

Court File Number: CV-20-00639897-0001

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Re: Eueley International Corporation
Plaintiff(s)

AND

Defendant(s)

Case Management Yes No by Judge: _____

Counsel	Telephone No:	Facsimile No:
(see attached)		

- Order Direction for Registrar (No formal order need be taken out)
 Above action transferred to the Commercial List at Toronto (No formal order need be taken out)

- Adjourned to: _____
 Time Table approved (as follows):

I conducted a case conference in this matter via zoom today in accordance with the Notice to the Profession.
A copy of this endorsement will be provided to the parties via the CL. Other
A motion date was set for June 24/00.
In the interim the parties agreed to the endorsement attached as Schedule A, which I have approved.

4 June 20

Date

Me Ent

Judge's Signature

Additional Pages _____

TM Schedule A TM

Re Eveley International Corporation - Court File No. CV-20-00639897-00CL

The terms of the appointment of msi Spergel inc. ("**Spergel**") as Receiver of Eveley International Corporation (the "**Debtor**") were adjourned to today's hearing.

The Applicant advises that it is not prepared to agree to continue to fund the Receiver for occupation rent and other amounts requested by 2565698 Ontario Inc. ("**256**") as the owner of the premises in which the Debtor formerly carried on business.

The Applicant wishes to remove its collateral from the premises. 256 objects and asserts that the applicant requires leave of the court and, in any event, as a subordinate secured creditor, 256 is entitled to redeem the Applicant's security. Argument on these and any other issues raised by 256 will be dealt with by motion returnable on June 24, 2020 at 10:00am via Zoom videoconference to be arranged by counsel for the Applicant (the "**June 24 Hearing**").

Pending the June 24 Hearing, the appointment of msi Spergel inc. as Receiver of the Debtor shall continue pursuant to the terms of the appointment of Spergel as the Interim Receiver pursuant to the Order issued on April 23, 2020, with the necessary modifications, and as further modified by the following terms:

1. the Receiver's borrowing limit shall be increased from \$100,000 to \$200,000 to fund certain expenses of the Receiver and a portion of the professional fees of the Receiver and its counsel;
2. the Receiver's request to increase the Receiver's borrowing limit by a further amount of \$100,000 is adjourned pending determination of the issues to be decided on the June 24 Hearing, which will clarify the extent, if any, of further involvement of the Receiver;
3. the requirement for the Receiver to prepare a report as to the business and operations of the Debtor referred to at paragraph 3(c) of the Order issued on April 23, 2020 shall cease;
4. pending the June 24 Hearing, the Receiver shall develop, but not implement, a marketing and sale process, such that one is ready for presentation to the parties by June 17, and to the Court, if necessary, after the determination of the June 24 Hearing; and
5. the Receiver will continue to make payments for occupation costs to 256 between today's date and June 24, 2020 but this will be without prejudice to any arguments by the Applicant that such payments are not required after today's date and any such payments should be returned by 256 in whole or part.

TM

RE: Eveley International Corporation - Court File No. CV-20-00639897-00CL

June 4, 2020

Counsel slip

R. Brendan Bissell, for the applicant

Harvey Chaiton, for 2565698 Ontario Inc.

Ian Aversa, for msi Spergel Inc. as interim receiver

Gus Camelino, for Eveley International Corporation

The emails for those attending are as follows:

bissell@gsnh.com; harvey@chaitons.com; iaversa@airdberlis.com; gcamelino@clegal.ca