 4/20/18
- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 4/27/18

Page 2 of 5

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Mon	03/26/2018	Receipt and review of an email to T. Fisher regarding signing the release agreement prior to pickup of the vehicle. Email exchanges with T. Fisher regarding pickup of the vehicle. Email exchanges with P. Guilbert, D. Battiston and I. Friptuleac regarding receipt of funds related to sale of inventory and receivables. Telephone conversation with S. Postan regarding WEPPA and registering my license with Service Canada. Receipt and review of the form to be submitted to Service Canada.	0.60	\$290.00	\$174.00
Tues	03/27/2018	Sent an email to R. Martinez asking him to confirm if Schaeffler is moving ahead with the purchase of the Fey Rings. Sent an email to V. Daley asking her to advise if she is proceeding with the purchase of un machined castings and advised in the event she is not proceeding with it we should arrange for payment of the items on the PO and arrange for shipping of same. Receipt and review of an email from R. Martinez advising that he is working with his Canadian team to get the payment processed. Receipt and review of an email from K. Kallish regarding the lease agreement of CFG. K. Kallish advised that PPSA requires lessor to register a financing statement if the lease period is for more than 1 year. He further asked me to obtain values of the equipment in question. Sent an email to A. MOSkowitz asking him to provide approximate value of the equipment in question. Receipt and review of an email from A. Moskowitz advising that he will provide the liquidation values tomorrow. Receipt and review of an email from C. Ross regarding purchase of additional items. Email exchanges regarding items related to IPEX. Receipt and review of an email from R. Martinez advising that his Canadian team is not willing to proceed with the purchase of Fey Rings in its current form. He advised that Schaeffler will purchase the Fey Rings with a 20% discount on items that Schaeffler does not need. Sent an email to R. Martinez advising that in order to expedite the process the Receiver is agreeable to a 20% discount. Arranged to have a revised invoice emailed to R. Martinez incorporating the 20% discount,	2.20	\$290.00	\$638.00
Wed	03/28/2018	Email exchanges with D. Blum regarding SKF's offer to purchase certain items. Receipt and review of an email from H. Macarenhas regarding discrepancy in the price charged. Receipt and review of an invoice from Lockit Security. Sent an email to F. Kanaris to process the invoice.	0.30	\$290.00	\$87.00
Thur	03/29/2018	Telephone conversation and email exchanges with C. Ross regarding further items SKF is interested in purchasing.	0.20	\$290.00	\$58.00
Mon	04/02/2018	Receipt and review of an email from D. Blum asking for update regarding collection of receivables, sale of inventory and status of appraisals related to equipment and real properties. Sent an email to D. Blum providing the information. Email exchanges with D. Blum to further clarify the balance in the trust account. Sent an email to R. Martinez asking to advise if Schaeffler is still interested in purchasing the Fey Rings. Receipt and review of an email from R. Martinez advising that Schaeffler is currently processing the payment and will advise as soon as the payment is processed. Sent an email to V. Daley asking her to advise if EGS will be proceeding with the purchase of the castings listed on the PO and further asked her of the status of the receivable. Receipt and review of an email from V. Daley advising EGS will purchase all of the castings listed on the PO and further advising she will address the issue of outstanding receivable with the finance department.	0.80	\$290.00	\$232.00

Filters Used:

- Time Entry Date: 1/01/70 to 4/20/18
- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

Printed on: 4/27/18

Page 3 of 5

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Tues	04/03/2018	Email exchanges with D. Blum regarding the status of receivables and sale of inventory. Further email exchanges with D. Blum regarding removal of his personal items from the premises. Prepared an invoice for EGS and emailed same to V. Daley for processing. Email exchanges with d. Blum regarding the PPSA registration issue of CFG and 3PI. Review of the bank statement and analysis prepared by F. Kanaris. Telephone calls from various customers regarding issues related to receivables and payments outstanding to certain suppliers. Telephone discussions with various employees regarding outstanding wages.	3.20	\$290.00	\$928.00
Wed	04/04/2018	Receipt and review of an email from D. Blum containing the PPSA registration of CFG and 3PI and asked if he needs to get his lawyer involved regarding this matter. Sent an email to D. Blum advising that I will consult with counsel and get back to him. Sent an email to T. Dunn containing the PPSA registration and asked for a call to discuss. Sent an email to F. Kanaris asking her to cancel the automobile policy. Email exchanges with T. Dunn regarding the CFG issue. Email exchanges with H. Mascarenhas and D. Blum regarding sale of inventory and issue of price per unit. Email exchanges with Anna of National Leasing regarding the leased equipment. Email exchanges with D. Blum to setup an appointment to attend at the premises. Telephone discussion with T. Dunn regarding the CFG issue and the property management contract. Further discussions regarding review of RBC's security. Agreed that T. Dunn will reach out to K. Preston to obtain the security documents. Email exchanges with R. Martinez regarding sale of the Fey Rings.	2.20	\$290.00	\$638.00
Thur	04/05/2018	Review of email exchanges between D. Blum and H. Mascarenhas regarding price per unit of the wip. Telephone conversation with a potential purchaser of the inventory.	0.30	\$290.00	\$87.00
Fri	04/06/2018	Receipt and review of an email from H. Mascarenhas regarding purchase of wip. Email exchanges with D. Blum regarding same. Receipt and review of a letter from G. Cross counsel for J. Christensen regarding the security interest of his client in the property of the company. Forwarded same to T. Dunn for review. Telephone conversation with Cooper to update the EFT information. Email exchanges with K. Munn of Cooper regarding updating the EFT information.	0.90	\$290.00	\$261.00
Mon	04/09/2018	Sent an email to D. Blum asking him to provide a copy of the engagement letter and copies of invoices received from Dodick landau. Sent an email to V. Daley advising her tha we have not received the payment from EGS and asking her to advise whether EGS is still going ahead with the purchase of the inventory. Received and reviewed an email from V. Dalye advising that out invoice has been sent to finance department for processing. Telephone conversations with potential purchasers of inventory. Review of bank statements regarding overpayment by a certain customer and to determine whether accounts receivable from certain customers were collected in the RBC account. Email exchanges with EGS regarding copies of certain invoices. Sent an email to EGS providing the requested information.	1.80	\$290.00	\$522.00

94

Filters Used:

- Time Entry Date: 1/01/70 to 4/20/18
- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 4/27/18

Page 4 of 5

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Tues	04/10/2018	Email exchanges with National Leasing regarding the leased equipment. Email exchanges with Cooper regarding price charged for the sale of inventory. Agreed on a price and agreed to send a revised invoice for same. Sent an email to Coper containing the revised invoice. Receipt and review of an email from T. Dunn forwarding an email from G. Phoenix containing a letter regarding the CFG equipment. Further email exchanges and telephone calls with T. Dunn regarding same. Email exchanges with Schaeffler regarding payment and pick up of inventory and property of Schaeffler. Receipt and review of an email from R. Dodick regarding the sale process. Forwarded same to T. Dunn and asked him to respond.	1.60	\$290.00	\$464.00
Wed	04/11/2018	Email exchanges with Schaeffler regarding sale of housing assembly and pick up of fey rings and property of Schaeffler. Email exchanges with Cooper regarding payment of invoice and intention of Cooper of moving forward with the purchase of the inventory. Made arrangements to attend at the premises tomorrow to ship the product to Schaeffler and provide the requested information to Cooper. Review of ascend general ledger as to the recording of sale of inventory and receipt of receivables. Email exchanges with Inga regarding same.	1.30	\$290.00	\$377.00
Thur	04/12/2018	Email exchanges with certain customers regarding payment prior to pickin up the WIP. Receipt and review of an email from D. Blum containing Dodick's invoices. Noted that the invoices were made out to TMT Inc. only.	0.60	\$290.00	\$174.00
Fri	04/13/2018	Email exchanges with Inga regarding receipt of funds from Cooper and allocation of same in ascend. Email exchanges with Schaeffler regarding purchase of the housing assembly. Email exchanges with Cooper regarding pick up of wip on Monday. Arranged to have personnel on Monday to ship the wip.	0.80	\$290.00	\$232.00
Mon	04/16/2018	Email exchanges with D. Blum regarding the Fey Rings to be delivered to Schaeffler. Telephone conversation with RotoPrecision regarding payment of the Fey Rings. Email exchanges with D. Blum regarding the TD bank acocunt.	0.30	\$290.00	\$87.00
Tues	04/17/2018	Email exchanges with D. Ryan regarding the amount outstanding in relation to the Fey Rings. Telephone conversation with D. Ryan regarding payment and pick up of same. Email exchanges with D. Blum regarding cancellation of the auto policy. Sent an email to F. Kanaris instructed her to deal with the cancellation of the auto policy.	0.40	\$290.00	\$116.00
Wed	04/18/2018	Email exchanges with D. Blum regarding providing him access to remove the Bluecap cases. Email exchanges with Schaeffler regarding pick up of certain inventory. Agreed to reschedule the pick up for next week. Email exchanges with T. Dunn regarding reimbursement to SKF for over payment of a receivable. Agreed that we will issue the payment.	0.60	\$290.00	\$174.00
Thur	04/19/2018	Receipt and review of an email from T. Dunn containing a draft email to K. Preston regarding the CRA hst deemed trust claim and benefit of bankrupting the company. Sent an email to T. Dunn providing him with my comments.	0.20	\$290.00	\$58.00
Fri	04/20/2018	Travel to the premises of the company. Met with D. Blum and provided access to remove certain personal items. Travel back.	2.50	\$290.00	\$725.00
Mukul Manchanda (MMA)			20.80		\$6,032.00
Philip H. Gennis (PGE)					
Mon	04/02/2018	Finalize APs for sale of real estate.	1.50	\$445.00	\$667.50

Filters Used:

- Time Entry Date: 1/01/70 to 4/20/18
- File ID: AATOMT-R: to AATOMT-R:
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

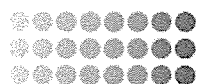
Printed on: 4/27/18

Page 5 of 5

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Philip H. Gennis (PGE)					
Tues	04/03/2018	Review and approve payables.	0.10	\$445.00	\$44.50
Wed	04/11/2018	Review and approve payables.	0.10	\$445.00	\$44.50
			Philip H. Gennis (PGE)	1.70	\$756.50
Selwyn Postan (SPO)					
Mon	03/26/2018	WEPPA: - Update and input claims received on Service Canada Web site for WEPPA claims and update Excel spreadsheet, TC's and emails to employees; TC's and emails from Service Canada re update of Trustee registration status and attend to mailing etc.	1.25	\$195.00	\$243.75
Tues	03/27/2018	WEPPA: - Update and input claims received on Service Canada Web site for WEPPA claims and update Excel spreadsheet, TC's and emails to employees;	0.75	\$195.00	\$146.25
Thur	03/29/2018	WEPPA: - Update and input claims received on Service Canada Web site for WEPPA claims and update Excel spreadsheet, TC's and emails to employees;	1.25	\$195.00	\$243.75
Tues	04/17/2018	WEPPA: - Update and reconcile Excel spreadsheet re claims paid by Service Canada and TC to Service Canada re disallowed of claims, Misc TC's and emails from employees re claims and payments;	1.25	\$195.00	\$243.75
			Selwyn Postan (SPO)	4.50	\$877.50
			Total for File ID AATOMT-R:	47.90	\$12,002.50
			Grand Total:	47.90	\$12,002.50

96


SPERGEL

May 22, 2018

Invoice #: 11501

Toronto Machine & Tool Inc.

Invoice

RE: Toronto Machine & Tool Inc.

FOR PROFESSIONAL SERVICES RENDERED in the period April 21, 2018 to May 18, 2018, including review and analysis of financial information, taking possession and realization of assets and correspondence with management.

	Hours	Hourly Rate	Total
Philip H. Gennis, LL.B., CIRP, Trustee	0.20	\$445.00	\$89.00
Frieda Kanaris	0.70	195.00	136.50
Mukul Manchanda, CIRP, Trustee	14.20	290.00	4,118.00
Others	1.00	55.00	55.00
Total Professional fees	16.10	\$273.20	\$4,398.50
HST			571.81
Reimbursable Expenses			
Courier			\$100.80
Total Reimbursable expenses			\$100.80
HST on expenses			\$13.10
Total			\$5,084.21

HST Registration #R103478103

(AATOMT-R)

msi Spergel inc. Licensed Insolvency Trustees 505 Consumers Road, Suite 200, Toronto, ON M2J 4V8 • Tel 416 497 1660 • Fax 416 494 7199

• Barrie 705 722 5090 • Hamilton 905 527 2227 • Mississauga 905 602 4143 • Oshawa 905 721 8251 • Toronto-Central 416 778 8813
 • Brampton 905 874 4905 • London 519 902 2772 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Saskatchewan 306 341 1660

Member **CAIRP** Canadian Association of Insolvency
and Restructuring Practitioners

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMT-R to AATOMT-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 5/22/18

Page 1 of 3

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Frieda Kanaris (FKA)					
Mon	04/23/2018	Compile data and file HST return for RT0002 account, requisition payment for amount owing.	0.40	\$195.00	\$78.00
Mon	05/07/2018	Compile data and file HST returns for RT0002 account, requisition payment for HST owing.	0.30	\$195.00	\$58.50
Frieda Kanaris (FKA)			0.70		\$136.50
Haran Sivanathan (HSI)					
Mon	04/23/2018	Deposit, Cheque, Pre-Authorized payment, Review Files, GIC's and Bank reconciliation	0.20	\$75.00	\$15.00
Haran Sivanathan (HSI)			0.20		\$15.00
Inga Friptuleac (IFR)					
Mon	04/23/2018	Issue cheque	0.20	\$50.00	\$10.00
Mon	05/07/2018	Issue cheque	0.20	\$50.00	\$10.00
Mon	05/14/2018	Deposits	0.40	\$50.00	\$20.00
Inga Friptuleac (IFR)			0.80		\$40.00
Mukul Manchanda (MMA)					
Mon	04/23/2018	Receipt and review of an email from W. Karwala asking what are the potential benefits of bringing a motion to annul the proposal and deem TMT Inc. in bankruptcy. Telephone conversation with K. Preston regarding same. Drafted a response to W. Karwala and emailed same to T. Dunn for comments. Email exchanges and telephone discussion with T. Dunn regarding same. Sent an email to W. Karwala responding to his query. Received and reviewed an email from K. Preston to T. Dunn requesting a copy of the email R. Dodick sent to him and advising that RBC is willing to bring an application to annul the proposal and deem the company in bankruptcy. Email exchanges with T. Dunn regarding the requirement of Receiver issuing a consent as to allow RBC to bring a motion to annul the proposal.	2.30	\$290.00	\$667.00
Tues	04/24/2018	Telephone conversations with various employees enquiring about the WEPPA and amounts that are not covered by the program. Answered queries and directed them to the relevant sources for assistance. Email exchanges with Schaeffler confirming pick up of the housing assembly tomorrow.	1.40	\$290.00	\$406.00
Wed	04/25/2018	Meeting with S. Palmer regarding shipping the items related to Schaeffler. Email exchanges with Schaeffler regarding the pick up. Supervised the removal of items. Travel back.	2.50	\$290.00	\$725.00
Thur	04/26/2018	Email exchanges with D. Blum regarding the inventory of Fey Rings.	0.20	\$290.00	\$58.00
Fri	04/27/2018	Drafted a letter to EGS regarding outstanding receivables and the right of set off claimed by EGS. Forwarded same to T. Dunn for comments. Receipt and review of an email from T. Dunn containing his comments. Revised the letter and emailed same to EGS. Email exchanges with T. Dunn regarding the jurisdiction of commercial list to hear the matter of the set-off claim.	1.60	\$290.00	\$464.00
Thur	05/03/2018	Email exchanges with W. Karwala regarding a receivable payment to RBC account. Arranged to have the monies transferred to the receiver's account.	0.20	\$290.00	\$58.00
Fri	05/04/2018	Receipt and review of an email from T. Dunn to K. Preston regarding the status of the Proposal and the report of the Proposal Trustee.	0.20	\$290.00	\$58.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMT-R to AATOMT-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 5/22/18

Page 2 of 3

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Mon	05/07/2018	Received and reviewed offers related to the sale process conducted by the Receiver. Prepared a bid summary. Verified whether the deposits were received along with the offers. Telephone conversations with various parties who submitted an offer to purchase the assets. Answered queries and advised that I will be in touch upon review of the offers.	0.50	\$290.00	\$145.00
Thur	05/10/2018	Receipt and review of an email from T. Dunn to K. Preston providing comments regarding the affidavit and asking if we can piggyback on her motion on May 29th to get our approval and vesting order. Telephone conversation with various employees regarding WEPPA. Inquired with Service Canada regarding the status of claim of certain employees.	1.40	\$290.00	\$406.00
Fri	05/11/2018	Started drafting the first report to court. Received and reviewed an email from T. Dunn containing a draft to EGS. Sent an email to T. Dunn providing my comments regarding the letter. Receipt and review of email exchanges between T. Dunn and L. Barbosa regarding the outstanding receivable.	1.80	\$290.00	\$522.00
Mon	05/14/2018	Receipt and review of an email from T. Dunn advising that G. Phoenix advised that his client CFG is supportive of the Maynard offer. Received and reviewed an email from T. Dunn advising that J. Christensen is also supportive of the Maynards offer. Sent an email to T. Dunn asking him to provide a clean copy of the purchase agreement. Receipt and review of an email from T. Dunn containing the purchase agreement. Sent an email to T. Dunn containing my comments regarding the agreement	0.60	\$290.00	\$174.00
Wed	05/16/2018	Telephone discussion with M. McIntosh regarding the breakdown of Maynards offer between Toronto Machine Assets and CFG Assets. Sent an email to M. McIntosh regarding same. Receipt and review of an email from M. McIntosh providing a reduced net realization number for the CFG assets. Forwarded same to T. Dunn. Telephone discussion with T. Dunn regarding same and agreed that we notify CFG's counsel regarding same. Revised the bid summary document and circulated same to RBC. Telephone discussions with J. Lukez regarding same. Provided further clarification to J. Lukez. Receipt and review of an email from J. Lukez advising that RBC supports acceptance of the Maynards offer by the Receiver. Conference call with T. Dunn and G. Phoenix to discuss the reduced offer of CFG assets. G. Phoenix advised that his client is in agreement of the reduced offer. Telephone discussion with D. Blum regarding same. Receipt and review of the revised agreement of purchase and sale. Forwarded same to M. McIntosh and asked him to provide the additional deposit required.	1.20	\$290.00	\$348.00
Thur	05/17/2018	Receipt and review of an email from R. Dodick regarding the hearing to deem TMT Inc. into bankruptcy. Telephone discussion with K. Preston regarding same. Agreed to provide her with a consent to act. Arranged to have the consent to act emailed to K. Preston.	0.30	\$290.00	\$87.00
Mukul Manchanda (MMA)			14.20		\$4,118.00
Philip H. Gennis (PGE)					
Wed	05/02/2018	Review and approve payables.	0.10	\$445.00	\$44.50
Mon	05/07/2018	Review and approve payables.	0.10	\$445.00	\$44.50
Philip H. Gennis (PGE)			0.20		\$89.00

989

MSGG - Detailed Time Dockets

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMT-R to AATOMT-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

Printed on: 5/22/18

Page 3 of 3

File Name (ID): Toronto Machine & Tool Inc. (AATOMT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Total for File ID AATOMT-R:			16.10		\$4,398.50
Grand Total:			16.10		\$4,398.50

APPENDIX “4”

Court File No. CV-17-587642-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.

Respondent

AFFIDAVIT OF MUKUL MANCHANDA

(Sworn May 23, 2018)

I, **MUKUL MANCHANDA**, of the City of Brampton, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Licensed Insolvency Trustee with msi Spergel Inc. (“**Spergel**”), the Court-Appointed Receiver (the “**Receiver**”) of Toronto Machine & Tool Company Limited (the “**Debtor**”), and as such have knowledge of the matters to be deposed herein, except where such knowledge is stated to be based on information and belief, in which case I state the source of the information and verily believe such information to be true.

2. The Receiver was appointed, without security, of certain of the assets, undertakings and properties of the Debtor by Order of the Honourable Justice Hailey dated February 27, 2018.

3. In connection with the receivership for the period from February 27, 2018 to May 18, 2018 fees of \$44,128.48 inclusive of HST and disbursements charged by Spergel as detailed in the billing

summary and time dockets attached hereto as **Exhibit "1"** to this, my Affidavit. This represents 135.35 hours at an effective rate of \$288.52 per hour.

4. The hourly billing rates detailed in this Affidavit are comparable to the hourly rates charged by Spergel for services rendered in relation to similar proceedings.

5. This Affidavit is made in support of a motion to, *inter alia*, approve the interim receipts and disbursement of the Receiver and its accounts.

6. I make this Affidavit for no improper purpose.

SWORN before me at the City of
Toronto, in the Province of Ontario
this 23rd day of May, 2018.



Commissioner for Taking Affidavits

)
)
)
)
)
)
)



Mukul Manchanda

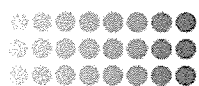
**Selwyn Larry Postan, a Commissioner, etc.,
Province of Ontario, for msi Spergel inc.,
and Spergel & Associates inc.
Expires July 25, 2018.**

**This is Exhibit "1" of the Affidavit of
Mukul Manchanda
Sworn before me on this 23rd day of May, 2018**



A Commissioner, Etc.

**Selwyn Larry Postan, a Commissioner, etc.,
Province of Ontario, for MSI Spergel Inc.,
and Spergel & Associates Inc.
Expires July 25, 2018.**



SPERGEL

104

May 22, 2018

Invoice #: 11500

Toronto Machine & Tool Company Ltd

Invoice

RE: Toronto Machine & Tool Company Ltd.

FOR PROFESSIONAL SERVICES RENDERED in the period February 27, 2018 to May 18, 2018, including review and analysis of financial information, taking possession and realization of assets and correspondence with management.

	Hours	Hourly Rate	Total
Alan Spergel, CPA, CA, FCIRP, CFE, Trustee	0.90	\$445.00	\$400.50
Philip H. Gennis, LL.B., CIRP, Trustee	15.85	445.00	7,053.25
Harvey S. Lipman, CPA, CA, CIRP, Trustee	0.20	445.00	89.00
Deborah Hornbostel, CPA, CA, CFE, CIRP, Trustee	0.60	445.00	267.00
Selwyn Postan	1.00	195.00	195.00
Eileen Sturge	8.90	195.00	1,735.50
Frieda Kanaris	10.70	195.00	2,086.50
Mukul Manchanda, CIRP, Trustee	93.00	290.00	26,970.00
Others	4.20	60.71	255.00
Total Professional fees	135.35	\$288.52	\$39,051.75
HST			5,076.73
Total			\$44,128.48

HST Registration #R103478103

(AATOMTL-R)

msi Spergel inc. Licensed Insolvency Trustees 505 Consumers Road, Suite 200, Toronto, ON M2J 4V8 • Tel 416 497 1660 • Fax 416 494 7199

• Barrie 705 722 5090 • Hamilton 905 527 2227 • Mississauga 905 602 4143 • Oshawa 905 721 8251 • Toronto-Central 416 778 8813
• Brampton 905 874 4905 • London 519 902 2772 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Saskatchewan 306 341 1660

Member **CAIRP** Canadian Association of Insolvency
and Restructuring Practitioners

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 5/22/18

Page 1 of 12

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Alan Spergel (ASP)					
Thur	03/29/2018	Review/sign cheque	0.10	\$445.00	\$44.50
Tues	04/17/2018	Cheque for repairs to equipment + purchase parts	0.20	\$445.00	\$89.00
Fri	04/20/2018	Review + sign cheques (2)	0.20	\$445.00	\$89.00
Mon	04/23/2018	Review and sign cheques (3)	0.30	\$445.00	\$133.50
Fri	04/27/2018	Review/sign cheque	0.10	\$445.00	\$44.50
Alan Spergel (ASP)			0.90		\$400.50
Deborah Hornbostel (DHO)					
Tues	03/20/2018	Review and approve accounts payable/sign cheque	0.10	\$445.00	\$44.50
Thur	03/22/2018	Review and approve accounts payable/sign cheques	0.10	\$445.00	\$44.50
Wed	04/11/2018	Review and approve accounts payable	0.10	\$445.00	\$44.50
Mon	04/16/2018	Review and approve accounts payable	0.10	\$445.00	\$44.50
Tues	04/17/2018	Review and approve accounts payable	0.10	\$445.00	\$44.50
Tues	04/24/2018	Review and approve accounts payable	0.10	\$445.00	\$44.50
Deborah Hornbostel (DHO)			0.60		\$267.00
Eileen Sturge (EST)					
Mon	03/05/2018	Prepare NOR and vendor listing	0.20	\$195.00	\$39.00
Mon	03/26/2018	Attend at premises. Provide Chad Stewart of Altech access to both 38 Milne and 57 Mack for environmental assessment, Secure premises prior to departure.	3.50	\$195.00	\$682.50
Thur	04/26/2018	Travel to and from premises. Secure premises after liquidators complete inspection.	1.70	\$195.00	\$331.50
Mon	04/30/2018	Travel to and from premises. Secure premises after liquidators complete inspection.	3.50	\$195.00	\$682.50
Eileen Sturge (EST)			8.90		\$1,735.50
Frieda Kanaris (FKA)					
Mon	03/05/2018	Prepare letter to FCA adding msi as loss payee and named insured; prepare and print labels for mailing Notice of Receiver to creditors, photocopy notices for mailing; prepare fax sheet and fax to O.R.	0.70	\$195.00	\$136.50
Tues	03/06/2018	Fax Notice of Receiver to O.R., fax Court Order; deposit RBC bank draft.	0.20	\$195.00	\$39.00
Wed	03/07/2018	Complete RC59 and HST10 forms, prepare letter and fax cover sheet, fax to CRA requesting opening of RT0002 account.	0.70	\$195.00	\$136.50
Fri	03/09/2018	T/c's to Altech Environmental and Cornwall Property Consultants, to provide quotes for assessments; call returned from Cornwall, update to Mukul.	0.20	\$195.00	\$39.00
Mon	03/12/2018	T/c and email with All-Tech Environmental; t/c with Wayne Crawford of Appraisal Group Inc.	0.30	\$195.00	\$58.50
Tues	03/13/2018	Email to All-Tech; review email from Appraisal Group and forward to Mukul, exchange of emails with Mukul re same; t/c to Wagner, Andrews & Kovacs for additional appraisal.	0.40	\$195.00	\$78.00
Wed	03/14/2018	Exchange of emails with FCA and Mukul re F150 Truck insurance policy; t/c with Chad Stewart of All-Tech; email to Wayne Crawford re appraisal.	0.50	\$195.00	\$97.50
Thur	03/15/2018	Send email to Wayne Crawford, go ahead with appraisal; t/c to Patrick Cornwall; t/c's with Ian Murdoch of Pinchin Environmental, will submit proposal.	0.20	\$195.00	\$39.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets ¹⁰⁶

Printed on: 5/22/18

Page 2 of 12

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Frieda Kanaris (FKA)					
Mon	03/19/2018	Exchange of emails with Wayne Crawford re site attendance to conduct appraisal, emails with Mukul confirming appointment, forward survey plan and tax certificates, review email from FCA, exchange of emails with FCA and Mukul re same, requisition payment for insurance premium; t/c from Cornwall Property, send email confirming site attendance to Cornwall and Mukul; t/c to Can-Am appraisals; email to Chad Stewart (Alltech); review email from Pinchin and forward to Mukul.	1.40	\$195.00	\$273.00
Tues	03/20/2018	Review email from Can-am, confirm appointment with Mukul, t/c's with All-Tech Environmental, send email to proceed with environmental assessment, exchange of emails with Mukul re same;	0.40	\$195.00	\$78.00
Wed	03/21/2018	Review Mukul's emails, prepare excel spreadsheets for interested parties in equipment and properties.	0.50	\$195.00	\$97.50
Thur	03/22/2018	Review and respond to email from Alltech, discussion with Eileen re meeting them at premises on Monday; review bank statements and cancelled cheques, prepare schedule of payments >\$5,000.	1.20	\$195.00	\$234.00
Wed	03/28/2018	Review email and appraisal from Canam, forward to Mukul; update interested party schedule; subsequent email to Canam re missing page.	0.20	\$195.00	\$39.00
Thur	03/29/2018	T/c to Glen Shoniker (Asset Services); review email and appraisal from Canam, forward to Mukul.	0.20	\$195.00	\$39.00
Tues	04/03/2018	Review emails from Cornwall and AGI and forward appraisals to Mukul; complete and email Vacancy Questionnaire to FCA; requisition payment for property and equipment appraisals.	0.50	\$195.00	\$97.50
Wed	04/04/2018	General	0.30	\$195.00	\$58.50
Tues	04/17/2018	T/c to Chad Stewart (All-Tech) regarding environmental report; exchange of emails with Mukul re FCA insurance, exchange of emails with FCA, forward signed cancellation form.	0.30	\$195.00	\$58.50
Wed	04/18/2018	Review report from AllTech, forward to Mukul, subsequent email to Alltech to provide estimate for further investigation, requisition payment for invoice, review proposal for further investigation and forward to Mukul.	0.30	\$195.00	\$58.50
Mon	04/23/2018	File o/s HST returns for RT0001 and RT0002 accounts.	0.30	\$195.00	\$58.50
Wed	04/25/2018	Exchange of emails with Mukul re Altech proposal, email signed proposal to Chad Stewart to commence update environmental report .	0.40	\$195.00	\$78.00
Fri	04/27/2018	Review and respond to email from FCA.	0.30	\$195.00	\$58.50
Fri	05/04/2018	Compile data and file HST returns for RT0001 and RT0002 accounts.	0.20	\$195.00	\$39.00
Mon	05/07/2018	Update schedule with executed NDA's received.	0.70	\$195.00	\$136.50
Thur	05/10/2018	Send email to Chad Stewart (Al-tech) re environmental assessment.	0.10	\$195.00	\$19.50
Thur	05/17/2018	Review and respond to email from Chad Stewart (Altech).	0.20	\$195.00	\$39.00
Frieda Kanaris (FKA)			10.70		\$2,086.50
Harvey S. Lipman (HLI)					
Tues	04/17/2018	To cheque review and sign	0.20	\$445.00	\$89.00
Harvey S. Lipman (HLI)			0.20		\$89.00
Haran Sivanathan (HSI)					
Mon	04/23/2018	Deposit, Cheque, Pre-Authorized payment, Review Files, GIC's and Bank reconciliation	0.20	\$75.00	\$15.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
<u>Haran Sivanathan (HSI)</u>					
Tues	05/01/2018	Deposit, Cheque, Pre-Authorized payment, Review Files, GIC's and Bank reconciliation	0.20	\$75.00	\$15.00
Thur	05/10/2018	Wire Transfer r reveiw 5/16/18 11:1 with Banks	0.40	\$75.00	\$30.00
Thur	05/17/2018	Deposit, Cheque, Pre-Authorized payment, Review Files, GIC's and Bank reconciliation	0.50	\$75.00	\$37.50
Fri	05/18/2018	Deposit, Cheque, Pre-Authorized payment, Review Files, GIC's and Bank reconciliation	0.50	\$75.00	\$37.50
Haran Sivanathan (HSI)			1.80		\$135.00
<u>Inga Friptuleac (IFR)</u>					
Mon	03/05/2018	BA set up, Deposit	0.60	\$50.00	\$30.00
Mon	03/19/2018	Issue cheque	0.20	\$50.00	\$10.00
Mon	04/02/2018	issue cheque	0.20	\$50.00	\$10.00
Mon	04/09/2018	Deposit, Issue cheque	0.40	\$50.00	\$20.00
Mon	04/16/2018	Issue cheques	0.60	\$50.00	\$30.00
Mon	04/30/2018	Issue cheques	0.40	\$50.00	\$20.00
Inga Friptuleac (IFR)			2.40		\$120.00
<u>Mukul Manchanda (MMA)</u>					

Filters Used:

MSGG - Detailed Time Dockets

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

Printed on: 5/22/18

Page 4 of 12

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Wed	02/28/2018	Sent an email to K. Preston regarding the date of the receivership order. Telephone discussion with K. Preston regarding same. Sent an email to K. Kallish and R. Moses containing the receivership order. Telephone discussion with K. Kallish regarding the file. Email exchanges and telephone discussion with Rocco regarding taking possession of the premises. Email exchanges with K. Preston regarding obtaining the application record and other materials related to the file. Receipt and review of emails from T. Mason containing the materials. Email exchanges with K. Kallish and R. Moses regarding serving the receivership order with the wrong date. Sent an email to D. Blum and R. Dodick advising of the appointment of the receiver and set a time for meeting to take possession of the assets. Receipt and review of an email from K. Preston containing the issued and entered receivership order with the correct date. Email exchanges with K. Kallish regarding the offer to purchase the real property that is currently in place with the company. Receipt and review of an email from R. Dodick asking for the receiver to confirm whether it has taken possession of the assets of the company. Sent an email to R. Dodick confirming that receiver has taken possession of the assets of the company and that the company has ceased operations. Email exchanges with K. Kallish containing the revised order and asking to keep the billings separate for two companies. Travel to the premises and attended meeting with D. Blum. Advised D. Blum that the receiver will be changing the locks to the premises and taking possession of the premises. Answered queries of D. Blum regarding the sale of the buildings. Sent an email to I. Friptuleac asking to open the bank account. Telephone discussion with W. Karwala, asked him to freeze the bank accounts and forward funds to the receiver. Receipt and review of an email from D. Blum containing the purchase and sale agreement for the two properties. Sent an email to S. Tolat asking to run a PPSA and Corporate Profile search on the company. Sent an email to Topu asking him to activate the case website. Meeting with Rocco, supervised changing of the locks.	3.80	\$290.00	\$1,102.00
Thur	03/01/2018	Travel to the premises and met with D. Blum. Discussion with D. Blum regarding appraisal of equipment, property and environmental site assessment. Receipt and review of an email from D. Blum containing copies of appraisals and ESA phase I & II. Receipt and review of the PPSA and corporate profile searches. Receipt and review of an email from Ray advising that the case website is active. Uploaded the required documents on the case website.	2.80	\$290.00	\$812.00
Fri	03/02/2018	Travel to the premises of the company. Attended meeting with D. Blum and Perry the potential purchaser of the real property. Answered their queries regarding the sale process. Receipt and review of an email from Perry regarding his continued intention to purchase the real properties. Email exchanges with S. Pearlstein regarding registering the order on title of properties. Executed the documents required to do so and provided same to S. Pearlstein.	1.80	\$290.00	\$522.00
Sat	03/03/2018	Email exchanges with K. Kallish regarding registering the court order on title of 38 Milne Avenue.	0.20	\$290.00	\$58.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 5/22/18

Page 5 of 12

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Mon	03/05/2018	Email exchanges with K. Kallish regarding the current offer for the buildings. Telephone conversation with K. Kallish regarding same. Email exchanges with K. Tran regarding registering the court order on title of the properties. Email exchanges with Perry and his realtor regarding the status of their offer to purchase the real properties.	0.60	\$290.00	\$174.00
Tues	03/06/2018	Discussion with D. Blum regarding the sale process of the properties conducted prior to the receivership. Review of various emails from D. Blum containing listing agreements, prior offers and appraisals of the properties. Receipt and review of an email from K. Kallish containing the tax certificate.	2.30	\$290.00	\$667.00
Wed	03/07/2018	Email exchanges and telephone calls with W. Karwala regarding conducting a Phase I environmental on the properties. Telephone conversations with various liquidators regarding the sale of the equipment.	0.50	\$290.00	\$145.00
Thur	03/08/2018	Telephone conversations with Liquidators regarding sale of assets.	0.50	\$290.00	\$145.00
Fri	03/09/2018	Telephone discussion with Perry regarding the purchase of the real properties and the process to be followed by the receiver. Answered other queries of Perry. Receipt and review an email from Perry containing the survey of the properties and advising that he is still interested in purchasing the properties.	0.80	\$290.00	\$232.00
Mon	03/12/2018	Email exchanges with F. Kanaris regarding obtaining appraisal of the properties and equipment. Instructed F. Kanari to obtain additional quotations for conducting the appraisals. Email exchanges with K. Kallish regarding sending a letter to the listing broker advising that the APA entered into prior to the appointment of the Receiver was not binding on the receiver.	0.50	\$290.00	\$145.00
Tues	03/13/2018	Email exchanges with F. Kanaris regarding obtaining an appraisal of the real properties. Email exchanges with Perry regarding an offer for the real properties. Telephone conversation with T. Dunn regarding security review of Ford. Receipt and review of an email from T. Dunn regarding same. Receipt and review of a letter from K. Kallish to R. Wong regarding the listing and current offer to purchase the real properties. Review of the auto policy, advised F. Kanaris to keep the insurance for the time being.	1.50	\$290.00	\$435.00
Wed	03/14/2018	Receipt and review of an email from T. Hachey containing a letter to R. Wong advising that the current offer to purchase the real properties is not effective against the Receiver and that the Receiver will list the real properties in due course with the real estate agent of its choosing. Receipt and review of email exchanges between F. Kanaris and M. Smith regarding the segregation of insurance. Email exchanges with F. Kanaris regarding quotation for appraisals. Review of the proposal from Wak Consulting.	1.00	\$290.00	\$290.00
Thur	03/15/2018	Email exchanges with P. Gennis regarding the proposal from Altec. Agreed that we will obtain a second quotation. Instructed F. Kanaris to obtain a quotation from Pinchin. Receipt and review of an email from W. Karwala containing payout letter. Telephone conversations with various parties interested in purchasing equipment and real properties.	0.90	\$290.00	\$261.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Mon	03/19/2018	Receipt and review of an email from W. Karwala providing contact information of a party interested in purchasing the real properties. Email exchanges with the interested party regarding the sale process. Receipt and review of an email containing the Pinchin Environmental Proposal. Instructed F. Kanaris to engage Cornwall to conduct Phase I ESA. Email exchanges with W. Karwala regarding a request for advance of funds. Telephone conversation with K. Kallish regarding issuing the receiver's certificate to be held in escrow pending receipt of the advance. Prepared the Receiver's Certificate and scanned an executed copy of the Receiver's Certificate to P. Gennis. Receipt and review of an email from P. Gennis to W. Karwala containing the Receiver's Certificate. Email exchanges with F. Kanaris regarding setting up appointments for Wednesday for appraisers to attend at the premises. Telephone conversation with A. Moskowitz regarding same. Email exchanges with F. Kanaris regarding the payment of insurance premium. Email exchanges with Perry regarding the purchase offer and the letter to R. Wong. Telephone conversation with J. MaMainella an interested party to purchase real properties.	2.40	\$290.00	\$696.00
Wed	03/21/2018	Travel to and attended at the premises of the company. Meeting with A. Moskowitz regarding appraisal of the equipment, provided him with a tour of the premises and answered queries. Meeting with Cornwall appraisers regarding appraisal of the real properties. Provided tour of the premises and answered queries. Meeting with Sia regarding appraisal of the equipment. Provided tour of the premises and answered queries. Meeting with Wayne Crawford regarding appraisal of the real properties. Provided tour of the premises and answered queries. Meeting with Alex regarding access to the premises to view machinery owned by CFG. Meeting with potential purchasers of the real property, provided tour of two properties and answered queries regarding the Receivership process.	5.50	\$290.00	\$1,595.00
Thur	03/22/2018	Travel to and attended at the premises. Meeting with Sia regarding appraisal of the equipment. Provided him with a tour of the properties and indicated items the should be excluded from the appraisal.	4.80	\$290.00	\$1,392.00
Fri	03/23/2018	Receipt and review of an email from A. Mehta regarding a property management proposal. Discussed same with P. Gennis. Voicemail from Donway Ford regarding release of vehicle. Instructed E. Sturge to prepare the release. Receipt and review of the release. Emailed the release to T. Fisher and asked him to provide a signed copy. Sent an email to K. Kallish containing a lease agreement regarding certain equipment and asked him to advise if it is okay for the receiver to release the property. Email exchanges and telephone conversations with C. Stewart regarding the phase I environmental of the properties.	1.80	\$290.00	\$522.00
Mon	03/26/2018	Email exchanges with E. Sturge regarding ESA Phase I of properties.	0.10	\$290.00	\$29.00
Tues	03/27/2018	Review of a voicemail from A. Fortis regarding purchase of real properties. Sent an email to F. Kanaris asking him to A. Fortis to our list of prospective purchasers. Email exchanges with A. Mehta and P. Gennis regarding the property management services.	0.30	\$290.00	\$87.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 5/22/18

Page 7 of 12

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Wed	03/28/2018	Email exchanges with P. Gennis and A. Mehta regarding the property management of the real properties. Receipt and review of an email from F. Kanaris containing the appraisal of equipment from Canam. Sent an email to F. Kanaris advising her that there is a certain page missing from the appraisal and asked her to get in touch with Canam. Review of voicemail from Perry regarding his deposit. Sent an email to Perry advising that I was away and will be returning to the office on Monday. Receipt and review of an email from A. Moskowitz containing liquidation values of certain pieces of equipment. Sent an email to K. Kallish advising him of the values and asking him to research case law related to the PPSA registration requirement.	1.20	\$290.00	\$348.00
Thur	03/29/2018	Receipt and review of an email containing the complete appraisal report from Canam.	0.20	\$290.00	\$58.00
Mon	04/02/2018	Receipt and review of appraisals of the real properties. Telephone conversation with K. Kallish regarding the sale process for equipment and real properties. Review and approved payment of a utility invoice. Email exchanges with A. Mehta regarding property management services. Receipt and review of the property management agreement. Forwarded same to K. Kallish for comments. Email exchanges with K. Kallish and T. Dunn. Receipt and review of an email from T. Dunn containing his comments regarding the agreement.	1.30	\$290.00	\$377.00
Tues	04/03/2018	Revised the property management agreement and emailed the blackline copy to A. Mehta for his comments and acceptance.	0.80	\$290.00	\$232.00
Wed	04/04/2018	Sent an email to A. Moskowitz regarding the status of the appraisal of the equipment. Receipt and review of an email from E. Marshall containing the appraisal of the equipment. Sent an email to E. Marshall asking her to provide the list of equipment in excel format. Receipt and review of same. Email exchanges with Perry regarding his deposit to R. Wong.	0.80	\$290.00	\$232.00
Thur	04/05/2018	Receipt and review of an email containing draft APS to be used during the sale process. Receipt and review of a revised property management agreement from A. Mehta.	0.70	\$290.00	\$203.00
Fri	04/06/2018	Receipt and review of an email from T. Dunn containing his proposed letter to B. Jaffe regarding return of deposit to the purchaser by R. Wong. Sent an email to T. Dunn providing him with my comments.	0.30	\$290.00	\$87.00
Mon	04/09/2018	Email exchanges with J. Mainella regarding the sale process of the real properties. Email exchanges with T. Dunn regarding the tender package to be provided to prospective purchasers of the equipment and inventory. Review of property management agreement and email exchanges with A. Mehta regarding same.	0.80	\$290.00	\$232.00
Tues	04/10/2018	Receipt and review of an email from T. Dunn containing the teaser document and the confidentiality agreement. Edited both to reflect the debtor companies.	1.50	\$290.00	\$435.00
Wed	04/11/2018	Finalize the property management agreement and emailed same to A. Mehta. Receipt and review of the signed agreement. Arranged to meet with A. Mehta at the premises tomorrow. Email exchanges with W. Karwala regarding advance of funds. Review of emails from appraisers regarding the impact on properties if the Receiver was forced to sell the properties as one parcel.	1.60	\$290.00	\$464.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets ¹¹²

Printed on: 5/22/18

Page 8 of 12

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Thur	04/12/2018	Attended at the premises of Toronto Machine. Met with A. Mehta. Provided him with a tour of the premises and a key for same. Provided him with a fully executed copy of the property management agreement. Meeting with D. Blum, discussed outstanding issues including issue of Dodick Landau being creditor of TMT Company Ltd and the documents related to Dodick's engagement. Further discussion regarding the sale process of the real properties and the issue of title being merged for the two properties. Facilitated shipment of wip to Cooper. Instructed S. Palmer to ship the purchased items. Supervised the process. Travle back.	5.50	\$290.00	\$1,595.00
Fri	04/13/2018	Receipt and review of an email from T. Dunn containing the draft agreement of purchase and sale related to the sale of equipment and inventory. Prepared the teaser document and drafted an ad for insolvency insider. Arranged to have the ad placed in insolvency insider. Further sent an email containing the teaser document to known liquidators in the industry requesting expression of interest. Instructed S. Postal to post an ad with the Globe regarding same. Receipt and review of emails from various interested parties requesting confidentiality agreement and asset listing.	2.70	\$290.00	\$783.00
Mon	04/16/2018	Email exchanges with various interested parties. Prepared and sent NDA. Email exchanges with T. Dunn regarding a disclaimer for the asset listing. Prepared the asset listing and sent it to parties who signed the NDA. Telephone conversation with various interested parties, answered queries regarding the sales process. Email exchanges with S. Postal regarding placing an ad in the Globe for the sale of assets. Review and approved the advertisement. Email exchanges with F. Kamaris regarding Phase I ESA report. Email exchanges with T. Dunn regarding CFG's equipment.	2.20	\$290.00	\$638.00
Tues	04/17/2018	Travel to the premises to provide access to M. McIntosh of Maynards to view the equipment. Telephone conversations with various parties interested in purchasing the equipment. Provided NDA and Asset listing to interested parties. Email exchanges with A. Mehta regarding a water leak in the building. Telephone conversation with W. Karwala regarding the appraisal of the equipment that was obtained by RBC prior to our appointment. Discussed the equipment listing and agreed that we will sell the CFG equipment along with the other pieces of equipment. Email exchanges with T. Dunn regarding same.	3.10	\$290.00	\$899.00
Wed	04/18/2018	Receipt and review of the Phase I ESA report for both real properties. Email exchanges with potential purchasers of equipment. Sent NDA and asset listing and answered queries. Email exchanges with A. Mehta regarding the water leak in the buildings. Receipt and review of the Phase II ESA report quotation. Forwarded same to P. Gennis.	1.60	\$290.00	\$464.00
Thur	04/19/2018	Email exchanges with potential purchasers regarding NDA and asset listing.	0.50	\$290.00	\$145.00
Fri	04/20/2018	Email exchanges with various interested parties. Provided NDA and asset listing.	1.20	\$290.00	\$348.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets ¹¹³

Printed on: 5/22/18

Page 9 of 12

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Mon	04/23/2018	Email exchanges with E. Smoluch regarding the process related to the sale of assets. Advised that I will send the NDA to her and upon receipt of the signed NDA an asset listing will be provided, Prepared and sent the NDA and other relevant information. Email exchanges with J. Mainella regarding sale of real properties. Discussions with P. Gennis regarding engaging realtors and sharing appraisals with them. Sent an email to T. Dunn asking if we need to have the realtors sign an NDA prior to releasing the appraisals. Receipt and review an email from T. Dunn advising us to obtain the NDA. Sent an email to T. Dunn containing the appraisals. Receipt and review of an email from P. Gennis to W. Karwala regarding the matters that should be attended to prior to listing the buildings on the market. Receipt and review of further email exchanges between P. Gennis and W. Karwala. Email exchanges with J. Sharpe regarding setting up a site visit to view the assets.	1.20	\$290.00	\$348.00
Tues	04/24/2018	Email exchanges and telephone conversations with various parties trying to setup a site visit to view the assets. Answered queries related to the submission of bids and deposit that is required along with the bid. Further answered queries related to the occupation of the premises.	0.70	\$290.00	\$203.00
Wed	04/25/2018	Travel to the premises. Meeting with potential purchasers. Provided tour of the premises. Advised of the distinction of the three lots and how the bid should be presented to the Receiver.	3.50	\$290.00	\$1,015.00
Thur	04/26/2018	Travel to the premises. Meeting with various interested parties including Crescent Commercial, Hilco and TLC Group. Provided tour of the premises and advised of the allocation of bid amount among three lots. Answered queries. Travel back.	5.00	\$290.00	\$1,450.00
Fri	04/27/2018	Email exchanges with Bruce Lyle regarding the bid process. Set up a time for site visit for Monday. Discussions with Barrie Welding regarding purchase of assets, set up a time for site visit on Monday. Receipt and review of an email from T. Dunn containing the mutual release to release the deposit.	0.30	\$290.00	\$87.00
Mon	04/30/2018	Prepared NDA's to be signed by the realtors and secured creditors. Emailed same to P. Gennis. Email exchanges with various parties interested in putting an offer and obtaining a list of assets. Prepared and provided NDA's to various parties along with the asset listing. Reviewed the mutual release to release the deposit and provided an executed copy of same to T. Dunn.	2.80	\$290.00	\$812.00
Tues	05/01/2018	Email exchanges with T. Dunn regarding mutual release. Email exchanges with realtors to setup a time to view the properties. Email exchanges with various parties interested in purchase of assets.	0.50	\$290.00	\$145.00
Thur	05/03/2018	Email exchanges and telephone conversations with potential bidders regarding deadline and process to be followed. Email exchanges with K. Avison regarding viewing the real properties. Email exchanges with J. Herring regarding picking up the phone system subject to National Leasing security. Discussions with T. Dunn regarding setting up a separate trust account to hold the funds received from bidders as part of the bid process. Discussions with Haran and P. Gennis regarding same. Agreed that we will use a prefilling trust account to hold the funds in trust.	1.00	\$290.00	\$290.00
Fri	05/04/2018	Email exchanges with auctioneers regarding the upcoming deadline to submit bids.	0.30	\$290.00	\$87.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets

Printed on: 5/22/18

Page 10 of 12

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Mon	05/07/2018	Received and reviewed offers related to the sale process conducted by the Receiver. Prepared a bid summary. Verified whether the deposits were received along with the offers. Telephone conversations with various parties who submitted an offer to purchase the assets. Answered queries and advised that I will be in touch upon review of the offers.	2.00	\$290.00	\$580.00
Tues	05/08/2018	Travel to the premises of the company. Attended meeting with J. Herring, provided him to access to remove the phone system leased from National Leasing. Meeting with A. Miller and his group, provided them with the tour of the premises and answered questions regarding the real properties. Meeting with K. Avison and his group, provided him with the tour of the premises and answered questions regarding the real properties. Receipt and review of an email from T. Dunn containing an NDA to be signed by the secured parties. Sent an email to T. Dunn providing my comments regarding the NDA. Telephone calls with Corporate Assets and Infinity Solutions regarding the bids submitted by them. Receipt and review of emails from T. Dunn to G. Phoenix and G. Crossman containing the NDA. Sent an email to J. Lukez containing the NDA and asking him to sign same.	5.00	\$290.00	\$1,450.00
Wed	05/09/2018	Email exchanges with T. Dunn regarding NDA's to be signed by secured creditors. Telephone discussion with J. Lukez regarding the requirement to sign the NDA. Telephone discussion with T. Dunn regarding the sales process and the steps to have the sale approved. Updated the bid summary. Receipt and review of the signed NDA from J. Christensen.	1.20	\$290.00	\$348.00
Thur	05/10/2018	Receipt and review of an email from A. Miller asking for copies of appraisals for the two real properties. Sent an email to A. Miller providing the appraisals. Telephone conversations and email exchanges with C. Larosa regarding breakdown of the offer. Email exchanges with J. Lukez to have call to discuss the requirement to sign the NDA. Receipt and review of email exchanges between F. Kanaris and C. Stewart regarding the status of Phase II Environmental Report. Review agreement of purchase and sale.	1.20	\$290.00	\$348.00
Fri	05/11/2018	Telephone conversation and email exchanges with M. McIntosh regarding status of acceptance of the offer. Starting drafting the first report to court. Telephone conversation with J. Lukez regarding the NDA. Receipt and review of the signed NDA from J. Lukez. Prepared bid summary and provided the package to T. Dunn to be forwarded to all secured parties. Email exchanges with R. Moses regarding the court attendance and the rules regarding serving the motion materials. Receipt and review of email from T. Dunn to K. Preston, G. Phoenix and G. Crossman containing the bid package.	3.20	\$290.00	\$928.00
Mon	05/14/2018	Receipt and review of an email from T. Dunn advising that G. Phoenix advised that his client cfg is supportive of the Maynard offer. Received and reviewed an email from T. Dunn advising that J. Christensen is also supportive of the Maynards offer. Sent an email to T. Dunn asking him to provide a clean copy of the purchase agreement. Receipt and review of an email from T. Dunn containing the purchase agreement. Sent an email to T. Dunn containing my comments regarding the agreement. Receipt and review of an email from K. Yeung regarding access to premises for Toronto Hydro.	1.40	\$290.00	\$406.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets ¹¹⁵

Printed on: 5/22/18

Page 11 of 12

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul Manchanda (MMA)					
Tues	05/15/2018	Reviewed the revised APA and sent an email to T. Dunn containing my comments. Email exchanges with T. Dunn regarding the court attendance and serving motion materials. Receipt and review of the revised agreement from T. Dunn. Provide a list of TMT Ltd. assets, TMT Inc. assets and CFG assets to T. Dunn to be included in the agreement. Review of the final version of the agreement.	1.60	\$290.00	\$464.00
Wed	05/16/2018	Telephone discussion with M. McIntosh regarding the breakdown of Maynards offer between Toronto Machine Assets and CFG Assets. Sent an email to M. McIntosh regarding same. Receipt and review of an email from M. McIntosh providing a reduced net realization number for the CFG assets. Forwarded same to T. Dunn. Telephone discussion with T. Dunn regarding same and agreed that we notify CFG's counsel regarding same. Revised the bid summary document and circulated same to RBC. Telephone discussions with J. Lukez regarding same. Provided further clarification to J. Lukez. Receipt and review of an email from J. Lukez advising that RBC supports acceptance of the Maynards offer by the Receiver. Conference call with T. Dunn and G. Phoenix to discuss the reduced offer of CFG assets. G. Phoenix advised that his client is in agreement of the reduced offer. Telephone discussion with D. Blum regarding same. Receipt and review of the revised agreement of purchase and sale from T. Dunn. Forwarded same to M. McIntosh and asked him to provide the additional deposit based on the cash offer.	2.30	\$290.00	\$667.00
Thur	05/17/2018	Review of email exchanges between T. Dunn and J. Farber regarding the agreement. Email exchanges with T. Dunn regarding the payment from EGS.	0.20	\$290.00	\$58.00
Fri	05/18/2018	Email exchanges with R. Moses and T. Dunn regarding court attendance to obtain approval of the agreement of purchase and sale. Telephone discussion with R. Moses regarding same. Telephone discussion and email exchanges related to returning deposits received as part of the sales process. Receipt and review of the listing proposals from Colliers and Avison.	1.50	\$290.00	\$435.00
Mukul Manchanda (MMA)			93.00		\$26,970.00
Philip H. Gennis (PGE)					
Fri	03/02/2018	All matters post-appointment; advising staff and coordinating possession with MM.	2.50	\$445.00	\$1,112.50
Mon	03/05/2018	File status update with MM.	0.50	\$445.00	\$222.50
Tues	03/20/2018	Review and approve payables	0.10	\$445.00	\$44.50
Thur	03/22/2018	Prepare Schedule to Listing Agreements and Form of Offer for sale of real estate.	2.00	\$445.00	\$890.00
Wed	04/04/2018	Telephone discussion with Steven Pearlstein regarding Planning Act issues related to the properties.	0.50	\$445.00	\$222.50
Thur	04/05/2018	Email to Steven Pearlstein enclosing draft APS for sale of properties.	0.20	\$445.00	\$89.00
Wed	04/11/2018	Review and approve payables.	0.10	\$445.00	\$44.50
Thur	04/12/2018	Telephone discussion with Steven Pearlstein (MG); telephone discussion with Michael Goldberg (Goldberg Urban Planners) re severance application.	0.75	\$445.00	\$333.75
Wed	04/18/2018	Review Altech Environmental Report; discussions with MM; email to Steven Pearlstein	1.00	\$445.00	\$445.00
Thur	04/19/2018	Email exchange and telephone discussion with Wojtek Karwala at RBC regarding properties. Review of Counsel proposed changes to draft APS.	1.00	\$445.00	\$445.00

Filters Used:

- Time Entry Date: 1/01/70 to 5/18/18
- File Client ID: AATOMTL-R to AATOMTL-R
- Time Entry Bill Status: Un-Billed to Un-Billed
- Time Entry Bill Status: Un-Billed to Un-Billed

MSGG - Detailed Time Dockets ^{11/6}

Printed on: 5/22/18

Page 12 of 12

File Name (ID): Toronto Machine & Tool Company Ltd. (AATOMTL-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Philip H. Gennis (PGE)					
Mon	04/23/2018	Review of Counsel's proposed changes to APS; telephone discussion with Anthony Miller from Colliers regarding marketing proposal for real estate; review of proposal for Phase II Environmental Report; telephone discussion with Wojtek Karwala (RBC); detailed email to RBC regarding issues on real estate.	1.50	\$445.00	\$667.50
Tues	04/24/2018	Telephone discussion with prospective realtors; email from prospective agents	0.50	\$445.00	\$222.50
Wed	04/25/2018	Telephone discussion and email exchange with Counsel for second mortgagee.	0.50	\$445.00	\$222.50
Mon	04/30/2018	Finalizing NDA's and obtaining execution by proposed realtors; lengthy telephone discussion with Urban Planner regarding proposed severance application.	1.50	\$445.00	\$667.50
Wed	05/02/2018	Review and approve payables.	0.20	\$445.00	\$89.00
Tues	05/08/2018	Site visits and meetings with proposed realtors; email to Steven Pearlstein.	3.00	\$445.00	\$1,335.00
Philip H. Gennis (PGE)			15.85		\$7,053.25
Selwyn Postan (SPO)					
Mon	04/16/2018	Sale of Assets Advert: - Prepare, review and revise placement of advert for NTC of Sale of Assets sent to local Newspaper; Review draft for errors; Prepare affidavit for file and attend to payment of bill etc.	1.00	\$195.00	\$195.00
Selwyn Postan (SPO)			1.00		\$195.00
Total for File ID AATOMTL-R:			135.35		\$39,051.75
Grand Total:			135.35		\$39,051.75

APPENDIX “5”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

**TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.**

Respondents

AFFIDAVIT OF TIMOTHY R. DUNN
(sworn May 24, 2018)

I, **TIMOTHY R. DUNN**, of the Town of Erin, in the County of Wellington, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a partner in the law firm Minden Gross LLP, lawyers for msi Spergel inc., in its capacity as the Court-appointed receiver and manager (in such capacity, the "**Receiver**"), of the assets, undertakings and property of Toronto Machine & Tool Company Limited ("**TMT Limited**") and Toronto Machine & Tool Inc. ("**TMT Inc.**") (collectively, the "**Debtors**") and, as such, I have knowledge of the matters contained in this affidavit.

2. Attached hereto as **Exhibit "A"** and **Exhibit "B"**, respectively, are true copies of the statements of account issued by Minden Gross LLP each dated May 24, 2018 with respect to the fees and disbursements incurred by

Minden Gross in relation to the above-noted receivership for the period of February 28, 2018 to May 18, 2018 (the "**Billing Period**"). The statement of account attached as Exhibit "A" relates to TMT Limited and the statement of account attached as Exhibit "B" relates to TMT Inc.

3. During the Billing Period, the total fees billed by Minden Gross LLP were \$42,932.50, plus disbursements of \$1,206.95 and applicable taxes of \$5,700.79 for an aggregate amount of \$49,840.24. As set out in the following table, 70.3 hours were incurred by Minden Gross LLP personnel during the Billing Period, resulting in an average hourly rate of \$610.70 (exclusive of applicable taxes):

Name	Total Hours	Hourly Rate (\$)
Kenneth Kallish	7.3	675.00
Timothy R. Dunn	50.7	650.00
Rachel Moses	2.1	460.00
Steven Pearlstein	5.9	550.00
Ladi Onayemi	.2	260.00
Hayley Larkin	1.7	200.00

Christine Cavarzan	1.8	180.00
Valerie Flint	.6	205.00

4. The activities detailed in the statements of account attached as Exhibit "A" and Exhibit "B", respectively, accurately reflect the services provided by Minden Gross LLP and the rates charged are the standard hourly rates of those individuals at the firm at the time they were incurred.

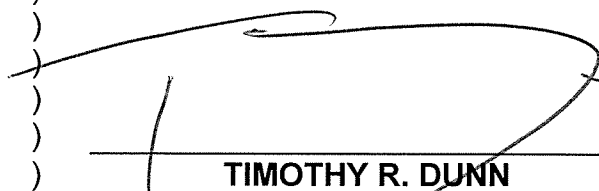
5. I swear this affidavit in support of a motion for, *inter alia*, approval of the fees and disbursements of Minden Gross LLP and for no other or improper purpose.

SWORN before me at the City of Toronto,)
in the Province of Ontario,)
this 24th day of May, 2018.)

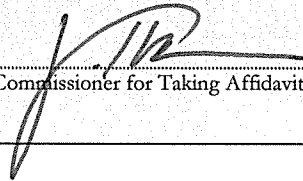
A Commissioner, etc.



#3260514 v1 | 4109084


TIMOTHY R. DUNN

This is Exhibit "A" referred to
in the Affidavit of Timothy R. Dunn
Sworn this 24th
day of May, 2018.



.....
A Commissioner for Taking Affidavits



MINDEN GROSS LLP *DS*
BARRISTERS & SOLICITORS
145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

IN ACCOUNT WITH
DATE 24-May-18
FILE NUMBER 4109084
GST/HST Reg. # 11943 7556 RT

INVOICE # 398136

PERSONAL AND CONFIDENTIAL

msi Spergel Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Attn: Mukul Manchanda

Re: Receivership of Toronto Machine & Tool Company Limited

To Professional Services:		
Our Fees:	\$20,843.00	
Disbursements:	<u>723.50</u>	
Total Fees and Disbursements:	\$21,566.50	\$21,566.50
GST/HST Tax:		
On Professional Fees:	\$2,709.59	
On Taxable Disbursements:	<u>56.71</u>	
Total GST/HST Tax:	\$2,766.30	<u>2,766.30</u>
TOTAL DUE ON THIS ACCOUNT:		\$24,332.80



FILE NUMBER

4109084

123

TO PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter:

28-Feb-18	Kallish, Kenneth	Telephone conference with Mukul re background; email correspondence re meeting with proposal Trustee; review endorsement and email correspondence with Mukul re same;	.90 hrs
28-Feb-18	Moses, Rachel	Engaged re Receivership Order;	.20 hrs
1-Mar-18	Kallish, Kenneth	Review Order; review and revise termination letter; telephone conference with Receiver re go forward strategy; arrange for registration of Order on title;	1.30 hrs
1-Mar-18	Pearlstein, Steven	Email from Ken; review order and PIN; prepare Application and Acknowledgement for registration;	1.00 hrs
1-Mar-18	Flint, Valerie	Receiving instructions from T. Hachey; conducting parcel register search; saving results into DM and providing search to T. Hachey;	.30 hrs
2-Mar-18	Pearlstein, Steven	Receive and register Receiving Order;	.50 hrs
2-Mar-18	Pearlstein, Steven	Email from and to client with registered Order;	.20 hrs
5-Mar-18	Kallish, Kenneth	Email correspondence with Mukul re tax arrears, Mack Avenue and current offer;	.60 hrs
5-Mar-18	Pearlstein, Steven	Prepare additional application to register Receiving order on second property; forward for signature by client;	.50 hrs
5-Mar-18	Pearlstein, Steven	Receive and review signed application to register Receiving order on second property;	.20 hrs
5-Mar-18	Pearlstein, Steven	Register Receiving order on second property;	.40 hrs
5-Mar-18	Onayemi, Ladi	Registered Application for Court Order.	.20 hrs
5-Mar-18	Flint, Valerie	Instructions from T. Hachey; conducting parcel register search; saving results into DM and providing same to T. Hachey;	.30 hrs
21-Mar-18	Moses, Rachel	Exchange correspondence with P. Gennis re Listing Agreement;	.10 hrs
2-Apr-18	Kallish, Kenneth	Meeting with S. Pearlstein re APA; email correspondence with Receiver re lease issue and PPSA - section 2 - telephone conference with Mukul re same;	.80 hrs
2-Apr-18	Dunn, Timothy	Reviewing Property Management Agreement and drafting e-mail to M. Manchanda with comments;	.70 hrs
2-Apr-18	Pearlstein, Steven	Meet with Kalish;	.20 hrs
2-Apr-18	Pearlstein, Steven	review PINs for two properties; review Reference Plan;	.40 hrs
3-Apr-18	Kallish, Kenneth	Telephone conference with Jaffe re real estate agent issue;	.20 hrs
3-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: Property Management Agreement;	.20 hrs
3-Apr-18	Pearlstein, Steven	Review title docs for Planning Act compliance;	.30 hrs



FILE NUMBER

4109084

124

4-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: broker holding deposit of \$200,000;	.20 hrs
4-Apr-18	Pearlstein, Steven	Telephone call with Mukul and Gennis re Planning Act merger;	.40 hrs
5-Apr-18	Kallish, Kenneth	Restructurings - telephone conference with Steven re Planning Act issue;	.20 hrs
5-Apr-18	Dunn, Timothy	Telephone call to B. Jaffe;	.30 hrs
5-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda re: instructions on real property re: next steps on return of deposit issue;	.10 hrs
5-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: letter to counsel for broker; drafting letter to B. Jaffe;	.40 hrs
5-Apr-18	Dunn, Timothy	Reviewing revisions to Property Agreement and telephone call to M. Manchanda re: same and involvement of G. Phoenix in lease issue;	.20 hrs
6-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: position of secured party mortgage lender; drafting e-mail to M. Manchanda re: same;	.20 hrs
6-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: response to B. Jaffe letter;	.20 hrs
6-Apr-18	Dunn, Timothy	Reviewing correspondence and documents received from G. Crossman re: purported security interest of John Christenson re: 38 Milne; reviewing searches;	.40 hrs
6-Apr-18	Dunn, Timothy	Preparing draft APA;	1.10 hrs
10-Apr-18	Kallish, Kenneth	Email correspondence re teaser letter and confidentiality agreement;	.20 hrs
10-Apr-18	Dunn, Timothy	Preparing Teaser; receiving e-mail from B. Jaffe; drafting e-mail to B. Jaffe;	.50 hrs
10-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: teaser and G. Phoenix letter;	.20 hrs
10-Apr-18	Dunn, Timothy	Telephone call from B. Jaffe re: position of broker - wants meeting with receiver and listing agreement;	.20 hrs
10-Apr-18	Dunn, Timothy	Preparing Confidentiality Agreement;	.30 hrs
11-Apr-18	Dunn, Timothy	Revising APS; drafting e-mail to M. Manchanda;	.80 hrs
11-Apr-18	Pearlstein, Steven	Review draft APS;	1.00 hrs
12-Apr-18	Dunn, Timothy	Revising APS;	.50 hrs
12-Apr-18	Dunn, Timothy	Exchange e-mails with B. Jaffe;	.20 hrs
12-Apr-18	Dunn, Timothy	Exchange further e-mails with B. Jaffe re: request for release etc.;	.20 hrs
12-Apr-18	Dunn, Timothy	Revising APS; drafting e-mail to M. Manchanda re: same;	.30 hrs
12-Apr-18	Pearlstein, Steven	Telephone call with Philip re severance; email with comments;	.40 hrs





13-Apr-18	Dunn, Timothy	Revising APA;	.20 hrs
13-Apr-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: draft APA;	.10 hrs
13-Apr-18	Dunn, Timothy	Telephone call to G. Crossman;	.10 hrs
16-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: disclaimer;	.20 hrs
16-Apr-18	Dunn, Timothy	Receiving list of assets and prepare disclaimer notice;	.30 hrs
16-Apr-18	Dunn, Timothy	Telephone call to G. Crossman re: J. Christensen security interest; reviewing APA and revising same; revising e-mail to M. Manchanda; telephone call to G. Phoenix;	.90 hrs
16-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: disclaimer;	.20 hrs
16-Apr-18	Dunn, Timothy	Telephone call from G. Crossman re: position of John Christensen; telephone call to S. Pearlstein re: severance issues;	.70 hrs
17-Apr-18	Dunn, Timothy	Revising APA and e-mail to M. Manchanda;	.30 hrs
17-Apr-18	Dunn, Timothy	Exchange e-mails with K. Preston; meeting with W. Karwala and P. Gennis re: sale process; meeting with G. Phoenix re: sale to proceed with entitlement and allocation to be determined later;	.60 hrs
18-Apr-18	Dunn, Timothy	Reviewing Hilco amendments to NDA; drafting e-mail to M. Manchanda;	.20 hrs
23-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: real estate agent request for appraisal; telephone call to M. Manchanda re: same and response to RBC;	.20 hrs
24-Apr-18	Pearlstein, Steven	Telephone call with Crossman;	.20 hrs
25-Apr-18	Pearlstein, Steven	Email from Spergel and Crossman re Phase II;;	.20 hrs
26-Apr-18	Dunn, Timothy	Telephone call from B. Jaffe re: release of deposit;	.10 hrs
26-Apr-18	Dunn, Timothy	Telephone call to B. Jaffe;	.10 hrs
27-Apr-18	Dunn, Timothy	Receiving e-mail from B. Jaffe's office re: Mutual Release;	.10 hrs
1-May-18	Dunn, Timothy	Receiving e-mail from B. Jaffe re: execution of Release;	.10 hrs
1-May-18	Dunn, Timothy	Exchange e-mails with B. Jaffe and drafting e-mail to M. Manchanda re: confirmation of release execution requested by W. Karwala;	.20 hrs
2-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda and drafting e-mail to B. Jaffe re: executed Release (including confirmation section);	.20 hrs
3-May-18	Dunn, Timothy	Telephone call from M. Manchanda re: deposit issues;	.10 hrs
3-May-18	Dunn, Timothy	Telephone call from M. Manchanda re: Non-Disclosure Agreements, bids due Monday and deposit issues;	.30 hrs
7-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: offer summary; telephone call from M. Manchanda re: next steps;	.40 hrs



7-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: NDA format;	.20 hrs
7-May-18	Dunn, Timothy	Drafting NDA;	.30 hrs
7-May-18	Dunn, Timothy	Telephone call to K. Preston re: timing for approval motion; drafting e-mail to R. Moses re: sale approval timing;	.20 hrs
7-May-18	Dunn, Timothy	Exchange e-mails with R. Moses re: approval issues;	.20 hrs
7-May-18	Dunn, Timothy	Drafting follow up e-mail to B. Jaffe re: need executed release and confirmation that deposit returned;	.10 hrs
8-May-18	Dunn, Timothy	Preparing closing documents;	1.00 hrs
8-May-18	Dunn, Timothy	Exchange e-mails with B. Jaffe re: execution of waiver/release and return of original deposit;	.20 hrs
8-May-18	Dunn, Timothy	Revising NDA and drafting e-mail to M. Manchanda re: same;	.20 hrs
9-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: confirmation of documents to be delivered to Christensen;	.10 hrs
9-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: bill summary and e-mail to G. Crossman;	.20 hrs
9-May-18	Moses, Rachel	Consideration re Receiver's Motion;	.20 hrs
10-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: service timing for approval materials;	.10 hrs
10-May-18	Dunn, Timothy	Receiving e-mail from J. Lukez re: NDA issue;	.10 hrs
11-May-18	Dunn, Timothy	Receiving e-mail from K. Preston re: timing for approval motion;	.10 hrs
11-May-18	Moses, Rachel	Exchange correspondence with M. Manchanda re Receiver's Motion;	.10 hrs
11-May-18	Moses, Rachel	Exchange correspondence with K. Preston re Motion;	.20 hrs
14-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: APA;	.20 hrs
14-May-18	Dunn, Timothy	Telephone call from G. Crossman re: client agreeable to Maynard offer; drafting e-mail to M. Manchanda re: same;	.30 hrs
14-May-18	Dunn, Timothy	Telephone call from K. Preston re: Bank contemplating offers;	.20 hrs
15-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: comments on APA and closing documents;	.20 hrs
15-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: no response from RBC yet and drafting of closing documents is underway;	.20 hrs
15-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: service timing issues for approval motion etc. and drafting e-mail to R. Moses re: same;	.20 hrs
15-May-18	Dunn, Timothy	Receiving e-mail from R. Moses re: short service issues and receiving e-mail from M. Manchanda re: asset listing;	.20 hrs
15-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: revisions to APA; revising closing documents;	.50 hrs



FILE NUMBER

4109084 /27

15-May-18	Moses, Rachel	Exchange correspondence with M. Manchanda re Receiver's motion;	.20 hrs
16-May-18	Dunn, Timothy	Telephone call from M. Manchanda re: next steps with stakeholders and revisions to APA;	.20 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: receiver not filing the SRED audit given current priorities claims; receiving e-mail from J. Lukez re: RBC accepts Maynards offer;	.20 hrs
16-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: revised APA; telephone call from M. Manchanda re: revisions to APA;	.30 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. McIntosh and M. Manchanda re: timing for approval and closing; drafting e-mail to R. Moses re: court materials;	.20 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: fees approval issues and timing;	.10 hrs
16-May-18	Dunn, Timothy	Telephone call from R. Moses re: next steps for approval of sale, conduct and fees;	.20 hrs
16-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: report and next steps; receiving e-mail from M. Manchanda re: size of potential SRED is greater than expected - review whether it is feasible to pursue;	.20 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: report expected tomorrow in draft and subject to executed APA and enhanced deposit;	.10 hrs
16-May-18	Moses, Rachel	Exchange correspondence with M. Manchanda re Receiver's Motion;	.20 hrs
17-May-18	Dunn, Timothy	Receiving e-mail from J. Farber re: counsel for Purchaser (Maynards); drafting e-mail to J. Farber re: APA;	.20 hrs
17-May-18	Dunn, Timothy	Drafting follow up e-mail to B. Jaffe re: mutual release etc.; drafting follow up e-mail to M. Manchanda;	.20 hrs
17-May-18	Dunn, Timothy	Telephone call to J. Farber re: comments on APA; drafting e-mail to M. Manchanda re: same;	.30 hrs
17-May-18	Dunn, Timothy	Telephone call from M. Manchanda; exchange e-mails with R. Moses re: new court date etc.;	.40 hrs
17-May-18	Moses, Rachel	Engaged re correspondence exchange with Commercial List re Motion dates;	.20 hrs
17-May-18	Cavarzan, C.	Prepare fee affidavit;	.30 hrs
17-May-18	Cavarzan, C.	Prepare draft notice of motion;	.30 hrs
17-May-18	Cavarzan, C.	Prepare service list;	.50 hrs
17-May-18	Cavarzan, C.	Prepare correspondence to service list re motion record;	.30 hrs



FILE NUMBER

4109084

128

17-May-18	Cavarzan, C.	Prepare affidavit of service;	.20 hrs
18-May-18	Dunn, Timothy	Receiving e-mail from R. Moses re: no court time in June; receiving e-mail from B. Jaffe re: deposit still not collected by original purchaser;	.20 hrs
18-May-18	Moses, Rachel	Telephone call and exchange correspondence with M. Manchanda;	.20 hrs
18-May-18	Moses, Rachel	Prepare 9:30 Hearing Request and exchange correspondence with A. Anissimova re 9:30 Hearing;	.20 hrs
18-May-18	Moses, Rachel	Exchange correspondence with K. Preston re Receiver's Motion;	.10 hrs
18-May-18	Cavarzan, C.	Prepare 9:30 Commercial List Hearing request and correspondence to court;	.20 hrs
Our Fee:			20,843.00
GST/HST:			2,709.59
Total Fees and GST/HST:			<hr/> \$23,552.59
Disbursements:			
Agent Service/Filing/Registration Fees		185.00	
File Notice of Motion - Non Taxable		160.00	
Writ Search (OWL/CSP)		130.00	
Litigation Transaction Levy		100.00	
Register Document General - Non Taxable		127.30	
Registration Service Fees (Teraview)		21.20	
Total Disbursements:		<hr/> \$723.50	
GST/HST on taxable disbursements:		56.71	
		<hr/> \$780.21	\$780.21
TOTAL DUE ON THIS ACCOUNT:			<hr/> <hr/> \$24,332.80



FILE NUMBER

4109084

29

PRE-BILL SUMMARY INFORMATION

Name	Professional Category	Area of Legal Expertise	Rate Per Hour	Region	Total Hours	Total Value
Kallish, Kenneth	Senior Partner	BANKRUPTCY	675.00	Tor.	4.20	\$2,835.00
Dunn, Timothy	Senior Partner	BANKRUPTCY	650.00	Tor.	20.60	\$13,390.00
Moses, Rachel	Junior Partner	LITIGATION	460.00	Tor.	1.90	\$874.00
Pearlstein, Steven	Senior Partner	REAL ESTATE	550.00	Tor.	5.90	\$3,245.00
ONAYEMI, LADI	Junior Assoc	REAL ESTATE	260.00	Tor.	0.20	\$52.00
Cavarzan, C.	Clerk-Liti	LITI. CLERKS	180.00	Tor.	1.80	\$324.00
Flint, Valerie	Clerk-Liti	LITI. CLERKS	205.00	Tor.	0.60	\$123.00
			Totals:		35.2	\$20,843.00



MINDEN GROSS LLP ¹³⁰
BARRISTERS & SOLICITORS
145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

REMITTANCE PAGE

IN ACCOUNT WITH
DATE 24-May-18
FILE NUMBER 4109084
GST/HST Reg. # 11943 7556 RT
INVOICE # 398136

PERSONAL AND CONFIDENTIAL

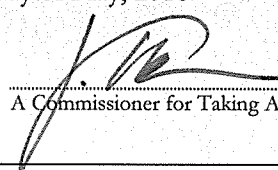
msi Spergel Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Attn: Mukul Manchanda

For professional services rendered in connection with the above-noted matter.

Our Fees	20,843.00
GST/HST	2,709.59
Disbursements	723.50
GST/HST on taxable disbursements	56.71
TOTAL AMOUNT DUE ON THIS ACCOUNT	\$24,332.80

For payment by wire transfer requiring our banking information please contact Accounts Receivable at (416) 369-4328.

This is Exhibit "B" referred to
in the Affidavit of Timothy R. Dunn
Sworn this 24th
day of May, 2018.



A Commissioner for Taking Affidavits



MINDEN GROSS LLP
BARRISTERS & SOLICITORS
145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

IN ACCOUNT WITH
DATE 24-May-18
FILE NUMBER 4109084
GST/HST Reg. # 11943 7556 RT
INVOICE # 398135

PERSONAL AND CONFIDENTIAL

msi Spergel Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Attn: Mukul Manchanda

Re: Receivership of Toronto Machine & Tool Inc.

To Professional Services:		
Our Fees:	\$22,089.50	
Disbursements:	483.45	
Total Fees and Disbursements:	<u>\$22,572.95</u>	\$22,572.95
 GST/HST Tax:		
On Professional Fees:	\$2,871.64	
On Taxable Disbursements:	62.85	
Total GST/HST Tax:	<u>\$2,934.49</u>	<u>2,934.49</u>
 TOTAL DUE ON THIS ACCOUNT:		 \$25,507.44



FILE NUMBER

4109084

133

TO PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter:

2-Mar-18	Kallish, Kenneth	Telephone conference with Mukul re removing property from premises by owner;	.20 hrs
5-Mar-18	Moses, Rachel	Telephone call with M. Manchanda re marketing process;	.10 hrs
7-Mar-18	Kallish, Kenneth	Review terms of proposed invoice re sale of inventory; telephone conference with Mukul re same and revise;	.80 hrs
12-Mar-18	Kallish, Kenneth	Email correspondence with Receiver re position of real estate agent;	.20 hrs
12-Mar-18	Dunn, Timothy	Reviewing background material and e-mail from M. Manchanda re: issue of whether vehicle can be released by receiver the leasor;	.30 hrs
12-Mar-18	Dunn, Timothy	Reviewing PPSA search, lease agreement and consider PMSI requirements; telephone call to M. Manchanda re: same;	.80 hrs
12-Mar-18	Dunn, Timothy	Drafting e-mail to K. Kallish;	.10 hrs
13-Mar-18	Kallish, Kenneth	Review emails re SKF issues and telephone conference with Mukul re same and other estate issues;	.40 hrs
13-Mar-18	Kallish, Kenneth	Draft letter to real estate agent;	.20 hrs
13-Mar-18	Dunn, Timothy	Reviewing PPSA and s.46(4) cases and preparing e-mail to M. Manchanda re: deficiencies with Donway financing statement and advising that the same would likely be cured;	.40 hrs
13-Mar-18	Dunn, Timothy	Telephone call from M. Manchanda re: review of Donway security; revising e-mail to M. Manchanda;	.30 hrs
19-Mar-18	Kallish, Kenneth	Telephone conference with Receiver re certificate to RBC - \$30,000;	.20 hrs
27-Mar-18	Kallish, Kenneth	Consider Certified Fixture lease and email correspondence with Receiver re same;	.40 hrs
27-Mar-18	Larkin, Hayley	Research PPSA section 2	.20 hrs
29-Mar-18	Larkin, Hayley	Research PPSA section 2	.20 hrs
2-Apr-18	Dunn, Timothy	Meeting with K. Kallish re: receivership issues and next steps;	.20 hrs
2-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: RAS agreement;	.20 hrs
2-Apr-18	Larkin, Hayley	Research for KKK	1.30 hrs
3-Apr-18	Dunn, Timothy	Reviewing file;	.20 hrs
4-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: PPSA priority of lease issues and exchange e-mails with K. Kallish re: same;	.20 hrs
4-Apr-18	Dunn, Timothy	Reviewing file, equipment lease and priorities issue and telephone call to M. Manchanda re: same; meeting with K. Kallish re: next steps;	.50 hrs
4-Apr-18	Dunn, Timothy	Drafting e-mail to K. Preston re: RBC security;	.10 hrs





FILE NUMBER

4109084

134

5-Apr-18	Dunn, Timothy	Telephone call from G. Phoenix re: lease issue and allegation that leased assets are subject to security interest;	.30 hrs
5-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda;	.10 hrs
6-Apr-18	Dunn, Timothy	Drafting e-mail to G. Phoenix re: timing for sale process; receiving e-mail from K. Preston re: RBC security;	.20 hrs
6-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda;	.10 hrs
6-Apr-18	Dunn, Timothy	Exchange e-mails with G. Phoenix re: lease of equipment issue; exchange e-mails with M. Manchanda re: same;	.40 hrs
9-Apr-18	Dunn, Timothy	Receiving RBC security and receiving e-mail from M. Manchanda re: Christensen claim; telephone call re: same; telephone call to R. Dodick re: only unsecured creditor therefore can't get more info than ordinary disclosure;	.80 hrs
9-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: teaser; exchange e-mails with M. Manchanda re: same;	.20 hrs
9-Apr-18	Dunn, Timothy	Telephone call from R. Dodick;	.10 hrs
9-Apr-18	Dunn, Timothy	Receiving letter from G. Phoenix re: position of CFG/AG re: certain equipment in possession of receiver;	.30 hrs
10-Apr-18	Dunn, Timothy	Telephone call to R. Dodick; drafting e-mail to M. Manchanda re: G. Phoenix letter and legal analysis;	.20 hrs
10-Apr-18	Dunn, Timothy	Telephone call from R. Dodick re: role as proposal trustee for Inc. but creditor for both Inc. and Limited;	.30 hrs
10-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: disputed equipment issue;	.20 hrs
10-Apr-18	Dunn, Timothy	Reviewing equipment lease issue with CFG; research PPSA and telephone call to M. Manchanda re: same; telephone call to K. Preston;	1.10 hrs
10-Apr-18	Dunn, Timothy	Telephone call to G. Phoenix re: CFG equipment issue; drafting e-mail to K. Preston;	.20 hrs
10-Apr-18	Dunn, Timothy	Telephone call from K. Preston re: CFG issue and proposed solution on sale of equipment;	.20 hrs
10-Apr-18	Dunn, Timothy	Receiving e-mails from R. Dodick;	.20 hrs
11-Apr-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: update on discussion with RBC counsel re: equipment lease security issue;	.10 hrs
11-Apr-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: CFG issue and next steps;	.10 hrs
11-Apr-18	Dunn, Timothy	Drafting follow up e-mail to G. Phoenix;	.10 hrs
11-Apr-18	Dunn, Timothy	Telephone call from G. Phoenix re: en bloc sale;	.30 hrs
11-Apr-18	Dunn, Timothy	Telephone call from K. Preston re: comments on claim by CFG and concern with veracity of documents;	.30 hrs



FILE NUMBER

4109084

135

13-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda; receiving and reviewing e-mail from G. Phoenix re: additional information; receiving and reviewing teaser document;	.40 hrs
13-Apr-18	Dunn, Timothy	Drafting response to G. Phoenix re: sale process and timing and drafting e-mail to K. Preston re: position of G. Phoenix;	.30 hrs
16-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: update with CFG and G. Crossman;	.20 hrs
17-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: next steps; exchange e-mails with M. Manchanda re: bankruptcy of Toronto Inc. and drafting e-mail to R. Dodick re: same;	.40 hrs
17-Apr-18	Dunn, Timothy	Drafting e-mail to R. Dodick re: seeking confirmation that Toronto Inc. is bankrupt;	.10 hrs
18-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: Toronto Inc. bankruptcy status and exchange e-mails with R. Dodick re: same;	.30 hrs
18-Apr-18	Dunn, Timothy	Exchange e-mails with G. Phoenix re: confirmation of sale process steps;	.20 hrs
18-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: no deemed bankruptcy on HST deemed trust issue; receiving e-mail from M. Manchanda re: Hilco comments on NDA; receiving e-mail from M. Manchanda re: overpayment by vendor;	.30 hrs
18-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda re same;	.10 hrs
18-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: deemed trust issues and response to Hilco and return of overpaid A/R;	.30 hrs
18-Apr-18	Dunn, Timothy	Receiving and reviewing Report of Proposal Trustee re: Toronto Inc.;	.20 hrs
19-Apr-18	Dunn, Timothy	Research BIA re: deemed trust priority issues and reviewing CRA statements re: same;	.60 hrs
19-Apr-18	Dunn, Timothy	Drafting e-mail to K. Preston re: CRA deemed trust issues;	.10 hrs
19-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda re: CRA issues; research BIA re: deemed trust;	.30 hrs
19-Apr-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: HST priority issues;	.10 hrs
20-Apr-18	Kallish, Kenneth	Email correspondence re HST/source deduction arrears;	.30 hrs
20-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: deemed trust issues;	.20 hrs
20-Apr-18	Dunn, Timothy	Telephone call from K. Preston re: deemed trust issues and RBC will likely seek to bankrupt Inc.;	.30 hrs
23-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: bankruptcy re: HST revenue; receiving e-mail from R. Dodick re: request for interim R&D;	.20 hrs
23-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda re: Callidus case affect on secured creditors;	.20 hrs



FILE NUMBER

4109084

136

23-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda and reviewing draft e-mail to RBC re: deemed trust issue;	.30 hrs
23-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: account matters; exchange e-mails with M. Manchanda re: appraisals;	.30 hrs
23-Apr-18	Dunn, Timothy	Exchange e-mails with K. Preston re: RBC proceeding to bankrupt Inc.	.20 hrs
23-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: CRA deemed trust issue;	.10 hrs
23-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: whether consent of receiver is required for RBC to proceed with motion to bankrupt Inc.;	.20 hrs
24-Apr-18	Dunn, Timothy	Reviewing Appointment Order and drafting e-mail to M. Manchanda re: same;	.20 hrs
25-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda and telephone call to M. Manchanda re: EGS;	.30 hrs
25-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: set off issue with EGS;	.10 hrs
26-Apr-18	Dunn, Timothy	Research BIA re: set-off and drafting e-mail to M. Manchanda re: EGS set-off claim;	.40 hrs
26-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: next steps with EGS;	.20 hrs
27-Apr-18	Dunn, Timothy	Receiving draft letter to EGS and reviewing same;	.20 hrs
27-Apr-18	Dunn, Timothy	Reviewing proposal letter to EGS and drafting e-mail to M. Manchanda re: suggested amendments;	.20 hrs
27-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: set-off issue and release of deposit issue;	.20 hrs
27-Apr-18	Dunn, Timothy	Receiving e-mails from M. Manchanda re: EGS collection issue;	.20 hrs
27-Apr-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: mutual release;	.10 hrs
30-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: Mutual Release and drafting e-mail to B. Jaffe re: same;	.20 hrs
1-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda;	.20 hrs
3-May-18	Dunn, Timothy	Telephone call from M. Manchanda;	.10 hrs
3-May-18	Dunn, Timothy	Telephone call to M. Manchanda re next steps;	.10 hrs
3-May-18	Dunn, Timothy	Drafting e-mail to K. Preston re: motion to annul bankruptcy;	.10 hrs
4-May-18	Dunn, Timothy	Telephone call from K. Preston re: motion to annul; reviewing proposed trustee report and drafting e-mail to K. Preston re: same;	.60 hrs
7-May-18	Dunn, Timothy	Exchange e-mails with K. Preston re: timing for bankruptcy and sale approval;	.20 hrs





FILE NUMBER

4109084

137

8-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: NDA distribution and drafting e-mails to G. Phoenix and G. Crossman re: same;	.30 hrs
8-May-18	Dunn, Timothy	Revising NDAs; drafting e-mails to G. Phoenix and R. Crossman; receiving e-mail from M. Manchanda re: RBC NDA;	.30 hrs
8-May-18	Dunn, Timothy	Receiving and reviewing e-mail from K. Preston re: RBC motion to annul bankruptcy and reviewing draft Affidavit re: same;	.30 hrs
8-May-18	Dunn, Timothy	Receiving e-mail from R. Dodick re: offer summary request;	.10 hrs
8-May-18	Dunn, Timothy	Receiving e-mail from R. Dodick;	.10 hrs
9-May-18	Dunn, Timothy	Exchange e-mails with R. Dodick;	.20 hrs
9-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: next steps with CFG and exchange e-mails with G. Phoenix re: NDA; exchange e-mails with R. Moses re: approval motion and consider next steps;	.50 hrs
9-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: NDA to be signed by Bank; exchange e-mails with G. Crossman re: NDA by T. Christensen;	.30 hrs
9-May-18	Dunn, Timothy	Telephone call to M. Manchanda re: next steps on receivable collection etc.; exchange e-mails with G. Crossman re: dating of NDA and next steps;	.40 hrs
9-May-18	Dunn, Timothy	Telephone call to G. Phoenix re: NDA and next steps;	.10 hrs
10-May-18	Dunn, Timothy	Telephone calls from and to K. Preston; telephone call to M. Manchanda re: NDA issues and motion timing;	.50 hrs
10-May-18	Dunn, Timothy	Reviewing Affidavit of Monteforte re: annulling bankruptcy and exchange e-mails with M. Manchanda re: timing for motion and drafting e-mail to K. Preston re: same;	.30 hrs
10-May-18	Dunn, Timothy	Reviewing Dodick invoices etc.;	.20 hrs
10-May-18	Dunn, Timothy	Telephone call from G. Phoenix re: timing for NDA; telephone call to G. Phoenix re: next steps;	.20 hrs
10-May-18	Dunn, Timothy	Receiving e-mail from K. Preston re: confirmation that 30 minutes booked on May 29, 2018 for bankruptcy annulment motion;	.10 hrs
10-May-18	Dunn, Timothy	Reviewing ESG issue and drafting demand letter for payment of A/R;	.30 hrs
10-May-18	Moses, Rachel	Review correspondence from K. Preston re Motion;	.10 hrs
11-May-18	Dunn, Timothy	Telephone calls to and from G. Phoenix re: follow up on NDA;	.20 hrs
11-May-18	Dunn, Timothy	Telephone calls from and to G. Phoenix; exchange e-mails with M. Manchanda re: offer summary and drafting e-mail to creditors re: same; receiving RBC NDA;	.70 hrs
11-May-18	Dunn, Timothy	Telephone call from G. Phoenix;	.10 hrs
11-May-18	Dunn, Timothy	Telephone call from G. Phoenix re: next steps on priorities issue;	.20 hrs





FILE NUMBER

4109084

138

11-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: demand letter to ESG;	.20 hrs
11-May-18	Dunn, Timothy	Exchange e-mails with L. Barbosa re: payment by ESG;	.20 hrs
11-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: ESG payment amount and next steps;	.20 hrs
14-May-18	Kallish, Kenneth	Review bid summaries;	.20 hrs
14-May-18	Dunn, Timothy	Follow up on offer summary with counsel for Christensen and CFG;	.20 hrs
14-May-18	Dunn, Timothy	Telephone call to G. Phoenix; telephone call to G. Crossman;	.30 hrs
14-May-18	Dunn, Timothy	Telephone call from K. Preston;	.10 hrs
14-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: position of Phoenix and Crossman; telephone call to K. Preston; telephone call from G. Crossman;	.50 hrs
14-May-18	Dunn, Timothy	Receiving e-mail from G. Phoenix re: confirmation of agreement to accept Maynard offer;	.10 hrs
15-May-18	Dunn, Timothy	Receiving and reviewing RBC Motion Record; drafting e-mail to M. Manchanda and R. Moses re: same;	.10 hrs
15-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: CFG asset list; reviewing APA and schedules; exchange e-mails with M. Manchanda re: CFG and next steps;	1.00 hrs
16-May-18	Dunn, Timothy	Exchange series of e-mails with M. Manchanda re: revisions on Maynards offer re: CFG assets and telephone call to M. Manchanda re: same;	.50 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. McIntosh re: value of CFG assets;	.10 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: R. Dodick does not believe he is obliged to act as trustee;	.10 hrs
16-May-18	Dunn, Timothy	Exchange series of e-mails with M. Manchanda re: revisions to spreadsheet of offers; telephone call to G. Phoenix and telephone call from M. Manchanda re: RBC position on sale offers;	.40 hrs
16-May-18	Dunn, Timothy	Drafting e-mail to G. Phoenix;	.10 hrs
16-May-18	Dunn, Timothy	Telephone call from G. Phoenix and conference call with M. Manchanda re: clarification on Maynards offer re: CFG;	.30 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from G. Phoenix re: Maynards offer; telephone call to G. Phoenix re: exclusive of CFG assets in Maynards offer;	.20 hrs
16-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: amendment to APA and revising APA; telephone call from G. Phoenix re: seeking instructions from client on \$105,000 and advised G. Phoenix we are proceeding in any case;	.50 hrs
16-May-18	Dunn, Timothy	Exchange e-mails with G. Phoenix re: position of his client on \$105,000 prospective price and drafting e-mail to M. Manchanda re: same;	.20 hrs





FILE NUMBER

4109084

139

17-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: EGS payment has been made; telephone call from M. Manchanda re: report and allocation of fees;	.40 hrs
17-May-18	Dunn, Timothy	Receiving e-mail from R. Dodick re: does not consent to act as trustee in bankruptcy;	.10 hrs
18-May-18	Kallish, Kenneth	Email correspondence re same status;	.20 hrs
18-May-18	Dunn, Timothy	Receiving e-mail from J. Farber re: enquiries re: CFG assets and telephone call to J. Farber re: same;	.30 hrs
Our Fee:			22,089.50
GST/HST:			2,871.64
Total Fees and GST/HST:			<hr/> \$24,961.14
Disbursements:			
	Black Binders/Binding	34.90	
	Photocopy/Document Impression	180.25	
	Search Bankruptcy - Superintendent of Bankruptcy	24.00	
	Search Corporate	8.50	
	Search Corporate - Profile Report	81.00	
	Search PPSA	42.20	
	Search Sec. 427 of Bank Act	28.00	
	Subsearch Disbursements	84.60	
Total Disbursements:		<hr/> \$483.45	
GST/HST on taxable disbursements:		62.85	
		<hr/> \$546.30	\$546.30
TOTAL DUE ON THIS ACCOUNT:			<hr/> <hr/> \$25,507.44



FILE NUMBER 4109084

140

PRE-BILL SUMMARY INFORMATION

Name	Professional Category	Area of Legal Expertise	Rate Per Hour	Region	Total Hours	Total Value
Kallish, Kenneth	Senior Partner	BANKRUPTCY	675.00	Tor.	3.10	\$2,092.50
Dunn, Timothy	Senior Partner	BANKRUPTCY	650.00	Tor.	30.10	\$19,565.00
Moses, Rachel	Junior Partner	LITIGATION	460.00	Tor.	0.20	\$92.00
Larkin, Hayley	Articling Stud	STUDENT	200.00	Tor.	1.70	\$340.00
			Totals:		35.1	\$22,089.50



MINDEN GROSS LLP
BARRISTERS & SOLICITORS
145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

141

REMITTANCE PAGE

IN ACCOUNT WITH
DATE 24-May-18
FILE NUMBER 4109084
GST/HST Reg. # 11943 7556 RT
INVOICE # 398135

PERSONAL AND CONFIDENTIAL

msi Spergel Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Attn: Mukul Manchanda

For professional services rendered in connection with the above-noted matter.

Our Fees	22,089.50
GST/HST	2,871.64
Disbursements	483.45
GST/HST on taxable disbursements	62.85
TOTAL AMOUNT DUE ON THIS ACCOUNT	\$25,507.44

For payment by wire transfer requiring our banking information please contact Accounts Receivable at (416) 369-4328.

APPENDIX “6”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

**TORONTO MACHINE & TOOL COMPANY LIMITED,
TORONTO MACHINE & TOOL INC.**

Respondents

AFFIDAVIT OF TIMOTHY R. DUNN
(sworn May 24, 2018)

I, **TIMOTHY R. DUNN**, of the Town of Erin, in the County of Wellington, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a partner in the law firm Minden Gross LLP, lawyers for msi Spergel inc., in its capacity as the Court-appointed receiver and manager (in such capacity, the "**Receiver**"), of the assets, undertakings and property of Toronto Machine & Tool Company Limited ("**TMT Limited**") and Toronto Machine & Tool Inc. ("**TMT Inc.**") (collectively, the "**Debtors**") and, as such, I have knowledge of the matters contained in this affidavit.

2. Attached hereto as **Exhibit "A"** and **Exhibit "B"**, respectively, are true copies of the statements of account issued by Minden Gross LLP each dated May 24, 2018 with respect to the fees and disbursements incurred by

Minden Gross in relation to the above-noted receivership for the period of February 28, 2018 to May 18, 2018 (the "**Billing Period**"). The statement of account attached as Exhibit "A" relates to TMT Limited and the statement of account attached as Exhibit "B" relates to TMT Inc.

3. During the Billing Period, the total fees billed by Minden Gross LLP were \$42,932.50, plus disbursements of \$1,206.95 and applicable taxes of \$5,700.79 for an aggregate amount of \$49,840.24. As set out in the following table, 70.3 hours were incurred by Minden Gross LLP personnel during the Billing Period, resulting in an average hourly rate of \$610.70 (exclusive of applicable taxes):

Name	Total Hours	Hourly Rate (\$)
Kenneth Kallish	7.3	675.00
Timothy R. Dunn	50.7	650.00
Rachel Moses	2.1	460.00
Steven Pearlstein	5.9	550.00
Ladi Onayemi	.2	260.00
Hayley Larkin	1.7	200.00

Christine Cavarzan	1.8	180.00
Valerie Flint	.6	205.00

4. The activities detailed in the statements of account attached as Exhibit "A" and Exhibit "B", respectively, accurately reflect the services provided by Minden Gross LLP and the rates charged are the standard hourly rates of those individuals at the firm at the time they were incurred.

5. I swear this affidavit in support of a motion for, *inter alia*, approval of the fees and disbursements of Minden Gross LLP and for no other or improper purpose.

SWORN before me at the City of Toronto,
in the Province of Ontario,
this 24th day of May, 2018.

A Commissioner, etc.



#3260514 v1 | 4109084

)
)
)
)
)
)
)
)

TIMOTHY R. DUNN

This is Exhibit "A" referred to
in the Affidavit of Timothy R. Dunn
Sworn this 24th
day of May, 2018.



.....
A Commissioner for Taking Affidavits



MINDEN GROSS LLP 147
BARRISTERS & SOLICITORS
145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

IN ACCOUNT WITH
DATE 24-May-18
FILE NUMBER 4109084
GST/HST Reg. # 11943 7556 RT
INVOICE # 398136

PERSONAL AND CONFIDENTIAL

msi Spergel Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Attn: Mukul Manchanda

Re: Receivership of Toronto Machine & Tool Company Limited

To Professional Services:

Our Fees:	\$20,843.00	
Disbursements:	723.50	
Total Fees and Disbursements:	<u>\$21,566.50</u>	\$21,566.50

GST/HST Tax:

On Professional Fees:	\$2,709.59	
On Taxable Disbursements:	56.71	
Total GST/HST Tax:	<u>\$2,766.30</u>	<u>2,766.30</u>

TOTAL DUE ON THIS ACCOUNT: \$24,332.80



FILE NUMBER

4109084

148

TO PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter:

28-Feb-18	Kallish, Kenneth	Telephone conference with Mukul re background; email correspondence re meeting with proposal Trustee; review endorsement and email correspondence with Mukul re same;	.90 hrs
28-Feb-18	Moses, Rachel	Engaged re Receivership Order;	.20 hrs
1-Mar-18	Kallish, Kenneth	Review Order; review and revise termination letter; telephone conference with Receiver re go forward strategy; arrange for registration of Order on title;	1.30 hrs
1-Mar-18	Pearlstein, Steven	Email from Ken; review order and PIN; prepare Application and Acknowledgement for registration;	1.00 hrs
1-Mar-18	Flint, Valerie	Receiving instructions from T. Hachey; conducting parcel register search; saving results into DM and providing search to T. Hachey;	.30 hrs
2-Mar-18	Pearlstein, Steven	Receive and register Receiving Order;	.50 hrs
2-Mar-18	Pearlstein, Steven	Email from and to client with registered Order;	.20 hrs
5-Mar-18	Kallish, Kenneth	Email correspondence with Mukul re tax arrears, Mack Avenue and current offer;	.60 hrs
5-Mar-18	Pearlstein, Steven	Prepare additional application to register Receiving order on second property; forward for signature by client;	.50 hrs
5-Mar-18	Pearlstein, Steven	Receive and review signed application to register Receiving order on second property;	.20 hrs
5-Mar-18	Pearlstein, Steven	Register Receiving order on second property;	.40 hrs
5-Mar-18	Onayemi, Ladi	Registered Application for Court Order.	.20 hrs
5-Mar-18	Flint, Valerie	Instructions from T. Hachey; conducting parcel register search; saving results into DM and providing same to T. Hachey;	.30 hrs
21-Mar-18	Moses, Rachel	Exchange correspondence with P. Gennis re Listing Agreement;	.10 hrs
2-Apr-18	Kallish, Kenneth	Meeting with S. Pearlstein re APA; email correspondence with Receiver re lease issue and PPSA - section 2 - telephone conference with Mukul re same;	.80 hrs
2-Apr-18	Dunn, Timothy	Reviewing Property Management Agreement and drafting e-mail to M. Manchanda with comments;	.70 hrs
2-Apr-18	Pearlstein, Steven	Meet with Kalish;	.20 hrs
2-Apr-18	Pearlstein, Steven	review PINs for two properties; review Reference Plan;	.40 hrs
3-Apr-18	Kallish, Kenneth	Telephone conference with Jaffe re real estate agent issue;	.20 hrs
3-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: Property Management Agreement;	.20 hrs
3-Apr-18	Pearlstein, Steven	Review title docs for Planning Act compliance;	.30 hrs



FILE NUMBER

4109084

149

4-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: broker holding deposit of \$200,000;	.20 hrs
4-Apr-18	Pearlstein, Steven	Telephone call with Mukul and Gennis re Planning Act merger;	.40 hrs
5-Apr-18	Kallish, Kenneth	Restructurings - telephone conference with Steven re Planning Act issue;	.20 hrs
5-Apr-18	Dunn, Timothy	Telephone call to B. Jaffe;	.30 hrs
5-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda re: instructions on real property re: next steps on return of deposit issue;	.10 hrs
5-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: letter to counsel for broker; drafting letter to B. Jaffe;	.40 hrs
5-Apr-18	Dunn, Timothy	Reviewing revisions to Property Agreement and telephone call to M. Manchanda re: same and involvement of G. Phoenix in lease issue;	.20 hrs
6-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: position of secured party mortgage lender; drafting e-mail to M. Manchanda re: same;	.20 hrs
6-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: response to B. Jaffe letter;	.20 hrs
6-Apr-18	Dunn, Timothy	Reviewing correspondence and documents received from G. Crossman re: purported security interest of John Christenson re: 38 Milne; reviewing searches;	.40 hrs
6-Apr-18	Dunn, Timothy	Preparing draft APA;	1.10 hrs
10-Apr-18	Kallish, Kenneth	Email correspondence re teaser letter and confidentiality agreement;	.20 hrs
10-Apr-18	Dunn, Timothy	Preparing Teaser; receiving e-mail from B. Jaffe; drafting e-mail to B. Jaffe;	.50 hrs
10-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: teaser and G. Phoenix letter;	.20 hrs
10-Apr-18	Dunn, Timothy	Telephone call from B. Jaffe re: position of broker - wants meeting with receiver and listing agreement;	.20 hrs
10-Apr-18	Dunn, Timothy	Preparing Confidentiality Agreement;	.30 hrs
11-Apr-18	Dunn, Timothy	Revising APS; drafting e-mail to M. Manchanda;	.80 hrs
11-Apr-18	Pearlstein, Steven	Review draft APS;	1.00 hrs
12-Apr-18	Dunn, Timothy	Revising APS;	.50 hrs
12-Apr-18	Dunn, Timothy	Exchange e-mails with B. Jaffe;	.20 hrs
12-Apr-18	Dunn, Timothy	Exchange further e-mails with B. Jaffe re: request for release etc.;	.20 hrs
12-Apr-18	Dunn, Timothy	Revising APS; drafting e-mail to M. Manchanda re: same;	.30 hrs
12-Apr-18	Pearlstein, Steven	Telephone call with Philip re severance; email with comments;	.40 hrs



13-Apr-18	Dunn, Timothy	Revising APA;	.20 hrs
13-Apr-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: draft APA;	.10 hrs
13-Apr-18	Dunn, Timothy	Telephone call to G. Crossman;	.10 hrs
16-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: disclaimer;	.20 hrs
16-Apr-18	Dunn, Timothy	Receiving list of assets and prepare disclaimer notice;	.30 hrs
16-Apr-18	Dunn, Timothy	Telephone call to G. Crossman re: J. Christensen security interest; reviewing APA and revising same; revising e-mail to M. Manchanda; telephone call to G. Phoenix;	.90 hrs
16-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: disclaimer;	.20 hrs
16-Apr-18	Dunn, Timothy	Telephone call from G. Crossman re: position of John Christensen; telephone call to S. Pearlstein re: severance issues;	.70 hrs
17-Apr-18	Dunn, Timothy	Revising APA and e-mail to M. Manchanda;	.30 hrs
17-Apr-18	Dunn, Timothy	Exchange e-mails with K. Preston; meeting with W. Karwala and P. Gennis re: sale process; meeting with G. Phoenix re: sale to proceed with entitlement and allocation to be determined later;	.60 hrs
18-Apr-18	Dunn, Timothy	Reviewing Hilco amendments to NDA; drafting e-mail to M. Manchanda;	.20 hrs
23-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: real estate agent request for appraisal; telephone call to M. Manchanda re: same and response to RBC;	.20 hrs
24-Apr-18	Pearlstein, Steven	Telephone call with Crossman;	.20 hrs
25-Apr-18	Pearlstein, Steven	Email from Spergel and Crossman re Phase II;;	.20 hrs
26-Apr-18	Dunn, Timothy	Telephone call from B. Jaffe re: release of deposit;	.10 hrs
26-Apr-18	Dunn, Timothy	Telephone call to B. Jaffe;	.10 hrs
27-Apr-18	Dunn, Timothy	Receiving e-mail from B. Jaffe's office re: Mutual Release;	.10 hrs
1-May-18	Dunn, Timothy	Receiving e-mail from B. Jaffe re: execution of Release;	.10 hrs
1-May-18	Dunn, Timothy	Exchange e-mails with B. Jaffe and drafting e-mail to M. Manchanda re: confirmation of release execution requested by W. Karwala;	.20 hrs
2-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda and drafting e-mail to B. Jaffe re: executed Release (including confirmation section);	.20 hrs
3-May-18	Dunn, Timothy	Telephone call from M. Manchanda re: deposit issues;	.10 hrs
3-May-18	Dunn, Timothy	Telephone call from M. Manchanda re: Non-Disclosure Agreements, bids due Monday and deposit issues;	.30 hrs
7-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: offer summary; telephone call from M. Manchanda re: next steps;	.40 hrs



FILE NUMBER

4109084

151

7-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: NDA format;	.20 hrs
7-May-18	Dunn, Timothy	Drafting NDA;	.30 hrs
7-May-18	Dunn, Timothy	Telephone call to K. Preston re: timing for approval motion; drafting e-mail to R. Moses re: sale approval timing;	.20 hrs
7-May-18	Dunn, Timothy	Exchange e-mails with R. Moses re: approval issues;	.20 hrs
7-May-18	Dunn, Timothy	Drafting follow up e-mail to B. Jaffe re: need executed release and confirmation that deposit returned;	.10 hrs
8-May-18	Dunn, Timothy	Preparing closing documents;	1.00 hrs
8-May-18	Dunn, Timothy	Exchange e-mails with B. Jaffe re: execution of waiver/release and return of original deposit;	.20 hrs
8-May-18	Dunn, Timothy	Revising NDA and drafting e-mail to M. Manchanda re: same;	.20 hrs
9-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: confirmation of documents to be delivered to Christensen;	.10 hrs
9-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: bill summary and e-mail to G. Crossman;	.20 hrs
9-May-18	Moses, Rachel	Consideration re Receiver's Motion;	.20 hrs
10-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: service timing for approval materials;	.10 hrs
10-May-18	Dunn, Timothy	Receiving e-mail from J. Lukez re: NDA issue;	.10 hrs
11-May-18	Dunn, Timothy	Receiving e-mail from K. Preston re: timing for approval motion;	.10 hrs
11-May-18	Moses, Rachel	Exchange correspondence with M. Manchanda re Receiver's Motion;	.10 hrs
11-May-18	Moses, Rachel	Exchange correspondence with K. Preston re Motion;	.20 hrs
14-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: APA;	.20 hrs
14-May-18	Dunn, Timothy	Telephone call from G. Crossman re: client agreeable to Maynard offer; drafting e-mail to M. Manchanda re: same;	.30 hrs
14-May-18	Dunn, Timothy	Telephone call from K. Preston re: Bank contemplating offers;	.20 hrs
15-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: comments on APA and closing documents;	.20 hrs
15-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: no response from RBC yet and drafting of closing documents is underway;	.20 hrs
15-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: service timing issues for approval motion etc. and drafting e-mail to R. Moses re: same;	.20 hrs
15-May-18	Dunn, Timothy	Receiving e-mail from R. Moses re: short service issues and receiving e-mail from M. Manchanda re: asset listing;	.20 hrs
15-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: revisions to APA; revising closing documents;	.50 hrs



FILE NUMBER

4109084

152

15-May-18	Moses, Rachel	Exchange correspondence with M. Manchanda re Receiver's motion;	.20 hrs
16-May-18	Dunn, Timothy	Telephone call from M. Manchanda re: next steps with stakeholders and revisions to APA;	.20 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: receiver not filing the SRED audit given current priorities claims; receiving e-mail from J. Lukez re: RBC accepts Maynards offer;	.20 hrs
16-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: revised APA; telephone call from M. Manchanda re: revisions to APA;	.30 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. McIntosh and M. Manchanda re: timing for approval and closing; drafting e-mail to R. Moses re: court materials;	.20 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: fees approval issues and timing;	.10 hrs
16-May-18	Dunn, Timothy	Telephone call from R. Moses re: next steps for approval of sale, conduct and fees;	.20 hrs
16-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: report and next steps; receiving e-mail from M. Manchanda re: size of potential SRED is greater than expected - review whether it is feasible to pursue;	.20 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: report expected tomorrow in draft and subject to executed APA and enhanced deposit;	.10 hrs
16-May-18	Moses, Rachel	Exchange correspondence with M. Manchanda re Receiver's Motion;	.20 hrs
17-May-18	Dunn, Timothy	Receiving e-mail from J. Farber re: counsel for Purchaser (Maynards); drafting e-mail to J. Farber re: APA;	.20 hrs
17-May-18	Dunn, Timothy	Drafting follow up e-mail to B. Jaffe re: mutual release etc.; drafting follow up e-mail to M. Manchanda;	.20 hrs
17-May-18	Dunn, Timothy	Telephone call to J. Farber re: comments on APA; drafting e-mail to M. Manchanda re: same;	.30 hrs
17-May-18	Dunn, Timothy	Telephone call from M. Manchanda; exchange e-mails with R. Moses re: new court date etc.;	.40 hrs
17-May-18	Moses, Rachel	Engaged re correspondence exchange with Commercial List re Motion dates;	.20 hrs
17-May-18	Cavarzan, C.	Prepare fee affidavit;	.30 hrs
17-May-18	Cavarzan, C.	Prepare draft notice of motion;	.30 hrs
17-May-18	Cavarzan, C.	Prepare service list;	.50 hrs
17-May-18	Cavarzan, C.	Prepare correspondence to service list re motion record;	.30 hrs



FILE NUMBER

4109084

153

17-May-18	Cavarzan, C.	Prepare affidavit of service;	.20 hrs
18-May-18	Dunn, Timothy	Receiving e-mail from R. Moses re: no court time in June; receiving e-mail from B. Jaffe re: deposit still not collected by original purchaser;	.20 hrs
18-May-18	Moses, Rachel	Telephone call and exchange correspondence with M. Manchanda;	.20 hrs
18-May-18	Moses, Rachel	Prepare 9:30 Hearing Request and exchange correspondence with A. Anissimova re 9:30 Hearing;	.20 hrs
18-May-18	Moses, Rachel	Exchange correspondence with K. Preston re Receiver's Motion;	.10 hrs
18-May-18	Cavarzan, C.	Prepare 9:30 Commercial List Hearing request and correspondence to court;	.20 hrs
Our Fee:			20,843.00
GST/HST:			2,709.59
Total Fees and GST/HST:			<hr/> \$23,552.59
Disbursements:			
Agent Service/Filing/Registration Fees		185.00	
File Notice of Motion - Non Taxable		160.00	
Writ Search (OWL/CSP)		130.00	
Litigation Transaction Levy		100.00	
Register Document General - Non Taxable		127.30	
Registration Service Fees (Teraview)		21.20	
Total Disbursements:		<hr/> \$723.50	
GST/HST on taxable disbursements:		56.71	
		<hr/> \$780.21	\$780.21
TOTAL DUE ON THIS ACCOUNT:			<hr/> <hr/> \$24,332.80



FILE NUMBER

4109084

154

PRE-BILL SUMMARY INFORMATION

Name	Professional Category	Area of Legal Expertise	Rate Per Hour	Region	Total Hours	Total Value
Kallish, Kenneth	Senior Partner	BANKRUPTCY	675.00	Tor.	4.20	\$2,835.00
Dunn, Timothy	Senior Partner	BANKRUPTCY	650.00	Tor.	20.60	\$13,390.00
Moses, Rachel	Junior Partner	LITIGATION	460.00	Tor.	1.90	\$874.00
Pearlstein, Steven	Senior Partner	REAL ESTATE	550.00	Tor.	5.90	\$3,245.00
ONAYEMI, LADI	Junior Assoc	REAL ESTATE	260.00	Tor.	0.20	\$52.00
Cavarzan, C.	Clerk-Liti	LITI. CLERKS	180.00	Tor.	1.80	\$324.00
Flint, Valerie	Clerk-Liti	LITI. CLERKS	205.00	Tor.	0.60	\$123.00
			Totals:		35.2	\$20,843.00



MINDEN GROSS LLP
BARRISTERS & SOLICITORS
145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

155

REMITTANCE PAGE

IN ACCOUNT WITH
DATE 24-May-18
FILE NUMBER 4109084
GST/HST Reg. # 11943 7556 RT
INVOICE # 398136

PERSONAL AND CONFIDENTIAL

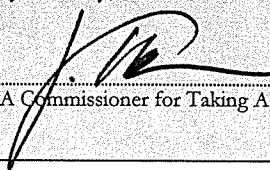
msi Spergel Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Attn: Mukul Manchanda

For professional services rendered in connection with the above-noted matter.

Our Fees	20,843.00
GST/HST	2,709.59
Disbursements	723.50
GST/HST on taxable disbursements	56.71
TOTAL AMOUNT DUE ON THIS ACCOUNT	\$24,332.80

For payment by wire transfer requiring our banking information please contact Accounts Receivable at (416) 369-4328.

This is Exhibit "B" referred to
in the Affidavit of Timothy R. Dunn
Sworn this 24th
day of May, 2018.



.....
A Commissioner for Taking Affidavits



MINDEN GROSS LLP
BARRISTERS & SOLICITORS
145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

157

IN ACCOUNT WITH
DATE 24-May-18
FILE NUMBER 4109084
GST/HST Reg. # 11943 7556 RT
INVOICE # 398135

PERSONAL AND CONFIDENTIAL

msi Spergel Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Attn: Mukul Manchanda

Re: Receivership of Toronto Machine & Tool Inc.

To Professional Services:		
Our Fees:	\$22,089.50	
Disbursements:	483.45	
Total Fees and Disbursements:	<u>\$22,572.95</u>	\$22,572.95
 GST/HST Tax:		
On Professional Fees:	\$2,871.64	
On Taxable Disbursements:	62.85	
Total GST/HST Tax:	<u>\$2,934.49</u>	<u>2,934.49</u>
 TOTAL DUE ON THIS ACCOUNT:		 \$25,507.44



TO PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter:

2-Mar-18	Kallish, Kenneth	Telephone conference with Mukul re removing property from premises by owner;	.20 hrs
5-Mar-18	Moses, Rachel	Telephone call with M. Manchanda re marketing process;	.10 hrs
7-Mar-18	Kallish, Kenneth	Review terms of proposed invoice re sale of inventory; telephone conference with Mukul re same and revise;	.80 hrs
12-Mar-18	Kallish, Kenneth	Email correspondence with Receiver re position of real estate agent;	.20 hrs
12-Mar-18	Dunn, Timothy	Reviewing background material and e-mail from M. Manchanda re: issue of whether vehicle can be released by receiver the leasor;	.30 hrs
12-Mar-18	Dunn, Timothy	Reviewing PPSA search, lease agreement and consider PMSI requirements; telephone call to M. Manchanda re: same;	.80 hrs
12-Mar-18	Dunn, Timothy	Drafting e-mail to K. Kallish;	.10 hrs
13-Mar-18	Kallish, Kenneth	Review emails re SKF issues and telephone conference with Mukul re same and other estate issues;	.40 hrs
13-Mar-18	Kallish, Kenneth	Draft letter to real estate agent;	.20 hrs
13-Mar-18	Dunn, Timothy	Reviewing PPSA and s.46(4) cases and preparing e-mail to M. Manchanda re: deficiencies with Donway financing statement and advising that the same would likely be cured;	.40 hrs
13-Mar-18	Dunn, Timothy	Telephone call from M. Manchanda re: review of Donway security; revising e-mail to M. Manchanda;	.30 hrs
19-Mar-18	Kallish, Kenneth	Telephone conference with Receiver re certificate to RBC - \$30,000;	.20 hrs
27-Mar-18	Kallish, Kenneth	Consider Certified Fixture lease and email correspondence with Receiver re same;	.40 hrs
27-Mar-18	Larkin, Hayley	Research PPSA section 2	.20 hrs
29-Mar-18	Larkin, Hayley	Research PPSA section 2	.20 hrs
2-Apr-18	Dunn, Timothy	Meeting with K. Kallish re: receivership issues and next steps;	.20 hrs
2-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: RAS agreement;	.20 hrs
2-Apr-18	Larkin, Hayley	Research for KLK	1.30 hrs
3-Apr-18	Dunn, Timothy	Reviewing file;	.20 hrs
4-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: PPSA priority of lease issues and exchange e-mails with K. Kallish re: same;	.20 hrs
4-Apr-18	Dunn, Timothy	Reviewing file, equipment lease and priorities issue and telephone call to M. Manchanda re: same; meeting with K. Kallish re: next steps;	.50 hrs
4-Apr-18	Dunn, Timothy	Drafting e-mail to K. Preston re: RBC security;	.10 hrs



FILE NUMBER

4109084

154

5-Apr-18	Dunn, Timothy	Telephone call from G. Phoenix re: lease issue and allegation that leased assets are subject to security interest;	.30 hrs
5-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda;	.10 hrs
6-Apr-18	Dunn, Timothy	Drafting e-mail to G. Phoenix re: timing for sale process; receiving e-mail from K. Preston re: RBC security;	.20 hrs
6-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda;	.10 hrs
6-Apr-18	Dunn, Timothy	Exchange e-mails with G. Phoenix re: lease of equipment issue; exchange e-mails with M. Manchanda re: same;	.40 hrs
9-Apr-18	Dunn, Timothy	Receiving RBC security and receiving e-mail from M. Manchanda re: Christensen claim; telephone call re: same; telephone call to R. Dodick re: only unsecured creditor therefore can't get more info than ordinary disclosure;	.80 hrs
9-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: teaser; exchange e-mails with M. Manchanda re: same;	.20 hrs
9-Apr-18	Dunn, Timothy	Telephone call from R. Dodick;	.10 hrs
9-Apr-18	Dunn, Timothy	Receiving letter from G. Phoenix re: position of CFG/AG re: certain equipment in possession of receiver;	.30 hrs
10-Apr-18	Dunn, Timothy	Telephone call to R. Dodick; drafting e-mail to M. Manchanda re: G. Phoenix letter and legal analysis;	.20 hrs
10-Apr-18	Dunn, Timothy	Telephone call from R. Dodick re: role as proposal trustee for Inc. but creditor for both Inc. and Limited;	.30 hrs
10-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: disputed equipment issue;	.20 hrs
10-Apr-18	Dunn, Timothy	Reviewing equipment lease issue with CFG; research PPSA and telephone call to M. Manchanda re: same; telephone call to K. Preston;	1.10 hrs
10-Apr-18	Dunn, Timothy	Telephone call to G. Phoenix re: CFG equipment issue; drafting e-mail to K. Preston;	.20 hrs
10-Apr-18	Dunn, Timothy	Telephone call from K. Preston re: CFG issue and proposed solution on sale of equipment;	.20 hrs
10-Apr-18	Dunn, Timothy	Receiving e-mails from R. Dodick;	.20 hrs
11-Apr-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: update on discussion with RBC counsel re: equipment lease security issue;	.10 hrs
11-Apr-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: CFG issue and next steps;	.10 hrs
11-Apr-18	Dunn, Timothy	Drafting follow up e-mail to G. Phoenix;	.10 hrs
11-Apr-18	Dunn, Timothy	Telephone call from G. Phoenix re: en bloc sale;	.30 hrs
11-Apr-18	Dunn, Timothy	Telephone call from K. Preston re: comments on claim by CFG and concern with veracity of documents;	.30 hrs



FILE NUMBER

4109084

160

13-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda; receiving and reviewing e-mail from G. Phoenix re: additional information; receiving and reviewing teaser document;	.40 hrs
13-Apr-18	Dunn, Timothy	Drafting response to G. Phoenix re: sale process and timing and drafting e-mail to K. Preston re: position of G. Phoenix;	.30 hrs
16-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: update with CFG and G. Crossman;	.20 hrs
17-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: next steps; exchange e-mails with M. Manchanda re: bankruptcy of Toronto Inc. and drafting e-mail to R. Dodick re: same;	.40 hrs
17-Apr-18	Dunn, Timothy	Drafting e-mail to R. Dodick re: seeking confirmation that Toronto Inc. is bankrupt;	.10 hrs
18-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: Toronto Inc. bankruptcy status and exchange e-mails with R. Dodick re: same;	.30 hrs
18-Apr-18	Dunn, Timothy	Exchange e-mails with G. Phoenix re: confirmation of sale process steps;	.20 hrs
18-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: no deemed bankruptcy on HST deemed trust issue; receiving e-mail from M. Manchanda re: Hilco comments on NDA; receiving e-mail from M. Manchanda re: overpayment by vendor;	.30 hrs
18-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda re same;	.10 hrs
18-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: deemed trust issues and response to Hilco and return of overpaid A/R;	.30 hrs
18-Apr-18	Dunn, Timothy	Receiving and reviewing Report of Proposal Trustee re: Toronto Inc.;	.20 hrs
19-Apr-18	Dunn, Timothy	Research BIA re: deemed trust priority issues and reviewing CRA statements re: same;	.60 hrs
19-Apr-18	Dunn, Timothy	Drafting e-mail to K. Preston re: CRA deemed trust issues;	.10 hrs
19-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda re: CRA issues; research BIA re: deemed trust;	.30 hrs
19-Apr-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: HST priority issues;	.10 hrs
20-Apr-18	Kallish, Kenneth	Email correspondence re HST/source deduction arrears;	.30 hrs
20-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: deemed trust issues;	.20 hrs
20-Apr-18	Dunn, Timothy	Telephone call from K. Preston re: deemed trust issues and RBC will likely seek to bankrupt Inc.;	.30 hrs
23-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: bankruptcy re: HST revenue; receiving e-mail from R. Dodick re: request for interim R&D;	.20 hrs
23-Apr-18	Dunn, Timothy	Telephone call to M. Manchanda re: Callidus case affect on secured creditors;	.20 hrs



FILE NUMBER

4109084

/66/

23-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda and reviewing draft e-mail to RBC re: deemed trust issue;	.30 hrs
23-Apr-18	Dunn, Timothy	Telephone call from M. Manchanda re: account matters; exchange e-mails with M. Manchanda re: appraisals;	.30 hrs
23-Apr-18	Dunn, Timothy	Exchange e-mails with K. Preston re: RBC proceeding to bankrupt Inc.	.20 hrs
23-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: CRA deemed trust issue;	.10 hrs
23-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: whether consent of receiver is required for RBC to proceed with motion to bankrupt Inc.;	.20 hrs
24-Apr-18	Dunn, Timothy	Reviewing Appointment Order and drafting e-mail to M. Manchanda re: same;	.20 hrs
25-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda and telephone call to M. Manchanda re: EGS;	.30 hrs
25-Apr-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: set off issue with EGS;	.10 hrs
26-Apr-18	Dunn, Timothy	Research BIA re: set-off and drafting e-mail to M. Manchanda re: EGS set-off claim;	.40 hrs
26-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: next steps with EGS;	.20 hrs
27-Apr-18	Dunn, Timothy	Receiving draft letter to EGS and reviewing same;	.20 hrs
27-Apr-18	Dunn, Timothy	Reviewing proposal letter to EGS and drafting e-mail to M. Manchanda re: suggested amendments;	.20 hrs
27-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: set-off issue and release of deposit issue;	.20 hrs
27-Apr-18	Dunn, Timothy	Receiving e-mails from M. Manchanda re: EGS collection issue;	.20 hrs
27-Apr-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: mutual release;	.10 hrs
30-Apr-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: Mutual Release and drafting e-mail to B. Jaffe re: same;	.20 hrs
1-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda;	.20 hrs
3-May-18	Dunn, Timothy	Telephone call from M. Manchanda;	.10 hrs
3-May-18	Dunn, Timothy	Telephone call to M. Manchanda re next steps;	.10 hrs
3-May-18	Dunn, Timothy	Drafting e-mail to K. Preston re: motion to annul bankruptcy;	.10 hrs
4-May-18	Dunn, Timothy	Telephone call from K. Preston re: motion to annul; reviewing proposed trustee report and drafting e-mail to K. Preston re: same;	.60 hrs
7-May-18	Dunn, Timothy	Exchange e-mails with K. Preston re: timing for bankruptcy and sale approval;	.20 hrs



8-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: NDA distribution and drafting e-mails to G. Phoenix and G. Crossman re: same;	.30 hrs
8-May-18	Dunn, Timothy	Revising NDAs; drafting e-mails to G. Phoenix and R. Crossman; receiving e-mail from M. Manchanda re: RBC NDA;	.30 hrs
8-May-18	Dunn, Timothy	Receiving and reviewing e-mail from K. Preston re: RBC motion to annul bankruptcy and reviewing draft Affidavit re: same;	.30 hrs
8-May-18	Dunn, Timothy	Receiving e-mail from R. Dodick re: offer summary request;	.10 hrs
8-May-18	Dunn, Timothy	Receiving e-mail from R. Dodick;	.10 hrs
9-May-18	Dunn, Timothy	Exchange e-mails with R. Dodick;	.20 hrs
9-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: next steps with CFG and exchange e-mails with G. Phoenix re: NDA; exchange e-mails with R. Moses re: approval motion and consider next steps;	.50 hrs
9-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: NDA to be signed by Bank; exchange e-mails with G. Crossman re: NDA by T. Christensen;	.30 hrs
9-May-18	Dunn, Timothy	Telephone call to M. Manchanda re: next steps on receivable collection etc.; exchange e-mails with G. Crossman re: dating of NDA and next steps;	.40 hrs
9-May-18	Dunn, Timothy	Telephone call to G. Phoenix re: NDA and next steps;	.10 hrs
10-May-18	Dunn, Timothy	Telephone calls from and to K. Preston; telephone call to M. Manchanda re: NDA issues and motion timing;	.50 hrs
10-May-18	Dunn, Timothy	Reviewing Affidavit of Monteforte re: annulling bankruptcy and exchange e-mails with M. Manchanda re: timing for motion and drafting e-mail to K. Preston re: same;	.30 hrs
10-May-18	Dunn, Timothy	Reviewing Dodick invoices etc.;	.20 hrs
10-May-18	Dunn, Timothy	Telephone call from G. Phoenix re: timing for NDA; telephone call to G. Phoenix re: next steps;	.20 hrs
10-May-18	Dunn, Timothy	Receiving e-mail from K. Preston re: confirmation that 30 minutes booked on May 29, 2018 for bankruptcy annulment motion;	.10 hrs
10-May-18	Dunn, Timothy	Reviewing ESG issue and drafting demand letter for payment of A/R;	.30 hrs
10-May-18	Moses, Rachel	Review correspondence from K. Preston re Motion;	.10 hrs
11-May-18	Dunn, Timothy	Telephone calls to and from G. Phoenix re: follow up on NDA;	.20 hrs
11-May-18	Dunn, Timothy	Telephone calls from and to G. Phoenix; exchange e-mails with M. Manchanda re: offer summary and drafting e-mail to creditors re: same; receiving RBC NDA;	.70 hrs
11-May-18	Dunn, Timothy	Telephone call from G. Phoenix;	.10 hrs
11-May-18	Dunn, Timothy	Telephone call from G. Phoenix re: next steps on priorities issue;	.20 hrs



11-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: demand letter to ESG;	.20 hrs
11-May-18	Dunn, Timothy	Exchange e-mails with L. Barbosa re: payment by ESG;	.20 hrs
11-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: ESG payment amount and next steps;	.20 hrs
14-May-18	Kallish, Kenneth	Review bid summaries;	.20 hrs
14-May-18	Dunn, Timothy	Follow up on offer summary with counsel for Christensen and CFG;	.20 hrs
14-May-18	Dunn, Timothy	Telephone call to G. Phoenix; telephone call to G. Crossman;	.30 hrs
14-May-18	Dunn, Timothy	Telephone call from K. Preston;	.10 hrs
14-May-18	Dunn, Timothy	Exchange e-mails with M. Manchanda re: position of Phoenix and Crossman; telephone call to K. Preston; telephone call from G. Crossman;	.50 hrs
14-May-18	Dunn, Timothy	Receiving e-mail from G. Phoenix re: confirmation of agreement to accept Maynard offer;	.10 hrs
15-May-18	Dunn, Timothy	Receiving and reviewing RBC Motion Record; drafting e-mail to M. Manchanda and R. Moses re: same;	.10 hrs
15-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: CFG asset list; reviewing APA and schedules; exchange e-mails with M. Manchanda re: CFG and next steps;	1.00 hrs
16-May-18	Dunn, Timothy	Exchange series of e-mails with M. Manchanda re: revisions on Maynards offer re: CFG assets and telephone call to M. Manchanda re: same;	.50 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. McIntosh re: value of CFG assets;	.10 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: R. Dodick does not believe he is obliged to act as trustee;	.10 hrs
16-May-18	Dunn, Timothy	Exchange series of e-mails with M. Manchanda re: revisions to spreadsheet of offers; telephone call to G. Phoenix and telephone call from M. Manchanda re: RBC position on sale offers;	.40 hrs
16-May-18	Dunn, Timothy	Drafting e-mail to G. Phoenix;	.10 hrs
16-May-18	Dunn, Timothy	Telephone call from G. Phoenix and conference call with M. Manchanda re: clarification on Maynards offer re: CFG;	.30 hrs
16-May-18	Dunn, Timothy	Receiving e-mail from G. Phoenix re: Maynards offer; telephone call to G. Phoenix re: exclusive of CFG assets in Maynards offer;	.20 hrs
16-May-18	Dunn, Timothy	Drafting e-mail to M. Manchanda re: amendment to APA and revising APA; telephone call from G. Phoenix re: seeking instructions from client on \$105,000 and advised G. Phoenix we are proceeding in any case;	.50 hrs
16-May-18	Dunn, Timothy	Exchange e-mails with G. Phoenix re: position of his client on \$105,000 prospective price and drafting e-mail to M. Manchanda re: same;	.20 hrs



FILE NUMBER

4109084

104

17-May-18	Dunn, Timothy	Receiving e-mail from M. Manchanda re: EGS payment has been made; telephone call from M. Manchanda re: report and allocation of fees;	.40 hrs	
17-May-18	Dunn, Timothy	Receiving e-mail from R. Dodick re: does not consent to act as trustee in bankruptcy;	.10 hrs	
18-May-18	Kallish, Kenneth	Email correspondence re same status;	.20 hrs	
18-May-18	Dunn, Timothy	Receiving e-mail from J. Farber re: enquiries re: CFG assets and telephone call to J. Farber re: same;	.30 hrs	
Our Fee:				22,089.50
GST/HST:				2,871.64
Total Fees and GST/HST:				<hr/> \$24,961.14
Disbursements:				
	Black Binders/Binding		34.90	
	Photocopy/Document Impression		180.25	
	Search Bankruptcy - Superintendent of Bankruptcy		24.00	
	Search Corporate		8.50	
	Search Corporate - Profile Report		81.00	
	Search PPSA		42.20	
	Search Sec. 427 of Bank Act		28.00	
	Subsearch Disbursements		84.60	
Total Disbursements:			<hr/> \$483.45	
GST/HST on taxable disbursements:			62.85	
			<hr/> \$546.30	\$546.30
TOTAL DUE ON THIS ACCOUNT:				<hr/> <hr/> \$25,507.44



FILE NUMBER

4109084

165

PRE-BILL SUMMARY INFORMATION

Name	Professional Category	Area of Legal Expertise	Rate Per Hour	Region	Total Hours	Total Value
Kallish, Kenneth	Senior Partner	BANKRUPTCY	675.00	Tor.	3.10	\$2,092.50
Dunn, Timothy	Senior Partner	BANKRUPTCY	650.00	Tor.	30.10	\$19,565.00
Moses, Rachel	Junior Partner	LITIGATION	460.00	Tor.	0.20	\$92.00
Larkin, Hayley	Articling Stud	STUDENT	200.00	Tor.	1.70	\$340.00
			Totals:		35.1	\$22,089.50



MINDEN GROSS LLP
BARRISTERS & SOLICITORS
145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

166

REMITTANCE PAGE

IN ACCOUNT WITH
DATE 24-May-18
FILE NUMBER 4109084
GST/HST Reg. # 11943 7556 RT
INVOICE # 398135

PERSONAL AND CONFIDENTIAL

msi Spergel Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Attn: Mukul Manchanda

For professional services rendered in connection with the above-noted matter.

Our Fees	22,089.50
GST/HST	2,871.64
Disbursements	483.45
GST/HST on taxable disbursements	62.85
TOTAL AMOUNT DUE ON THIS ACCOUNT	\$25,507.44

For payment by wire transfer requiring our banking information please contact Accounts Receivable at (416) 369-4328.

APPENDIX “7”

District of Ontario
Division 09 - Toronto
Court No. 31-458440
Estate No. 31-458440

168

**In the matter of the receivership of
Toronto Machine & Tool Inc.
of the City of Toronto, in the Province of Ontario**
Receiver's Statement of Receipts and Disbursements
As at May 18, 2018

RECEIPTS

Asset Realization		
Cash in bank	\$ 44,234.20	
Cash on hand	209.91	
Accounts receivable	371,947.34	
Sale of inventory	<u>217,632.21</u>	\$ 634,023.66
 Miscellaneous		
HST collected	<u>28,292.24</u>	<u>28,292.24</u>

TOTAL RECEIPTS		<u><u>662,315.90</u></u>
-----------------------	--	---------------------------------

DISBURSEMENTS

Fees Paid		
To official receiver	<u>70.00</u>	70.00
 Federal and Provincial taxes		
HST paid on disbursements exclusive of fees	431.90	
HST on Receiver/Agent's Fees	<u>6,476.12</u>	6,908.02
 Miscellaneous		
Casual labour	2,677.50	
Purchases	1,152.77	
Search Fees	74.60	
Bank charges	15.00	
GST/HST remitted	21,348.47	
Change of locks	812.50	
Redirection of mail	161.65	
Receiver's fees and costs	49,816.25	
Ascend License Fee	275.00	
HST on Ascend License Fee	<u>35.75</u>	76,369.49

TOTAL DISBURSEMENTS		<u><u>83,347.51</u></u>
----------------------------	--	--------------------------------

Net Receipts over Disbursements		<u><u>\$ 578,968.39</u></u>
--	--	------------------------------------

District of Ontario
Division 09 - Toronto
Court No. 31-458441
Estate No. 31-458441

164

**In the matter of the receivership of
Toronto Machine & Tool Company Limited
of the City of Scarborough, in the Province of Ontario
Receiver's Statement of Receipts and Disbursements
As at May 18, 2018**

RECEIPTS

Asset Realization		
Cash in bank	<u>\$ 6,177.52</u>	\$ 6,177.52
Miscellaneous		
Advance from secured creditors	<u>30,000.00</u>	<u>30,000.00</u>

TOTAL RECEIPTS

36,177.52

DISBURSEMENTS

Fees Paid		
To official receiver	<u>70.00</u>	70.00
Advertising re offers	<u>1,630.77</u>	1,630.77
Premium		
Insurance	<u>5,006.61</u>	5,006.61
Federal and Provincial taxes		
HST paid on disbursements exclusive of fees	<u>3,405.35</u>	3,405.35
Miscellaneous		
Bank charges	15.00	
Utilities	10,729.20	
Appraisal fees	10,950.00	
Ascend License Fee	275.00	
Environmental consultants fees	3,000.00	
HST on Ascend License Fee	<u>35.75</u>	<u>25,004.95</u>

TOTAL DISBURSEMENTS

35,117.68

Net Receipts over Disbursements

\$ 1,059.84

CONFIDENTIAL APPENDIX 1

FILED SEPARATELY WITH THE COURT

CONFIDENTIAL APPENDIX 2

FILED SEPARATELY WITH THE COURT

CONFIDENTIAL APPENDIX 3

FILED SEPARATELY WITH THE COURT

CONFIDENTIAL APPENDIX 4

FILED SEPARATELY WITH THE COURT

CONFIDENTIAL APPENDIX 5

FILED SEPARATELY WITH THE COURT

B E T W E E N

ROYAL BANK OF CANADA
Applicant

-and-

TORONTO MACHINE & TOOL COMPANY LIMITED, et al
Respondents

Court File No. CV-17-587642-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD
(9:30 Hearing scheduled for June 5, 2018)**

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSUC# 42081V)
rmoses@mindengross.com

Tel: 416-369-4115
Fax: 416-864-9223

Lawyers for the Receiver,
msi Spergel inc.

(File No. 4109084)