

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**B E T W E E N:**

**THE BANK OF NOVA SCOTIA**

Applicant

and

**CINDERGIRLS INC.**

Respondent

**MOTION RECORD**

**(Motion for Sale Approval and Vesting Order; Discharge Order)  
(Motion scheduled for September 4, 2020 at 9:00 a.m., via video conference)**

August 26, 2020

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

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

Lawyers for the Receiver, msi Spergel inc.

**TO:  
SERVICE LIST**

## SERVICE LIST

(re: motion returnable on September 4, 2020)

NO.	NAME	METHOD OF SERVICE
1.	<b>HARRISON PENZA LLP</b> 450 Talbot Street London ON N6A 5J6  <b>Attention: Melinda Vine</b> E-mail: <a href="mailto:mvine@harrisonpensa.com">mvine@harrisonpensa.com</a>  Lawyers for The Bank of Nova Scotia	<b>BY E-MAIL TO:</b> <a href="mailto:mvinie@harrisonpensa.com">mvinie@harrisonpensa.com</a>
2.	<b>POLLOCK AND POLLOCK</b> 2462 Yonge Street, Second Floor Toronto ON M4P 2H5  <b>Attention: Robert Pollock</b> Tel: (416) 488-5323 ext. 29 Fax: (416) 488-3716 E-mail: <a href="mailto:pollockandpollock@rogers.com">pollockandpollock@rogers.com</a>  Lawyers for the Purchaser	<b>BY E-MAIL TO:</b> <a href="mailto:pollockandpollock@rogers.com">pollockandpollock@rogers.com</a>
3.	<b>HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO</b> as represented by Ministry of Finance Legal Services Branch 33 King Street West, 6th Floor Oshawa, ON L1H 8E9  <b>Attention: Kevin O'Hara</b> Senior Counsel, Ministry of Finance Tel: (905) 433-6934 Fax: (905) 436-4510 E-Mail: <a href="mailto:kevin.ohara@fin.gov.on.ca">kevin.ohara@fin.gov.on.ca</a>	<b>BY E-MAIL TO:</b> <a href="mailto:kevin.ohara@fin.gov.on.ca">kevin.ohara@fin.gov.on.ca</a>
4.	<b>CANADA REVENUE AGENCY</b> c/o Department of Justice Ontario Regional Office The Exchange Tower, Box 36 130 King Street West, Suite 3400 Toronto ON M5X 1K6  <b>Attention: Diane Winters</b> Tel: (416) 952-8563 E-Mail: <a href="mailto:diane.winters@justice.gc.ca">diane.winters@justice.gc.ca</a>	<b>BY E-MAIL TO:</b> <a href="mailto:diane.winters@justice.gc.ca">diane.winters@justice.gc.ca</a>

NO.	NAME	METHOD OF SERVICE
5.	<b>INSOLVENCY UNIT</b> Province of Ontario E-Mail: <a href="mailto:insolvency.unit@ontario.ca">insolvency.unit@ontario.ca</a>	<b>BY E-MAIL TO:</b> <a href="mailto:insolvency.unit@ontario.ca">insolvency.unit@ontario.ca</a>
6.	<b>HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE</b> House of Commons Ottawa ON K1A 0A6  <b>Attention: Diane Lebouthillier</b> E-Mail: <a href="mailto:diane.lebouthillier@parl.gc.ca">diane.lebouthillier@parl.gc.ca</a>	<b>BY E-MAIL TO:</b> <a href="mailto:diane.lebouthillier@parl.gc.ca">diane.lebouthillier@parl.gc.ca</a>
7.	<b>Municipality of Brighton</b> Linda Widdifield Director of Finance and Administrative Services Municipality of Brighton 35 Alice Street, P.O. Box 189 Brighton, Ontario K0K 1H0 Telephone (613) 475-0670, ext 205 Fax (613) 475-3453	<b>BY E-MAIL TO:</b> <a href="mailto:linda@brighton.ca">linda@brighton.ca</a>

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**TAB 1**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**B E T W E E N:**

**THE BANK OF NOVA SCOTIA**

Applicant

and

**CINDERGIRLS INC.**

Respondent

**NOTICE OF MOTION**

msi Spergel inc. ("**Spergel**"), in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**"), of the assets, undertakings and property of Cindergirls Inc., and in respect of the real property municipally known as Part Lot 3 Con Broken Front designated as Part 1, Plan 39R13426, Municipality of Brighton (PIN 51154-0553 (LT)) owned by Cindergirls Inc. (the "**Debtor**"), will make a motion to a Judge presiding over the Commercial List on Friday, September 4, 2020 at 9:00 a.m., or as soon after that time as the motion can be heard by judicial video conference via Zoom at Toronto, Ontario. Please refer to the conference details attached as Schedule A hereto in order to attend the motion and advise if you intend to join the motion by emailing Christine Cavarzan at [ccavarzan@mindengross.com](mailto:ccavarzan@mindengross.com).

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

**THE MOTION IS FOR** an Approval and Vesting Order, substantially in the form attached hereto:

- (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 August 26, 2020 (the **"First Report"**) and approving the actions of the Receiver described therein;
- (c) approving of the Receiver's interim statement of receipts and disbursements as at August 26, 2020;
- (d) approving the agreement of purchase and sale between the Receiver, as vendor, and Tomba Enterprises Limited (the "Purchaser"), as purchaser, dated July 8, 2020 (the **"Sale Agreement"**), together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, for the sale of the Real Property (defined herein), and vesting the Debtor's right, title and interest in the Real Property in the Purchaser and authorizing and directing the Receiver to carry out the terms of the Sale Agreement (the **"Transaction"**);
- (e) sealing the Confidential Appendices "1", "2", "3", and "4" to the First Report until the earlier of the completion of the Transaction or further Order of this Court;

- (f) approving the professional fees and disbursements of the Receiver and its counsel, including an accrual for fees and disbursements to be incurred to the completion of these proceedings;
- (g) authorizing and directing the Receiver to distribute the net proceeds received in accordance with the protocol outlined by the Receiver and contained within this First Report;
- (h) effective upon filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership have been completed to the satisfaction of the Receiver, discharging Spergel as Receiver and releasing Spergel from any and all liability that Spergel has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Spergel while acting in its capacity as Receiver; and
- (i) such further and other relief as counsel may advise and this Honourable Court may permit.

**THE GROUNDS FOR THE MOTION ARE:**

2. Spergel was appointed as receiver of the assets, undertakings and property of the Debtor by order of the Honourable Mr. Justice Hainey dated February 12, 2020 (the “**Receivership Order**”).

3. The Debtor’s primary asset is real property located at 214 Ontario Street, Brighton, Ontario, Ontario (the “**Real Property**”).

4. The Bank of Nova Scotia (the “**Secured Creditor**”) holds the first mortgage in respect of the Real Property.

5. Property tax arrears are owed to the Municipality of Brighton.

### **Approval of the Transaction**

6. The Sale Agreement contemplates the purchase of the Real Property.

7. The Receiver engaged in a sales process. However, prior to the Receiver engaging a brokerage and listing the Real Property, the Receiver received an unsolicited offer from the Purchaser. The Receiver actively negotiated with the Purchaser and was successful in having the Purchaser increase its initial offer by \$125,000.

8. The Receiver has determined that the offer from the Purchaser is the best offer, taking into account a number of factors and after consultation with the Secured Creditor.

9. The Secured Creditor supports the proposed Transaction.

10. The Receiver recommends that the Transaction be approved by the Court.

### **Sealing**

11. The Confidential Appendices “1”, “2”, “3”, and “4” to the First Report contain confidential and commercially sensitive information that could jeopardize the Receiver’s efforts to complete a sale of the Real Property if disclosed.

12. As such, the Receiver requests that the Confidential Appendices "1", "2", "3", and "4" to the First Report be sealed from the public record until the closing of the Transaction.

**Other**

13. The Receiver's has essentially completed its mandate under the Receivership Order and is seeking its discharge.

14. The facts and recommendations described in the Report.

15. The inherent and equitable jurisdiction of this Honourable Court.

16. The terms of the Receivership Order.

17. Section 243 of the *Bankruptcy and Insolvency Act*.

18. Section 101 of the *Courts of Justice Act*.

19. Rules 1.04, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*.

20. 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 August 26, 2020 and the appendices thereto.

2. Such further and other material as counsel may submit and this Honourable Court may permit.

Date: August 26, 2020

**MINDEN GROSS LLP**  
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Lawyers for msi Spergel inc., in its  
capacity as Court Appointed Receiver of  
Cindergirls Inc.

TO: **SERVICE LIST**

#4311190 v1 | 4117324

## Schedule "A"

Time: Sep 4, 2020 09:00 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/81566582909?pwd=NWwwUEZKODN5bTJwOHl1UHJUMnp6QT09>

Meeting ID: 815 6658 2909

Passcode: 382016

One tap mobile

+14388097799,,81566582909#,,,,,0#,,382016# Canada

+15873281099,,81566582909#,,,,,0#,,382016# Canada

Dial by your location

+1 438 809 7799 Canada

+1 587 328 1099 Canada

+1 647 374 4685 Canada

+1 647 558 0588 Canada

+1 778 907 2071 Canada

+1 204 272 7920 Canada

Meeting ID: 815 6658 2909

Passcode: 382016

Find your local number: <https://us02web.zoom.us/j/81566582909?pwd=NWwwUEZKODN5bTJwOHl1UHJUMnp6QT09>

B E T W E E N

**THE BANK OF NOVA SCOTIA**  
Applicant

-and-

**CINDERGIRLS INC.**  
Respondent

Court File No. CV-20-00634214-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**NOTICE OF MOTION**

**MINDEN GROSS LLP**  
Barristers and Solicitors  
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Toronto, ON M5H 4G2

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Lawyers for the Receiver, msi Spergel inc.

(File No. 4117324)

**TAB 2**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**THE BANK OF NOVA SCOTIA**

Applicant

- and -

**CINDERGIRLS INC.**

Respondent

**FIRST REPORT OF MSI SPERGEL INC.  
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF  
CINDERGIRLS INC.**

**August 26, 2020**

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## **APPENDICES**

1. Receivership Order of the Honourable Justice Hailey, dated February 12, 2020
2. Redacted copy of the Sale Agreement
3. Fee Affidavit of Mukul Manchanda, sworn August 26, 2020
4. Fee Affidavit of Steven I. Pearlstein, sworn August 26, 2020
5. Receiver's Statements of Receipts and Disbursements as at August 21, 2020
6. Receiver's Borrowing Certificates
7. Correspondence from BNS regarding mortgage indebtedness, dated August 24, 2020
8. Title Search related to the Real Property dated August 18, 2020 and BNS' first mortgage
9. Security Opinion dated August 25, 2020
10. Tax Certificate from the Municipality of Brighton, dated June 17, 2020

## **CONFIDENTIAL APPENDICES**

1. Appraisal of Prince Edward Appraisal Services related to the Real Property, dated March 28, 2020
2. Appraisal of Williamson & Associates Ltd. related to the Real Property, dated March 11, 2020
3. Email from Colliers International re: Sale Price Reductions, dated June 17, 2020
4. Sale Agreement dated July 8, 2020

## **1.0 APPOINTMENT AND BACKGROUND**

- 1.0.1 This first report (this “**First Report**”) is filed by msi Spergel inc. (“**Spergel**”) in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of Cindergirls Inc. (“**Cindergirls**” or the “**Company**”).
- 1.0.2 Cindergirls is an Ontario corporation that was incorporated on November 25, 2016. Cindergirls is the registered owner of the real property located at 214 Ontario Street, Brighton, Ontario (the “**Real Property**”). Dorne Wilson (“**Wilson**”) is the sole director and officer of Cindergirls. The Receiver understands that Cindergirls ceased its operation as a greenhouse approximately two years ago. The Receiver has further been advised that no amounts are outstanding to CRA and the Company had no employees after ceasing operations.
- 1.0.3 Spergel was appointed Receiver of all of the assets, undertakings and properties, including the Real Property, (collectively the “**Property**”) by Order of The Honourable Justice Hainey of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) issued on February 12, 2020 (the “**Receivership Order**”). The Receivership Order was granted on the application of the Company’s secured creditor, Bank of Nova Scotia (“**BNS**” or the “**Secured Creditor**”). Attached hereto as **Appendix “1”** is a copy of the Receivership Order.
- 1.0.4 The Receiver retained Minden Gross LLP (the “**Receiver’s Counsel**”) as its independent legal counsel.

## **2.0 PURPOSE OF THIS FIRST REPORT AND DISCLAIMER**

- 2.0.1 The purpose of this First Report is to advise the Court as to the steps taken by the Receiver since it’s appointment and to seek Orders from this Court:
- (a) approving this First Report and the actions of the Receiver described herein, including without limitation, approval of the Receiver’s interim statement of receipts and disbursements as at August 21, 2020;
  - (b) approving the sale transaction contemplated by the agreement of purchase and sale dated July 8, 2020 between the Receiver, as vendor, and Tomba

Enterprises Limited (the “**Purchaser**”), as purchaser (the “**Sale Agreement**”), with respect to the Purchased Assets (as defined in the Sale Agreement), and authorizing the Receiver to complete the transaction contemplated therein (the “**Transaction**”);

- (c) vesting in the Purchaser Cindergirl’s right, title and interest in and to the Purchased Assets free and clear of any claims and encumbrances save and except for “Permitted Encumbrances”;
- (d) sealing the Confidential Appendices (as defined herein) to this First Report until the earlier of the completion of the Transaction or further Order of this Court;
- (e) approving the fees and disbursements of the Receiver and the Receiver’s counsel including an estimated accrual for fees and disbursements to be incurred to the completion of this proceeding;
- (f) authorizing and directing the Receiver to distribute the net proceeds received in accordance with the protocol outlined by the Receiver and contained within this First Report;
- (g) effective upon filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership have been completed to the satisfaction of the Receiver, discharging Spergel as Receiver and releasing Spergel from any and all liability that Spergel has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Spergel while acting in its capacity as Receiver; and
- (h) such further and other relief as counsel may advise and this Court may permit.

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 First Report for any other purpose.

2.0.3 All references to dollars in this First Report are in Canadian currency unless otherwise noted.

### **3.0 ACTIONS OF THE RECEIVER UPON APPOINTMENT**

3.0.1 Further to its appointment and commencing on February 12, 2020, the Receiver attended at the Real Property for the purpose of taking possession and securing same. Additionally, the Receiver undertook the following activities:

- a) prepared and filed all statutory notices in accordance with the BIA;
- b) arranged for insurance coverage and security in respect of the Real Property; and
- c) retained Lockit Security to assist the Receiver with management and safeguarding of the Real Property.

3.0.2 Since the date that it took possession of the Real Property, the Receiver's activities have been focused primarily on the day-to-day management and safeguarding of the Real Property, including, without limitation, the management and payment of monthly utilities and conducting regular inspections of the Real Property. The Receiver did not enter into any new leases with respect to the Real Property. As at the date of this First Report the Real Property was and remains vacant.

3.0.3 The Receiver engaged the services of Prince Edward Appraisal Services ("**Prince Edward**") and Williamson & Associates Ltd. ("**Williamson**") to attend at and conduct an appraisal of the Real Property. The Receiver obtained appraisals in relation to the Real Property from Prince Edward and Williamson on March 28, and March 11, 2020, respectively. Attached hereto as **Confidential Appendices "1"** and **"2"** are copies of the Prince Edward and Williamson appraisals as they relate to the Real Property.

### **4.0 THE SALE PROCESS WITH RESPECT TO THE REAL PROPERTY**

4.0.1 Prior to the appointment of the Receiver, Cindergirls had engaged Colliers International ("**Colliers**") to list the Real Property and Colliers undertook an extensive sales process. Colliers first listed the Real Property on April 2, 2019 for \$1.5 million. Colliers subsequently proceeded with price reductions in July, August

and September of 2019 due to a lack of interest from the market, and as detailed in the email attached as **Confidential Appendix “3”** to this First Report.

- 4.0.2 Notwithstanding the significant price reductions by Colliers over the period from July to September 2019, the Company received no substantive offers for the Real Property.
- 4.0.3 Subsequent to the Receiver's appointment and after obtaining the Prince Edward and Williamson appraisals, the Receiver solicited and received four marketing proposals from various realtors with respect to the Real Property. However, prior to the Receiver engaging a brokerage and listing the Real Property, the Receiver received an unsolicited offer from the Purchaser. The Receiver actively negotiated with the Purchaser and was successful in having the Purchaser increase its initial offer by \$125,000.
- 4.0.4 In light of the extensive sales process conducted by the Company prior to the Receiver's appointment and considering the quantum of the offer received by the Receiver, the Receiver, in consultation with the Secured Creditor, accepted the offer from the Purchaser subject to a 20 business days due diligence period and approval of this Court. On August 4, 2020 the Purchaser waived the due diligence period (the “**Waiver**”) and subsequently provided the additional deposit. There are no pending conditions attached to the Sale Agreement with the exception of the condition of seeking approval of this Honourable Court. Attached hereto as **Appendix “2”** is a redacted copy of the Sale Agreement. Attached hereto as **Confidential Appendix “4”** (collectively with Confidential Appendices “1”, “2” and “3”, the “**Confidential Appendices**”) is an un-redacted copy of the Sale Agreement.
- 4.0.5 It is the opinion of the Receiver that the terms and conditions contained within the Sale Agreement are commercially reasonable and that the purchase price in the Sale Agreement is at market value for the Real Property.
- 4.0.6 Accordingly, the Receiver is seeking an order from this Honourable Court approving the Transaction.

## **5.0 THE RECEIVER'S REQUEST FOR A SEALING ORDER**

- 5.0.1 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 Company in the event the Transaction does not close.

## **6.0 FEES AND DISBURSEMENTS OF THE RECEIVER**

- 6.0.1 Attached hereto as **Appendix "3"** is the Affidavit of Mukul Manchanda, sworn August 26, 2020, which incorporates, by reference, a copy of the Receiver's time dockets pertaining to the receivership of the Company for the period to and including August 26, 2020. The Receiver has incurred professional fees in the amount of \$26,061.66, inclusive of HST and disbursements. This represents a total of 71.40 hours at an average rate of \$322.61 per hour.

## **7.0 FEES AND DISBURSEMENTS OF RECEIVER'S COUNSEL**

- 7.0.1 Attached hereto as **Appendix "4"** is the Affidavit of Steven I. Pearlstein, sworn August 26, 2020, which attaches a copy of the account, rendered by the Receiver's Counsel to the Receiver in the amount of \$4,864.71 inclusive of disbursements and HST, for the period to and including August 25, 2020.
- 7.0.2 The Receiver has reviewed the accounts of the Receiver's Counsel and, given the Receiver's involvement in this matter, the Receiver is of the opinion 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 are reasonable in light of the services required and the services were carried out by lawyers with the appropriate level of experience.
- 7.0.3 Provided that there is no opposition to the relief sought in this First Report, the Receiver estimates that the additional fees and disbursements for itself and the Receiver's Counsel necessary to complete the receivership proceedings will be approximately \$20,000 excluding disbursements and HST (collectively the "**Fee Accrual**").

## **8.0 RECEIVER'S STATEMENTS OF RECEIPTS AND DISBURSEMENTS**

8.0.1 Attached hereto as **Appendix "5"** is a copy of the Receiver's Statement of Receipts and Disbursements as at August 21, 2020.

## **9.0 THE RECEIVER'S PROPOSED DISTRIBUTION**

### *Receiver's Certificates*

9.0.1 Pursuant to paragraph 22 of the Receivership Order, the Receiver borrowed monies from BNS in the principal amount of \$20,000 (the "**Borrowings**") to fund its activities in these proceedings. Attached as **Appendix "6"** to this First Report are copies of the Receiver's Certificates representing the Borrowings.

9.0.2 Pursuant to paragraph 22 of the Receivership Order, the issuance of Receiver's Certificate has the effect of creating a charge on the Property, by way of a fixed and specific charge as security for the repayment 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 (as defined in the Receivership Order), but subordinate to the Receiver's Charge, and the charges set out in subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

9.0.3 Therefore after payment of the fees and disbursements of the Receiver and the Receiver's Counsel, including the Fee Accrual, the Receiver recommends that it be authorized and directed to distribute \$20,000 plus applicable interest to BNS in respect of the repayment of the Borrowings.

### *BNS*

9.0.4 A title search conducted with respect to the Real Property on August 18, 2020, has indicated the following registrations on title in order of priority:

- a) a first mortgage in the principal amount of \$378,000 on the Real Property held by BNS which comprises an initial charge registered on December 6, 2016 (the "**First Mortgage**"). In addition, BNS has first security on all of the present and

future undertaking and property of Cindergirls, pursuant to a General Security Agreement. Attached hereto as **Appendix “7”** is a copy of correspondence from BNS dated August 24, 2020 confirming the amount owing in respect of the First Mortgage was \$369,647.51 as at August 24, 2020. In addition BNS has incurred \$47,222.21 in professional fees as at August 24, 2020.

- b) A Tax Arrears Certificate registered by the Municipality of Brighton on June 19, 2019 for municipal property tax arrears in the amount of \$34,295. The Lien is in respect of a Tax Arrears Certificate registered by the Her Majesty the Queen in Right of Canada as Represented by the Minister of National Revenue for income taxes and other amounts totalling \$34,295.34 at the issuance of the Certificate in Court File Number ITA – 4086-19 by the Court, together with interest at such rate or rates determined from time to time by Section 161 of *Income Tax Act*. As at June 17, 2020, municipal property taxes were outstanding in the amount of \$5,693.87.

9.0.5 Attached hereto as **Appendix “8”** is a copy of the title search conducted on August 18, 2020. Attached hereto as **Appendix “9”** is a copy of a letter from the Receiver’s Counsel dated August 24, 2020 providing its opinion that the security comprised of the First Mortgage and general security agreement registered by BNS are good and enforceable in accordance with their terms.

9.0.6 The Municipality of Brighton has a priority charge to the First Mortgage in respect of property tax arrears that have accrued in respect of the Real Property. Attached hereto as **Appendix “10”** is a copy of tax statement issued on June 17, 2020 which indicates that outstanding property taxes as at June 17, 2020 would be outstanding in the amount of \$5,693.87. It is expected that the tax arrears will be paid as part of the closing of the Transaction.

9.0.7 Therefore, after payment of the fees and disbursements of the Receiver and the Receiver’s counsel, including the Fee Accrual, and payment of the Borrowings, the Receiver recommends that it be authorized and directed to distribute the remainder

of the proceeds from the sale of the Real Property to BNS subject to a maximum distribution of \$416,869.72.

9.0.8 It is contemplated that there will be a shortfall in making payment to BNS from the proceeds of the sale of the Real Property.

#### **10.0 DISCHARGE OF THE RECEIVER**

10.0.1 Subsequent to the date of this First Report, and prior to the Receiver's discharge, the Receiver proposes to attend to the following:

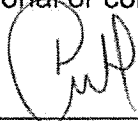
- a. all matters regarding the closing of the Transaction and ancillary matters regarding the Real Property, including closing accounts with utility providers and property management company;
- b. the payment of distributions as identified above;
- c. other residual and/or administrative matters in connection with Spergel's appointment as the Receiver; and
- d. filing of the final Receiver's certificate of discharge.

#### **11.0 RECOMMENDATION**

11.0.1 For the reasons discussed in this First Report, the Receiver recommends that the Court grant the relief sought at paragraph 2.0.1 of this First Report.

Dated at Toronto this 26<sup>th</sup> day of August, 2020

**msi Spergel inc.**,  
solely in its capacity as the court-appointed  
Receiver of Cindergirls Inc. and not in its  
Personal or corporate capacity



---

Mukul Manchanda, CPA, CIRP, LIT  
Principal

# APPENDIX “1”

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE

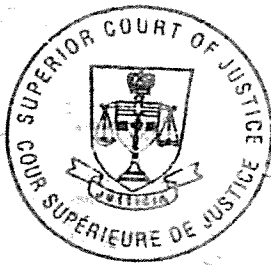
JUSTICE

*HAINEY*

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WEDNESDAY, THE 12TH

DAY OF FEBRUARY, 2020



THE BANK OF NOVA SCOTIA

Applicant

- and -

CINDERGIRLS INC.

Respondent

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

**ORDER**  
(appointing Receiver)

THIS APPLICATION made by the Plaintiff for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing msi Spergel Inc. ("**Spergel**") as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties, including the real property detailed at Schedule "A", of Cindergirls 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 Judy Vielle sworn January 10, 2020 and the Exhibits thereto and on hearing the submissions of counsel for The Bank of Nova Scotia, no one appearing for Cindergirls Inc. although duly served as appears from the affidavit of service of

Lindsay Provost sworn January 13, 2020, the affidavit of service of Lindsay Provost sworn January 30, 2020 and on reading the consent of Spergel to act as the Receiver,

### **SERVICE**

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

### **APPOINTMENT**

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Spergel is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof and the real property described at Schedule "A" (the "**Property**").

### **RECEIVER'S POWERS**

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) 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;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) 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;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (i) without the approval of this Court in respect of any transaction not exceeding \$10,000, provided that the aggregate consideration for all such transactions does not exceed \$50,000; 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* and section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to 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;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) 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;

- (p) 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;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) 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

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consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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 "B" 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.

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 Plaintiff shall have its costs of this application, 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.

A handwritten signature in cursive script, appearing to read "Hainey J.", is written over a horizontal line.

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

FEB 12 2020

PER / PAR:

A small, stylized handwritten signature or mark is written next to the "PER / PAR:" label.

## **SCHEDULE "A"**

Part Lot 3 Con Broken Front Designated as Part 1 Plan 39R13426; Municipality of Brighton (PIN 51154-0553 LT).

**SCHEDULE "B"**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that msi Spergel Inc., the receiver (the "Receiver") of the assets, undertakings and properties Cindergirls 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 \_\_-CL-\_\_\_\_\_, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the \_\_\_\_\_ day of each month] after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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

Per: \_\_\_\_\_

Name:

Title:

THE BANK OF NOVA SCOTIA

and

CINDERGIRLS INC.

Plaintiff

Defendant

Court File No. CV-20-00634214-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
PROCEEDING COMMENCED AT TORONTO  
COMMERCIAL LIST

ORDER

HARRISON PENSA LLP  
Barristers & Solicitors  
450 Talbot Street  
London, Ontario  
N6A 5J6

Melinda Vine (LSO #53612R)

Tel: (519) 661-6725

Fax: (519) 667-3362

Lawyers for the Plaintiff

# APPENDIX “2”

AGREEMENT OF PURCHASE AND SALE

(214 ONTARIO STREET, BRIGHTON, ONTARIO)

{PART LOT 3 CON BROKEN FRONT DESIGNATED AS PART 1 PLAN 39R13426;  
MUNICIPALITY OF BRIGHTON (PIN 51154-0553 LT)}

THIS AGREEMENT dated as of the 8 day of July, 2020.

BETWEEN:

MSI SPERGEL INC., solely in its capacity as Court-appointed receiver of CINDERGIRLS INC. and not in its personal or corporate capacity and without personal or corporate liability.

(the "Vendor" or "Receiver")

OF THE FIRST PART

- and -

DINO KOLAR + BEN YANG for a company to be  
INCORPORATED  
(the "Purchaser")

OF THE SECOND PART

IN CONSIDERATION of the mutual agreements contained in this Agreement, the sufficiency of which is acknowledged by each of the Vendor and the Purchaser, the Vendor and the Purchaser agree as follows:

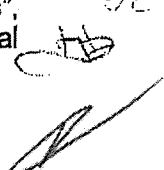
1. **DEFINITIONS**

In this Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

- (a) "**Act**" means, for purposes of Section 16 hereof only, the *Excise Tax Act* (Canada);
- (b) "**Agreement**" means this agreement of purchase and sale executed by the Purchaser and accepted by the Vendor, together with the attached schedules;
- (c) "**Approval and Vesting Order**" shall have the meaning ascribed thereto in Section 13(a) hereof and shall be substantially in the form attached as Schedule "D";
- (d) "**Approval Condition Date**" shall have the meaning ascribed to it in Section 11 hereof;





- (e) "**Buildings**" means the buildings, improvements, installations and fixtures of every nature and kind situate in, on and/or over the Lands;
- (f) "**Business Day**" means any day other than a Saturday or a Sunday or a statutory holiday in the Province of Ontario;
- (g) "**Claims**" means security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, writs of seizure and sale, 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;
- (h) "**Closing**" shall have the meaning ascribed to it in Section 6 hereof;
- (i) "**Court**" means the Ontario Superior Court of Justice (Commercial List);
- (j) "**Court Order**" means the order of the Honourable Justice Hainey dated the 12<sup>th</sup> day of February, 2020, whereby the Vendor was appointed receiver of Cindergirls Inc. and was given authority to sell, convey, transfer, lease or assign the Lands or any part or parts thereof, a copy of which order is attached as Schedule "A";
- (k) "**Damages**" shall have the meaning ascribed to it in Section 8 hereof;
- (l) "**Date of Closing**" shall have the meaning ascribed to it in Section 6 hereof;
- (m) "**Deposit**" shall have the meaning ascribed to it in Section 3(a) hereof;
- (n) "**DRA**" shall have the meaning ascribed to it in Section 7(a)(i) hereof;
- (o) "**Due Dillgence Period**" shall have the meaning ascribed to it in Section 12(a)(i) hereof;
- (p) "**Environmental Law**" means any and all applicable international, federal, provincial, state, municipal or local laws, by-laws, statutes, regulations, treaties, orders, judgements, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, health protection or any Hazardous Materials;
- (q) "**Government Authority**" means any person, body, department, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial or municipal government having or claiming to have jurisdiction over part or all of the Purchased Assets, the transaction contemplated in this Agreement and/or one or both of the parties hereto and shall include a board or association of insurance underwriters;
- (r) "**Hazardous Materials**" means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any "contaminants", "dangerous substances", "hazardous materials", "hazardous substances", "hazardous wastes", "Industrial

070  


wastes", "liquid wastes", "pollutants" and "toxic substances", all as defined in, referred to or contemplated in federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health and/or safety matters and, not to limit the generality of the foregoing, includes asbestos, urea formaldehyde foam insulation and mono- or poly-chlorinated biphenyl wastes;

- (s) "HST" shall have the meaning ascribed thereto in Section 16(a) hereof;
- (t) "ICA" shall have the meaning ascribed thereto in Section 10(b) hereof;
- (u) "Lands" means the lands and premises legally described on Schedule "B" hereto, of which the Vendor intends to sell to the Purchaser together with all easements, rights-of-way, privileges and appurtenances attaching thereto and enuring to the benefit thereof;
- (v) "Permitted Encumbrances" means the encumbrances listed in Schedule "C" hereof;
- (w) "Purchase Price" shall have the meaning ascribed thereto in Section 3 hereof;
- (x) "Purchased Assets" means the Lands, the Buildings and the Rights and excludes any personal property located or situate on or about the Lands and/or the Buildings;
- (y) "Purchaser" <sup>means</sup> DINO KOLAR + BEN YANG FOR A COMPANY TO BE INCORPORATED.
- (z) "Purchaser's Solicitor" means Robert Pollock (Telephone No. (416) 488 5333 ) RET 19, Fax No. 416 488 3316 );
- (aa) "Registry Office" shall have the meaning ascribed to it in Section 7(a) hereof;
- (bb) "Rights" means the right, title and interest, if any, of Cindergirls Inc. in all benefits, advantages, licences, guarantees, warranties, indemnities, income, rents and options relating to the Lands and the Buildings, to the extent that they are assignable;
- (cc) "TERS" shall have the meaning ascribed to it in Section 7(a) hereof;
- (dd) "Vendor" means msi Spergel Inc., solely in its capacity as Court-appointed receiver of Cindergirls Inc., and not in its personal or corporate capacity and without personal or corporate liability;
- (ee) "Vendor's Deliveries" shall have the meaning ascribed thereto in Section 5 hereof; and
- (ff) "Vendor's Solicitors" means the firm of Minden Gross LLP, 145 King Street West, Toronto, Ontario, M5H 4G2, Attention: Rachel Moses, Tel: 416-369-4115 and Fax: 416-8649223.

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## 2. NATURE OF TRANSACTION

The Purchaser shall purchase and the Vendor shall sell the Purchased Assets, upon and subject to the terms of this Agreement.

## 3. PURCHASE PRICE

The aggregate purchase price (the "Purchase Price") for the Purchased Assets shall be the sum of [REDACTED]. The Purchase Price shall be paid, accounted for and satisfied as follows:

- (a) **Deposit:** by the Purchaser delivering to the Vendor concurrently upon the execution of this Agreement by both parties hereto, the sum of [REDACTED] (the "Initial Deposit"), by way of certified cheque, bank draft or wire transfer drawn upon one of Canada's chartered banks, which sum shall be held by the Vendor's Solicitor, in trust, as a deposit pending Closing or termination of this Agreement. A further sum of [REDACTED] (collectively with the Initial Deposit, the "Deposit") to be delivered by the Purchaser to the Vendor upon waiving the Due Diligence Period, by way of certified cheque, bank draft or wire transfer drawn upon one of Canada's chartered banks, which sum shall be held by the Vendor's Solicitor, in trust, as a deposit pending Closing or termination of this Agreement. Subject only to the terms of this Agreement, the Deposit is to be credited on account of the Purchase Price upon completion of the transaction contemplated in this Agreement. In the event that this Agreement is terminated for any reason other than the default of the Purchaser, the Deposit shall be returned to the Purchaser forthwith, without interest or deduction; and
- (b) **Balance Due at Closing:** the balance of the Purchase Price, net of the Deposit and subject to the adjustments expressly set out in this Agreement, by payment at Closing to the Vendor (or as the Vendor may otherwise direct in writing) by way of wire transfer from one of Canada's chartered banks.

The Vendor and the Purchaser acknowledge and agree that they shall each make their own allocations of the Purchase Price between the Purchased Assets for the purposes of the *Income Tax Act* (Canada) acting reasonably and any filings in accordance with the provisions thereof.

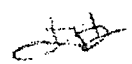
## 4. CLOSING AND POST-CLOSING ADJUSTMENTS

- (a) **Closing Adjustments:** Adjustment shall be made, as of 12:01 a.m. on the Date of Closing, for realty taxes, local improvement rates, municipal/provincial levies and charges, water and assessment rates, utilities, that form a lien on title and which are not vested out but by the Approval and Vesting Order, fuel costs, and any other items which are usually adjusted in purchase transactions involving office/industrial/warehouse properties provided there shall be no credit by the Vendor for any rents, deposits or prepaid items not actually received by the Vendor. The Date of Closing shall be for the account of the Purchaser, both as to income and expense.

cc [REDACTED]  
[Signature]

5. TERMS OF PURCHASE

- (a) "As Is, Where Is": The Purchaser acknowledges that the Vendor is selling and the Purchaser is purchasing the Purchased Assets on an "as is, where is" basis subject to whatever defects, conditions, impediments, Hazardous Materials or deficiencies which may exist on the Date of Closing, including, without limiting the generality of the foregoing, any latent or patent defects in the Purchased Assets and such defects as may be revealed in the Vendor's Deliveries. 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 shall have conducted such inspections of the condition and title to the Purchased Assets and its lawful use, as it deems appropriate and shall have satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrance, description, fitness for purpose or use, the existence or non-existence of Hazardous Materials, compliance with any or all Environmental Law, legality of rents, income, merchantability, physical condition, or quality, or lawful use or in respect of any other matter or thing whatsoever concerning the Purchased Assets, or the right of the Vendor to sell same save and except as expressly provided for in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* of Ontario or pursuant to any other applicable law do not apply hereto and have been waived by the Purchaser. All material, documentation, information, data and descriptions of, and/or in regard to the Purchased Assets contained in this Agreement and/or supplied by the Vendor, its employees, agents, contractors and/or representative, are for the purposes of reference and/or identification only and no representation, warranty or condition has or will be given by the Vendor concerning the accuracy thereof and the Purchaser acknowledges and agrees that it has not placed any reliance thereon but rather has assumed all risk in regard thereto. If the Closing occurs, the Purchaser shall assume any and all risks relating to the physical condition of the Purchased Assets which existed on or prior to the Closing Date. Neither the Purchaser nor any permitted occupant of the Lands shall have any recourse to the Vendor as a result of the nature or condition of the Purchased Assets.
- (b) Without limiting the generality of the foregoing, the Purchaser further acknowledges that the Vendor has made no representation or warranty with respect to or in any way related to the Purchased Assets including the following:
- (i) the existence, validity, terms and conditions of any licenses, permits, consents or other regulatory approvals relating to or in any way connected with the Lands or any matter or thing arising out of or in any way connected therewith;
  - (ii) the conformity of the Lands to past, current or future applicable zoning or building code requirements;
  - (iii) the existence of soil instability, past soil repairs, soil additions or conditions of soil fill;
  - (iv) the sufficiency of any drainage;

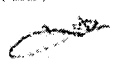



- (v) whether the Lands are located wholly or partially in a flood plain or a flood hazard boundary or similar area;
  - (vi) the existence or non-existence of underground storage tanks;
  - (vii) any other matter affecting the stability or integrity of the Lands;
  - (viii) the availability of public utilities and services for the Lands;
  - (ix) the sufficiency or adequacy of any wells and water supply for Irrigation or any other purpose; and/or
  - (x) the existence of zoning or building entitlements affecting the Lands.
- (c) **Existing Leases:** The Purchaser agrees to assume all existing leases and occupancy agreements, if any, affecting the Lands on closing.

6. **DATE OF CLOSING**

Subject to the provisions of Sections 11 and 12 hereof, the transaction contemplated hereunder shall be completed (the moment of completion shall be referred to as "Closing") on the day which is ten (10) Business Days after the date upon which the Vendor obtains the Approval and Vesting Order (the "Date of Closing" or the "Closing Date").

7. **ELECTRONIC REGISTRATION**

- (a) In the event that the electronic registration system ("TERS") is operative in the relevant land registry office (the "Registry Office"), the following provisions shall apply:
- (i) The Purchaser shall be obliged to retain a solicitor who is both an authorized TERS user and is in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the transaction and shall authorize such solicitor to enter into a document registration agreement with the Vendor's Solicitors in the form prepared by The Law Society of Upper Canada, which document version was adopted by the joint LSUC-CBAO Committee on Electronic Registration of Title Documents and which can be viewed at <http://rc.lsuc.on.ca/pdf/membershipServices/dramarch04.pdf> (the "DRA"), establishing the procedures and timing for completing this transaction.
- (b) If through no fault of the Purchaser's Solicitor or the Vendor's Solicitors TERS is unavailable on the Closing Date, such that the Purchaser's Solicitor is unable to register the Application for registration of the Approval and Vesting Order, then the transaction contemplated by this Agreement shall be completed in escrow in accordance with the terms of the DRA which shall apply until such time as TERS becomes available. Upon TERS becoming available, the Vendor's Solicitors shall advise the Purchaser's Solicitor forthwith and the parties shall arrange to complete the registration of the Application for registration of the Approval and Vesting Order as expeditiously as possible, whereupon the escrow shall be released.
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In the event of any conflict or inconsistency between the terms of this Section 7 and the terms of the DRA, the terms of this Section 7 shall prevail.

8. **PRE-CLOSING RISK AND POST-DAMAGE ENTITLEMENTS**

The Purchased Assets are and shall remain at the Vendor's risk until Closing. In the event of material damage to the Purchased Assets prior to the Closing Date, in excess of two hundred and fifty thousand (\$250,000) Dollars, as determined by an independent third party expert appointed by the Vendor ("Material Damage"), the Purchaser may, at its option: (a) complete the transaction contemplated by this Agreement without reduction of the Purchase Price, in which event all proceeds of insurance or compensation shall be payable to the Purchaser; or (b) rescind this Agreement, and the parties hereto shall have no further rights and remedies against each other and the Deposit shall be returned to the Purchaser forthwith, without deduction. The Vendor shall use its best efforts to advise the Purchaser, in writing, within twenty-four (24) hours of the Vendor learning of any Material Damage to the Purchased Assets. The Purchaser shall have five (5) days, or such longer period as the Vendor in its sole and absolute discretion may agree to in writing, from delivery of such notice to advise the Vendor in writing as to its election, if any. In the event that the Purchaser fails to notify the Vendor in writing as to its election within the prescribed time period, the Vendor may terminate this Agreement immediately by providing written notice to the Purchaser and the parties hereto shall have no further rights and remedies against each other and the Deposit shall be returned to the Purchaser forthwith, without deduction, failing which, the Purchaser shall be deemed to have elected to complete the transaction in accordance with subparagraph (a) above.

9. **VENDOR'S REPRESENTATIONS AND WARRANTIES**

The Vendor represents and warrants to the Purchaser that, as at the date hereof:

- (a) **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); the Vendor is not now and does not intend to become, prior to Closing, an agent or a trustee of such non-resident;
- (b) **Authority to Sell:** MSI SPERGEL INC. has been duly appointed as Receiver of Cindergirls Inc. by the Court Order and has the right, power and authority to market the Purchased Assets for sale and, subject to obtaining the Approval and Vesting Order prior to Closing, on Closing MSI SPERGEL INC., shall have the power and authority to sell, convey, transfer, lease or assign the Purchased Assets as a result of the Court Order, in accordance with and subject to the terms and conditions of this Agreement and the Approval and Vesting Order.

10. **PURCHASER'S REPRESENTATIONS AND WARRANTIES**

The Purchaser represents and warrants to the Vendor that, as at the date hereof:

- (a) **Corporate Matters Regarding Purchaser:** the Purchaser is a corporation duly incorporated, organized and validly subsisting under the laws of Ontario and has all requisite corporate power, authority and capacity to execute and deliver and to perform each of its obligations pursuant to this Agreement; neither the execution of this Agreement nor the performance (such performance shall include, without

limitation, the exercise of any of the Purchaser's rights and compliance with each of the Purchaser's obligations hereunder) by the Purchaser of the transaction contemplated hereunder will violate:

- (i) the Purchaser's articles of incorporation and by-laws;
- (ii) any agreement to which the Purchaser is bound or is a party;
- (iii) any judgement or order of a court of competent authority or any Government Authority; or
- (iv) any applicable law;

and the Purchaser has duly taken, or has caused to be taken, all requisite corporate action required to be taken by it to authorize the execution and delivery of this Agreement and the performance of each of its obligations hereunder; and

- (b) Investment Canada Act (Canada): either (i) the Purchaser is not a "non-Canadian", as defined in the *Investment Canada Act (Canada)* ("ICA"); or (ii) if the Purchaser is a "non-Canadian", this transaction is not a reviewable transaction under the ICA, or, if applicable, the Purchaser is a non-Canadian for the purpose of the ICA and will within three (3) Business Days of the execution of this Agreement submit to Investment Canada a fully completed Application for Review with respect to the transaction contemplated in this Agreement and will use its best efforts to obtain Investment Canada Approval within ten (10) days thereafter.
- (c) Each of the Purchaser's representations and warranties contained in this Agreement shall be true at and as of the date hereof and each of such representations and warranties shall continue to be true as at Closing.
- (d) The Purchaser shall have complied with each and every covenant/agreement made by it herein and required to be completed at or prior to Closing.

The Purchaser shall promptly deliver to the Vendor written notice specifying the occurrence or likely occurrence of any event which may result in any of the Purchaser's representations and warranties contained in this Agreement not continuing to be true as at Closing.

11. CONDITIONS OF CLOSING IN FAVOUR OF THE VENDOR

- (a) The Vendor's obligations contained in this Agreement shall be subject to the fulfilment at or prior to Closing, of each of the following conditions:
  - (i) Representations and Warranties: each of the Purchaser's representations and warranties contained in this Agreement shall be true in all material respects at and as of the date hereof and each of such representations and warranties shall continue to be true in all material respects as at Closing;

- (ii) **Covenants/Agreements:** the Purchaser shall have complied with each and every covenant/agreement made by it herein and required to be completed at or prior to Closing;
- (iii) **Approval and Vesting Order:** the Vendor shall have obtained the Approval and Vesting Order. The Vendor shall not have received notice of appeal in respect to of the Approval and Vesting Order and the Approval and Vesting Order shall not have been stayed, varied or vacated and shall be in full force and effect and no Order restraining or prohibiting Closing shall have been made by the Court; and
- (iv) **Corporate Steps and Proceedings:** all necessary corporate steps and proceedings shall have been taken by the Purchaser to permit the Purchaser's execution of this Agreement and performance of each of the Purchaser's obligations hereunder.

For greater certainty, each of the conditions contained in this Section 11(a) have been inserted for the benefit of the Vendor.

- (b) The Vendor covenants to use reasonable commercial efforts to fulfil or cause to be fulfilled the condition contained in Section 11(iii) and the Purchaser covenants to use its reasonable commercial efforts to fulfil or cause to be fulfilled the conditions contained in Section 11 hereof prior to Closing.
- (c) In the event that any of the foregoing conditions shall not be fulfilled, in whole or in part, at or prior to Closing, the Vendor may, in its absolute and unfettered discretion, terminate this Agreement by written notice to the Purchaser without penalty or liability whatsoever to the Vendor, subject to the provisions of Section 3(a) hereof with respect to the Deposit, and otherwise without cost or other compensation and each of the Vendor and the Purchaser shall be released from their obligations and liabilities.

## 12. **CONDITIONS OF CLOSING IN FAVOUR OF THE PURCHASER**

- (a) The Purchaser's obligations contained in this Agreement shall be subject to the fulfilment, at or prior to Closing, of each of the following conditions:
  - (i) **Due Diligence Period:** the Purchaser shall have a period of twenty (20) Business Days commencing on the first day immediately following after the day of execution of this Agreement by the Vendor and the Purchaser to complete its due diligence (the "Due Diligence Period"). In the event, this condition is not waived within or at the end of the Due Diligence Period, this Agreement shall be null and void and the Initial Deposit shall be returned to the Purchaser without any deductions.
  - (ii) **Representations and Warranties:** each of the Vendor's representations and warranties contained in this Agreement shall be true in all material respects at and as of the date hereof and each of such representations and warranties shall continue to be true in all material respects as at Closing;

- (iii) Covenants/Agreements: the Vendor shall have complied with each and every covenant/agreement made by it herein and required to be completed at or prior to Closing; and
- (iv) Approval and Vesting Order: the Vendor shall have obtained the Approval and Vesting Order. The Vendor shall not have received notice of appeal in respect to of the Approval and Vesting Order and the Approval and Vesting Order shall not have been stayed, varied or vacated and shall be in full force and effect and no Order restraining or prohibiting Closing shall have been made by the Court.

For greater certainty, each of the conditions contained in this Section 12(a) have been inserted for the benefit of the Purchaser.

- (b) The Vendor covenants to use reasonable commercial efforts to fulfil or cause to be fulfilled the conditions contained in Subsection 12(a) (i-iii) hereof prior to Closing.

### 13. VENDOR'S CLOSING DELIVERIES

The Vendor covenants to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date expressly provided herein:

- (a) Approval and Vesting Order: A copy of the Issued and entered approval and vesting order vesting in the Purchaser all right, title and interest of Cindergirls Inc., if any, in and to the Purchased Assets free and clear of all Claims save and except for the Permitted Encumbrances, in accordance with the provisions of this Agreement, substantially in the form as Schedule "D".
- (b) Statement of Adjustments: a statement of adjustments prepared in accordance with Section 4 hereof, to be delivered not less than two (2) Business Days prior to Closing. Except as aforesaid, no adjustments shall be allowed to the Purchaser for changes in the Purchased Assets from the time of acceptance of this Agreement up to and including the Closing Date. If the final cost or amount of any item which is to be adjusted cannot be determined at Closing, then the adjustment for such items shall be made at Closing on the basis of the cost or amount as estimated by the Vendor, acting reasonably, as of the Closing Date on the basis of the best evidence available at Closing as to what the final adjustment should be. The estimated adjustments as herein set for shall, for all purposes, be a final adjustment or final adjustments. The Closing Date will be for the Purchaser's account both as to revenue and expense;
- (c) Direction Regarding Funds: a direction from the Vendor designating the party or parties to which the balance of the Purchase Price described in Subsection 3(b) hereof shall be paid; in the event that the Vendor designates more than one party then it shall also designate amounts payable to each of the parties;
- (d) Undertaking to Re-Adjust: the Vendor shall not be obliged to re-adjust any item on or omitted from the statement of adjustments;



- (e) **Readjustments:** The Purchaser hereby acknowledges that there may be outstanding arrears with respect to the real property taxes and utilities and agrees that the Vendor, at its option, shall be entitled to make adjustment on the Statement of Adjustments for such matters or, in the alternative, direct that a portion of the proceeds due on Closing be used to pay out such arrears. The Purchaser further covenants and agrees to deliver an irrevocable direction to the Authority authorizing it to pay to the Vendor any realty tax rebate (together with interest thereon) obtained by the Vendor for the period prior to Closing. Provided that in the event the Authority does not deliver such rebate directly to the Vendor, the Purchaser hereby irrevocably undertakes to deliver realty tax rebate to the Vendor upon either receipt or readjustment of same.
- (f) **Non-Residence Certificate:** the Vendor's certificate setting out that the Vendor is not a "non-resident" of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada) and is not the agent nor trustee of a "non-resident"; and
- (g) **General Deliveries:** such further documentation relating to the completion of the transaction contemplated hereunder as shall be:
  - (i) otherwise referred to herein; or
  - (ii) required by law and/or any Government Authority;

Provided that such further documentation is in a form satisfactory to the Vendor, taking into consideration the fact that the Vendor is selling the Purchased Assets as Receiver.

#### 14. **PURCHASER'S CLOSING DELIVERIES**

The Purchaser covenants to execute, where applicable, and deliver the following to the Vendor at or prior to Closing:

- (a) **Direction Regarding Title:** a direction from the Purchaser designating the transferee(s) in the Approval and Vesting Order (required only in the event that the Approval and Vesting Order is to be inscribed in favour of a person/entity other than the Purchaser) provided that any such transferee(s) shall also provide a written agreement with the Vendor to assume and be bound with all of the obligations of the Purchaser under this Agreement;
- (b) **Undertaking To Re-Adjust:** the Purchaser's undertaking to re-adjust any item on or omitted from the statement of adjustments, subject to the limitation contained in Subsection 4(a) hereof;
- (c) **Purchaser's Certificates:** the Purchaser's certificate setting out that each of the Purchaser's representations and warranties contained in this Agreement are true as at Closing and, if applicable, the Purchaser's certificate described in Section 16 hereof;

- (d) **Directors' Resolution**: a certified copy of a resolution of the board of directors of the Purchaser authorizing the execution of this Agreement and performance of each of the Purchaser's obligations hereunder;
- (e) **HST Indemnity**: the indemnity provided for under Section 16 hereof;
- (f) **Certificate of Incumbency**: a certificate of incumbency setting out the names and specimen signatures of each of the directors and officers of the Purchaser;
- (g) **Purchaser's Agents Commissions**: evidence of payment by the Purchaser of any commission or other remuneration payable to the Purchaser's agent, if any, in connection with the purchase of the Purchased Assets, or a certificate from the Purchaser certifying that it has not retained any such agent and that no such commission or other remuneration is payable;
- (h) **Environmental Indemnity**: an environmental indemnity indemnifying and holding the Vendor harmless from any and all damages, claims, actions, losses, costs, liabilities or expenses (collectively "Damages") suffered or incurred by the Vendor, directly or indirectly, as a result of or in connection with any of the following, whether arising as a result of the actions of Vendor and/or its predecessors, or of any party claiming through the Vendor, or otherwise, and without restricting the generality of the foregoing, which include Damages incurred in addressing an administrative order by a Government Authority or in addressing a notice, investigation or other process which could reasonably be anticipated to result in such an order:
  - (i) the presence or release of any Hazardous Materials in, on or under the Lands or the threat of a release;
  - (ii) the presence of any Hazardous Materials in, on or under properties adjoining or proximate to the Lands;
  - (iii) any other environmental matters relating to the Lands;
  - (iv) the breach by the Purchaser or those for whom it is responsible at law of any Environmental Law applicable to the Lands; or,
  - (v) the release or threatened release of any Hazardous Materials owned, managed, generated, disposed of, controlled or transported by or on behalf of the Purchaser.
- (i) **Balance Due at Closing**: the balance of the Purchase Price described in Subsection 3(b) hereof; and
- (j) **Further Documentation**: any other documentation relative to the completion of this Agreement as may reasonably be required by the Vendor or the Vendor's Solicitors.

15. PLANNING ACT (ONTARIO)

This Agreement shall be effective to create an interest in the Lands for the Purchaser only if Part VI of the *Planning Act* (Ontario) is complied with prior to Closing.

16. HARMONIZED GOODS AND SERVICES TAX

(a) Application of HST to this Agreement: If the transaction contemplated hereunder shall be subject to the goods and services tax ("HST") levied pursuant to the Act, then HST shall be in addition to and not included in the Purchase Price and shall be collected and remitted in accordance with the Act.

(b) Self-Assessment: If part or all of the said transaction is subject to HST and:

- (i) the Vendor is a non-resident of Canada or the Vendor would be a non-resident of Canada but for Subsection 132(2) of the Act; and/or
- (ii) the Purchaser is a "prescribed recipient" under the Act and/or is registered under the Act,

then the Purchaser shall deliver, prior to Closing, its certificate in form prescribed by the Act or, if no such form is prescribed, then in reasonable form, certifying and undertake that the Purchaser shall be liable for, shall self-assess and shall remit to the appropriate Government Authority all HST payable in respect of the transaction contemplated hereunder. If Subsection 16(b)(ii) hereof shall be applicable, then the Purchaser's certificate shall also include certification of the Purchaser's prescription and/or registration, as the case may be, and the Purchaser's HST registration number. If the Purchaser shall fail to deliver its certificate, then the Purchaser shall tender to the Vendor, at Closing, in addition to the balance due at Closing described in Subsection 3(b) hereof, an amount equal to the HST that the Vendor shall be obligated to collect and remit in connection with the said transaction.

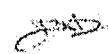
(c) HST Indemnity: The Purchaser shall indemnify and save harmless the Vendor from all taxes, levies claims, liabilities, penalties, interest, costs and legal and other expenses incurred, directly or indirectly, in connection with the assessment of HST payable in respect of the transaction contemplated hereunder and/or the Purchaser failing to comply with the said certificate and undertaking set out in Subsection 16(b).

17. NOTICE

Any notice given hereunder shall be in writing and delivered or communicated by telecopier machine to:

in the case of the Purchaser to:

DERMOT WALSH  
DERMOT.J.WALSH@GMAIL.COM  
\_\_\_\_\_  
\_\_\_\_\_



CC



Attention: \_\_\_\_\_  
Email: \_\_\_\_\_  
Fax: \_\_\_\_\_

with a copy to the Purchaser's Solicitor at;

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_  
Email: \_\_\_\_\_  
Fax: \_\_\_\_\_

and in the case of the Vendor to:

Msi Spergel Inc., In its Capacity as  
Court-Appointed Receiver of  
Cindergirls Inc.  
200-505 Consumers Road  
Toronto, ON M2J 4V8

Attention: Mukul Manchanda  
Email: mmanchanda@spergel.ca  
Fax: 416-498-4314

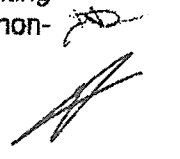
with a copy to the Vendor's Solicitors:

Minden Gross LLP  
145 King Street West  
Toronto, ON M5H 4G2  
Attention: Rachel Moses  
Email: rmoses@mindengross.com

Such notice shall be deemed to have been delivered upon delivery or communicated upon transmission unless such notice is delivered or transmitted outside of usual business hours, in which event the notice shall be deemed to have been delivered or transmitted on the next Business Day. A party may change its address, email address and/or fax number by providing notice in accordance with this Section 17.

**18. WAIVER OF CONDITIONS**

Except as otherwise provided in this Agreement, all conditions contained herein have been inserted for the benefit of either the Vendor or the Purchaser, as indicated, and are conditions of the obligations of such party to complete the transaction contemplated hereunder at Closing and are not conditions precedent of this Agreement. Any one or more of the said conditions may be waived, in writing, in whole or in part, by the benefiting party without prejudice to the benefiting party's right of termination in the event of the non-

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fulfilment of any other condition, and, if so waived, this Agreement shall be read exclusive of the said condition or conditions so waived. For greater certainty, the closing of the transaction contemplated hereunder by a party hereof shall be deemed to be a waiver by such party of compliance with any condition inserted for its benefit and not satisfied at Closing.

19. SEVERABILITY

If any provision contained in this Agreement or the application thereof to any person/entity or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement and the application of such provision to persons/entities or circumstances other than those to whom/which it is held invalid or unenforceable, shall not be affected thereby and each provision contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

20. DIVISION/HEADINGS

The division of this Agreement into Sections, Subsections, Paragraphs and Subparagraphs and the insertion of headings or captions are for convenience of reference only and shall not affect the construction or interpretation of this Agreement or any part hereof.

21. ENTIRE AGREEMENT

This Agreement and the schedules attached hereto constitute the entire agreement between the Vendor and the Purchaser in respect of the Purchased Assets. Each of the parties acknowledges that, except as contained in this Agreement, there is no representation, warranty, collateral agreement or condition (whether a direct or collateral condition or an express or implied condition) which induced it to enter into this Agreement.

22. CUMULATIVE REMEDIES

No remedy conferred upon or reserved to one or both of the parties hereto is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy conferred upon or reserved hereunder, whether such remedy shall be existing or hereafter existing, and whether such remedy shall become available under common law, equity or statute.

23. INTERPRETATION

This Agreement shall be read with all changes of gender and number as required by the context.

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24. REFERENCES TO STATUTES

Except as otherwise provided in this Agreement, references to any statute herein shall be deemed to be a reference to such statute and any and all regulations from time to time promulgated thereunder and to such statute and regulations as amended or re-enacted from time to time. Any reference herein to a specific section or sections, paragraph or paragraphs and/or clause or clauses of any statute or regulations promulgated thereunder shall be deemed to include a reference to any corresponding provision of future law.

25. TIME OF ESSENCE

Time shall in all respects be of the essence hereof provided that the time for the doing or completing of any matter referred to herein may be extended or abridged by an agreement, in writing, executed by the Vendor and the Purchaser or their respective solicitors who are hereby expressly appointed for that purpose.

26. CANADIAN FUNDS

All references to dollar amounts contained in this Agreement shall be deemed to refer to Canadian funds.

27. TENDER

Not to limit the provisions of paragraph 7, any tender of notices, documents and/or monies hereunder may be made upon the Vendor or the Purchaser or their respective solicitors. Monies may be tendered by a negotiable cheque certified by a Canadian chartered bank or by an official bank draft drawn upon one of Canada's five largest chartered banks.

28. FURTHER ASSURANCES

Except as otherwise expressed herein to the contrary, each party shall, without receiving additional consideration therefore, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, in order to carry out the purpose and intent of this Agreement.

29. CONFIDENTIALITY

The Purchaser and its agents, advisors and authorized representatives shall maintain in strict confidence, until Closing, all information and materials delivered or made available pursuant to this Agreement, except as may reasonably be disclosed by the Purchaser:

- (a) to facilitate the procurement of financing for the Purchased Assets;
- (b) to enforce any of its rights/remedies hereunder;
- (c) to enforce any of its other rights/remedies, if any, pursuant to common law, equity or statute; or
- (d) to comply with laws requiring disclosure.

In the event that the transaction contemplated in this Agreement is, for any reason whatsoever, not completed, then the Purchaser shall, upon request from the Vendor,

promptly return to the Vendor all materials delivered hereunder and deliver to the Vendor all copies of materials made available hereunder.

30. NON-BUSINESS DAYS

In the event that any date specified or any date contemplated in this Agreement shall fall upon a day other than a Business Day, then such date shall be deemed to be the next following Business Day.

31. DOCUMENTATION PREPARATION AND REGISTRATION

The Purchaser shall prepare or cause to be prepared the land transfer tax affidavit to be attached to the Approval and Vesting Order described in Subsection 13(a) hereof and the documentation described in Subsections 14(a), (d), (f) and (g) hereof. The Vendor shall prepare or cause to be prepared all other documentation described in Sections 16 and 17 hereof. Each of the parties shall deliver draft documentation to the other not less than five (5) Business Days prior to Closing. Except as otherwise expressly provided in this Agreement, all such documentation shall be in form and have substance satisfactory to the Vendor and the Purchaser, acting reasonably. The Purchaser shall be responsible for and pay all registration costs incurred in connection with the transaction contemplated in this Agreement. Except as otherwise expressly provided in this Agreement, each of the Vendor and the Purchaser shall be responsible for and pay all legal and other professional/consultant fees and disbursements incurred by it, directly or indirectly, in connection with this Agreement.

32. LAND TRANSFER TAXES AND RETAIL SALES TAXES


The Purchaser shall pay on or prior to Closing all land transfer taxes (as required pursuant to the *Land Transfer Tax Act* (Ontario)) payable in connection with the transfer of the Purchased Assets pursuant to this Agreement.

33. GOVERNING LAWS

This Agreement has been executed in the Province of Ontario and, for all purposes, shall be construed in accordance with and governed by the laws in effect within the Province of Ontario.

34. ASSIGNMENT

The Purchaser shall not assign part or all of its interest under this Agreement without the prior written consent of the Vendor, which consent may be arbitrarily withheld. The Vendor shall have the unilateral right in its sole and unfettered discretion to assign this Agreement to any other party at any time prior to Closing provided that such party is the registered owner of the Purchased Assets as of Closing, who, from the time of such assignment, shall be entitled to all of the benefits and shall assume and be subject to all of the obligations and liabilities of the Vendor hereunder and, upon such assignment and written notice thereof given by the Vendor to the Purchaser, the Vendor shall be fully and forever released from all obligations and liability under this Agreement. In this regard, the Purchaser hereby acknowledges and agrees that it shall accept title from the registered owner of the Purchased Assets and will accept such owner's title covenants in lieu of

J.C. 

those of the Vendor, in the event that the Vendor is not the registered owner of the Purchased Assets on the Closing Date.

35. COMMISSION

The Vendor agrees that it shall be responsible for paying commission to the Purchaser's Broker, Right at Home Realty Inc. Brokerage (represented by Dermot James Walsh) in connection with the sale of the Purchased Assets, by payment to Right at Home Realty Inc. Brokerage of a commission equal to 5.00% of the Purchase Price plus HST upon a successful closing of the Agreement and the Vendor agrees to indemnify and save harmless the Purchaser from and against any claim for such commission or other remuneration. To be clear, the Vendor will not be required to make any payment to Right at Home Realty Inc. Brokerage if the transaction contemplated by this Agreement does not close.

36. NON-REGISTRATION OF AGREEMENT

The Purchaser acknowledges that this Agreement is personal to the Purchaser and that this Agreement or any monies paid hereunder do not create an interest in the Lands and the Purchaser further acknowledges that upon any breach of this Agreement by the Vendor, the Purchaser has an adequate remedy in damages. The Purchaser agrees that it will not register or cause or permit to be registered this Agreement and that no reference to or notice of it or any caution, certificate of pending litigation or other similar court process in respect thereof shall be registered on title to the Lands, and the Purchaser shall be deemed to be in default under this Agreement if it makes any registration or causes or permits any registration to be made on title to the Lands prior to the Date of Closing.

37. VENDOR'S CAPACITY

It is acknowledged by the Purchaser that msi Spergel Inc. is entering into this Agreement solely in its capacity as Court-appointed receiver of Cindergirls Inc. msi Spergel Inc. shall have no personal or corporate liability under or as a result of this Agreement. Any claim against msi Spergel Inc. shall be limited to and only enforceable against the property and assets then held by or available to it in its capacity as receiver of Cindergirls Inc. 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.

38. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

39. TIME FOR ACCEPTANCE

The offer to purchase comprising this Agreement shall be irrevocable by the Purchaser and open for acceptance by the Vendor until 5:00 o'clock p.m. on the \_\_\_\_\_ day of \_\_\_\_\_, 2020, after which time, if not accepted and notice of such



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acceptance communicated to the Purchaser, then the said offer to purchase shall be null and void and of no further force and effect.

DATED as of the date first mentioned above. Toronto 8th July 2020

By: [Signature]

Name: Dinesh K. Jais

Title: Owner

I have authority to bind the Corporation.

The Vendor hereby accepts the foregoing offer to purchase and its terms and agrees with the Purchaser to duly complete the transaction contemplated thereunder.

DATED this 8th day of July, 2020.

MSI SPERGEL INC., in its capacity as Court-Appointed Receiver of CINDERGIRLS INC. and not in its personal or corporate capacity and without personal or corporate liability

By: [Signature]

Name: NIKOL MANCHONTO, CMA, CIPR, UT

Title: Principal

I have authority to bind the Corporation.

**Schedule "A" – COURT ORDER  
OF THE HONOURABLE MR. JUSTICE HAINEY  
February 12, 2020**

17C

*[Handwritten signature]*

*[Handwritten mark]*

**Schedule "B" – LEGAL DESCRIPTION OF PROPERTY**


**{PART LOT 3 CON BROKEN FRONT DESIGNATED AS PART 1 PLAN 39R13426;  
MUNICIPALITY OF BRIGHTON (PIN 51154-0553 LT)}**

*Handwritten signature*

170

*Handwritten mark*

### Schedule "C" – PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown.
2. Applicable municipal by-laws and regulations provided, in each case the same do not materially adversely affect the use or value of the Purchase Assets for commercial parking purposes..
3. Any right of expropriation, access or user, or any similar rights conferred by or reserved in any statutes of Canada or the Province of Ontario.
4. Unregistered or inchoate statutory liens, charges or encumbrances affecting title to the Property for taxes, assessments, governmental charges or levies not yet due or any other unregistered statutory liens.
5. The exceptions and qualifications contained in paragraphs 7, 8, 9, 10, 12 and 14 of Subsection 44 (1) of the *Land Titles Act*.
6. Any defects or deficiencies which an up-to-date building location survey of the property might reveal.
7. Easements, rights-of-way and/or licenses now registered for the supply and installation of utility services, drainage, telephone services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Project (collectively, the "Utility Easements"), together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes, and/or pertaining to the sharing of any services, facilities and/or amenities with adjacent or neighbouring property owners or any crane access agreements or tieback or shoring agreements provided, in each case the same do not materially adversely affect the use or value of the Purchase Assets for commercial parking purposes.
8. Registered municipal agreements and registered agreements with publicly regulated utilities including without limitation, any development, site plan, subdivision, engineering, heritage easement agreements and/or other municipal agreement (or similar agreements entered into with any governmental authorities), (with all of such agreements being hereinafter collectively referred to as the "Development Agreements") provided, in each case, the terms and conditions of each such Development Agreement has been complied with in all material respects and does not materially adversely affect the use of the Purchase Assets for commercial parking purposes.
9. Agreements relating to any metering, submetering and/or check metering equipment, or relating to the supply of utility services to the Public Parking Garage.
10. Any shared facilities agreements, reciprocal and/or cost sharing agreements, or other agreements, easements or rights-of-way with the Project forming part of the Project and/or adjoining properties including the Reciprocal Operating Agreement provided, in each case, the terms and conditions of each such agreement has been complied with in all material respects and does not materially adversely affect the use the use of the Purchase Assets for commercial parking purposes. 

**Schedule "D" FORM OF VESTING ORDER**

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# APPENDIX “3”

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

**THE BANK OF NOVA SCOTIA**

Applicant

- and -

**CINDERGIRLS INC.**

Respondent

**AFFIDAVIT OF MUKUL MANCHANDA**  
(sworn August 26, 2020)

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

1. I am a Licensed Insolvency Trustee with msi Spergel Inc. ("**MSI**"), the court-appointed Receiver (the "**Receiver**") of all the assets, undertakings and properties of the Respondent. As such I have knowledge of the matters hereinafter deposed to.
2. MSI was appointed Receiver pursuant to the Order made by the Honourable Justice Hainey of the Ontario Superior Court of Justice on February 12, 2020.
3. Attached hereto as **Exhibit "A"** are true copies of the Receiver's accounts with respect to professional fees and disbursements incurred in respect of the receivership of Cindergirls Inc. for the period February 20, 2020 to August 26, 2020 in the amount of \$23,065.25, not inclusive of HST. This represents a total of 71.40 hours at an average rate of \$322.61 per hour. The accounts and supporting time dockets disclose in detail: the nature of the services rendered, the time expended

by each person and their hourly rates, disbursements charged and the total charges for the services rendered.

4. The hourly billing rates detailed in this Affidavit are the standard billing and charge out rates of MSI for services rendered in relation to similar proceedings.
5. To the best of my knowledge the rates charged by MSI in connection with acting as Receiver are comparable to the rates charged by other firms in the Toronto market for the provision of similar services.
6. I make this affidavit in support of the Receiver's motion for; *inter alia*, approval of its fees and disbursements and not for an improper purpose.

SWORN BEFORE ME at the City  
of Toronto, in the Province of  
Ontario, this 26th day of August, 2020.

  
A Commissioner, etc.

Barbara Eileen Sturge, a Commissioner, etc.,  
Province of Ontario, for msi Spergel Inc.  
and Spergel & Associates Inc.  
Expires September 21, 2022.



**MUKUL MANCHANDA**

**This is Exhibit "1" of the Affidavit of  
MUKUL MANCHANDA  
Sworn before me on this 26<sup>th</sup> day of August, 2020**

  
**A Commissioner, Etc.**

Barbara Eileen Sturge, a Commissioner, etc.,  
Province of Ontario, for msi Spergel inc.  
and Spergel & Associates inc.  
Expires September 21, 2022.



SPERGEL

August 26, 2020

Invoice #: 11913

Cindergirls Inc.

## Invoice

RE: Cindergirls Inc.

	Hours	Hourly Rate	Total
Harvey S. Lipman, CPA, CA, CIRP, LIT	0.20	\$525.00	\$105.00
Deborah Hornbostel, CPA, CA, CFE, CIRP, LIT	1.30	525.00	682.50
Gillian Goldblatt, CPA, CA, CIRP, LIT	8.30	375.00	3,112.50
Mukul Manchanda, CPA, CIRP, LIT	30.10	395.00	11,889.50
Others	31.50	230.00	7,245.00
Total Professional fees	71.40	\$322.61	\$23,034.50
HST			2,994.49
Reimbursable Expenses			
Corporate Profile Search			\$14.75
PPSA Search			\$16.00
Total Reimbursable expenses			\$30.75
HST on expenses			\$1.92
<b>Total</b>			<b>\$26,061.66</b>

HST Registration #R103478103

(AACIND-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](http://www.spergel.ca)

Member **ICIN** The Independent Canadian Insolvency Network

Filters Used:

- File ID:

AACIND-R: to AACIND-R:

## MSGG - Detailed Time Dockets

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File Name (ID): Cindergirls Inc. (AACIND-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
<b>Deborah Hornbostel (DHO)</b>					
Thur	02/20/2020	Review and approve disbursements	0.20	\$525.00	\$105.00
Mon	02/24/2020	Review and approve disbursements	0.10	\$525.00	\$52.50
Tues	03/17/2020	Review and approve accounts payable	0.10	\$525.00	\$52.50
Wed	04/08/2020	review and sign disbursement cheques	0.20	\$525.00	\$105.00
Thur	04/23/2020	Review and approve disbursement	0.10	\$525.00	\$52.50
Mon	05/04/2020	Review and sign cheques	0.10	\$525.00	\$52.50
Thur	05/28/2020	Review and approve disbursements	0.10	\$525.00	\$52.50
Mon	06/15/2020	Review and approve disbursements	0.10	\$525.00	\$52.50
Mon	07/13/2020	Review and approve accounts payable	0.10	\$525.00	\$52.50
Wed	07/22/2020	Review accounts payable, sign cheques	0.20	\$525.00	\$105.00
Deborah Hornbostel (DHO)			<b>1.30</b>		<b>\$682.50</b>
<b>Frieda Kanaris (FKA)</b>					
Thur	02/13/2020	Travel to premises, meet with locksmith, change locks and secure premises; photograph premises, return to office, upload pictures; request PPSA and corporate profile searches.	4.70	\$250.00	\$1,175.00
Fri	02/14/2020	Prepare draft Notice of Receiver, finalize notice and fax to O.R; mailing to creditors; enter and transfer file in Ascend; requisition payment to locksmith; review letter from CRA, compile list of invoices and retrieve copies.	0.90	\$250.00	\$225.00
Wed	02/19/2020	T/c and email with Royce Williamson (Williamson & Associates) re appraisal; email to York Simcoe Appraisal.	0.40	\$250.00	\$100.00
Thur	02/20/2020	T/c and emails with Baayen and Associates re appraisal (unable to provide appraisal); email exchange with York Simcoe Appraisals; email to AIG Appraisal Group re quote for appraisal; finalize insurance survey form and Vacancy questionnaire, submit to FCA; t/c with Rocco (Lockit Security) re security checks at premises.	1.30	\$250.00	\$325.00
Mon	02/24/2020	Review and requisition payment to FCA insurance; various email exchanges with appraisers re getting quotes and setting up appointment to meet at premises; emails with Rocco (Lockit Security) re site inspections.	0.80	\$250.00	\$200.00
Thur	02/27/2020	Travel to Brighton, meet with Dan Harvey (Prince Edward Appraisal Service) and Paul (site inspector), return to office.	4.90	\$250.00	\$1,225.00
Fri	02/28/2020	Email exchange and t/c with Paul (site inspector) and Peter (Williamson Appraisers) re setting appointment for second property appraisal.	0.30	\$250.00	\$75.00
Thur	03/12/2020	T/c's and emails re follow-up on appraisals.	0.20	\$250.00	\$50.00
Tues	03/17/2020	Review and requisition payment to FCA insurance; emails and t/c to appraisals re status of reports.	0.30	\$250.00	\$75.00
Thur	03/19/2020	Review appraisal from Williamson & Associates, save in directory; review and requisition payment for invoice.	0.40	\$250.00	\$100.00
Mon	03/30/2020	T/c's with Dan Harvey re second appraisal.	0.30	\$250.00	\$75.00
Wed	04/08/2020	Review and save appraisal from Prince Edward Appraisal Services, requisition payment for invoice.	0.40	\$250.00	\$100.00
Tues	04/14/2020	Emails to real estate agents requesting proposals for marketing property.	0.50	\$250.00	\$125.00
Wed	04/15/2020	T/c with Rocco (Lockit Security); exchange of emails with realtors re attending on site.	0.60	\$250.00	\$150.00
Thur	04/16/2020	Exchange of emails with realtors scheduling site visits.	0.40	\$250.00	\$100.00
Mon	04/20/2020	Review and requisition payment for security invoice; review proposals for marketing property and forward to MM.	0.50	\$250.00	\$125.00
Thur	04/23/2020	Exchange of emails with MM and realtors re marketing proposals.	0.30	\$250.00	\$75.00
Fri	04/24/2020	Review and forward marketing proposal to MM.	0.20	\$250.00	\$50.00

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File Name (ID): Cindergirls Inc. (AACIND-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
<b>Frieda Kanaris (FKA)</b>					
Thur	04/30/2020	Review marketing proposals; save in directory; prepare schedule, exchange of emails with MM,	1.50	\$250.00	\$375.00
Fri	05/01/2020	Review and requisition payment for payables.	0.30	\$250.00	\$75.00
Fri	05/08/2020	T/c and email to Nikki Lafferty re providing marketing proposal; requisition payment for payables.	0.40	\$250.00	\$100.00
Mon	05/11/2020	Exchange of emails with Williamson re stop payment and reissuing cheque.	0.30	\$250.00	\$75.00
Fri	05/22/2020	T/c with Derma Walsh (Century 21) realtor interested in property.	0.30	\$250.00	\$75.00
Wed	05/27/2020	T/c with Derma Walsh re potential offer; review and respond to email from Rocco re debris at premises; requisition payment for payables; prepare posting for WTF from Harrison Pensa.	0.50	\$250.00	\$125.00
Thur	06/04/2020	Review and respond to email from Dermot Walsh; review and requisition payment for payable.	0.40	\$250.00	\$100.00
Mon	06/08/2020	T/c with Dermot Walsh.	0.30	\$250.00	\$75.00
Tues	06/16/2020	Conference call with Dermot Walsh and MM; emails with Dermot and MM.	0.50	\$250.00	\$125.00
Mon	06/22/2020	Emails and conference call with MM and Dermot Walsh.	0.40	\$250.00	\$100.00
Thur	06/25/2020	Review and respond to email from Dermot Walsh.	0.20	\$250.00	\$50.00
Mon	06/29/2020	Review and respond to email from Dermot Walsh.	0.30	\$250.00	\$75.00
Fri	07/03/2020	Request wire transfer information.	0.20	\$250.00	\$50.00
Mon	07/06/2020	T/c with Dermot Walsh and MM.	0.20	\$250.00	\$50.00
Thur	07/16/2020	Review and requisition payment for payables.	0.30	\$250.00	\$75.00
Thur	07/30/2020	T/c's with Dermot.	0.30	\$250.00	\$75.00
Wed	08/05/2020	Review letter from Brighton Public Works, t/c to same; review emails from Dermot Walsh.	0.30	\$250.00	\$75.00
Fri	08/07/2020	T/c to Town of Brighton.	0.20	\$250.00	\$50.00
Mon	08/10/2020	T/c's and emails with Allen Magee (Public Works Brighton) re Order to Remedy Violation, schedule appointment to review property; email and t/c with Rocco.	0.50	\$250.00	\$125.00
Thur	08/13/2020	Prepare interim Receiver's Notice and SRD, fax to O.R.	0.50	\$250.00	\$125.00
Tues	08/18/2020	Review and requisition payment for payables.	0.30	\$250.00	\$75.00
Thur	08/20/2020	Review quote from Rocco, send email to Allan Magee (Town of Brighton) re cleanup of property.	0.40	\$250.00	\$100.00
Tues	08/25/2020	T/c's with MM and Rocco, send email to Rocco to commence clean-up at property.	0.30	\$250.00	\$75.00
Frieda Kanaris (FKA)			<b>26.30</b>		<b>\$6,575.00</b>
<b>Gillian Goldblatt (GGO)</b>					
Thur	02/13/2020	t/c with MMA re: taking possession; instruct FKA re: locksmith, pictures; draft FCA insurance application; review pictures from site.	1.20	\$375.00	\$450.00
Fri	02/14/2020	emails to Brownlee re: insurance	0.10	\$375.00	\$37.50
Sat	02/15/2020	email to Brownlee re: additional info for insurance.	0.10	\$375.00	\$37.50
Wed	02/19/2020	emails to FCA and Totten re: asme; t/c with Chad Brownlee at Totten re: quote.	0.60	\$375.00	\$225.00
Thur	05/14/2020	prepare cheque requisition for insurance.	0.10	\$375.00	\$37.50
Wed	07/08/2020	instruct R. Peeroo to pay June insurance.	0.10	\$375.00	\$37.50
Wed	07/22/2020	sign cheque	0.10	\$375.00	\$37.50
Fri	08/14/2020	Prepare July and Aug insurance cheque reqs, send to M. Manchanda for approval.	0.50	\$375.00	\$187.50
Tues	08/18/2020	Draft report to court, including appendices; prepare final R&D, final invoice and dockets, fee affidavit.	5.40	\$375.00	\$2,025.00
Thur	08/20/2020	review and approve disbursements.	0.10	\$375.00	\$37.50
Gillian Goldblatt (GGO)			<b>8.30</b>		<b>\$3,112.50</b>

Filters Used:

- File ID:

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## MSGG - Detailed Time Dockets

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File Name (ID): Cindergirls Inc. (AACIND-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
<b>Harvey S. Lipman (HLI)</b>					
Thur	02/20/2020	To cheque review and sign	0.20	\$525.00	\$105.00
		Harvey S. Lipman (HLI)	0.20		\$105.00
<b>Haran Sivanathan (HSI)</b>					
Tues	02/25/2020	General	0.40	\$150.00	\$60.00
Tues	03/17/2020	General	0.30	\$150.00	\$45.00
Fri	07/10/2020	General	0.20	\$150.00	\$30.00
Wed	07/22/2020	General	0.50	\$150.00	\$75.00
		Haran Sivanathan (HSI)	1.40		\$210.00
<b>Inga Friptuleac (IFR)</b>					
Tues	02/11/2020	BA set up	0.20	\$125.00	\$25.00
Tues	02/18/2020	Deposit; Issue cheques	0.60	\$125.00	\$75.00
Tues	02/25/2020	Post debit and credit entries,	0.20	\$125.00	\$25.00
Wed	03/18/2020	Issue cheque	0.20	\$125.00	\$25.00
Wed	04/08/2020	Issue cheques	0.40	\$125.00	\$50.00
Wed	04/22/2020	Issue cheque	0.20	\$125.00	\$25.00
Tues	04/28/2020	Issue cheque	0.20	\$125.00	\$25.00
Tues	05/26/2020	Post wire trf; Issue cheque	0.40	\$125.00	\$50.00
Mon	06/08/2020	Issue cheques	0.20	\$125.00	\$25.00
Mon	06/15/2020	Issue cheque	0.20	\$125.00	\$25.00
Mon	07/06/2020	Deposits	0.20	\$125.00	\$25.00
Mon	08/10/2020	Deposit	0.20	\$125.00	\$25.00
Mon	08/17/2020	Issue cheques	0.40	\$125.00	\$50.00
		Inga Friptuleac (IFR)	3.60		\$450.00
<b>Mukul Manchanda (MMA)</b>					
Tues	02/11/2020	Telephone discussion with M. Vine regarding funds to fund the receivership.	0.20	\$395.00	\$79.00
Wed	02/12/2020	Time spent prior to appointment with respect to reviewing the model order and the application record. Receipt and review of the issued and entered receivership order. Sent an email to R. Moses asking her to register the order on title. Receipt and review of an email from P. Leitgeb containing the acknowledge and direction to register the order. Review and execute and email an executed copy of same to P. Leitgeb.	2.20	\$395.00	\$869.00
Thur	02/13/2020	Provided instructions to banking department to order a license and open a trust account. Email exchanges with M. Vine to obtain the endorsement. Sent an email to G. Goldblatt to post the endorsement and other relevant documents to the case website. Receipt and review of a copy of the appraisal commissioned by the borrower.	0.60	\$395.00	\$237.00
Fri	02/14/2020	Receipt and review of multiple emails with respect to the insurance of the property. Receipt and review of the Notice and Statement of the Receiver. Edited and executed same to be filed with the OSB. Review and approve payables.	0.70	\$395.00	\$276.50
Wed	02/19/2020	Multiple email exchanges with insurance brokers. Receipt and review of insurance quote. Telephone discussion with C. Brownlee regarding the insurance quotation.	0.80	\$395.00	\$316.00
Thur	02/20/2020	Sent an email to M. Vine providing her with the Receiver's Certificate relative to the advance of funds by BNS. Receipt and review of an email from M. Vine providing a copy of the previous appraisal. Review and sign insurance survey form and vacancy questionnaire.	0.30	\$395.00	\$118.50

Filters Used:

- File ID:

AACIND-R: to AACIND-R:

## MSGG - Detailed Time Dockets

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File Name (ID): Cindergirls Inc. (AACIND-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
<b>Mukul Manchanda (MMA)</b>					
Fri	02/21/2020	Receipt and review of an email from C. Kelly from Municipality of Brighton confirming receipt of the notice of receiver and asking if future correspondences should be sent to the receiver. Sent an email to C. Kelly advising her to direct all future correspondences to my attention. Receipt and review of an email from L. Borges containing the insurance policy and the invoice. Sent an email approving the invoice.	0.40	\$395.00	\$158.00
Mon	02/24/2020	Review of email exchanges with Rocco regarding having an inspector at the premises on Thursday. Email exchanges regarding obtaining appraisals of the property.	0.30	\$395.00	\$118.50
Tues	02/25/2020	Telephone call from Daniela of CRA regarding a trust audit. Advised Daniela that the Receiver does not have any books and records of the company. Agreed to advise Daniela if the Receiver was able to obtain books and records.	0.30	\$395.00	\$118.50
Wed	03/11/2020	Receipt and review of an email from M. Vine asking for an update. Sent an email to M. Vine providing the update. Email exchanges regarding appraisals of the property.	0.40	\$395.00	\$158.00
Thur	03/12/2020	Review of email exchanges with appraisers regarding status of appraisals.	0.20	\$395.00	\$79.00
Mon	03/16/2020	Receipt and review of an email from Rocco providing the pictures with respect to the inspection of the property.	0.20	\$395.00	\$79.00
Tues	03/17/2020	Review of email exchanges with the appraiser regarding an eta on the appraisal.	0.10	\$395.00	\$39.50
Wed	03/18/2020	Receipt and review of an email from the appraiser providing an update. Receipt and review of the appraisal from Williamson & Associates Limited.	0.80	\$395.00	\$316.00
Thur	03/19/2020	Receipt and review of an email from F. Kanaris asking for approval of invoice of Williams & Associates. Sent an email approving same. Review of an email advising we do not have sufficient funds in the trust account to pay the invoice. Sent an email to M. Vine requesting an advance of funds.	0.30	\$395.00	\$118.50
Wed	03/25/2020	Sent an email to M. Vine providing an update.	0.20	\$395.00	\$79.00
Mon	03/30/2020	Receipt and review of an email from R. Tuzi providing the inspection report.	0.20	\$395.00	\$79.00
Fri	04/03/2020	Receipt, review and approve the invoice from R. Tuzi for inspection of the property.	0.10	\$395.00	\$39.50
Mon	04/06/2020	Sent an email to Prince Edward Appraisal advising that the process is being held up due to the delay in completion of the appraisal and asked to expedite the process and provide the appraisal by tomorrow. Receipt and review of an email from the appraiser advising that the appraisal will be ready by tomorrow.	0.20	\$395.00	\$79.00
Tues	04/07/2020	Receipt and review of an email from Prince Edward Appraisal containing the appraisal of the property.	0.40	\$395.00	\$158.00
Wed	04/08/2020	Receipt, reviewed and approved payment to the two appraisers.	0.20	\$395.00	\$79.00
Mon	04/13/2020	Receipt and review of an email from R. Tuzi providing the inspection reports. Telephone call to various commercial realtors in Brighton to obtain marketing proposals. Sent an email to F. kanaris asking her to reach out the appraisals for recommendation of realtors. Receipt and review of an email from R. Tuzi advising that a truck is parked onsite and asked whether we provided permission for same. Email exchanges with R. Tuzi regarding same.	0.80	\$395.00	\$316.00
Wed	04/15/2020	Receipt and review of the marketing proposal from Jamie Tork of Ekort Realty Ltd.	0.20	\$395.00	\$79.00

Filters Used:

- File ID:

AACIND-R: to AACIND-R:

## MSGG - Detailed Time Dockets

Printed on: 8/26/20

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File Name (ID): Cindergirls Inc. (AACIND-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
<b>Mukul Manchanda (MMA)</b>					
Thur	04/16/2020	Receipt and review of an email from R. Tuzi providing the VIN for the van parked at the premises. Review of email exchanges regarding attendance by brokers for inspection of the property.	0.20	\$395.00	\$79.00
Mon	04/20/2020	Receipt and review of a payable. Receipt and review of a marketing proposal.	0.30	\$395.00	\$118.50
Tues	04/21/2020	Receipt, review and approve payables.	0.10	\$395.00	\$39.50
Thur	04/23/2020	Receipt and review of an email from a broker providing a marketing proposal.	0.20	\$395.00	\$79.00
Thur	04/30/2020	Receipt and review of the summary and comparison of the marketing proposals.	0.30	\$395.00	\$118.50
Fri	05/01/2020	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Fri	05/08/2020	Telephone discussions and email exchanges with A. Miller of Colliers regarding listing the property.	0.50	\$395.00	\$197.50
Tues	05/12/2020	Receipt and review of listing proposal from Nikki.	0.20	\$395.00	\$79.00
Tues	05/19/2020	Email exchanges with C. Coleiro regarding advance of funds. Receipt and review of an email from Apogee billing containing an invoice. Approved payment of same.	0.20	\$395.00	\$79.00
Mon	05/25/2020	Receipt and review of the inspection report from R. Tuzi.	0.20	\$395.00	\$79.00
Wed	05/27/2020	Receipt and review of an offer for the property.	0.50	\$395.00	\$197.50
Mon	06/01/2020	Receipt and review of an email from R. Tuzi containing a quotation for removal of garbage.	0.20	\$395.00	\$79.00
Thur	06/04/2020	Review of emails regarding the offer from D. Walsh. Review and approve payables.	0.30	\$395.00	\$118.50
Thur	06/11/2020	Review of an email containing an offer from D. Walsh. Telephone discussion with R. Moses with respect to the offer and requirement to conduct a sales process. Agreed that the Receiver can rely on the sales process conducted by the company prior to the appointment. Scheduled a call with M. Vine regarding same.	1.00	\$395.00	\$395.00
Fri	06/12/2020	Conference call with M. Vine regarding the offer and the Receiver's sales process.	0.50	\$395.00	\$197.50
Mon	06/15/2020	Review of email exchanges with respect to outstanding insurance premium. Receipt, review and approve the payable.	0.20	\$395.00	\$79.00
Tues	06/16/2020	Telephone conversation with D. Walsh regarding the offer. Advised that we will be back to him shortly after consulting with stakeholders. Telephone discussion with M. Vine regarding the sales process. Receipt and review of an amended listing agreement from M. Vine. Receipt and review of various emails outlining the sales process and reduction in price. Receipt and review of an email from M. Vine introducing to T. Connolly for removal of the personal effects from the property.	1.00	\$395.00	\$395.00
Wed	06/17/2020	Review of email exchanges with respect to obtaining the tax certificate. Receipt and review of emails from the listing agent with respect to the listing history and price reductions. Telephone discussion with M. Vine regarding same. Receipt and review of the tax certificate.	0.50	\$395.00	\$197.50
Mon	06/22/2020	Receipt and review of an email from D. Walsh regarding the offer presented. Telephone discussion with D. Walsh regarding same. Sent an email to D. Walsh advising that the Receiver is prepared to accept the offer for an increased purchase price. Receipt and review of an email from D. Walsh advising that his client is agreeable to the purchase price requested by the Receiver. Email exchanges with counsels regarding same. Drafted an agreement of purchase and sale and emailed same to R. Moses for comments.	2.50	\$395.00	\$987.50

Filters Used:

- File ID: AACIND-R: to AACIND-R:

MSGG - Detailed Time Dockets

Printed on: 8/26/20

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File Name (ID): Cindergirls Inc. (AACIND-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
<b>Mukul Manchanda (MMA)</b>					
Thur	06/25/2020	Receipt and review of an email from S. Pearlstein containing the Permitted Encumbrances. Revised the agreement of purchase and sale and emailed same to D. Walsh for comments.	1.00	\$395.00	\$395.00
Fri	06/26/2020	Receipt and review of an email from R. Tuzi containing the inspection report.	0.10	\$395.00	\$39.50
Mon	06/29/2020	Receipt and review of an email from D. Walsh advising that the draft agreement is being reviewed by the potential purchasers counsel and he anticipates that a signed copy of same will be provided today.	0.10	\$395.00	\$39.50
Tues	06/30/2020	Receipt and review of the signed APS. Sent an email to D. Walsh advising that the numbering of the section in the APS was changed and asked him to have the original APS signed. Telephone discussion with D. Walsh regarding same. Provided a clean copy of the APS. Sent an email to M. Vine asking for an advance to fund the expenses of the estate. Forwarded email communication with D. Walsh to M. Vine.	1.00	\$395.00	\$395.00
Thur	07/02/2020	Sent an email to D. Walsh advising that the Receiver will only sign the APS and no additional documents. Receipt and review of an email from D. Walsh regarding same. Prepared a fully executed copy of the APS and emailed same to D. Walsh.	0.60	\$395.00	\$237.00
Fri	07/03/2020	Reviewed the signed APS received from D. Walsh. Created a fully executed copy and emailed same along with wire transfer instructions to D. Walsh.	0.50	\$395.00	\$197.50
Tues	07/07/2020	Email exchanges regarding the receipt of the initial deposit from the purchaser. Review of email exchanges regarding insurance premiums.	0.20	\$395.00	\$79.00
Wed	07/08/2020	Receipt and review of an email from D. Walsh containing the signed offer. Prepared a fully executed copy of the offer and emailed same to D. Walsh	0.30	\$395.00	\$118.50
Thur	07/09/2020	Email exchanges with D. Walsh regarding next steps and information available to the Receiver regarding the property.	0.20	\$395.00	\$79.00
Mon	07/13/2020	Email exchanges with D. Walsh.	0.10	\$395.00	\$39.50
Tues	07/14/2020	Review and approve payables.	0.10	\$395.00	\$39.50
Wed	07/15/2020	Review of email exchanges regarding payment of insurance premium.	0.10	\$395.00	\$39.50
Thur	07/16/2020	Review and approve payables.	0.10	\$395.00	\$39.50
Fri	07/17/2020	Receipt and review of an email from D. Walsh providing an update on his efforts to obtain information from city council.	0.10	\$395.00	\$39.50
Mon	07/20/2020	Receipt and review of email exchanges between D. Walsh and D. LeBlanc.	0.10	\$395.00	\$39.50
Tues	07/21/2020	Receipt and review of an email from D. Walsh regarding the property. Review of multiple emails between BiCorp Design and City Council.	0.20	\$395.00	\$79.00
Mon	07/27/2020	Receipt and review of an email from D. Walsh requesting an extension for 60 days; Telephone discussion with D. Walsh regarding same. Telephone discussion with M. Vine regarding same.	0.30	\$395.00	\$118.50
Thur	07/30/2020	Receipt and review of an email from M. Vine advising that BNS agrees that there will be no further extension for due diligence. Telephone call to D. Walsh regarding the authorization to speak to the city and the extension request. Prepared signed copy of the authorization and emailed same to D. Walsh. Sent an email to D. Walsh regarding the extension request.	0.30	\$395.00	\$118.50

Filters Used:

- File ID:

AACIND-R: to AACIND-R:

## MSGG - Detailed Time Dockets

Printed on: 8/26/20

Page 7 of 7

File Name (ID): Cindergirls Inc. (AACIND-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
<b>Mukul Manchanda (MMA)</b>					
Tues	08/04/2020	Receipt and review of an email from D. Walsh containing the waiver of the due diligence. Forwarded same to R. Moses. Telephone discussion with R. Moses regarding same. Receipt and review of an email from S. Pearlstein regarding the waiver. Prepared a fully executed copy of the waiver and emailed same to D. Walsh along with the executed APS and wire transfer instructions and asked him to wire the \$40K deposit. Telephone discussion with D. Walsh regarding the waiver and attendance at court.	1.50	\$395.00	\$592.50
Wed	08/05/2020	Receipt and review of a letter from town of Brighton regarding clean up of the property. Instructed F. Kanaris to reach out to the town to clarify what is required. Review of an email containing the cost for removal of debris. Receipt and review of an email from D. Walsh advising that the further deposit will be provided today. Receipt and review of an email from A. Colucci regarding the insurance. Sent an email providing the requested information. Telephone discussion with R. Moses regarding court date and preparation of materials. Review of email exchanges with Commercial List regarding availability for a court hearing.	1.00	\$395.00	\$395.00
Wed	08/26/2020	Time spent reviewing and finalizing Report to Court.	3.00	\$395.00	\$1,185.00
<b>Mukul Manchanda (MMA)</b>			<b>30.10</b>		<b>\$11,889.50</b>
<b>Shenaz Tolat (STO)</b>					
Mon	03/02/2020	PPSA and Corporate Profile as on February 13, 2020 - requested by Frieda Kanaris	0.20	\$50.00	\$10.00
<b>Shenaz Tolat (STO)</b>			<b>0.20</b>		<b>\$10.00</b>
<b>Total for File ID AACIND-R:</b>			<b>71.40</b>		<b>\$23,034.50</b>
<b>Grand Total:</b>			<b>71.40</b>		<b>\$23,034.50</b>

# APPENDIX “4”

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

B E T W E E N:

**THE BANK OF NOVA SCOTIA**

Applicant

and

**CINDERGIRLS INC.**

Respondent

**AFFIDAVIT OF STEVEN I. PEARLSTEIN**  
(sworn August 26, 2020)

I, **STEVEN I. PEARLSTEIN**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a partner in the law firm Minden Gross LLP and, as such I have knowledge of the matters to which I hereinafter depose. Minden Gross LLP is acting as counsel for msi Spergel inc., in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**"), without security, of the real property municipally known as 214 Ontario Street, Brighton, Ontario [PIN 51154-0553] (the "**Real Property**"), including all proceeds thereof.

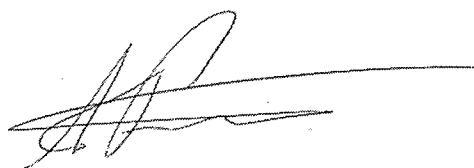
2. Minden Gross LLP has prepared a statement of account in connection with its mandate as counsel to the Receiver, detailing its services rendered and disbursements incurred, namely:

(a) an account dated August 25, 2020 in the amount of \$4,864.71 in respect of the period from February 12, 2020 to August 23, 2020,

(the "**Statement of Account**"). Attached hereto and marked as **Exhibit "A"** to this Affidavit is a copy of the Statement of Account. The average hourly rate of Minden Gross LLP is \$408.33

3. I swear this affidavit in support of a motion to, *inter alia*, approve the attached account of Minden Gross LLP and the fees and disbursements detailed therein, and for no improper purpose whatsoever.

**SWORN** before me at the City of Toronto, )  
in the Province of Ontario, )  
this 26<sup>TH</sup> day of August, 2020. )  
*Rachel Moses* )  
A Commissioner, etc. )

  
\_\_\_\_\_  
**STEVEN I. PEARLSTEIN**

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This is Exhibit "A" referred to  
in the Affidavit of Steven I. Pearlstein  
Sworn this 26th  
day of August, 2020.

*Rachel Moses*

.....  
A Commissioner for Taking Affidavits

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**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 25-Aug-20  
FILE NUMBER 4117324  
GST/HST Reg. # 11943 7556 RT  
  
INVOICE # 427662

**PERSONAL AND CONFIDENTIAL**

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

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**Re: Cindergirls Inc. (Receivership)**

To Professional Services:		
Our Fees:	\$4,037.50	
Disbursements:	275.03	
Total Fees and Disbursements:	<u>\$4,312.53</u>	\$4,312.53
 GST/HST Tax:		
On Professional Fees:	\$524.88	
On Taxable Disbursements:	27.30	
Total GST/HST Tax:	<u>\$552.18</u>	<u>552.18</u>
 <b>TOTAL DUE ON THIS ACCOUNT:</b>		 <b>\$4,864.71</b>



FILE NUMBER 4117324

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

12-Feb-20	Moses, R.	Receipt of Receivership Order and engaged re registering Receivership Order against title;	.20 hrs	95.00
11-Jun-20	Moses, R.	Telephone call with M. Manchanda re sales process;	.10 hrs	47.50
11-Jun-20	Moses, R.	Engaged re obtaining Tax Certificate and correspondence to M. Manchanda re same;	.10 hrs	47.50
12-Jun-20	Moses, R.	Telephone conference with M. Manchanda re sales process;	.10 hrs	47.50
17-Jun-20	Moses, R.	Engaged re Tax Certificate for real property;	.20 hrs	95.00
22-Jun-20	Moses, R.	Review correspondence from M. Manchanda re Agreement of Purchase and Sale re 214 Ontario Street;	.10 hrs	47.50
23-Jun-20	Moses, R.	Communications with M. Manchanda and S. Pearlstein re Agreement of Purchase and Sale;	.10 hrs	47.50
23-Jun-20	Moses, R.	Telephone conference with M. Manchanda re Agreement of Purchase and Sale;	.10 hrs	47.50
23-Jun-20	Pearlstein, S.	E-mail from and to R. Moses; review and amend draft APS;	1.00 hrs	450.00
24-Jun-20	Moses, R.	Engaged re permitted encumbrances for Schedule "C" to Agreement of Purchase and Sale;	.10 hrs	47.50
24-Jun-20	Pearlstein, S.	E-mail from and to R. Moses; review PIN; prepare Schedule C Permitted Encumbrances;	.40 hrs	180.00
6-Jul-20	Moses, R.	Telephone call with M. Manchanda re due diligence and amendment to Agreement of Purchase and Sale;	.10 hrs	47.50
4-Aug-20	Moses, R.	Telephone call and correspondence from M. Manchanda re Waiver from purchaser;	.10 hrs	47.50
4-Aug-20	Pearlstein, S.	E-mail from and to R. Moses and Spergel re Waiver;	.30 hrs	135.00
4-Aug-20	Pearlstein, S.	E-mail from and to L. Onayemi and R. Moses;	.30 hrs	135.00
5-Aug-20	Moses, R.	Exchange correspondence with A. Anissimova re Hearing date;	.20 hrs	95.00
10-Aug-20	Moses, R.	Exchange correspondence with A. Anissimova re Hearing date;	.10 hrs	47.50
11-Aug-20	Moses, R.	Receipt of correspondence from A. Anissimova re Hearing date and correspondence to M. Vine re security;	.10 hrs	47.50
13-Aug-20	Moses, R.	Exchange correspondence with R. Pollock re Approval and Vesting Order Motion and sale of real property;	.10 hrs	47.50
16-Aug-20	Moses, R.	Engaged in review of Bank of Nova Scotia Credit Agreements and correspondence to M. Manchanda re security opinion;	.20 hrs	95.00
18-Aug-20	Moses, R.	Exchange correspondence with J. Khosravi and M. Manchanda re Commission Invoice;	.10 hrs	47.50



FILE NUMBER 4117324

18-Aug-20	Moses, R.	Review Parcel Register for 214 Ontario Street;	.10 hrs	47.50
19-Aug-20	Moses, R.	Engaged re reviewing Receiver's Report and security opinion;	.10 hrs	47.50
20-Aug-20	Pearlstein, S.	E-mail from R. Moses and to L. Onayemi re Security Opinion;	.20 hrs	90.00
20-Aug-20	Onayemi, L.	Review correspondence; correspondence with SIP; tax certificate request and correspondence with the municipality of Brighton	1.00 hrs	300.00
21-Aug-20	Moses, R.	Engaged in review of First Report; telephone call and exchange correspondence with M. Manchanda re same;	.90 hrs	427.50
21-Aug-20	Moses, R.	Engaged in Fee Affidavit;	.10 hrs	47.50
21-Aug-20	Moses, R.	Engaged re Notice of Motion and Approval and Vesting Order and Discharge Order;	1.00 hrs	475.00
21-Aug-20	Pearlstein, S.	Email from and to Moses and Onayemi re security opinion;	.30 hrs	135.00
21-Aug-20	Onayemi, L.	Correspondence with SIP and RM.	.40 hrs	120.00
23-Aug-20	Onayemi, L.	Review searches re Cindergirls Inc.; draft security opinion; correspondence with SIP and RM.	1.50 hrs	450.00

Our Fee:	4,037.50
GST/HST:	524.88

Total Fees and GST/HST:	<u>\$4,562.38</u>
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## Disbursements:

Certificate - Realty Tax	80.00
Deliveries	16.43
Photocopy/Document Impression	2.50
Register Charge - Non Taxable	65.05
Registration Service Fees (Teraview)	10.85
Subsearch Disbursements	100.20

Total Disbursements:	<u>\$275.03</u>
GST/HST on taxable disbursements:	27.30

<u>\$302.33</u>	\$302.33
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**TOTAL DUE ON THIS ACCOUNT:**

<u><u>\$4,864.71</u></u>
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FILE NUMBER 4117324

**PRE-BILL SUMMARY INFORMATION**

Name	Professional Category	Area of Legal Expertise	Rate Per Hour	Region	Total Hours	Total Value
Moses, R.	Junior Partner	LITIGATION	475.00	Tor.	4.30	<b>\$2,042.50</b>
Pearlstein, S.	Senior Partner	REAL ESTATE	450.00	Tor.	2.50	<b>\$1,125.00</b>
Onayemi, L.	Junior Assoc	REAL ESTATE	300.00	Tor.	2.90	<b>\$870.00</b>
			<b>Totals:</b>		<b>9.7</b>	<b>\$4,037.50</b>



**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 25-Aug-20  
FILE NUMBER 4117324  
GST/HST Reg. # 11943 7556 RT  
INVOICE # 427662

## REMITTANCE PAGE

### PERSONAL AND CONFIDENTIAL

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

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

Our Fees	4,037.50
GST/HST	524.88
Disbursements	275.03
GST/HST on taxable disbursements	27.30
<b>TOTAL AMOUNT DUE ON THIS ACCOUNT</b>	<b>\$4,864.71</b>

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

B E T W E E N

**THE BANK OF NOVA SCOTIA**  
Applicant

-and-

**CINDERGIRLS INC.**  
Respondent

Court File No. CV-20-00634214-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**

Proceeding commenced at Toronto

**AFFIDAVIT OF STEVEN I. PEARLSTEIN**  
(sworn August 26, 2020)

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

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

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

Lawyers for the Receiver, msi Spergel inc.  
(File No. 4117324)

# APPENDIX “5”

District of  
Division No. -  
Court No. 31-458889  
Estate No. 31-458889

Cindergirls Inc.  
Receiver's Statement of Receipts and Disbursements  
As at August 21, 2020

**RECEIPTS**

Advance from secured creditors	20,000.00	
Interest allocation	<u>11.59</u>	20,011.59
<b>TOTAL RECEIPTS</b>		<b>20,011.59</b>

**DISBURSEMENTS**

3. Fees Paid		
To official receiver	<u>70.00</u>	70.00
4. Premium		
Insurance	<u>8,676.72</u>	8,676.72
5. Federal and Provincial taxes		
HST paid on disbursements exclusive of fees	<u>1,147.90</u>	1,147.90
6. Miscellaneous		
Bank charges	5.00	
Travel	156.20	
Change of locks	290.00	
Security	4,540.00	
Utilities	99.06	
Repairs & maintenance	99.06	
Appraisal fees	4,000.00	
Ascend License Fee	275.00	
HST on Ascend License Fee	<u>35.75</u>	9,500.07
<b>TOTAL DISBURSEMENTS</b>		<b><u>19,394.69</u></b>
Net Receipts over Disbursements		<b><u>616.90</u></b>

# APPENDIX “6”

## SCHEDULE "B"

### RECEIVER CERTIFICATE

CERTIFICATE NO: 001

AMOUNT: \$5,000.00

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties of Cindergirls Inc. (the "Debtor") acquired for, 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 12<sup>th</sup> day of February, 2020 (the "Order") made in an action having court file number CV-20-00634214-00CL, has received as such receiver from the holder of this certificate (the "Lender") the principal sum of \$5,000.00, being part of the total principal sum of \$100,000.00 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 after the date hereof at a notional rate per annum equal to the rate of 2.5 per cent above the prime commercial lending rate of the Bank of Nova Scotia 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 11<sup>th</sup> day of February 2020.

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

Per: \_\_\_\_\_



Name: Mukul Manchanda, CPA, CIRP, LIT

Title: Partner

## SCHEDULE "B"

### RECEIVER CERTIFICATE

CERTIFICATE NO: 002

AMOUNT: \$5,000.00

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties of Cindergirls Inc. (the "Debtor") acquired for, 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 12<sup>th</sup> day of February, 2020 (the "Order") made in an action having court file number CV-20-00634214-00CL, has received as such receiver from the holder of this certificate (the "Lender") the principal sum of \$5,000.00, being part of the total principal sum of \$100,000.00 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 after the date hereof at a notional rate per annum equal to the rate of 2.5 per cent above the prime commercial lending rate of the Bank of Nova Scotia 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 28<sup>th</sup> day of April 2020.

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



Per: \_\_\_\_\_

Name: Mukul Manchanda, CPA, CIRP, LIT

Title: Partner

## SCHEDULE "B"

### RECEIVER CERTIFICATE

CERTIFICATE NO: 003

AMOUNT: \$5,000.00

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties of Cindergirls Inc. (the "Debtor") acquired for, 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 12<sup>th</sup> day of February, 2020 (the "Order") made in an action having court file number CV-20-00634214-00CL, has received as such receiver from the holder of this certificate (the "Lender") the principal sum of \$5,000.00, being part of the total principal sum of \$100,000.00 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 after the date hereof at a notional rate per annum equal to the rate of 2.5 per cent above the prime commercial lending rate of the Bank of Nova Scotia 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 20<sup>th</sup> day of May 2020.

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



Per: \_\_\_\_\_

Name: Mukul Manchanda, CPA, CIRP, LIT

Title: Partner

## SCHEDULE "B"

### RECEIVER CERTIFICATE

CERTIFICATE NO: 004

AMOUNT: \$5,000.00

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties of Cindergirls Inc. (the "Debtor") acquired for, 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 12<sup>th</sup> day of February, 2020 (the "Order") made in an action having court file number CV-20-00634214-00CL, has received as such receiver from the holder of this certificate (the "Lender") the principal sum of \$5,000.00, being part of the total principal sum of \$100,000.00 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 after the date hereof at a notional rate per annum equal to the rate of 2.5 per cent above the prime commercial lending rate of the Bank of Nova Scotia 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 6<sup>th</sup> day of July 2020.

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



Per: \_\_\_\_\_

Name: Mukul Manchanda, CPA, CIRP, LIT

Title: Partner

# APPENDIX “7”

[Quick Tools](#)[Rates](#)[Scotiabank](#) **Scotia Momentum VISA Account Inquiry - Profile**[Help](#)**Sub Product : for business****Account Number : 4538 270 552  
198****Status : CLOSED -  
Derogatory****Expiry Date :  
2021/01****Customer Details****Customer Name:** MR DORNE J  
WILSON**CRI:** C**Account Title:** MR DORNE J  
WILSON**Business Legal  
Name :** CINDERGIRLS INC.**Servicing Details****BLT :** 23952**Relationship Manager  
Code :****Balance Details****Credit Limit :** \$1,957.00**Available Credit :****Outstanding Balance :** \$1,956.40**Credit Limit Date :****Payout Amount :** \$2,763.73

**CLOSE LOAN INQUIRY**

Page: 1

Date: 8/24/2020

Account Number: 239520000162

Short Name: CINDERGIRLS

Loan No: 01

Status: Delinquent

Description: FIMCLA Loans (Feb 1/88 -  
extend'd indefly ): Farm  
Improvement Loans

BLT: 23952

Step N

Loan Currency: CAD

Type: 3091

**Close Loan Inquiry**

O/S Amount:	\$37,125.00	CAD	Closing Amount:	\$40,526.92
Uncollected Interest:	\$0.00			
Interest Rebate:	\$0.00		Arrears Amount:	\$40,526.92
Interest to Date:	\$3,401.92		No. of Payments Remaining:	39
Payment Amount:	\$375.00		No. of Days Late:	726
Payment Due Date:	2018-09-28		No. of Times Delinquent:	2
Last Activity Date:	2018-08-28			

**Message**

**CLOSE LOAN INQUIRY**

Page: 1

Date: 8/24/2020

Account Number: 239520000162

Short Name: CINDERGIRLS

Loan No: 02

Status: Delinquent

Description: FIMCLA Loans (Feb 1/88 -  
extend'd indefly ): Farm  
Improvement Loans

BLT: 23952

Step N

Loan Currency: CAD

Type: 3091

**Close Loan Inquiry**

O/S Amount:	\$338,100.00	CAD	Closing Amount:	\$369,647.51
Uncollected Interest:	\$0.00			
Interest Rebate:	\$0.00		Arrears Amount:	\$369,647.51
Interest to Date:	\$31,547.51		No. of Payments Remaining:	39
Payment Amount:	\$2,100.00		No. of Days Late:	777
Payment Due Date: 2018-09-15			No. of Times Delinquent:	2
Last Activity Date: 2018-08-15				

**Message**

# APPENDIX “8”



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER



LAND  
REGISTRY  
OFFICE #39

51154-0553 (LT)

PAGE 1 OF 1  
PREPARED FOR Christine  
ON 2020/08/18 AT 15:36:30

PROPERTY DESCRIPTION: PART LOT 3 CON BROKEN FRONT DESIGNATED AS PART 1 PLAN 39R13426; MUNICIPALITY OF BRIGHTON

PROPERTY REMARKS: PLANNING ACT CONSENT IN DOCUMENT ND143082.

ESTATE/QUALIFIER: RECENTLY:  
FEE SIMPLE DIVISION FROM 51154-0491  
LT CONVERSION QUALIFIED

PIN CREATION DATE:  
2016/12/16

OWNERS' NAMES: CAPACITY SHARE  
CINDERGIRLS INC. ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT	INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2016/12/16 **					
**SUBJECT,	ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO					
**	SUBSECTION 44 (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *					
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF					
**	IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70 (2) OF THE REGISTRY ACT APPLIES.					
**DATE OF	CONVERSION TO LAND TITLES: 2008/11/24 **					
39R13426	2016/09/08	PLAN REFERENCE				C
ND143082	2016/12/06	TRANSFER	\$378,000	WAIN, GARY WAIN, PAUL STANLEY	CINDERGIRLS INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
ND143083	2016/12/06	CHARGE	\$378,000	CINDERGIRLS INC.		C
ND182931	2019/06/19	LIEN	\$34,295	HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE	THE BANK OF NOVA SCOTIA	C
REMARKS: TAX LIEN						
ND194241	2020/02/13	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	MSI SPERGEL INC.	C
REMARKS: THE OWNER/BANKRUPTS INTEREST IN BEING DEALT WITH BY A COURT APPOINTING MSI SPERGEL INC						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

# APPENDIX “9”



**MINDEN GROSS LLP**  
**BARRISTERS AND SOLICITORS**  
145 KING STREET WEST, SUITE 2200  
TORONTO, ON, CANADA M5H 4G2  
TEL. 416-362-3711 FAX 416-864-9223  
www.mindengross.com

DIRECT DIAL (416) 369-4145  
E-MAIL lonayemi@mindengross.com  
FILE NUMBER 4117324

August 24, 2020

**DELIVERED BY EMAIL**

MSI SPERGEL INC.  
505 Consumers Road, Suite 200  
Toronto, Ontario M2J 4V8  
Attention: Mukul Manchanda

Dear Sir:

**RE: BANK OF NOVA SCOTIA vetting of security – Cindergirls Inc. (the “Borrower”)**  
**214 Ontario Street, Brighton, Ontario (the “Property”)**

---

As per your instructions we have now had an opportunity to review the Bank of Nova Scotia Charge in respect to the above noted matter, as well as other relevant search material, and wish to confirm the following relevant information:

Legal Title of the Property

Based only on our review of the Parcel Page of the Property (PIN 51154-0553 (LT)), we note that legal title is subject to the following registrations:

1. Instrument No. ND143083 being a Charge in favour of The Bank of Nova Scotia registered on December 6, 2016.

This appears to be a first ranking charge.

2. Instrument No. ND182931 being a Lien in favour of Her Majesty the Queen in Right of Canada as Represented by the Minister of National Revenue registered on June 19, 2019.

The Lien is in respect of a Tax Arrears Certificate registered by the Her Majesty the Queen in Right of Canada as Represented by the Minister of National Revenue for income taxes and other amounts totalling \$34,295.34 at the date of issuance of the Certificate in Court File Number ITA-4086-19 by the Court, together with interest at such rate or rates determined from time to time by Section 161 of the Income Tax Act. This Lien may create a deemed trust super priority pursuant to Federal Legislation.

3. Instrument No. ND194241 being an Application to Register Court Order in favour of MSI Spergel Inc. registered on February 13, 2020.

We enclose for your purposes a copy of the current PIN for the Property.

PPSA Registry System

A search under the PPSA Registry System against the Borrower has indicated the existence of the following registration, being the sole PPSA registration against the Borrower, and which registration appears to relate to the Bank of Nova Scotia loan transaction herein:

- i. Registration No. 20161205 1517 1532 2975 (File No. 723114234) in favour of the Bank of Nova Scotia, which registration we trust has been made in respect of Royal Bank of Canada loan herein.

We enclose a copy of the PPSA Enquiry Response Certificate confirming the foregoing.

Corporate Status

We have confirmed with the Province of Ontario that the Borrower is presently subsisting and in good standing.

We enclose a copy of the Certificate of Status dated August 17, 2020 in this regard.

Tax Certificate

We enclose a copy of the tax certificate from the Municipality of Brighton dated June 17, 2020, which sets out the following:

- a) Roll Number – 1408-108-050-08988-0000.
- b) Assessed Owner – Cindergirls Inc. c/o Mukul Manchanda
- c) Interim 2020 Realty Taxes - \$1,192.44 (\$1,028.37 taxes and \$46.99 penalty)
- d) Arrears:
  - (i) 2018 - \$1,510.01 (\$1231.19 taxes and \$278.82 interest); and
  - (ii) 2019 - \$2,991.42 (\$2,582.02 taxes and \$409.40 interest);

As at June 17, 2020 the total outstanding realty taxes for the Property is \$5,693.87.

Please see copy of realty tax certificate annexed hereto.

We trust that the foregoing is satisfactory for your purposes, and we do confirm your instructions that, for the time being, you are seeking no further assistance in respect of this matter.

Should the foregoing situation change, we would ask that you please feel free to contact the undersigned.

Yours very truly,

**MINDEN GROSS LLP**

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Ladi Onayemi

LXO/bk

#4326648 | 4117324



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
REGISTRY  
OFFICE #39

ServiceOntario

PAGE 1 OF 1  
PREPARED FOR Christine  
ON 2020/08/18 AT 15:36:30

51154-0553 (LT)

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

## PROPERTY DESCRIPTION:

PART LOT 3 CON BROKEN FRONT DESIGNATED AS PART 1 PLAN 39R13426; MUNICIPALITY OF BRIGHTON

## PROPERTY REMARKS:

PLANNING ACT CONSENT IN DOCUMENT ND143082.

## ESTATE/QUALIFIER:

RECENTLY:

FEE SIMPLE  
LT CONVERSION QUALIFIED

DIVISION FROM 51154-0491

## OWNERS' NAMES

CAPACITY SHARE  
ROWNPIN CREATION DATE:  
2016/12/16

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
**	PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2016/12/16 **					
**	SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:					
**	SUBSECTION 44 (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *					
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF					
**	IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.					
**	DATE OF CONVERSION TO LAND TITLES: 2008/11/24 **					
39R13426	2016/09/08	PLAN REFERENCE				C
ND143082	2016/12/06	TRANSFER	\$378,000	WAIN, GARY WAIN, PAUL STANLEY	CINDERGIRLS INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
ND143083	2016/12/06	CHARGE	\$378,000	CINDERGIRLS INC.	THE BANK OF NOVA SCOTIA	C
ND182931	2019/06/19	LIEN	\$34,295	HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE		C
REMARKS: TAX LIEN						
ND194241	2020/02/13	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	MSI SPERGEL INC.	C
REMARKS: THE OWNER/BANKRUPTS INTEREST IN BEING DEALT WITH BY A COURT APPOINTING MSI SPERGEL INC						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

RUN NUMBER : 230  
RUN DATE : 2020/08/17  
ID : 20200817132653.64

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 1  
( 4302 )

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE  
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

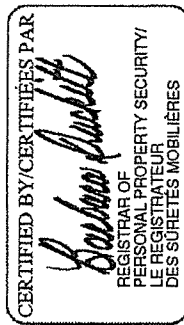
SEARCH CONDUCTED ON : CINDERGIRLS INC.

FILE CURRENCY : 16AUG 2020

ENQUIRY NUMBER 20200817132653.64 CONTAINS 3 PAGE(S), 1 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME  
WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER  
SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

CYBERBAHN, A THOMSON REUTERS BUSINESS  
333 BAY STREET, STE. 400  
TORONTO ON M5H 2R2



(crtf 06/2019)

CONTINUED... 2



PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

RUN NUMBER : 230  
RUN DATE : 2020/08/17  
ID : 20200817132652.64

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : CINDERGIRLS INC.  
FILE CURRENCY : 16AUG 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00  
FILE NUMBER  
723114234

01  
CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
001 1 20161205 1517 1532 2975 P PSSA 5

02  
03  
04  
DEBTOR NAME CINDERGIRLS INC  
DATE OF BIRTH  
FIRST GIVEN NAME  
INITIAL SURNAME  
BRIGHTON  
ONTARIO CORPORATION NO.  
ON KOK 1H0

05  
06  
07  
DEBTOR NAME  
DATE OF BIRTH  
FIRST GIVEN NAME  
INITIAL SURNAME  
BRIGHTON  
ONTARIO CORPORATION NO.  
ON KOK 1H0

08  
09  
SECURED PARTY /  
THE BANK OF NOVA SCOTIA  
THEIR CLAIMANT  
4715 TAHOE BLVD  
MISSISSAUGA  
ON L4W 0B4

10  
COLLATERAL CLASSIFICATION  
CONSUMER  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED DATE OF NO FIXED  
Maturity OR MATURITY DATE

11  
12  
MOTOR  
VEHICLE  
YEAR MAKE  
MODEL  
VIN

13  
14  
15  
GENERAL  
COLLATERAL  
DESCRIPTION

16  
17  
REGISTERING  
AGENT  
CSRS  
4126 NORLAND AVE  
BURNABY  
BC V5G 3S8

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR  
*Sachin Parikh*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR  
DES SURETES MOBILIERES  
(ejf/w 06/2019)



PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 3  
( 4304 )

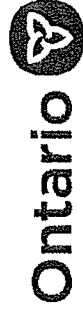
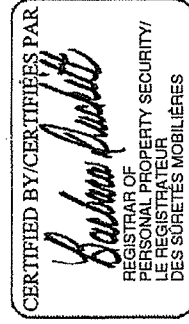
RUN NUMBER : 230  
RUN DATE : 2020/08/17  
ID : 20200817132653.64

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : CINDERGIRLS INC.  
FILE CURRENCY : 16AUG 2020

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
723114234	20161205 1517 1532 2975		

1 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.



Request ID: 024889235  
Demande n° :  
Transaction ID: 76279565  
Transaction n° :  
Category ID: CT  
Catégorie :

Province of Ontario  
Province de l'Ontario  
Ministry of Government Services  
Ministère des Services gouvernementaux

Date Report Produced: 2020/08/17  
Document produit le :  
Time Report Produced: 13:24:00  
Imprimé à :

## **CERTIFICATE OF STATUS ATTESTATION DU STATUT JURIDIQUE**

This is to certify that according to the records of the Ministry of Government Services

D'après les dossiers du Ministère des Services gouvernementaux, nous attestons que la société

**CINDERGIRLS INC.**

Ontario Corporation Number

Numéro matricule de la société (Ontario)

**002548150**

is a corporation incorporated, amalgamated or continued under the laws of the Province of Ontario.

est une société constituée, prorogée ou née d'une fusion aux termes des lois de la Province de l'Ontario.

The corporation came into existence on

La société a été fondée le

**NOVEMBER 25 NOVEMBRE, 2016**

and has not been dissolved.

et n'est pas dissoute.

Dated

Fait le

**AUGUST 17 AOÛT, 2020**



Director  
Directeur

**Municipality of Brighton**

35 Alice Street  
P.O. Box 189  
Brighton, ON K0K 1H0  
(613) 475-0670

**TAX CERTIFICATE**

Roll Number: 1408 108-050-08988-0000

Certificate #: 2742

Your File #: 4117324

**Requested By**

Minden Gross Llp  
145 King St W  
Suite 2200

Toronto ON M5H 4G2

**Assessed Owners**

Cindergirls Inc.  
c/o Mukul Manchanda  
Licensed Insolvency Trustee 505 Consumers Rd. Suite  
North York On M2J 4V8

**Municipal Address**

214 ONTARIO ST

**Property Description**

Con BF Pt Lot 3  
RP 39R13426 Part 1

**Statement of Current Taxes for 2020**

Taxes Levied to Date	Special Charges	Penalty	Current Owing
\$1,028.37	\$0.00	\$46.99	\$1,192.44

**Statement of Tax Arrears**

Year	Taxes	Interest	Outstanding
2019	\$2,582.02	\$409.40	\$2,991.42
2018	\$1,231.19	\$278.82	\$1,510.01
2017 & prior			\$0.00

Total Taxes Owing and Billed at Date of Certification: **\$5,693.87**

*Penalty at a rate of 1.25% of unpaid taxes will be added on the 1st day of the month following default and on the 1st day of each calendar month thereafter.*

**Current Year Instalment Breakdown**

	Interim	Final
2/28/2020	\$514.37	
4/30/2020	\$514.00	

**Special Charges Breakdown**

Code	Description	Amount
------	-------------	--------

**Water/Sewer Balance**

\$0.00

**Previous Year Taxes Levied**

2019	\$2,056.73
------	------------

**Comments:** Cindergirls Inc.

I hereby certify that, subject to the following qualifications, this statement shows:

1. All arrears of taxes returned to this office and due against the property described herein.
2. The current amount of taxes levied to date on the real property described herein and the amount of current year's and prior year's taxes owing as at the date of certification.
3. That no part of the lands described herein have been sold for taxes and no certificate of tax arrears has been registered against said lands unless specifically identified.

Certified as at: 6/17/2020

**Qualifications**

*Tax Collector*

1. This certificate is subject to additional taxes which may become payable under Sections 33 and 34 of the Assessment Act, R.S.O. 1990
2. This certificate is subject to tax adjustment provisions of Section 39 of the Assessment Act R.S.O. 1999 and Sections 354, 356 and 357 of the Municipal Act, 2001.
3. The total taxes shown may include additions to the Tax Collector's roll as authorized by provincial legislation.
4. The information on this certificate is based on cheques tendered but not necessarily honoured by the institution upon which they were drawn, and may not reflect payment made in the last 2 days.

# TAB 10



**Municipality of Brighton**  
35 Alice Street  
P.O Box 189  
Brighton, ON K0K 1H0  
(613) 475-0670

## TAX CERTIFICATE

Roll Number: 1408 108-050-08988-0000

Certificate #: 2742

Your File #: 4117324

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Minden Gross Llp  
145 King St W  
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Toronto ON M5H 4G2

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# TAB 3

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**THE HONOURABLE MR.**

**JUSTICE HAINEY**

)  
)  
)

**FRIDAY, THE 4<sup>TH</sup>**

**DAY OF SEPTEMBER, 2020**

**B E T W E E N:**

**THE BANK OF NOVA SCOTIA**

Applicant

- and -

**CINDERGIRLS INC.**

Respondent

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by msi Spergel inc. ("**Spergel**") in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets, including the real property municipally known as 214 Ontario Street, Brighton, Ontario [PIN 51154-0553] (the "**Real Property**") of Cindergirls Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Tomba Enterprises Limited (the "**Purchaser**") dated July 8, 2020 and appended to the First Report of the Receiver dated August 26, 2020 (the "**First Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the Real Property described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the First Report and on hearing the submissions of counsel for the Receiver, the Mortgagor (as defined in the First Report) consenting, no one appearing

for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn August •, 2020 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 Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement [and listed on Schedule B hereto] 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**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated February 12, 2020; (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; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of the Land Registry Office for Northumberland (No. 39) of an

Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*], the Land Registrar is hereby directed to enter the Purchaser, Tomba Enterprises Limited, as the owner of the subject real property identified in Schedule B hereto (the "**Real Property**") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds 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 sale, 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.

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

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

- (a) the pendency of these proceedings;
- (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 ORDERS AND DECLARES** that the Confidential Appendices to the First Report be and are hereby sealed and shall not form part of the public record until the closing of the Transaction.

8. **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.

9. **THIS COURT ORDERS** that, this order is effective from today's date and is not required to be entered.

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**Schedule A – Form of Receiver's Certificate**

Court File No. CV-20-00634214-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**B E T W E E N:**

**THE BANK OF NOVA SCOTIA**

Applicant

- and -

**CINDERGIRLS INC.**

Respondent

**RECEIVER'S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Hailey of the Ontario Superior Court of Justice (the "**Court**") dated February 12, 2020, MSI Spergel Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of CinderGirls Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated September 4, 2020, the Court approved the agreement of purchase and sale made as of July 8, 2020 (the "**Sale Agreement**") between the Receiver and Tomba Enterprises Limited (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's 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 1 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 Real Property payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in 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 \_\_\_\_\_ 2020.

**msi Spergel inc., in its capacity as  
Receiver of the undertaking, property  
and assets of CINDERGIRLS INC., and  
not in its personal capacity**

Per: \_\_\_\_\_

Name:

Title:

## **Schedule B – Purchased Assets**

(i) The Real Property, being the lands and premises municipally known as 214 Ontario Street, Brighton, Ontario legally described as Part Lot 3 Con Broken Front designated as Part 1, Plan 39R13426, Municipality of Brighton, PIN 51154-0553 (LT) in the Land Titles Division of the Land Registry Office for Northumberland (No. 39), together with all improvements erected thereon, and (ii) all existing chattels and equipment on the Real Property.

**Schedule C – Claims to be deleted and expunged from title to Real Property**

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants  
related to the Real Property**

**(unaffected by the Vesting Order)**

# TAB 4

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE MR.

)

FRIDAY, THE 4<sup>TH</sup>

JUSTICE HAINEY

)

DAY OF SEPTEMBER, 2020

)

B E T W E E N:

THE BANK OF NOVA SCOTIA

Applicant

- and -

CINDERGIRLS INC.

Respondent

**DISCHARGE ORDER**

**THIS MOTION**, made by msi Spergel inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets, including the real property municipally known as 214 Ontario Street, Brighton, Ontario [PIN 51154-0553] (the "**Real Property**") of Cindergirls Inc. (the "**Debtor**"), for an order:

1. approving the activities of the Receiver as set out in the report of the Receiver dated August 26, 2020 (the "**First Report**");
2. approving the fees and disbursements of the Receiver and its counsel, including their respective fee accruals;
3. approving the distribution of the remaining proceeds available in the estate of the Debtor; and
4. discharging msi Spergel Inc. as Receiver of the undertaking, property and assets of the Debtor,

was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the First Report, the affidavits of the Receiver and its counsel as to fees (the "**Fee Affidavits**"), and on hearing the submissions of counsel for the Receiver, no one else appearing although served as evidenced by the Affidavit of [NAME] sworn August •, 2020, filed;

1. **THIS COURT ORDERS** that the First Report, and the activities of the Receiver as set out in the First Report, be and are hereby approved.
2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the First Report and the Fee Affidavits, are hereby approved, including the fee accruals set out in the First Report.
3. **THIS COURT ORDERS** that the Receiver's interim statement of receipts and disbursements as described in the First Report be and is hereby approved.
4. **THIS COURT ORDERS** that, after payment of the fees and disbursements herein approved, the Receiver shall pay the monies remaining in its hands to:
  - (a) Her Majesty the Queen in the Right of Canada in the amount of \$ in respect of a lien
  - (b) Municipality of Brighton in the amount of \$ in respect of realty tax arrears;
  - (c) Bank of Nova Scotia in the amount of \$.
5. **THIS COURT ORDERS** that upon payment of the amounts set out in paragraph 4 hereof [and upon the Receiver filing a certificate certifying that it has completed the other activities described in the First Report], the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the

administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of msi Spergel inc. in its capacity as Receiver.

6. **THIS COURT ORDERS AND DECLARES** that msi Spergel inc. is hereby released and discharged from any and all liability that msi Spergel inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of msi Spergel inc. while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, msi Spergel inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

B E T W E E N

**THE BANK OF NOVA SCOTIA**  
Applicant

-and-

**CINDERGIRLS INC.**  
Respondent

Court File No. CV-20-00634214-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD  
(Motion scheduled for September 4, 2020)**

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

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

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

Lawyers for the Receiver, msi Spergel inc.

(File No. 4117324)

B E T W E E N

**THE BANK OF NOVA SCOTIA**  
Applicant

-and-

**CINDERGIRLS INC.**  
Respondent

Court File No. CV-20-00634214-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD  
(Motion scheduled for September 4, 2020)**

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