Court File No. CV-18-597922-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

CWB MAXIUM FINANCIAL INC.

Plaintiff

and

1970636 ONTARIO LTD. O/A MT. CROSS PHARMACY,
UMAIR N. NASIM, SHRIKANT MALHOTRA, 1975193 ONTARIO LTD. dba
MTN RX & HEALTH and ANGELO KIRKOPOULOS

Defendants

MOTION RECORD OF THE RECEIVER

September 12, 2019

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MTN RX & HEALTH and ANGELO KIRKOPOULOS

Defendants

I N D E X

I	Appendix 9 – Receiver's Interim Statement of Receipts and Disbursements
J	Appendix 10 – Receiver's Certificates
3.	Draft Discharge Order
4.	Draft Discharge Order vs. Model Discharge Order

TAB 1

Court File No. CV-18-597922-00CL

ONTARIO
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COMMERCIAL LIST

B E T W E E N:

CWB MAXIUM FINANCIAL INC.

Plaintiff

and

1970636 ONTARIO LTD. O/A MT. CROSS PHARMACY,
UMAIR N. NASIM, SHRIKANT MALHOTRA, 1975193 ONTARIO LTD. dba
MTN RX & HEALTH and ANGELO KIRKOPOULOS

Defendants

NOTICE OF MOTION

msi Spergel inc. ("**Spergel**") in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of 1970636 Ontario Ltd. o/a Mt. Cross Pharmacy (the "**Debtor**" or "**Mt. Cross**") and Umair N. Nasim and Shrikant Malhotra (collectively, the "**Guarantors**"), will make a motion to a judge presiding over the Commercial List on September 23, 2019 at 10:00 a.m., or as soon after that time as the motion can be heard, at the courthouse located at 330 University Avenue, Toronto, Ontario, M5G 1R7.

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

THE MOTION IS FOR AN ORDER, AMONG OTHER THINGS:

(a) approving the activities of the Receiver as set out in the Final Report of the Receiver dated September 12, 2019 (the "**Report**") and the Receiver's interim

statement of receipts and disbursements as at September 10, 2019 (the "**Interim R&D**") contained therein;

(b) approving of the fees and disbursements of the Receiver and its counsel in relation to the receiverships of the Debtor and the Guarantors for the time periods set out in the Report, together with the Fee Accrual (as defined in the Report) to the completion of the proceedings;

(c) authorizing the Receiver to make the distribution proposed in the Report; and

(d) effective on the filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Debtor and the Guarantors have been completed to the satisfaction of the Receiver (the "**Receiver's Certificate**"), discharging Spergel as Receiver of the undertaking, property and assets of the Debtor and the Guarantors, and releasing Spergel from any and all liability; and

(e) such further and other Relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

Approval of Report, Receipts and Disbursements and Fees and Activities

(a) msi Spergel Inc. was appointed as the Receiver of the Debtor pursuant to the Order of the Honourable Justice McEwen dated June 14, 2018 (the "**Receivership Order**") and the Receiver of the Guarantors pursuant to the Order of the Honourable Justice Penny dated September 21, 2018 (the "**Guarantors Receivership Order**");

(b) On December 11, 2018, pursuant to the Order of the Honourable Justice Wilton-Siegel, the Court approved the sale of substantially all of the assets of the Debtor;

(c) Since the date of the Receiver's last report to Court, the Receiver has, among other things, completed the closing of the sale of substantially all of the assets of the Debtor;

(d) Given that the Guarantors have minimal assets, the Receiver's recommendation is that the fees and disbursements of the Receiver and its counsel be paid out of the estate of Mt. Cross;

(e) CWB Maxium Financial Inc. ("**Maxium**"), the company's senior secured creditor, has indicated that it supports the payment of the fees and disbursements of the Receiver and its counsel out of the estate of Mt. Cross;

(f) The work completed by the Receiver and its counsel was necessary and the fees charged by the Receiver and its counsel, including the Fee Accrual, are reasonable in the circumstances;

Distribution to Maxium

(g) Pursuant to paragraph 21 of the Receivership Order, the Receiver borrowed monies from Maxium in the amount of $350,000 plus interest (the "**Receiver's Borrowings**"), which funds are secured by a charge on the property of the Debtor in priority to all security interests other than the Receiver's Charge (as defined in

the Receivership Order) and the charges set out in subsections 14.06(7), 81.4(4) and 81.6(2) of the BIA;

(h) After payment of the fees and disbursements of the Receiver and its counsel, including the Fee Accrual, the balance of any fund available in Mt. Cross's estate should be paid to Maxium on account of the Receiver's Borrowings;

(i) As per the Interim R&D, the funds available in the estate of Mt. Cross are not sufficient to satisfy the Receiver's Borrowings;

Discharge

(j) Subject to the payment of the distribution to Maxium and certain other residual matters in connection with the receivership of the Debtor, the Receiver has completed the administration of the receivership of the Debtor and its mandate under the Receivership Order;

(k) The Receiver delivered the report required pursuant to paragraph 7 of the Guarantors Receivership Order on March 11, 2019, thereby completing the administration of the receivership of the Guarantors and its mandate under the Guarantors Receivership Order;

General

(l) Sections 243-252 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and this Court's equitable and statutory jurisdiction thereunder;

(f) Rules 1.04, 2.03, 3.02, 16, 37 and 40 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

(g) Such further and other grounds as the lawyers may advise.

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

(a) The Motion Record of the Receiver, including the Report; and

(b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

September 12, 2019

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CWB MAXIUM FINANCIAL INC.
Plaintiff

-and-

1970636 ONTARIO LTD. O/A MT. CROSS PHARMACY et al.
Defendants

Court File No. CV-18-597922-00CL

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TAB 2

13

Court File No. CV-18-597922-00CL

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SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

CWB MAXIUM FINANCIAL INC.

Plaintiff

- and -

1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY, UMAIR N. NASIM, SHRIKANT MALHOTRA, 1975193 ONTARIO LTD. dba MTN RX & HEALTH AND ANGELO KIRKOPOULOS

Defendants

FINAL REPORT OF MSI SPERGEL INC. IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF 1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY, UMAIR N. NASIM AND SHRIKANT MALHOTRA

September 12, 2019

TABLE OF CONTENTS

APPENDICES

1. The Mt. Cross Appointment Order of the Honourable Justice Hainey dated June 14, 2018
2. The Guarantors Receivership Order of the Honourable Justice Penny dated September 21, 2018
3. The Approval and Vesting Order of Honourable Justice Wilton-Siegel dated December 11, 2018
4. Receiver's Report dated March 11, 2019 in relation to the receivership of the Guarantors
5. Fee Affidavit of Mukul Manchanda related to the receivership of Mt. Cross, sworn September 11, 2019
6. Fee Affidavit of Mukul Manchanda related to the receivership of the Guarantors, sworn September 11, 2019
7. Fee Affidavit of John Russo related to the receivership of Mt. Cross, sworn September 9, 2019
8. Fee Affidavit of John Russo related to the receivership of the Guarantors, sworn September 9, 2019
9. Receiver's Interim Statement of Receipts and Disbursements
10. Receiver's Certificates

1.0 APPOINTMENT AND BACKGROUND

1.0.1 This report (this "**Report**") is filed by msi Spergel inc. ("**Spergel**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") of 1970636 Ontario Ltd. o/a Mt. Cross Pharmacy ("**Mt. Cross**" or the "**Company**"), Umair N. Nasim ("**Nasim**") and Shrikant Malhotra ("**Malhotra**", together with Nasim, the "**Guarantors**").

1.0.2 Mt. Cross is a Canadian owned, private corporation carrying on business as a full service retail pharmacy (the "**Mt. Cross Pharmacy**"). Mt. Cross operated from the premises located at 503 Concession Street, Hamilton, Ontario (the "**Premises**").

1.0.3 Spergel was appointed as the Receiver without security, of all of the assets, undertakings and properties of the Company (collectively, the "**Property**") by Order of the Honourable Mr. Justice McEwen of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made June 14, 2018 (the "**Mt. Cross Appointment Order**"). The Mt. Cross Appointment Order was made upon the application of the Company's general secured creditor, CWB Maxium Financial Inc. ("**Maxium**" or the "**Secured Creditor**"). Attached as **Appendix "1"** to this Report is a copy of the Appointment Order.

1.0.4 Spergel was appointed as the Receiver, without security, of all of the assets, undertakings and properties of the Guarantors, including all proceeds thereof, by Order of the Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (Commercial List) made September 21, 2018 (the "**Guarantors Receivership Order**"), only for the purposes of investigation and inspection. Attached as **Appendix "2"** to this Report is a copy of the Guarantors Receivership Order.

1.0.5 The Receiver retained Pallett Valo LLP (the "**Receiver's Counsel**") as its independent legal counsel.

1.0.6 On December 11, 2018, the Receiver brought a motion to the Court for an order approving, amongst other things, the sale transaction of the Mt. Cross Pharmacy contemplated by a form of purchase and sale (the "**Sale Agreement**") between the Receiver and 2654356 Ontario Inc., doing business as Joice Pharmacy and Medical Clinic (the "**Purchaser**"). By order of the Honourable Justice Wilton-Siegel dated December 11, 2018 (the "**Approval and Vesting Order**"), the Court approved the relief sought by the Receiver, pursuant to which all of the Company's right , title and interest in and to the Purchased Assets (as defined in the Sale Agreement) were vested in the Purchaser free and clear of all liens, charges and security interest and other encumbrances. Attached as **Appendix "3"** to this Report is a copy of the Approval and Vesting Order.

1.0.7 Pursuant to paragraph 7 of the Guarantors Receivership Order, the Receiver was to deliver to the Guarantors, the Plaintiff and the Court a report on its actions by no later than January 11, 2019. The Receiver sought and was granted multiple extensions to file its report due to delays caused by Nasim in providing the required information. On March 11, 2019, the Receiver delivered its report its mandate under the Guarantors Receivership Order to the Guarantors, the Plaintiff and the Court. Attached as **Appendix "4"** to this Report is a copy of the above report.

2.0 PURPOSE OF THIS REPORT AND DISCLAIMER

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

a) approving this Report and the actions of the Receiver described herein, including, without limitation, the Receiver's interim statement of receipts and disbursements as at September 10, 2019 (the "**Interim R&D**");

b) approving the fees and disbursements of the Receiver for the period from December 1, 2018 to September 10, 2019 in relation to the receivership of Mt. Cross, including an estimated accrual of fees and disbursements to be incurred to the completion of these proceedings;

c) approving the fees and disbursements of the Receiver's Counsel for the period from November 1, 2018 to July 31, 2019 in relation to the receivership of Mt. Cross, including an estimated accrual of fees and disbursements to be incurred to the completion of these proceedings;

d) approving the fees and disbursements of the Receiver for the period to and including September 10, 2019 in relation to the receiveship of the Guarantors;

e) approving the Receiver's Counsel for the period to and including April 30, 2019 in relation to the receiveship of the Guarantors,

f) approcing an estimated accrual of fees and disbursements to be incurred to the completion of these proceedings;

g) authorizing the Receiver to make the distributions proposed in this Report; and

h) effective upon filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Company and the Guarantors have been completed to the satisfaction of the Receiver, discharge Spergel as the Receiver and granting certain ancillary relief in relation thereto.

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

2.0.3 In preparing this Report, the Receiver has relied upon certain information obtained from the Company's prescription dispensing software. The Receiver has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information.

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

3.0 ACTIONS OF THE RECEIVER

Receivership of Mt. Cross

3.0.1 Following the issuance of the Approval and Vesting Order, the Receiver completed the closing of the Sale Agreement. The Receiver assisted the Purchaser in the transfer of services and other matters to the extent required by the Sale Agreement.

Receivership of Nasim and Malhotra

3.0.2 Pursuant to paragraph 10 of the Guarantors Receivership Order, the Court ordered that "*the issue of the Receiver's fees in relation to the receivership of Nasim and Malhotra shall be addressed at the return of this Motion which shall be scheduled following delivery of the Report*".

3.0.3 Given the Guarantors have minimal assets, the Receiver recommends that the Receiver's and the Receiver's Counsel's fees in relation to the

receivership of the Guarantors be paid out of the estate of Mt. Cross. The Secured Creditor has indicated to the Receiver that they support that the Receiver's fees be paid from the estate of Mt. Cross.

4.0 FEES AND DISBURSEMENTS OF THE RECEIVER

4.0.1 Attached hereto as **Appendix "5"** is the Affidavit of Mukul Manchanda, sworn September 12, 2019, which incorporates by reference a copy of the Receiver's time dockets pertaining to the receivership of Mt. Cross, for the period from December 1, 2018 to September 10, 2019 in the amount of $65,445.36 inclusive of disbursements and HST. This represents a total of 180.85 hours at an average rate of $318.97 per hour.

4.0.2 Attached hereto as **Appendix "6"** is the Affidavit of Mukul Manchanda, sworn September 12, 2019, which incorporates by reference a copy of the Receiver's time dockets pertaining to the receivership of the Guarantors, for the period to and including September 10, 2019 in the amount of $26,239.64 inclusive of disbursements and HST. This represents a total of 66.65 hours at an average rate of $346.10 per hour.

5.0 FEES AND DISBURSEMENTS OF THE RECEIVER'S COUNSEL

5.0.1 Attached hereto as **Appendix "7"** is the Affidavit of John Russo, sworn September 9, 2019, which incorporates by reference a copy of the accounts rendered by the Receiver's Counsel to the Receiver in relation to the receivership of Mt. Cross for the period from November 1, 2018 to July 31, 2019 in the amount of $21,519.61 inclusive of disbursements and HST.

5.0.2 Attached hereto as **Appendix "8"** is the Affidavit of John Russo, sworn September 9, 2019, which incorporates by reference a copy of the accounts rendered by the Receiver's Counsel to the Receiver in relation to the receivership of the Guarantors for the period to and including April 30,

2019 in the amount of $23,014.60 inclusive of disbursements and HST.

5.0.3 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 view that all the work set out in the accounts of the Receiver's Counsel was carried out and was necessary. The hourly rates of the lawyers who worked on this matter were reasonable in light of the services required, and the services were carried out by lawyers with the appropriate level of experience.

6.0 RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

6.0.1 Attached hereto as **Appendix "9"** is a copy of the Receiver's Interim Statement of Receipts and Disbursements for the receivership of Mt. Cross.

7.0 FEE ACCRUAL

7.0.1 Provided that there is no opposition to the relief sought in this Report and that such relief is granted, the Receiver estimated that the additional fees and disbursements for itself and the Receiver's Counsel necessary to complete the proceedings of Mt. Cross will be $10,000.00 and $6,000.00 respectively, not including disbursements and HST (the "**Mt. Cross Fee Accrual**") and to complete the proceedings of the receivership of the Guarantors will be $5,000.00 and $2,000.00 respectively, not including disbursements and HST (the "**Guarantors Fee Accrual**", collectively, the "**Fee Accrual**")

8.0 PROPOSED DISTRIBUTION

Receiver's Certificates

8.0.1 Pursuant to paragraph 21 of the Mt. Cross Appointment Order, the Receiver borrowed monies from Maxium in the principal amount of $350,000 (the "**Borrowings**") to fund its activities in these proceedings. Attached as **Appendix "10"** to this Report are copies of the Receiver's Certificates represting the Borrowings.

8.0.2 Pursuant to paragraph 21 of the Mt. Cross Appointment Order, the issuance of the 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 interest, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (as defined in the Mt. Cross Appointment 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.

8.0.3 Therefore, after payment of the fees and disbursements of the Receiver and the Receiver's Counsel (incurred in relation to the estate of Mt. Cross and the Guarantors) including the Fee Accrual, the Receiver recommends that it be authorized and directed to pay the balance of any and all funds available in Mt. Cross's estate to Maxium, on account of the Receiver's Borrowings to a maximum of $350,000 plus interest. As per the Receiver's Interim R&D, the funds available in the estate of Mt. Cross are not sufficient to satisfy the Receiver's Borrowings.

9.0 DISCHARGE OF THE RECEIVER

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

a. the payment of distributions as identified above;

b. other residual and/or administrative matters in connection with the Spergel's appointment as the Receiver; and

c. filing of the final Receiver's certificate of discharge.

10.0 RECOMMENDATIONS

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

Dated at Toronto this 12th day of September, 2019.

msi Spergel inc.,
solely in its capacity as court-appointed
Receiver of 1970636 Ontario Ltd o/a Mt.
Cross Pharmacy, Umair N. Nasim and
Shrikant Malhotra and not in its personal
or corporate capacity

Per: 

Philip H. Gennis, J.D., CIRP, LIT
Partner

TAB 2A

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Court File No. CV-18-597922-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE MR.	)	THURSDAY, THE 14TH
	)	
JUSTICE MCEWEN	)	DAY OF JUNE, 2018

BETWEEN

CWB MAXIUM FINANCIAL INC.

Plaintiff

- and -

1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY, UMAIR N. NASIM, SHRIKANT MALHOTRA, 1975193 Ontario dba MTN RX & HEALTH AND ANGELO KIRKOPOULOS

Defendants

ORDER
(appointing Receiver)

THIS MOTION 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 (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and properties of 1970636 Ontario Ltd. o/a Mt. Cross Pharmacy ("**Mt. Cross**") ~~and 1975193 Ontario d.b.a. MTN RX & Health ("1975")~~ ~~(together~~, the "**Debtor~~s~~**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavits of Daniel Gilchrist sworn May 15, 2018, Maureen McLaren sworn May 16, 2018 and Maureen McLaren, sworn June 6, 2018 and the Exhibits thereto, the First Report of Spergel dated June 6, 2018 and the Supplemental Report dated June 11, 2018,

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and on hearing the submissions of counsel for the Plaintiff, no one appearing for the Debtors although duly served as appears from the affidavits of service of Maureen McLaren sworn June 7, 2018 and June 13, 2018, Hunter Norwick sworn June 7, 2018 and Craig Mills sworn June 12, 2018 and June 13, 2018, Except for Ahmed Hussim, appearing in person 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 Motion and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

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

RECEIVER'S POWERS

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

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtors, 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 Debtors;

(d) to engage pharmacists, 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 Debtors or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors, and to deposit such monies in a separate bank account controlled by the Receiver and pay such disbursements that are necessary for the continued operation of the business of the Debtors;

(g) to settle, extend or compromise any indebtedness owing to the Debtors;

(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 Debtors, 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 Debtors, 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 $50,000.00, provided that the aggregate consideration for all such transactions does not exceed $100,000.00; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* 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 summarily dispose of Property that is perishable or likely to depreciate rapidly in value;

(n) to file an assignment in bankruptcy on behalf of the Debtor~~s~~;

(o) to assign and transfer to the Plaintiff all of the Debtor~~s~~'s right, title and interest in a chose in action, including any documents in support thereof, upon the Receiver being satisfied that such chose in action is subject to the Plaintiff's security;

(p) 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;

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(q) to examine, without an order, under oath on ~~48 hours'~~ 4 days' notice, the Debtor~~s~~ and any person reasonably thought by the Receiver to have knowledge of the affairs of the Debtor~~s~~ or any person who is or has been an agent or a mandatary, or clerk, a servant, an officer, a director or an employee of the Debtor~~s~~, including, but not limited to, Umair N. Nasim, Shrikant Malhotra, Angelo Kirkopoulos, Ahmed Kassim, Angela Abrantes, Orlando Den Cassavia, George Vlachodimos, Vadim Kovalev and Faber & Oostdyk o/u Sean Oostdyk Professional Corporation, respecting the Debtor~~s~~ or the Debtor~~s~~'s dealings or property, and may require such a person to produce any books, documents, correspondence or papers in that person's possession or power relating in all or in part to the Debtor~~s~~ or the Debtor~~s~~'s dealings or property. Should any person object to being examined or making productions, that person may make submissions to the court.

(r) to make inquiries of the Bank of Montreal in respect to a bank draft dated May 5, 2017 payable to 1919932 Ontario Ltd. (the "**Bank Draft**"), including, but not limited to, the circumstances in which it was prepared or issued, whether the Bank Draft is authentic, where the funds behind the Bank Draft originated and whether the Bank Draft was negotiated, cashed and/or deposited;

(s) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(t) 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~~s~~;

(u) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor~~s~~, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor~~s~~;

(v) to exercise any shareholder, partnership, joint venture or other rights which the Debtor~~s~~ may have;

(w) to inquire into and report to the Plaintiff and the Court on the financial condition of the Debtors and the Property and any material adverse developments relating to the financial condition of the Debtors and/or the Property; and

(x) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

(y) 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 Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their 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, including, but not limited to Umair N. Nasim, Shrikant Malhotra, Angelo Kirkopoulos, Ahmed Kassim, Angela Abrantes, Orlando Den Cassavia, George Vlachodimos, Dr. Vadim Kovalev, Faber & Oostdyk o/u Sean Oostdyk Professional Corporation, Public Prosecution Services of Canada and/or the Crown Attorney's office, the Ontario College of Pharmacists, the Ministry of Health and Long-Term Care, the Ontario Drug Benefit Program and any insurance company (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. In particular, this Court orders that Faber & Oostdyk o/u Sean Oostdyk Professional Corporation shall:

(i) deliver to the Receiver all of the funds in its possession being held for the benefit of Mt. Cross or 1919932 Ontario Ltd. ("**1919**"); and

(ii) deliver and/or grant access to 1919's file to the Receiver in respect to an agreement of purchase and sale dated June 2, 2017, between

1919, as vendor, and Mt. Cross, as purchaser, for the purchase all of the assets of the Vendor. Should the law firm disagree, it can make submissions to the Court.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any client records and prescription information ("**Client Records**"), books, documents, securities, contracts, orders, billing privileges, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, 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, subject to Paragraph 6A herein, 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.

5A. THIS COURT ORDERS that, should the Receiver deem it necessary to seek from any insurance company or its pharmacy benefits manager personal information regarding persons covered pursuant to benefit plans which might have had claims under such plans relating to the Debtors, such information shall be sought pursuant to a motion on notice to the insurance company and its pharmacy benefits manager. Such information shall only be released by the insurance company or its pharmacy benefits manager on the agreement of such insurance company or as provided in the Order so obtained.

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.

6A. THIS COURT ORDERS that in respect to the Client Records, the Receiver shall: (i) take all steps reasonably necessary to maintain the integrity of the confidential aspect of the Client Records; (ii) if necessary, appoint a pharmacist licensed and qualified to practice in the Province of Ontario to act as custodian (the "**Custodian**") for the Client Records; (iii) not allow anyone other than the Receiver or the Custodian to have access to the Client Records; (iv) allow the Debtors supervised access to the Client Records for any purposes required pursuant to the *Regulated Health Professions Act, 1991*, the *Pharmacy Act, 1991* or any other governing Ontario or Canadian statute, that requires the Debtors, from time to time, to perform certain obligations.

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 DEBTORS OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors 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 Debtors 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 Debtors, 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 Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors 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 Debtors, 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 Debtors 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, claims processing services, payment processing services, payroll services, insurance, transportation services, utility or other services to the Debtors 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 Debtors' 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 Debtors 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 Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' 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 Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

16. THIS COURT ORDERS that, pursuant to section 42 of the Ontario *Personal Health Information Protection Act* ("**PHIPA**"), the Receiver shall only disclose personal health information to prospective purchasers or bidders who are potential successor(s) to the pharmacy business of the Debtors (the "**Pharmacy**") as Health Information Custodian(s) (as defined in the PHIPA) for the purposes of allowing the potential successor to assess and evaluate the operations of the Pharmacy. Each potential successor to whom such personal health information is disclosed is required in advance of such disclosure to review and sign an acknowledgement of this Order indicating that it agrees to keep the information confidential and secure and not to retain any of the information longer than is necessary for the purposes of the assessment or evaluation, and if such potential successor does not complete a Sale, such potential successor shall return all such information to the Receiver, or in the alternative shall destroy all such information. Such acknowledgement shall be deemed to be an agreement between the Receiver and the potential successor for the purposes of section 42 of PHIPA.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. 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

18. 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

19. 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.

20. 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.

21. 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

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $250,000 (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.

23. 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.

24. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "A"** hereto (the **"Receiver's Certificates"**) for any amount borrowed by it pursuant to this Order.

25. 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

26. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL 'www.spergel.ca/mtcross'.

27. 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 Debtors' creditors ~~or other interested~~ parties at their respective addresses as last shown on the records of the Debtors 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

28. 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.

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

30. 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.

31. 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.

32. THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

33. 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.

34. THIS COURT ORDERS that the Receiver, its counsel and counsel for the Plaintiff are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtors' creditors or other interested parties and their

advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

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

JUN 14 2018

PER / PAR:

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that msi Spergel inc., the Receiver (the "**Receiver**") of the assets, undertakings and properties 10970636 Ontario Ltd. o/a Mt. Cross Pharmacy and 1975193 Ontario d.b.a. MTN RX & Health acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated 14th day of June, 2018 (the "**Order**") made in an action having Court file number CV-18-597922-00CL, 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 _____, 2018.

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

Per: _____

Name:

Title:

CWB MAXIUM FINANCIAL INC. and 1970636 ONTARIO LTD.
o/a MT. CROSS PHARMACY, et al.

Plaintiff Defendants

Court File No: CV-18-597922-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at Toronto

ORDER
(APPOINTING RECEIVER)

MILLER THOMSON LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON Canada M5H 3S1

Bobby Sachdeva LSUC #34454C
Tel: 905.532.6670
Email: bsachdeva@millerthomson.com
Craig A. Mills LSUC#: 40947B
Tel: 416.595.8596
Email: cmills@millerthomson.com

Fax: 416.595.8695

Solicitors for the Plaintiff

31618123.1

TAB 2B

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Court File No. CV-18-597922-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE MR.	)	FRIDAY, THE 21ST
	)	
JUSTICE PENNY	)	DAY OF SEPTEMBER, 2018

CWB MAXIUM FINANCIAL INC.

Plaintiff

- and -

1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY, UMAIR N. NASIM, SHRIKANT MALHOTRA, 1975193 Ontario dba MTN RX & HEALTH AND ANGELO KIRKOPOULOS

Defendants

ORDER
(Appointing Receiver and Guarantor Disclosure)

THIS MOTION 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 (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and properties of Umair N. Nasim and Shrikant Malhotra (collectively, the "**Guarantors**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Daniel Gilchrist sworn June 22, 2018 and the Exhibits thereto, the responding affidavits of Shrikant Malholtra sworn July 5, 2018 and August 20, 2018, and on hearing the submissions of counsel for the Plaintiff, the Defendant Shrikant Malholtra and Umair N. Nasim, appearing in person, no one else attending although duly served as appears

from the affidavit of service of Maureen McLaren sworn June 29, 2018 and on reading the consent of Spergel to act as the Receiver,

APPOINTMENT

1. 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, and only with the powers granted below, of all of the assets, undertakings and properties of the Guarantors, including all proceeds thereof (the "**Property**") for the purposes of investigation and inspection.

RECEIVER NOT IN POSSESSION OF THE ASSETS

2. THIS COURT ORDERS that the Receiver shall not take possession of the Property without further Order of the Court.

RESTRAINT ON PROPERTY

3. THIS COURT ORDERS that the Guarantors are restrained from transferring, selling, mortgaging, encumbering or otherwise diverting or disposing of any Property.

4. THIS COURT ORDERS that the Guarantors may utilize their Property for ordinary course living expenses.

DISPENSING WITH NOTICES UNDER THE BIA

5. THIS COURT ORDERS that the Receiver be and hereby relieved from compliance with the provisions of s. 245 and 246, provided that the Receiver shall provide notice of its appointment by way of a copy of this Order to the Guarantors and to the Superintendent of Bankruptcy, accompanied by the prescribed fee.

PROVISION OF INFORMATION

6. THIS COURT ORDERS that the Guarantors shall:

(a) provide a sworn statement of all of their assets, liabilities, income and expenses (**"Sworn Statement"**) by no later than October 12, 2018. The Sworn Statement shall be prepared as at September 20, 2018 and the date before October 12, 2018 on which it is sworn;

(b) grant access to the Receiver to all of their financial information and documentation in respect to their respective Property, including a hard copy and electronic. This access must be granted so as to permit the Receiver to have completed its review by November 12, 2018. This includes, but is not limited to:

(i) income;

(ii) expenses;

(iii) tax returns;

(iv) bank accounts; and

(v) credit card statements;

(c) attend for an examination under oath by the Receiver by no later than December 12, 2018, if requested by the Receiver.

7. THIS COURT ORDERS that the Receiver shall deliver to the Guarantors, the Plaintiff and the Court a report (the **"Report"**) on its actions pursuant to this order by no later than January 11, 2019.

8. THIS COURT ORDERS that the parties may attend as necessary at a 9:30 am appointment to vary this timetable or for further directions.

9. THIS COURT ORDERS that this order is without prejudice to the Receiver returning to Court based on what it learns or other developments, to vary or expand the scope of its appointment.

10. THIS COURT ORDERS that the issue of the Receiver's fees shall be addressed at the return of this Motion which shall be scheduled following delivery of the Report.

11. THIS COURT ORDERS that costs of this Motion are reserved to the return of the Motion.

12. THIS COURT ORDERS that the Receiver shall be permitted to register this order against title to any real property assets of the Guarantors.

NO PROCEEDINGS AGAINST THE RECEIVER

13. 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.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Guarantors shall remain the employees of the Guarantors. 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.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. 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

16. 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. 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.

SERVICE AND NOTICE

17. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that the Receiver shall post documents in respect to these proceedings on the Case Website, bearing the URL 'www.spergel.ca/mtcross', previously be established in accordance with the Protocol pursuant to the Order of Mr. Justice Dunphy dated May 16, 2018 .

18. 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 other interested parties at their respective addresses as last shown on the records of the Receiver 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

19. 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.

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

21. 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.

22. 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.

23. THIS COURT ORDERS that the Receiver, its counsel and counsel for the Plaintiff are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by

forwarding true copies thereof by electronic message to other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

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

SEP 27 2018

PER / PAR:

CWB MAXIUM FINANCIAL SERVICES INC.
Plaintiff

and

1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY et al.
Defendants

Court File No.: CV-18-597922-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at TORONTO

ORDER
(APPOINTING RECEIVER AND GUARANTOR DISCLOSURE)

MILLER THOMSON LLP
SCOTIA PLAZA
40 KING STREET WEST, SUITE 5800
P.O. BOX 1011
TORONTO, ON CANADA M5H 3S1

Bobby H. Sachdeva (LSUC# 34454C)
Tel: 905.532.6620
Email: bsachdeva@millerthomson.com

Craig A. Mills LSUC#: 40947B
cmills@millerthomson.com
Tel: 416.595.8596

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Lawyers for the Plaintiff

34232781.2

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TAB 2C

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Court File No. CV-18-597922-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	TUESDAY, THE 11TH
	)	
JUSTICE H.J. WILTON-SIEGEL	)	DAY OF DECEMBER, 2018

BETWEEN:

CWB MAXIUM FINANCIAL INC.

Plaintiff

and

1970636 ONTARIO LTD. O/A MT. CROSS PHARMACY,
UMAIR N. NASIM, SHRIKANT MALHOTRA, 1975193 ONTARIO LTD. dba
MTN RX & HEALTH and ANGELO KIRKOPOULOS

Defendants

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel inc. ("**Spergel**"), in its capacity as the court-appointed receiver (the "**Receiver**") of all of the undertaking, property and assets (the "**Property**") of 1970636 Ontario Ltd. dba Mt. Cross Pharmacy (the "**Debtor**") for an order, among other things, approving the sale transaction (the "**Transaction**") contemplated by a form of agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 2654356 Ontario Inc., doing business as Joice Pharmacy and Medical Clinic (the "**Purchaser**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Receiver dated December 4, 2018, including the Second Report of the Receiver dated December 4, 2018 (the "**Second Report**"), and on hearing the submissions of counsel for the Receiver and CWB Maxium Financial Inc., no one else appearing although properly served as evidenced by the affidavit of Shallon Garrafa sworn December 4, 2018, filed,

SERVICE

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

APPROVAL OF TRANSACTION AND VESTING OF ASSETS

2. **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.

3. **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 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) 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 (ii) 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.

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, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the

Company's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

7. **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.

~~8. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).~~

SEALING

9. **THIS COURT ORDERS** that the Bid Summary attached as Confidential Appendix 1 and the unredacted Sale Agreement attached as Confidential Appendix 2 to the Second Report be and are hereby sealed pending the closing of the Transaction or further Order of the Court.

VENDOR TRUST FUNDS

10. **THIS COURT DECLARES** that the Vendor Trust Funds, being the $110,136.59 being held in the trust account of Faber & Oostdyk o/u Sean Oostdyk Professional Corporation and referred to at Section 4 of the Second Report, constitute Property.

APPROVAL OF REPORTS, ACTIVITIES AND FEES

11. **THIS COURT ORDERS** that the First Report of the Receiver dated July 24, 2018, the Supplement to First Report of the Receiver dated July 25, 2018, the Second Report and the activities of the Receiver described therein including, without limitation, the Receiver's interim statement of receipts and disbursements as at December 3, 2018, be and are hereby approved.

12. **THIS COURT ORDERS** that the fees and disbursements of Spergel in its capacity as the interim receiver of the Company (the "**Interim Receiver**") for the period from May 16, 2018 to June 13, 2018, as described in the Affidavit of Mukul Manchanda sworn December 3, 2018 attached as Appendix 5 to the Second Report, be and are hereby approved.

13. **THIS COURT ORDERS** that the fees and disbursements of the Receiver for the period from June 14, 2018 to November 30, 2018, as described in the Affidavit of Mukul Manchanda

sworn December 3, 2018 attached as Appendix 8 to the Second Report, be and are hereby approved.

14. **THIS COURT ORDERS** that the fees and disbursements of Pallett Valo LLP ("**PV**") in its capacity as counsel for the Interim Receiver for the period from May 16, 2018 to June 13, 2018, as described in the Affidavit of John Russo sworn December 4, 2018 attached as Appendix 7 to the Second Report, be and are hereby approved.

15. **THIS COURT ORDERS** that the fees and disbursements of PV in its capacity as counsel for the Receiver for the period from June 14, 2018 to October 31, 2018, as described in the Affidavit of John Russo sworn December 4, 2018 attached as Appendix 9 to the Second Report, be and are hereby approved.

GENERAL

16. **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.

(Signature of Judge)

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

DEC 11 2018

PER / PAR:

SCHEDULE "A" – FORM OF RECEIVER'S CERTIFICATE

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

CWB MAXIUM FINANCIAL INC.

Plaintiff

and

1970636 ONTARIO LTD. O/A MT. CROSS PHARMACY,
UMAIR N. NASIM, SHRIKANT MALHOTRA, 1975193 ONTARIO LTD. dba
MTN RX & HEALTH and ANGELO KIRKOPOULOS

Defendants

RECITALS

A. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 14, 2018, msi Spergel inc. was appointed receiver of all of the undertaking, property and assets of 1970636 Ontario Ltd. dba Mt. Cross Pharmacy (the "**Debtor**").

B. Pursuant to an Order of the Court dated December 11, 2018, the Court approved the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the Receiver and 2654356 Ontario Inc., doing business as Joice Pharmacy and Medical Clinic (the "**Purchaser**") dated December ●, 2018 (the "**APS**") and vesting in the Purchaser the right, title and interest of the Debtor in and to the Purchased Assets (the "**Purchased Assets**") described in the APS 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 (as defined in the APS) (the "**Purchase Price**") for the Purchased Assets; (ii) that the conditions to Closing as set out in the APS 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 APS.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the APS;

2. The conditions to Closing as set out in the APS 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 _____ on _____ , 2018.

msi Spergel inc., in its capacity as Receiver of 1970636 Ontario Ltd. dba Mt. Cross Pharmacy, and not in its personal capacity

_____

Name:

Title:

CWB MAXIUM FINANCIAL INC.
Plaintiff

-and-

1970636 ONTARIO LTD. O/A MT. CROSS PHARMACY et al.
Defendants

Court File No. CV-18-597922-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

APPROVAL AND VESTING ORDER

PALLETT VALO LLP
Lawyers & Trade-Mark Agents
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Mississauga, Ontario L5B 1M5

JOHN RUSSO (LSO # 42112D)
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Email: jrusso@pallettvalo.com

DINA MILIVOJEVIC (LSO # 64521U)
Tel: (905) 273-3300 ext: 283
Fax: (905) 273-6920
Email: dmilivojevic@pallettvalo.com

Lawyers for the Receiver, msi Spergel inc.

TAB 2D

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Court File No. CV-18-597922-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

CWB MAXIUM FINANCIAL INC.

Plaintiff

- and -

1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY, UMAIR N. NASIM, SHRIKANT MALHOTRA, 1975193 ONTARIO LTD dba MTN RX & HEALTH AND ANGELO KIRKOPOULOS

Defendants

REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF
UMAIR N. NASIM AND SHRIKANT MALHOTRA

March 11, 2019

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1.0 APPOINTMENT

1.0.1 This report (this "**Report**") is filed by msi Spergel inc. ("**Spergel**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") of Umair N. Nasim ("**Nasim**") and Shrikant Malhotra ("**Malhotra**", collectively the "**Guarantors**").

1.0.2 Spergel was appointed as the Receiver, without security, of all of the assets, undertakings and properties of the Guarantors, including all proceeds thereof (collectively, the "**Property**"), by Order of the Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made September 21, 2018 (the "**Receivership Order**"), only for the purposes of investigation and inspection.

1.0.3 Pursuant to paragraph 6 of the Receivership Order, the Court ordered the Guarantors to:

a) Provide a sworn statement of all of their assets, liabilities, income and expenses ("**Sworn Statement**") by no later than October 12, 2018. The Sworn Statement was to be prepared as at September 20, 2018 and the date before October 12, 2018 on which it is sworn;

b) Grant access to the Receiver to all of their financial information and documentation in respect of their respective Property, including but not limited to hard and electronic copies of the following information and documentation:

i. income;

ii. expenses;

iii. tax returns;

iv. bank accounts; and

v. credit card statements;

This access had to be granted so as to permit the Receiver to have completed its review by November 12, 2018; and

c) attend for an examination under oath by the Receiver by no later than December 12, 2018, if requested by the Receiver.

1.0.4 The Receivership Order was made upon the application of CWB Maxium Financial Inc. ("**Maxium**"). Attached as **Appendix "1"** to this Report is a copy of the Receivership Order.

2.0 PURPOSE OF THIS REPORT AND DISCLAIMER

2.0.1 Pursuant to paragraph 7 of the Receivership Order, the Receiver was to deliver to the Guarantors, the Plaintiff and the Court a report on its actions by no later than January 11, 2019. The Receiver sought and was granted multiple extensions to file its report due to delays caused by Nasim in providing the required information. Pursuant to the endorsement of Honourable Mr. Justice Pattillo dated February 8, 2019 (the "**Endorsement**") the Receiver was provided an extension to file its report by March 11, 2019. Attached as "**Appendix 2**" to this Report is a copy of the Endorsement.

2.0.2 The purpose of this Report is to advise the Guarantors, the Plaintiff and the Court as to the steps taken and the information gathered by the Receiver in these proceedings.

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

2.0.3 In preparing this Report, the Receiver has relied upon certain information provided to it by the Guarantors. The Receiver has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information.

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

3.0 ACTIVITIES OF THE RECEIVER

Shrikant Malhotra

3.0.1 On October 12, 2018, the Receiver received an email from counsel for Malhotra containing a statement of Malhotra's assets and liabilities as at September 20, 2018 and October 11, 2018 (the "**Malhotra Statement**"). The Receiver noted that the Malhotra Statement was not sworn as required under the Receivership Order.

3.0.2 The Receiver compared the Malhotra Statement with Malhotra's credit application submitted in 2017 to Maxium (the "**Malhotra Credit Application**") in support of the loan application related to 1970636 Ontario Ltd. o/a Mt. Cross Pharmacy ("**Mt. Cross Pharmacy**") and noted that there were significant differences between the assets and liabilities reported on the Malhotra Statement and the Malhotra Credit Application as follows:

Malhotra Credit Application	Amount	Malhotra Statement as at October 11, 2018	Amount
Assets			
Cash in deposit accounts	$75,000	RBC Chequing	$406.96
Value of residence	$1,100,000	RBC US Savings	USD$37.38
Value of vehicles	$75,000	TFSA	$327.70
Value of stocks, bonds etc.	$150,000	RRSP	$11,252.36
Other real estate	$405,000	Jewellery	$1,700.00
Other assets	$1,500,000	Household furniture and appliances	$7,500.00
Total	$3,305,000	Total	$21,224.40
Malhotra Statement balance as at October 11, 2018	$21,224.40		
Difference	**($3,283,775.60)**		
Liabilities			
		RBC Visa	$1,644.49

		Capital One Mastercard	$19.95
		Costco Mastercard (joint account with spouse)	$887.88
		Auto Loan	$30,601.20
		Debts to individuals (Sunil Manocha, Pardeep Kalia and Rajinder Garg)	$64,500.00
		Total	**$97,653.52**

Attached as "**Appendix 3**" to this Report are copies of the Malhotra Statement and the Malhotra Credit Application. It should be noted that no liabilities were reported on the Malhotra Credit Application.

3.0.3 The Receiver noted that in the Malhotra Statement no real property was listed as an asset. Accordingly, the Receiver conducted a title search for Malhotra's residence located at 5633 Retreat Street, Mississauga (the "**Residence**") and noted that the Malhotra transferred his interest in the Residence to his spouse Monica Malhotra in or around August 2017.

3.0.4 Given the significant differences between the Malhotra Statement and the Malhotra Credit Application, the Receiver on November 1, 2018 sent a letter to Malhotra (the "**First Letter to Malhotra**") advising, among other things, of the discrepancies and requesting additional information including information related to the transfer of the principal residence of Malhotra to his wife and the information related to Malhotra's income and expenses. Attached as "**Appendix 4**" to this Report is a copy of the First Letter to Malhotra.

3.0.5 The Receiver did not receive a response to the First Letter to Malhotra. Accordingly on November 15, 2018, the Receiver sent a letter to Malhotra (the "**Second Letter to Malhotra**") reminding Malhotra of his obligations to provide the requested information under the Receivership Order. Attached as "**Appendix 5**" to this Report is a copy of the Second Letter to Malhotra.

3.0.6 On November 15, 2018, the Receiver received an email from Malhotra providing the requested documentation and advising that he did not prepare, complete or sign the Malhotra Credit Application and that he did not authorize anyone to do so on his behalf. Attached as "**Appendix 6**" to this Report is a copy of the email (without attachments) from Malhotra.

3.0.7 The review of the documents provided by Malhotra indicated that:

a) Malhotra's gross annual income is estimated to be at least $40,531.14 and his net income is estimated to be at least $29,736.98. The gross annual income reported in the Malhotra Credit Application was $280,000;

b) Malhotra's annual expenses are estimated to be at least $12,007 not including payments related to the balance outstanding on credit cards, auto loan and debts outstanding to individuals; and

c) Malhotra transferred his interest in the Residence on August 22, 2017 (which date is after the advance of funds from Maxium to Mt. Cross Pharmacy) to his spouse Monica Malhotra for a consideration of one dollar ($1.00). Attached as "**Appendix 7**" to this Report is the documentation related to the transfer of the Residence.

Umair N. Nasim

3.0.8 On October 12, 2018 the Receiver received an email from Nasim asking for assistance on how to report the information required pursuant to paragraph 6 of the Receivership Order. The Receiver subsequently provided a template to Nasim in order for him to report the required information. On October 21, 2018 the Receiver received a statement from Nasim listing his assets, liabilities, income and expenses as at October 19, 2018 (the "**Nasim Statement**"). The Receiver noted that the Nasim Statement was not sworn and that Nasim did not provide a statement as at September 20, 2018 as required under the Receivership Order.

3.0.9 The Receiver compared the Nasim Statement with Nasim's credit application submitted in 2017 to Maxium (the "**Nasim Credit Application**") in support of the

loan application related to Mt. Cross Pharmacy and noted that there were significant differences between the assets, liabilities and income reported on the Nasim Statement and the Nasim Credit Application as follows:

Nasim Credit Application	Amount	Nasim Statement as at October 19, 2018	Amount
Assets			
Cash in deposit accounts	$50,000	Cash on hand	$500
Value of residence	$650,000	Value of residence	$550,000
Value of vehicles	$50,000	Value of vehicles	$8,000
Value of stocks, bonds etc.	$225,000	RESP	$10,000
Other real estate	$505,000	Other real estate	$420,000
Other assets	$1,250,000		
Total	$2,730,000	Total	$988,500
Malhotra Statement balance as at October 11, 2018	$988,500		
Difference	**($1,741,500)**		
Liabilities			
Mortgage on residence	$200,000	Scotia Visa	$10,000
		Capital One Mastercard	$300
		Mortgage – 27 Spitfire Drive	Did not report the outstanding amount
		Mortgage – 46 Kelso Drive	Did not report the outstanding amount
Income (annually)			
Gross Salary	$175,000	Net employment income	$90,000
Other Income	$60,000		

Total	**$235,000**	**Total**	**$90,000**
Expenses (annually)			
Mortgage	$21,200	Mortgage	$41,160
Property taxes	$4,000	Other living expenses	$54,240
Other living expenses	$24,000		
Total	**$49,200**	**Total**	**$95,400**

Attached as "**Appendix 8**" to this Report are copies of the Nasim Statement and the Nasim Credit Application. It should be noted that no liabilities were reported on the Nasim Credit Application related to other real estate.

3.0.10 Given the significant differences between the Nasim Statement and the Nasim Credit Application, the Receiver on November 1, 2018 sent a letter to Nasim (the "**First Letter to Nasim**") advising, among other things, of the discrepancies and requesting additional information. Attached as "**Appendix 9**" to this Report is a copy of the First Letter to Nasim.

3.0.11 The Receiver did not receive a response to the First Letter to Nasim. Accordingly on November 15, 2018, the Receiver sent a letter to Nasim (the "**Second Letter to Nasim**") reminding Nasim of his obligations to provide the requested information under the Receivership Order. Attached as "**Appendix 10**" to this Report is a copy of the Second Letter to Nasim.

3.0.12 After multiple failed attempts to obtain information from Nasim, the Receiver examined Nasim on December 10, 2018. Attached as "**Appendix 11**" to this Report is a copy of the transcript of Nasim's examination. During the examination, Nasim, among other things, advised that:

a) He did not prepare, complete or sign the Nasim Credit Application and that he did not authorize anyone else to do so on his behalf. He further advised that the information provided in the Nasim Credit Application was fabricated and was not true;

b) He is currently working as a relief pharmacist charging $50 per hour for Samy's Drug Mart;

c) He owns Ansa Drugs Ltd. dba Greenhill Pharmacy ("**Greenhill Pharmacy**"). He further advised that because of criminal proceedings against him he is not allowed to be a pharmacy manager and he was not able to find another pharmacist to run the Greenhill Pharmacy as such the Greenhill Pharmacy was closed in or around September 2018. He further advised that inventory and assets belonging to Greenhill Pharmacy were seized by the landlord because of outstanding rent; and

d) He owns 2253658 Ontario Inc. dba I-Care Drug Mart ("**I-Care**"). He advised that I-Care was closed in or around May 2018 because he did not have a pharmacy manager to run the pharmacy.

3.0.13 Nasim gave 32 undertakings as part of his examination and as at the date of this Report has only provided documents in relation to 19 undertakings. Attached as **"Appendix 12"** to this Report is a chart indicating the answered and unanswered undertakings as at the date of this Report. As part of the undertakings, among other things, Nasim was required to provide pay out statements from mortgagees of the real properties located at 27 Spitfire Drive, Mount Hope, ON (the "**Spitfire Property**") and 46 Kelso Drive, Caledonia, ON (the "**Kelso Property**"). Nasim provided the following in relation to the Spitfire Property and the Kelso Property:

a) A notice of sale under charge from Home Trust Company as mortgagee dated January 17, 2019 indicating a total amount outstanding of $378,227.96 in relation to the Kelso Property. The notice further indicated that in the event the outstanding amount was not paid on or before February 25, 2019 Home Trust Company will take steps to realize on the property.

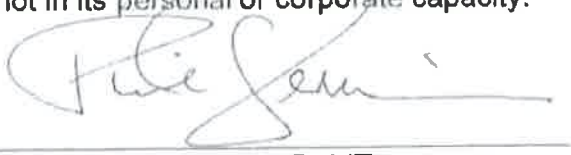
b) A notice of sale under mortgage from Equitable Bank as mortgagee dated December 20, 2018 indicating a total amount outstanding of $525,643.05 in relation to the Spitfire Property. The notice further indicated that in the

event the outstanding amount was not paid on or before January 28, 2019 Equitable Bank will take steps to realize on the property.

Attached as **"Appendix 13"** to this Report are copies of the notice of sale under charge from Home Trust Company and notice of sale under mortgage from Equitable Bank.

Dated at Toronto this 11th day of March, 2019

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

Per: 

Philip H. Gennis, J.D., CIRP, LIT
Senior Principal

APPENDIX 1

See attached.

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Court File No. CV-18-597922-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE MR.	)	FRIDAY, THE 21ST
	)	
JUSTICE PENNY	)	DAY OF SEPTEMBER, 2018

CWB MAXIUM FINANCIAL INC.

Plaintiff

- and -

1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY, UMAIR N. NASIM, SHRIKANT MALHOTRA, 1975193 Ontario dba MTN RX & HEALTH AND ANGELO KIRKOPOULOS

Defendants

ORDER

(Appointing Receiver and Guarantor Disclosure)

THIS MOTION 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 (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and properties of Umair N. Nasim and Shrikant Malhotra (collectively, the "**Guarantors**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Daniel Gilchrist sworn June 22, 2018 and the Exhibits thereto, the responding affidavits of Shrikant Malholtra sworn July 5, 2018 and August 20, 2018, and on hearing the submissions of counsel for the Plaintiff, the Defendant Shrikant Malholtra and Umair N. Nasim, appearing in person, no one else attending although duly served as appears

from the affidavit of service of Maureen McLaren sworn June 29, 2018 and on reading the consent of Spergel to act as the Receiver,

APPOINTMENT

1. 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, and only with the powers granted below, of all of the assets, undertakings and properties of the Guarantors, including all proceeds thereof (the "**Property**") for the purposes of investigation and inspection.

RECEIVER NOT IN POSSESSION OF THE ASSETS

2. THIS COURT ORDERS that the Receiver shall not take possession of the Property without further Order of the Court.

RESTRAINT ON PROPERTY

3. THIS COURT ORDERS that the Guarantors are restrained from transferring, selling, mortgaging, encumbering or otherwise diverting or disposing of any Property.

4. THIS COURT ORDERS that the Guarantors may utilize their Property for ordinary course living expenses.

DISPENSING WITH NOTICES UNDER THE BIA

5. THIS COURT ORDERS that the Receiver be and hereby relieved from compliance with the provisions of s. 245 and 246, provided that the Receiver shall provide notice of its appointment by way of a copy of this Order to the Guarantors and to the Superintendent of Bankruptcy, accompanied by the prescribed fee.

PROVISION OF INFORMATION

6. THIS COURT ORDERS that the Guarantors shall:

(a) provide a sworn statement of all of their assets, liabilities, income and expenses ("**Sworn Statement**") by no later than October 12, 2018. The Sworn Statement shall be prepared as at September 20, 2018 and the date before October 12, 2018 on which it is sworn;

(b) grant access to the Receiver to all of their financial information and documentation in respect to their respective Property, including a hard copy and electronic. This access must be granted so as to permit the Receiver to have completed its review by November 12, 2018. This includes, but is not limited to:

(i) income;

(ii) expenses;

(iii) tax returns;

(iv) bank accounts; and

(v) credit card statements;

(c) attend for an examination under oath by the Receiver by no later than December 12, 2018, if requested by the Receiver.

7. THIS COURT ORDERS that the Receiver shall deliver to the Guarantors, the Plaintiff and the Court a report (the "**Report**") on its actions pursuant to this order by no later than January 11, 2019.

8. THIS COURT ORDERS that the parties may attend as necessary at a 9:30 am appointment to vary this timetable or for further directions.

9. THIS COURT ORDERS that this order is without prejudice to the Receiver returning to Court based on what it learns or other developments, to vary or expand the scope of its appointment.

10. THIS COURT ORDERS that the issue of the Receiver's fees shall be addressed at the return of this Motion which shall be scheduled following delivery of the Report.

11. THIS COURT ORDERS that costs of this Motion are reserved to the return of the Motion.

12. THIS COURT ORDERS that the Receiver shall be permitted to register this order against title to any real property assets of the Guarantors.

NO PROCEEDINGS AGAINST THE RECEIVER

13. 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.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Guarantors shall remain the employees of the Guarantors. 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.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. 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

16. 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. 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.

SERVICE AND NOTICE

17. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that the Receiver shall post documents in respect to these proceedings on the Case Website, bearing the URL 'www.spergel.ca/mtcross', previously be established in accordance with the Protocol pursuant to the Order of Mr. Justice Dunphy dated May 16, 2018 .

18. 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 other interested parties at their respective addresses as last shown on the records of the Receiver 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

19. 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.

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

21. 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.

22. 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.

23. THIS COURT ORDERS that the Receiver, its counsel and counsel for the Plaintiff are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by

forwarding true copies thereof by electronic message to other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

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

SEP 27 2018

PER / PAR:

CWB MAXIUM FINANCIAL SERVICES INC.
Plaintiff

and

1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY et al.
Defendants

Court File No.: CV-18-597922-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at TORONTO

ORDER
(APPOINTING RECEIVER AND GUARANTOR DISCLOSURE)

MILLER THOMSON LLP
SCOTIA PLAZA
40 KING STREET WEST, SUITE 5800
P.O. BOX 1011
TORONTO, ON CANADA M5H 3S1

Bobby H. Sachdeva (LSUC# 34454C)
Tel: 905.532.6620
Email: bsachdeva@millerthomson.com

Craig A. Mills LSUC#: 40947B
cmills@millerthomson.com
Tel: 416.595.8596

Fax: 416.595.8695

Lawyers for the Plaintiff

34232781.2

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APPENDIX 2

See attached.

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COUNSEL SLIP

Court File No. 18-597922

Date: 08-FEB-2019

No. On List 6

Title of Proceeding CNB MAXIMUM -vs- 1970636 ONT LTD

Counsel for:
Plaintiff(s) [ ] The Receiver, MSI Spergel inc
Applicant(s) [ ] Dina Milivojevic
Petitioner(s) [ ] Pallett Valo LLP

Phone No. 905-273-3300 x 293

Fax No. 905-273-6920

EMAIL: dmilivojevic@pallettvalo.com

Counsel for:
Defendant(s) [ ]
Respondent(s) [ ]

Phone No. _____

Fax No. _____

EMAIL:

February 8, 2019

The order of Penny J. dated September 21, 2018 providing, among other things, for a report from the Receiver by Jan 11, 2019 as amended by Penny J. on January 10, 2019 to extend the date to February 11, 2019 is further amended by me to extend the date for the report to March 11, 2019. The Receiver has not completed the gathering of the necessary information.

J. Perrito, J.

APPENDIX 3

See attached.

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CWB | MAXIUM FINANCIAL

CWB Maxium Financial Inc.
30 Vogell Road, Richmond Hill, Ontario, L4B 3K6 Tel: (905) 780-0891 fax: (905) 780-1136
Toll free tel: 1-866-276-7642 Toll free fax: 1-866-276-7643 Internet: www.CWBmaxium.com

CREDIT APPLICATION

PERSONAL INFORMATION

LEGAL SURNAME		LEGAL FIRST NAME	
MALHOTRA		SHRIKANT	
HOME ADDRESS 5633 RETREAT ST. MISSISSAUGA, ON		POSTAL CODE	YEARS AT ADDRESS 10
DATE OF BIRTH	SOCIAL INSURANCE NUMBER	HOME PHONE	HOME E-MAIL

BUSINESS INFORMATION

FULL LEGAL NAME (INCLUDING FRENCH NAME IF APPLICABLE)		TRADE NAME (IF APPLICABLE)	
BUSINESS ADDRESS		POSTAL CODE	YRS AT PRESENT LOCATION
CONTACT NAME	BUSINESS TELEPHONE	BUSINESS FAX	BUSINESS E-MAIL
PROFESSION & DESCRIPTION OF PRACTICE		YRS IN PRIVATE PRACTICE	PREMISES ☐ LEASED ☐ OWNED
PROPRIETORSHIP: ☐	CORPORATION: A) PROFESSIONAL ☐ OR B) TECHNICAL/ HYGIENE ☐	PARTNERSHIP: ☐	OTHER: ☐

ESTIMATED CREDIT REQUIREMENTS

NEW EQUIPMENT	COMPUTER	FURNITURE	CABINETRY	LEASEHOLDS	OTHER	TOTAL

INSURANCE INFORMATION

I understand as part of my credit application and subsequent finance/lease conditions, I am required to provide proof or assignment of life and disability insurance or alternately I may apply for Group Insurance under the CWB Maxium Creditor Group Insurance Plan, or request that CWB Maxium, as part of the application process apply on my behalf and at my expense

Insurance Declaration: (to be answered by ALL credit applicants)

I hereby wish to apply for Group Creditor Insurance as part of this application: ✓ YES _____ NO (check one only)

I am between the ages of 18 and 65 and actively working at least 25 hours per week. ✓ YES _____ NO (check one only)

Where CWB Maxium Group coverage is desired AND where the sum of ALL obligations with CWB Maxium Financial is greater than $100,000:

The Applicant must *complete and sign* the **"Supplemental Health Declaration and Contact Form"** AND maintain a copy for their records.

** The undersigned certifies this above information to be true and correct. This is an application*

***If the answer is Yes to any of the following questions, please explain on a separate page.**

1. Has the business or any of its principals ever filed for bankruptcy or had a judgment rendered against it? ☐ Yes ☑ No
2. Is the business or any of its principals involved in any lawsuits or claims? ☐ Yes ☑ No
3. Does the business or any of its principals have any arrears in taxes (income, GST/PST, property, business) or payroll deductions? ☐ Yes ☑ No
4. Is the business currently appealing any notice or assessment issued by Canada Customs and Revenue Agency ("CCRA")? ☐ Yes ☑ No
5. Is the business or any of its principals a Guarantor to any third-party financing? ☐ Yes ☑ No

Your signature(s) below certifies that the information about you as an individual in this application and attached addendum (if applicable) and any other information provided in the future is accurate and complete and that you acknowledge that CWB Maxium Financial Inc. will rely on the information contained herein in extending credit to you or the business. You hereby authorize CWB Maxium Financial Inc. to conduct personal credit investigations (in this regard I confirm that this shall serve as notice of CWB Maxium Financial Inc.'s intention to do so), and authorize CWB Maxium Financial Inc. to release any personal credit information to third-party financial institution(s).

SIGNATURE: _____ Dated at: _____ this _____ day of _____ 20_____

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CWB | MAXIUM FINANCIAL

CWB Maxium Financial Inc.
30 Vogell Road, Richmond Hill, Ontario, L4B 3K6 Tel: (905) 780-0891 fax: (905) 780-1136
Toll free tel: 1-866-276-7642 Toll free fax: 1-866-276-7643 Internet: www.CWBmaxium.com

PERSONAL NET WORTH

PERSONAL INFORMATION	
LEGAL SURNAME: MALHOTRA	LEGAL FIRST NAME: SHRIKANT
NAME OF SPOUSE (IF APPLICABLE)	SPOUSE'S PLACE OF EMPLOYMENT (IF APPLICABLE)

ANNUAL INCOME STATEMENT		ANNUAL PERSONAL EXPENSES	
BORROWER'S GROSS ANNUAL SALARY:	$ 220,000	MORTGAGE/LEASE PAYMENTS	$ —
GROSS ANNUAL SALARY OF SPOUSE (IF APPLICABLE)	$ —	PROPERTY TAXES	$ 5,000
OTHER INCOME (ALIMONY/ CHILD SUPPORT)	$ 120,000	OTHER PERSONAL LOANS	$ —
INTEREST & DIVIDENDS:	$ —	CREDIT CARDS	$ —
OTHER INCOME: (INDICATE SOURCE)	$ 60000	OTHER EXPENSES (CHILD SUPPORT/ALIMONY)	$ —
	$	OTHER LIVING EXPENSES (FOOD/UTILITIES)	$ —
TOTAL ANNUAL FAMILY INCOME:	$	**TOTAL ANNUAL EXPENSES:**	$

NET WORTH STATEMENT			
ASSETS		**LIABILITIES & EQUITY**	
CASH IN DEPOSIT ACCOUNTS	$ 75,000	MORTGAGE ON RESIDENCE	$ —
VALUE OF RESIDENCE	$ 1,100,000	OVERDUE PROPERTY TAX	$ —
VALUE OF VEHICLES	$ 75,000	UNPAID INCOME TAX	$ —
VALUE OF STOCKS, BONDS, GIC'S (NON-RRSP)	$ 150,000	CREDIT CARD(S) O/S BALANCE(S)	$ —
VALUE OF RRSP'S	$	AMOUNT OWED ON VEHICLES	$ —
OTHER REAL ESTATE	$ 405,000	OTHER PERSONAL LOANS	$ —
OTHER ASSETS (DESCRIBE BELOW)	$ 1,500,000	**TOTAL LIABLITIES**	$
		EQUITY	$
TOTAL ASSETS	$	**TOTAL LIABILITIES AND EQUITY**	$

Your signature(s) below certifies that the information about you as an individual in this application and attached addendum (if applicable) and any other information provided in the future is accurate and complete and that you acknowledge that CWB Maxium Financial Inc. will rely on the information contained herein in extending credit to you or the business. You hereby authorize CWB Maxium Financial Inc. to conduct personal credit investigations (in this regard I confirm that this shall serve as notice of CWB Maxium Financial Inc.'s intention to do so), and authorize CWB Maxium Financial Inc. to release any personal credit information to third-party financial institution(s).

SIGNATURE : _____ Dated at: _____ this _____ day of _____ 20 17

September 20th, 2018

ASSETS:

Bank accounts:
- RBC Chequing: $467.01
- RBC US Savings: $2,037.02

Investment Accounts:
- TFSA: $327.70
- RRSP: $11,252.36

Jewellery:
- $1700.00

Household furniture and appliances:
- $7500.00 (residual value of items; $7500.00 is after spouse's half ownership)

LIABILITIES:

Credit Cards:
- RBC Visa: Balance - $509.54, Credit limit - $14,500.00
- Capital One Mastercard: Balance - $325.54, Credit limit - $9,000.00
- Costco Mastercard (joint account w/ spouse): Balance - $1,847.70, Credit Limit - $2,000.00
- Bombay Credit Card: Balance - $946.52, Credit Limit - $3,400.00

Vehicle Financing:
- Amount financed - $41,777, Balance - $30,929.90

Personal Debts:
- $64,500.00

October 11th, 2018

ASSETS:

Bank Accounts:
- RBC chequing: $406.96
- RBC US Savings: $37.38 USD

Investment Accounts:
- TFSA: $327.70
- RRSP: $11,252.36

Jewellery:
- $1700.00

Household Furniture and Appliances:
- $7500.00 (residual value of items; $7500.00 after spouse's half ownership)

LIABILITIES:

Credit Cards:
- RBC Visa: Balance - $1,644.49, Credit Limit - $14,500.00
- Capital One Mastercard: Balance - $19.95, Credit limit - $9,000.00
- Costco Mastercard (joint account with spouse): Balance - $887.88, Credit Limit - $2,000.00
- Bombay Credit Card: Balance: $0.00, Credit Limit - $3,400.00

Vehicle Financing:
- Amount financed - $41,777, Balance - $30,601.20

Personal Debts:
- $64,500.00

Outstanding Income Tax Owing: $5877.09

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Information

RBC Chequing Account #: 06112-5056585

RBC US Savings Account #: 00143-4514428

RBC RRSP Account #: 409012697

RBC TFSA Account #: 57143009

RBC Visa Account #: 4514011001635612

TD Bombay Credit Card Account #: 6006102015589190

Capital One Mastercard Account #: 5457569016813215

Costco Mastercard Account #: 5160750025603080

RBC Branch Address: 700 Matheson Blvd W #143, Mississauga, ON L5R 3T2

TD Bombay Credit Card: is with TD financing services, not sure of branch address

Capital One Branch Address: P.O. Box 503, Scarborough Stn. D, Scarborough, ON, M1R 5L1

Costco Mastercard Branch Address: P.O. Box 500, Stn. D, Scarborough, ON, M1R 0C2

Toyota Credit Canada INC. (car financing): 80 Micro Ct., Suite 200, Markham, ON, L3R 9Z5

Personal Debts

- Sunil Manocha – 161 Maria Rd., Markham, ON, L6E 0L9
- Pardeep Kalia – 5081 Guildwood Way, Mississauga, ON, L5R 2R7
- Rajinder Garg – not sure of address

APPENDIX 4

See attached.

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SPERGEL

Mukul Manchanda, CIRP, LIT
Phone/Fax: 416 498 4314
mmanchanda@spergel.ca

November 1, 2018

Via Email – shrikant_malhotra@hotmail.com
Shrikant Malhotra
5633 Retreat Street,
Mississauga, ON L5R 0B3

Dear Sir:

Subject: In the Matter of the Court-Appointed Receivership of Shrikant Malhotra ("Malhotra") and Umair N. Nasim ("Nasim")

As you are aware, msi Spergel inc. was appointed as receiver (in such capacity the "**Receiver**") of all the assets, undertakings and properties (collectively, the "**Property**") of Malhotra and Nasim (collectively the "**Guarantors**") by the order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made September 21, 2018 (the "**Appointment Order**"). A copy of the Appointment Order is enclosed and is also available on the Receiver's website at http://www.spergel.ca/mtcross.

Pursuant to the Appointment Order, the Guarantors were to provide, among other things, a sworn statement of all of their assets, liabilities, income and expenses by no later than October 12, 2018.

On October 12, 2018 the Receiver received an email from your counsel containing a statement of your assets and liabilities. The Receiver notes that the statement provided was not sworn. Upon review of the information and in comparing the information with the credit application submitted by you in 2017 to CWB Maxium Financial Inc. ("**Maxium**"), the Receiver has noted the following:

- Your credit application in 2017 (the "**2017 Credit Application**") noted the following assets:
    - Cash in deposit accounts - $75,000;
    - Value of residence - $1.1 million;
    - Value of vehicles - $75,000;
    - Value of stocks, bonds etc. - $150,000;

- Other real estate - $405,000; and
- Other assets - $1.5 million.

- No liabilities were reported in the 2017 Credit Application. A copy of the 2017 Credit Application is enclosed with this letter for your reference.
- The statement of assets and liabilities provided by you as at October 11, 2018 indicates the following assets:
  - RBC Chequing - $406.96;
  - RBC US Savings – USD $37.38
  - TFSA - $327.70
  - RRSP - $11,252.36
  - Jewellery – $1,700.00
  - Household furniture and appliances - $7,500.00

In reviewing the title register of your residence located at 5633 Retreat Street, Mississauga (the "**Residence**"), the Receiver noted that you transferred your interest in the Residence in or around August 2017. A copy of the title search is enclosed with this letter for your reference. The Receiver notes that your 2017 income tax return did not indicate the above transfer.

Given the significant differences in your financial position between June 2017 and October 11, 2018, the Receiver asks that in accordance with paragraph 6(b) of the Appointment Order you provide to the Receiver with the following:

- Bank statements on a monthly basis for all of the accounts held at any financial institution from June 2017 till October 2018;
- Documentation in relation to the transfer of your interest in the Residence;
- Documentation related to the stocks and bonds indicated in the 2017 Credit Application;
- Financing documents related to the vehicles owned by you;
- Information and documentation related to the other real estate and other assets mentioned in the 2017 Credit Application.
- Documents indicating your current income;

- List of your current expenses along with documents supporting same;
- 2015 and 2016 T1 general along with all of the schedules; and
- Notice of Assessments for 2015, 2016 and 2017.

Should you have any questions or concerns please do not hesitate to contact us. Thank you in advance for your attention and cooperation.

Yours very truly,

msi Spergel inc.
solely in its capacity as Court-Appointed
Receiver of Shrikant Malhotra and Umair N.
Nasim and not in its personal
or corporate capacity.

Per:

Mukul Manchanda, CIRP, LIT
Principal

Cc: pgennis@spergel.ca
cmills@millerthomson.com
dmilivojevic@pallettvalo.com

APPENDIX 5

See attached.

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SPERGEL

Mukul Manchanda, CIRP, LIT
Phone/Fax: 416 498 4314
mmanchanda@spergel.ca

November 15, 2018

Via Email – shrikant_malhotra@hotmail.com

Shrikant Malhotra
5633 Retreat Street,
Mississauga, ON L5R 0B3

Dear Sir:

Subject: In the Matter of the Court-Appointed Receivership of Shrikant Malhotra ("Malhotra") and Umair N. Nasim ("Nasim")

As you are aware, msi Spergel inc. was appointed as receiver (in such capacity the "**Receiver**") of all the assets, undertakings and properties (collectively, the "**Property**") of Malhotra and Nasim (collectively the "**Guarantors**") by the order of the Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (Commercial List) (the "**Commercial List Court**") made September 21, 2018 (the "**Appointment Order**"). A copy of the Appointment Order is available on the Receiver's website at http://www.spergel.ca/mtcross.

The Receiver has previously provided a copy of the Appointment Order to you. Notwithstanding the express requirement in paragraph 6(b) of the Appointment Order, you have not delivered the information and documents requested by the Receiver in its letter dated November 1, 2018 (the "**First Letter**"). Paragraph 6(b) of the Appointment Order provides that the Guarantors:

> "*shall grant access to the Receiver to all of their financial information and documentation in respect to their respective Property, including a hard copy and electronic. This access must be granted so as to permit the Receiver to have completed its review by* ***November 12, 2018****....*"

A copy of the Receiver's First Letter without attachments is enclosed herein for your reference.

Accordingly, unless the information and documents requested in the First Letter are delivered to the Receiver forthwith, it will be scheduling an appointment before a Judge

of the Commercial List Court, at which appointment you will be asked to explain why you are in breach of the Appointment Order.

The Receiver very much hopes that a Commercial List Court appointment will not be necessary, and that the Receiver can expect your immediate cooperation in accordance with the terms of the Appointment Order.

Yours very truly,

msi Spergel inc.
solely in its capacity as Court-Appointed
Receiver of Shrikant Malhotra and Umair N.
Nasim and not in its personal
or corporate capacity.

Per:

Mukul Manchanda, CIRP, LIT
Principal

Cc: pgennis@spergel.ca
cmills@millerthomson.com
dmilivojevic@pallettvalo.com

APPENDIX 6

See attached.

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Mukul Manchanda

From: Shrikant Malhotra <shrikant_malhotra@hotmail.com>
Sent: November 15, 2018 6:23 PM
To: Mukul Manchanda
Subject: Fwd: Documents to be sent to Spergel

Shrikant Malhotra has shared a OneDrive file with you. To view it, click the link below.

Spergel.zip

Shrikant Malhotra has shared a OneDrive file with you. To view it, click the link below.

Spergel.zip

Hi Mr. Manchanda,

I had sent the email with the information to my lawyer yesterday to send out to you, but I'm not sure why he didn't not send it out to you.

I have attached said email below for your reference with the attachment. Please let me know that you have received it and that you are able to access the information.

Thank you.

Regards,

Shrikant Malhotra

Get Outlook for Android

From: Shrikant Malhotra
Sent: Thursday, November 15, 1:09 AM
Subject: Documents to be sent to Spergel
To: sobel@msalaw.ca

Shrikant Malhotra has shared a OneDrive file with you. To view it, click the link below.
Spergel.zip
Spergel.zip
Hi Jordan,

I've attached the documents required by Spergel. I've included whatever was accessible to me. Please let me know if you are able to access the zip file properly.

Also, in the email sent to me by Mukul Manchanda, he mentioned the credit check which was submitted to CWB during the inception of the loan process. Please let me clarify that I did not create that document nor have I ever heard of it. I have never, in my entire life, had such a high amount of assets. The handwriting and the signatures on those papers are not mine. I did not authorize anyone to write this statement on my behalf.

Please pass this on to Spergel and make sure that it is mentioned in any document submitted to the court and other lawyers.

Regards,

Shrikant Malhotra

APPENDIX 7

See attached.

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Faber & Oostdyk
LAWYERS

August 23, 2017

Monica & Shrikant Malhotra
5633 Retreat Street
Mississauga, ON
L5R 0B3

Re: Transfer from Malhotra to Malhotra
5633 Retreat Street, Mississauga
Our File No.: 1263817

We are pleased to now submit our reporting letter in relation to your transfer of the above noted property. We thank you for choosing our firm to handle the herein matter.

ENCLOSURES

We are enclosing the following documents:

Our Statement of Account.
Registered Deed.
Our Trust Ledger Statement.

We trust that this transaction has been completed to your satisfaction and if you have any questions or comments, please do not hesitate to contact our office.

Yours very truly,

Faber & Oostdyk

Sean Oostdyk
SO:rc
Encls.

Faber & Oostdyk o/u Sean Oostdyk Professional Corporation
1025 Waterdown Road, Burlington, Ontario L7T 1N4
www.folaw.ca
T 905.681.7800 F 905.681.7814

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Faber & Oostdyk
LAWYERS

August 22, 2017

Monica & Shrikant Malhotra
5633 Retreat Street
Mississauga, ON
L7T 1N4

Re: Malhotra Transfer to Malhotra
5633 Retreat Street, Mississauga
Our File No.: 1263817

FOR PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING:

TO acting for you in all matters with respect to the sale of the above property;
TO receiving and reviewing the executed Agreement of Purchase and Sale;
TO preparation of the deed or transfer;
TO preparation of the Statement of Adjustments;
TO preparation of undertakings, direction for funds and other documents required to complete the sale;
TO receiving and responding to requisitions on title;
TO all necessary correspondence and telephone conversations;
TO meeting with you to sign all necessary documents;
TO attendance at the Registry Office on closing;
TO reporting to you;

OUR FEE

OUR FEE for acting on Transfer

OUR FEE	400.00	
TOTAL FEES		$400.00
HST (13%)		52.00
DISBURSEMENTS:		
Subject to HST		
Search costs	$34.53	
Photocopies	15.00	

Faber & Oostdyk o/a Sean Oostdyk Professional Corporation
1025 Waterdown Road, Burlington, Ontario L7T 1N4
www.folaw.ca
T 905 681.7800 F 905 681 7814

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Postage	15.00	
Fax transmissions	15.00	
Software Transaction Charge	20.00	
		99.53
HST (13%)		12.94
Not Subject to HST (Agency)		
Register Deed	$75.27	
		75.27
TOTAL FEES AND DISBURSEMENTS		$639.74

Total HST = $64.94

E. & O. E.

PAID

Sean Oostdyk

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Properties

PIN	13502 - 0601 LT	*Interest/Estate*	Fee Simple
Description	LOT 127, PLAN 43M1708, MISSISSAUGA, S/T EASEMENT IN GROSS OVER LT 127 PL 43M-1708, AS IN PR1078071; S/T EASEMENT IN GROSS OVER LT 127 PL 43M-1708, AS IN PR1078156; S/T EASEMENT IN GROSS OV ER LT 127 PL 43M-1708, AS IN PR1078194. S/T EASEMENT OVER LT 127 PL 43M1708, AS IN PR1245841 T/W AN UNDIVIDED COMMON INTEREST IN PEEL COMMON ELEMENTS CONDOMINIUM CORPORATION NO 810. S/T EASEMENT OVER LOT 127, PLAN 43M1708, IN FAVOUR OF PEEL COMMON ELEMENTS CONDOMINIUM PL NO. 810 AS IN DECLARATION PR1287136, AS IN PR1456303. S/T EASEMENT FOR ENTRY AS IN PR1577566.		
Address	5633 RETREAT STREET MISSISSAUGA		

Consideration

Consideration $ 1.00

Transferor(s)

The transferor(s) hereby transfers the land to the transferee(s).

Name MALHOTRA, MONICA

Address for Service 5633 Retreat Street, Mississauga, Ontario, L5R 0B3

I am at least 18 years of age.

Shrikant Malhotra and I are spouses of one another and are both parties to this document

This document is not authorized under Power of Attorney by this party.

Name MALHOTRA, SHRIKANT

Address for Service 5633 Retreat Street, Mississauga, Ontario, L5R 0B3

I am at least 18 years of age.

Monica Malhotra and I are spouses of one another and are both parties to this document

This document is not authorized under Power of Attorney by this party.

Transferee(s)		*Capacity*	*Share*
Name	MALHOTRA, MONICA	Registered Owner	
Date of Birth	1969 09 11		
Address for Service	5633 Retreat Street, Mississauga, Ontario, L5R 0B3		

STATEMENT OF THE TRANSFEROR (S): The transferor(s) verifies that to the best of the transferor's knowledge and belief, this transfer does not contravene the Planning Act.

STATEMENT OF THE SOLICITOR FOR THE TRANSFEROR (S): I have explained the effect of the Planning Act to the transferor(s) and I have made inquiries of the transferor(s) to determine that this transfer does not contravene that Act and based on the information supplied by the transferor(s), to the best of my knowledge and belief, this transfer does not contravene that Act. I am an Ontario solicitor in good standing.

STATEMENT OF THE SOLICITOR FOR THE TRANSFEREE (S): I have investigated the title to this land and to abutting land where relevant and I am satisfied that the title records reveal no contravention as set out in the Planning Act, and to the best of my knowledge and belief this transfer does not contravene the Planning Act. I act independently of the solicitor for the transferor(s) and I am an Ontario solicitor in good standing.

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Signed By

Sean Francis Oostdyk	1025 Waterdown Road Burlington L7T 1N4	acting for Transferor(s)	Signed	2017 08 22

Tel 905-681-7800

Fax 905-681-7814

I am the solicitor for the transferor(s) and the transferee(s) and this transfer is being completed in accordance with my professional standards.

I have the authority to sign and register the document on behalf of all parties to the document.

Sean Francis Oostdyk	1025 Waterdown Road Burlington L7T 1N4	acting for Transferee(s)	Signed	2017 08 22

Tel 905-681-7800

Fax 905-681-7814

I am the solicitor for the transferor(s) and the transferee(s) and this transfer is being completed in accordance with my professional standards.

I have the authority to sign and register the document on behalf of all parties to the document.

Submitted By

SEAN OOSTDYK PROFESSIONAL CORPORATION	1025 Waterdown Road Burlington L7T 1N4	2017 08 22

Tel 905-681-7800

Fax 905-681-7814

Fees/Taxes/Payment

Statutory Registration Fee	$63.35
Provincial Land Transfer Tax	$0.00
Total Paid	$63.35

File Number

Transferor Client File Number 1263817

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LAND TRANSFER TAX STATEMENTS

In the matter of the conveyance of: 13502 - 0601 LOT 127, PLAN 43M1708, MISSISSAUGA; S/T EASEMENT IN GROSS OVER LT 127 PL 43M-1708, AS IN PR1078071; S/T EASEMENT IN GROSS OVER LT 127 PL 43M-1708, AS IN PR1078156; S/T EASEMENT IN GROSS OV ER LT 127 PL 43M-1708, AS IN PR1078194. S/T EASEMENT OVER LT 127 PL 43M1708, AS IN PR1245841. T/W AN UNDIVIDED COMMON INTEREST IN PEEL COMMON ELEMENTS CONDOMINIUM CORPORATION NO.810. S/T EASEMENT OVER LOT 127, PLAN 43M1708, IN FAVOUR OF PEEL COMMON ELEMENTS CONDOMINIUM PL NO. 810 AS IN DECLARATION PR1287136, AS IN PR1458303. S/T EASEMENT FOR ENTRY AS IN PR1577566.

BY: MALHOTRA, MONICA
MALHOTRA, SHRIKANT

TO: MALHOTRA, MONICA Registered Owner %(all PINs)

1. MALHOTRA, MONICA

I am

[ ] (a) A person in trust for whom the land conveyed in the above described conveyance is being conveyed;

[ ] (b) A trustee named in the above-described conveyance to whom the land is being conveyed;

[✓] (c) A transferee named in the above-described conveyance;

[ ] (d) The authorized agent or solicitor acting in this transaction for ____ described in paragraph(s) (_) above.

[ ] (e) The President, Vice-President, Manager, Secretary, Director, or Treasurer authorized to act for ____ described in paragraph(s) (_) above.

[ ] (f) A transferee described in paragraph ( ) and am making these statements on my own behalf and on behalf of _____ who is my spouse described in paragraph (_) and as such, I have personal knowledge of the facts herein deposed to.

3 The total consideration for this transaction is allocated as follows:

(a) Monies paid or to be paid in cash	1.00
(b) Mortgages (i) assumed (show principal and interest to be credited against purchase price)	0.00
(ii) Given Back to Vendor	0.00
(c) Property transferred in exchange (detail below)	0.00
(d) Fair market value of the land(s)	0.00
(e) Liens, legacies, annuities and maintenance charges to which transfer is subject	0.00
(f) Other valuable consideration subject to land transfer tax (detail below)	0.00
(g) Value of land, building, fixtures and goodwill subject to land transfer tax (total of (a) to (f))	1.00
(h) VALUE OF ALL CHATTELS - Items of tangible personal property	0.00
(i) Other considerations for transaction not included in (g) or (h) above	0.00
(j) Total consideration	1.00

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Explanation for nominal considerations:

i) gift

5. The land is not subject to an encumbrance

6. Other remarks and explanations, if necessary.

1. The information prescribed for purposes of section 5.0.1 of the Land Transfer Tax Act is not required to be provided for this conveyance.

PROPERTY Information Record

A. Nature of Instrument: Transfer

LRO 43 Registration No PR3188595 Date: 2017/08/22

B. Property(s): PIN 13502 - 0601 Address 5633 RETREAT STREET MISSISSAUGA Assessment Roll No -

C. Address for Service: 5633 Retreat Street, Mississauga, Ontario, L5R 0B3

D. (i) Last Conveyance(s): PIN 13502 - 0601 Registration No. PR1577566

(ii) Legal Description for Property Conveyed : Same as in last conveyance? Yes [✓] No [ ] Not known [ ]

E. Tax Statements Prepared By: Sean Francis Oostdyk
1025 Waterdown Road
Burlington L7T 1N4

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MUNICIPAL PROPERTY ASSESSMENT CORPORATION

Issue Date:
November 17, 2017

Property Assessment Notice

For the 2018 to 2020 property taxation years

DGD10012196 16 1/1 11/04 PAN
MALHOTRA MONICA
5633 RETREAT ST
MISSISSAUGA ON L5R 0B3

THIS IS NOT A TAX BILL.

The Municipal Property Assessment Corporation (MPAC) is responsible for assessing and classifying more than five million properties in Ontario in compliance with the *Assessment Act* and regulations set by the Government of Ontario.

MPAC's updated value of your property is $546,000

Account information:

Roll Number	21 05 040 096 09804 0000
AboutMyProperty™ Access Key	**67757 D8456 19274**
Your property's location and description	5633 RETREAT ST PLAN 43M1708 LOT 127
Municipality	MISSISSAUGA CITY
School support	English-Public

Assessment overview:

MPAC's assessed value of your property as of **January 1, 2016**	$546,000
MPAC's assessed value of your property as of **January 1, 2012**	$429,000
Between **2012 and 2016**, your property's assessed value changed by	$117,000

If you disagree with MPAC's assessment or classification, you can file a Request for Reconsideration and MPAC will review your assessment.

How will my municipality use MPAC's property assessment?

Under the phase-in provision in the *Assessment Act*, an increase in assessed value is introduced gradually. A decrease in assessed value will be introduced immediately. The January 1, 2016 assessed value and classification of your property will be used as the basis for calculating your 2018 to 2020 property taxes, as illustrated below.

Property Classification: Residential

Tax Year	Assessed Value	Request for Reconsideration Deadline
2018	$487,500	**April 2, 2018**
2019	$516,750	**April 1, 2019**
2020	**$546,000**	**March 31, 2020**

To learn more about how your property was assessed, see the information on page two of this Notice. For more information on the Request for Reconsideration process, market trends in your area, property assessment and taxation, visit **www.aboutmyproperty.ca.**

This Property Assessment Notice has important information for you as a property owner.

Please review it and file it away for your records.

No action is required unless you disagree with your assessment.

CONTACT US

1 866 296-MPAC (6722)
TTY 1 877 889-MPAC (6722)
Monday to Friday
8 a.m. to 5 p.m.

If you have accessibility needs, please call us for assistance.

www.aboutmyproperty.ca

AboutMyProperty.ca

C054494-0

APPENDIX 8

See attached.

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graduation 1992

CWB | MAXIUM FINANCIAL

CWB Maxium Financial Inc.
30 Vogell Road, Richmond Hill, Ontario, L4B 3K6 Tel: (905) 780-0891 fax: (905) 780-1136
Toll free tel: 1-866-276-7642 Toll free fax: 1-866-276-7643 Internet: www.CWBmaxium.com

CREDIT APPLICATION

PERSONAL INFORMATION

LEGAL SURNAME: NASIM		LEGAL FIRST NAME: UMAIR	
HOME ADDRESS: 27 SPITFIRE DR. MT. HOPE		POSTAL CODE: L0R 1W0	YEARS AT ADDRESS: 3
DATE OF BIRTH: FEB 8/70	SOCIAL INSURANCE NUMBER: 526 850 540	HOME PHONE: (9) 973-7687	HOME E-MAIL:

BUSINESS INFORMATION

FULL LEGAL NAME (INCLUDING FRENCH NAME IF APPLICABLE)		TRADE NAME (IF APPLICABLE)	
BUSINESS ADDRESS		POSTAL CODE	YRS AT CURRENT LOCATION
CONTACT NAME	BUSINESS TELEPHONE	BUSINESS FAX	BUSINESS E-MAIL
PROFESSION & DESCRIPTION OF PRACTICE		YRS IN PRIVATE PRACTICE	PREMISES ☐ LEASED ☐ OWNED
PROPRIETORSHIP: ☐	CORPORATION: A) PROFESSIONAL ☐ OR B) TECHNICAL/ HYGIENE ☐	PARTNERSHIP: ☐	OTHER ☐

ESTIMATED CREDIT REQUIREMENTS

NEW EQUIPMENT	COMPUTER	FURNITURE	CABINETRY	LEASEHOLDS	OTHER	TOTAL

INSURANCE INFORMATION

I understand as part of my credit application and subsequent finance/lease conditions, I am required to provide proof or assignment of life and disability insurance or alternately I may apply for Group Insurance under the CWB Maxium Creditor Group Insurance Plan, or request that CWB Maxium, as part of the application process apply on my behalf and at my expense.

Insurance Declaration: (to be answered by ALL credit applicants)

I hereby wish to apply for Group Creditor Insurance as part of this application: ✓ YES ____ NO (check one only)

I am between the ages of 18 and 65 and actively working at least 25 hours per week. ✓ YES ____ NO (check one only)

Where CWB Maxium Group coverage is desired AND where the sum of ALL obligations with CWB Maxium Financial is greater than $100,000:

The Applicant must *complete and sign* the **"Supplemental Health Declaration and Contact Form"** AND maintain a copy for their records.

** The undersigned certifies this above information to be true and correct. This is an application*

***If the answer is Yes to any of the following questions, please explain on a separate page.**

1. Has the business or any of its principals ever filed for bankruptcy or had a judgment rendered against it? ☐ Yes ☑ No
2. Is the business or any of its principals involved in any lawsuits or claims? ☐ Yes ☑ No
3. Does the business or any of its principals have any arrears in taxes (income, GST/PST, property, business) or payroll deductions? ☐ Yes ☑ No
4. Is the business currently appealing any notice or assessment issued by Canada Customs and Revenue Agency ("CCRA")? ☐ Yes ☑ No
5. Is the business or any of its principals a Guarantor to any third-party financing? ☐ Yes ☑ No

Your signature(s) below certifies that the information about you as an individual in this application and attached addendum (if applicable) and any other information provided in the future is accurate and complete and that you acknowledge that CWB Maxium Financial Inc. will rely on the information contained herein in extending credit to you or the business. You hereby authorize CWB Maxium Financial Inc. to conduct personal credit investigations (in this regard I confirm that this shall serve as notice of CWB Maxium Financial Inc.'s intention to do so), and authorize CWB Maxium Financial Inc. to release any personal credit information to third-party financial institution(s).

SIGNATURE: _____ Dated at: _____ this _____ day of _____ 20 17

2017

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CWB | MAXIUM FINANCIAL

CWB Maxium Financial Inc.
30 Vogell Road, Richmond Hill, Ontario, L4B 3K6 Tel: (905) 780-0891 fax: (905) 780-1136
Toll free tel: 1-866-276-7642 Toll free fax: 1-866-276-7643 Internet: www.CWBmaxium.com

PERSONAL NET WORTH

PERSONAL INFORMATION	
LEGAL SURNAME: NASIM	LEGAL FIRST NAME: UMAIR
NAME OF SPOUSE (IF APPLICABLE)	SPOUSE'S PLACE OF EMPLOYMENT (IF APPLICABLE)

ANNUAL INCOME STATEMENT		ANNUAL PERSONAL EXPENSES	
BORROWER'S GROSS ANNUAL SALARY:	$ 175,000	MORTGAGE/LEASE PAYMENTS	$ 21,200
GROSS ANNUAL SALARY OF SPOUSE (IF APPLICABLE)	$	PROPERTY TAXES	$ 4,000
OTHER INCOME (ALIMONY/ CHILD SUPPORT)	$ 60,000	OTHER PERSONAL LOANS	$
INTEREST & DIVIDENDS:	$	CREDIT CARDS	$
OTHER INCOME: (INDICATE SOURCE)	$	OTHER EXPENSES (CHILD SUPPORT/ALIMONY)	$
	$	OTHER LIVING EXPENSES (FOOD/UTILITIES)	$ 24,000
TOTAL ANNUAL FAMILY INCOME:	$	TOTAL ANNUAL EXPENSES:	$

NET WORTH STATEMENT			
ASSETS		LIABILITIES & EQUITY	
CASH IN DEPOSIT ACCOUNTS	$ 50,000	MORTGAGE ON RESIDENCE	$ 200,000
VALUE OF RESIDENCE	$ 650,000	OVERDUE PROPERTY TAX	$ —
VALUE OF VEHICLES	$ 50,000	UNPAID INCOME TAX	$ —
VALUE OF STOCKS, BONDS, GIC'S (NON-RRSP)	$ 225,000	CREDIT CARD(S) O/S BALANCE(S)	$ —
VALUE OF RRSP'S	$	AMOUNT OWED ON VEHICLES	$ —
OTHER REAL ESTATE	$ 505,000	OTHER PERSONAL LOANS	$ —
OTHER ASSETS (DESCRIBE BELOW)	$ 1,250,000	TOTAL LIABLITIES	$
		EQUITY	$
TOTAL ASSETS	$	TOTAL LIABILITIES AND EQUITY	$

Your signature(s) below certifies that the information about you as an individual in this application and attached addendum (if applicable) and any other information provided in the future is accurate and complete and that you acknowledge that CWB Maxium Financial Inc. will rely on the information contained herein in extending credit to you or the business. You hereby authorize CWB Maxium Financial Inc. to conduct personal credit investigations (in this regard I confirm that this shall serve as notice of CWB Maxium Financial Inc.'s intention to do so), and authorize CWB Maxium Financial Inc. to release any personal credit information to third-party financial institution(s).

SIGNATURE : _____ Dated at: _____ this _____ day of _____ 20__

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SPERGEL

How did you hear about SPERGEL? (check all that apply)

1. TV ☐ (language) _____ 2. Radio ☐ 3. Yellow Pages ☐ 4. Referral Name ☐ _____

5. Website/Google/Internet ☐ What words did you search for on the Internet? _____

6. Trade Magazine ☐ (name) _____ 6. Other ☐ _____

Family Information

	Debtor	Spouse
Family Name (Last Name)	NASIM	SHEIKH
First and Middle Names (as printed on your birth certificate)	UMAIR	ANSA
AKA/Maiden Name		
Date of Birth	Day: 02 Month: 02 Year: 1970	Day: 07 Month: 01 Year 1971
SIN #		
Marital Status	Single ___ Married ✓ Separated ___	Widowed ___ Common-Law ___ Divorced ___ Other (_____) ___
Since	Day 08 Month 06 Year 1998	
Level of Education	___ 0-8 yrs ___ some high school ___ high school grad ___ some post-secondary ___ post-secondary certificate/diploma ✓ university degree ___ refuses / don't know	___ 0-8 yrs ___ some high school ___ high school grad ___ some post-secondary ___ post-secondary certificate/diploma ✓ university degree ___ refuses / don't know
Telephone Number	Home: 905-541-6159 Work:	Cell: 905-541-6159
Address (including postal code)	27 SPITFIRE DR. MOUNT HOPE, ON L0R 1W0	
At this address since?	Day: 01 Month: 01 Year: 2004	

List of Dependants Currently Living With You

Full Name	Relation	Date of Birth (dd/mm/yy)	Gender (M/F)	Income
MISBAH SHEIKH	DAUGHTER	04/08/98	F	STUDENT
RAFIA SHEIKH	DAUGHTER	10/05/02	F	STUDENT

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NAUSHAB MAHMOOD	SON	25/02/05	SON	STUDENT

Employment Information

Please indicate your current source of income (if unemployed, please indicate if you are currently collecting benefits)

Debtor		
Employer: RELIEF	Occupation: PHARMACIST.	
Address (incl Postal Code)	Email	Employed From (dd/mm/yy)
Name of Payroll Contact (to stop garnishment)	Phone Number	Fax Number

Please indicate your current source of income (if unemployed, please indicate if you are currently collecting benefits)

Spouse (if also filing)		
Employer	Occupation	
Address (incl Postal Code)	Email	Employed From (dd/mm/yy)
Name of Payroll Contact (to stop garnishment)	Phone Number	Fax Number

Self-Employed or Business Details

Are you currently self-employed or have you operated a business in the last 5 years? Yes___ No ___

If Yes, please complete below N/A.

Business Name and Address (incl Postal Code)

Type of Ownership: Incorporated _____ Sole Proprietor _____ Partnership _____

Type of Business:

Commenced operating: Month_____ Year_____
Ceased operating: Month_____ Year_____
Check here if business is still operating _____

Name of Partners or Directors (if applicable)

Does the business have any assets and/or receivables? Yes___ No___ (If yes, please attach list)

Was the Business GST Registered?	Yes___ No ___	If yes, GST Number:
Did/does the Business have employees	Yes___ No ___	Were all source deductions remitted?

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Can you produce books & records?	Yes___ No___	Yes___ No___ If no, what happened to them?

ASSETS

Debtor Spouse Joint	D S J	Description (serial #, account #, location)	Estimated Net Value	Exempt (Y/N)	Secured (Y/N)
Cash on hand/in bank	D	$500	—	—	—
Household Furnishings					
Personal Effects					
Cash surrender value of insurance policies		N/A			
Stocks/Shares		N/A	—		
Pension Plans		N/A			
RRSP		N/A			
R.E.S.P.		10,000			
Canada Savings Bonds		N/A			
Profit Sharing Plan		N/A			
Real Estate (in Canada or elsewhere)		CANADA			
House		HOUSE 27 SPITFIRE DR	$55,000		
Land/Cottage		— N/A	—		
Time Share		N/A			
Rental/Business prop.		N/A			
Motorized Vehicles (year, make, model)		NISSAN PATHFINDER 2011	$8000		
Auto # 1		NISSAN PATHFINDER 2011	—		
Auto # 2					
Truck(s)/Van(s)		—			
Motorcyle		—			
Snowmobile/other		—			
Boat/Motor/Trailer		—			
Recreational Vehicle		—			

46 KELSO DR. $420,000
CALEDONIA

HOUSE

SPERGEL

Tools of Trade					
Other (specify) (Collections, etc.)					

LIABILITIES / DEBTS

	CREDITOR NAME AND ADDRESS	AMOUNT	Debtor (D) Spouse (S) Joint (J)	Business (B) Personal (P)	Comments
1	SCOTIA VISA CARD AC #	$ 10,000	D S J	B P	Asset Secured
2	CAPITAL ONE MASTER CARD AC #	$ 300	D S J	B P	Asset Secured
3	MORTAGES 27 SPITFIRE DR. MOUNT HOPE, ON AC #	$ 3200/month	D S J	B P	Asset Secured
4	MORTAGE 46 KELSON DR. CALEDONIA, ON AC #	$ 2300/M	D S J	B P	Asset Secured
5	[illegible] AC #	[illegible]	D S J	B P	Asset Secured
6	AC #		D S J	B P	Asset Secured
7	AC #		D S J	B P	Asset Secured

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LIABILITIES / DEBTS

CREDITOR NAME AND ADDRESS	AMOUNT	Debtor (D) Spouse (S) Joint (J)	Business (B) Personal (P)	Comments
8 AC #		D S J	B P	Asset Secured
9 AC #		D S J	B P	Asset Secured
10 AC #		D S J	B P	Asset Secured
11 AC #		D S J	B P	Asset Secured
12 AC #		D S J	B P	Asset Secured
13 AC #		D S J	B P	Asset Secured
14 AC #		D S J	B P	Asset Secured

TOTAL DEBT: Debtor $_____ Spouse $_____ Joint $_____

Joint Debt > 75%: Yes___ No___ Yes___ No___ Yes___ No___

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INCOME *Please provide proof of anything entered in this section (ie. Pay stubs, etc)	Debtor	Spouse	Total
Net Employment Income	$ 7500	$ —	$ 7500
Pension/Annuities — N/A	$	$	$
Support Received — N/A	$	$	$
Child Tax Benefit — N/A	$	$	$
Employment insurance benefits — N/A	$	$	$
Social Assistance — N/A	$	$	$
Self Employment Income: Gross — N/A.	$	$	$
Net:	$	$	$
Other Income (provide details): — N/A.	$	$	$
Net Monthly Income			

SUPPORT, CHILD CARE, MEDICAL & OTHER EXPENSES *Please provide proof of anything entered in this section (ie. Receipts for child care, etc)	Debtor	Spouse	Total
Child Support — N/A	$	$	$
Spousal Support — N/A	$	$	$
Child Care — N/A	$	$	$
Medical Expenses — N/A	$	$	$
Court Imposed Fines — N/A	$	$	$
Employment Expenses — N/A	$	$	$
Total	$	$	$

LIVING EXPENSES			
Housing Expenses		*Living Expenses*	
Rent/Mortgage	$ 3430	Food/Groceries	1200
Property Taxes/Condo Fees	$	Laundry/Dry Cleaning	$ —
Heat/Gas/Oil	$ 200	Grooming/Toiletries	$ —
Telephone/Cell phone	$ 500	Clothing	$
Cable/Internet	$ 110	Other	$
Hydro	$ 220		$
Water	$ 200	*Transportation*	
Furniture	$ —	Car Leases/Payments	—
Other	$ —	Repairs/Maintenance/Gas	$ 1000
		Public Transportation	$ —
Personal Expenses		Other	$ —
Smoking	$ —	*Insurance Expenses*	
Alcohol	$ —	Vehicle	$ 297
Dining/Lunches/Restaurants	$ —	House	$ 293
Entertainment/Sports	$ —	Furniture/contents	$
Gift/Charitable Donations	$ —	Life insurance	$ —
Allowances	$ —	Other	$
Other non-recoverable medical expenses		*Payments*	
Prescriptions	$ —	To the estate	$
Dental	$ —	To secured creditors	$ 500
Other	$ —	Other	$
Total Monthly discretionary expenses (family unit)			$

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Recent Transactions

	(D)	(S)
In the past twelve months, have you sold, disposed or transferred any assets? (including real estate, vehicles, RRSP's, RESP's, GIC's, Canada Savings Bonds, etc) **If yes, specify date, asset, how much money you received, and what you did with the money:** NO	Y N	Y N
In the last twelve months, have you made excess payments to creditors, or paid off in full any creditor? **If yes, specify date, creditor paid, and the amount of the payment:** NO	Y N	Y N
In the last twelve months, have you had any assets seized by creditors? **If yes, provide date seized, description of asset, and creditor who seized the asset:** NO	Y N	Y N
In the last five years, *while knowingly insolvent*, have you sold or transferred any property in Canada or elsewhere? **If yes, specify asset, approximate date, amount received, and what you did with the money:**	Y N	Y N
Within the last five years, have you made any gifts to others over $500? **If yes, provide when the gift was made, to whom the gift was made, and the value of the item:**	Y N	Y N
Has anyone left you an inheritance which you have not yet received, or are you expecting to receive sums of money which are not related to your normal income or any other property within the next twelve months? **If yes, provide details:**	Y N	Y N

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GENERAL INFORMATION

	(D)	(S)
Within the last 6 months, have you paid for advice regarding your financial situation? If yes, provide the date, the name of the company, and how much you paid:	Y N	Y N
Have you ever been bankrupt before or filed a consumer proposal? If yes, provide the name of the Trustee, year filed, and the name you filed under if different than your current name: 2011 / MNP Consumer proposal.	(D) Y N	(S) Y N
Have you obtained new credit in the last three months, or have you used credit cards in the last three months? If yes, provide details:	(D) Y N	(S) Y N
Do you still have any credit cards in your possession? (Must be given to Trustee)	(D) Y N	(S) Y N
Has anyone co-signed for any of your debts, or have you co-signed a debt for someone? If yes, provide details:	(D) Y N	(S) Y N
Are there any writs, judgments, garnishments or wage assignments against you? If yes, provide details and supporting documentation:	(D) Y N	(S) Y N
Do you bank with a financial institution to which you owe money (including overdrafts, credit cards, lines of credit), or do you have any automatic deposits or post dated cheques for debt payments? If yes, provide details: Scotiabank / Thinking Capital / Evolocity 50,000 line of credit / LPG – 22,000 28,000 Loan 12,000 Loan	(D) Y N	(S) Y N
Do you have a safety deposit box? If yes, please describe the contents and value:	(D) Y N	(S) Y N

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Do you have any debts arising from court fines, penalties, child support or alimony arrears, student loans or convictions of fraud? If yes, what and how much?	(D) Y N	(S) Y N
Are you involved in civil litigation from which you may receive monies or property? If yes, please provide details: cwb. 4.5 million.	(D) Y N	(S) Y N
Are you bonded in your current position?	(D) Y N	(S) Y N
Have you made arrangements to continue to pay any creditors?	(D) Y N	(S) Y N
Does your spouse have any assets?	(D) Y N	(S) Y N
Have you given any post-dated cheques to anyone?	(D) Y N	(S) Y N
If renting, have you ever owned the property or does a family member own it?	(D) Y N	(S) Y N
Do you have any student loan debts?	(D) Y N	(S) Y N

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Income Tax:

For which year was your last tax return filed?

Refund received $ —

Amount owing $ 2700

Refund to come $ —

Cause of Financial Difficulty

Briefly describe what, in your opinion, caused your current financial problems

I hereby certify that the information in the application is true and complete in every respect and fully disclose the state of my affairs.

Signature of Applicant or Debtor

Date Oct 19/2018

Express Consent to Email

SPERGEL would like to occasionally share financial tips and interesting, timely, and relevant industry updates and news with you via email. In order to provide these, we would like to get your express consent for this purpose only:

Signature of Applicant or Debtor

Date: Oct 19/2018

Email Address: *(please only fill out email address if signature is given above)*

SPERGEL collects, uses, and discloses personal information provided to us in accordance with our Privacy Policy which is available at www.spergel.ca. You can withdraw your consent at any time by contacting us at admin@spergel.ca or clicking the unsubscribe button located at the bottom of each communication.

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APPENDIX 9

See attached.

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Mukul Manchanda, CIRP, LIT
Phone/Fax: 416 498 4314
mmanchanda@spergel.ca

November 1, 2018

Via Email – umair_nasim@hotmail.com
Umair N. Nasim
27 Spitfire Drive,
Mount Hope, ON L0R 1W0

Dear Sir:

Subject: In the Matter of the Court-Appointed Receivership of Shrikant Malhotra ("Malhotra") and Umair N. Nasim ("Nasim")

As you are aware, msi Spergel inc. was appointed as receiver (in such capacity the "**Receiver**") of all the assets, undertakings and properties (collectively, the "**Property**") of Malhotra and Nasim (collectively the "**Guarantors**") by the order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made September 21, 2018 (the "**Appointment Order**"). A copy of the Appointment Order is enclosed and is also available on the Receiver's website at http://www.spergel.ca/mtcross.

Pursuant to the Appointment Order, the Guarantors were to provide, among other things, a sworn statement of all of their assets, liabilities, income and expenses by no later than October 12, 2018. The Receiver notes that you did not provide the required statement up until October 21, 2018. In addition, you did not provide a statement as at September 20, 2018.

On October 21, 2018 the Receiver received an email from you containing a statement of your assets, liabilities, income and expenses. The Receiver notes that the statement provided was not sworn. Upon review of the information and in comparing the information with the credit application submitted by you in 2017 to CWB Maxium Financial Inc. ("**Maxium**"), the Receiver has noted the following:

- Your credit application in 2017 (the "**2017 Credit Application**") noted the following assets:
    - Cash in deposit accounts - $50,000;
    - Value of residence - $650,000;

- Value of vehicles - $50,000;
- Value of stocks, bonds etc. - $225,000;
- Other real estate - $505,000; and
- Other assets - $1.25 million.

- $200,000 was reported as mortgage liability on residence. No other liabilities were reported in the 2017 Credit Application. A copy of the 2017 Credit Application is enclosed with this letter for your reference.
- The statement of assets and liabilities provided by you as at October 19, 2018 indicates the following assets:
  - Cash on hand - $500.00;
  - RESP – $10,000.38
  - Value of residence - $550,000.00
  - Other real estate - $420,000
  - Value of Vehicle – $8,000.00

Given the significant differences in your financial position between June 2017 and October 19, 2018, the Receiver asks that in accordance with paragraph 6(b) of the Appointment Order you provide to the Receiver with the following:

- Bank statements on a monthly basis for all of the accounts held at financial institutions from June 2017 till October 2018;
- Credit card statements on a monthly basis for the period from June 2017 to October 2018;
- Documentation related to the ownership of two real properties along with mortgage documents;
- Documentation related to the stocks and bonds indicated in the 2017 Credit Application;
- Information and documentation related to the other assets mentioned in the 2017 Credit Application.
- Information and documentation related to the pharmacies and other assets owned by you within the last 5 years;

- Documents supporting your current income;
- Documents supporting the current expenses;
- 2015, 2016 and 2017 T1 general along with all of the schedules; and
- Notice of assessments for 2015, 2016 and 2017.

Should you have any questions or concerns please do not hesitate to contact us. Thank you in advance for your attention and cooperation.

Yours very truly,

msi Spergel inc.
solely in its capacity as Court-Appointed
Receiver of Shrikant Malhotra and Umair N.
Nasim and not in its personal
or corporate capacity.

Per:

Mukul Manchanda, CIRP, LIT
Principal

Cc: pgennis@spergel.ca
cmills@millerthomson.com
dmilivojevic@pallettvalo.com

APPENDIX 10

See attached.

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SPERGEL

Mukul Manchanda, CIRP, LIT
Phone/Fax: 416 498 4314
mmanchanda@spergel.ca

November 15, 2018

Via Email – umair_nasim@hotmail.com

Umair N. Nasim
27 Spitfire Drive,
Mount Hope, ON L0R 1W0

Dear Sir:

Subject: In the Matter of the Court-Appointed Receivership of Shrikant Malhotra ("Malhotra") and Umair N. Nasim ("Nasim")

As you are aware, msi Spergel inc. was appointed as receiver (in such capacity the "**Receiver**") of all the assets, undertakings and properties (collectively, the "**Property**") of Malhotra and Nasim (collectively the "**Guarantors**") by the order of the Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (Commercial List) (the "**Commercial List Court**") made September 21, 2018 (the "**Appointment Order**"). A copy of the Appointment Order is available on the Receiver's website at http://www.spergel.ca/mtcross.

The Receiver has previously provided a copy of the Appointment Order to you. Notwithstanding the express requirement in paragraph 6(b) of the Appointment Order, you have not delivered the information and documents requested by the Receiver in its letter dated November 1, 2018 (the "**First Letter**"). Paragraph 6(b) of the Appointment Order provides that the Guarantors:

> "*shall grant access to the Receiver to all of their financial information and documentation in respect to their respective Property, including a hard copy and electronic. This access must be granted so as to permit the Receiver to have completed its review by* ***November 12, 2018****....*"

A copy of the Receiver's First Letter without attachments is enclosed herein for your reference.

Accordingly, unless the information and documents requested in the First Letter are delivered to the Receiver forthwith, it will be scheduling an appointment before a Judge

of the Commercial List Court, at which appointment you will be asked to explain why you are in breach of the Appointment Order.

The Receiver very much hopes that a Commercial List Court appointment will not be necessary, and that the Receiver can expect your immediate cooperation in accordance with the terms of the Appointment Order.

Yours very truly,

msi Spergel inc.
solely in its capacity as Court-Appointed
Receiver of Shrikant Malhotra and Umair N.
Nasim and not in its personal
or corporate capacity.

Per:

Mukul Manchanda, CIRP, LIT
Principal

Cc: pgennis@spergel.ca
cmills@millerthomson.com
dmilivojevic@pallettvalo.com

35477875.2

APPENDIX 11

See attached.

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Court File No.: CV-18-597922-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

CWB MAXIUM FINANCIAL INC.

Plaintiff

- and -

1970636 ONTARIO LTD. O/A MT. CROSS PHARMACY, UMAIR N.NASIM, SHRIKANT MALHOTRA, 1975193 ONTARIO LTD. dba MTN RX & HEALTH and ANGELO KIRKOPOULOS

Defendants

****

This is the Examination Under Oath of **UMAIR NASIM**, taken under oath at the offices of Cindy Jones Verbatim Reporting Service this 10th day of December, 2018, in pursuance of the appointment herein.

****

A P P E A R A N C E S:

Mr. John Russo — Counsel for the Plaintiff

A L S O P R E S E N T:

Mr. Mukul Manchanda — Spergel, Principal

CINDY JONES
VERBATIM REPORTING SERVICE

Mr. Philip H. Gennis Spergel, Senior Principal

INDEX TO EXHIBITS

NOTE: The above list is provided as a service to counsel and does not purport to be complete and binding on parties herein.

****

INDEX TO EXHIBITS

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****

I N D E X T O U N D E R T A K I N G S

NOTE: The above list is provided as a service to counsel and does not purport to be complete and binding on parties herein.

****

INDEX TO UNDERTAKINGS

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I N D E X T O U N D E R T A K I N G S

NOTE: The above list is provided as a service to counsel and does not purport to be complete and binding on parties herein.

****

I N D E X T O R E F U S A L S

NOTE: The above list is provided as a service to counsel and does not purport to be complete and binding on parties herein.

****

UMAIR NASIM: Affirmed

BY MR. RUSSO:

1. Q. Good morning.

A. Good morning.

2. Q. So, you're going to have to speak up so she can actually hear your voice and transcribe exactly what you're saying, okay?

A. Okay.

3. Q. All right. So, can you state your full name for the record, please?

A. Umair Nasim.

4. Q. Can you spell that?

A. U-M-A-I-R N-A-S-I-M.

5. Q. Okay. And you understand you're being examined here pursuant to the Order of Justice Penny dated September 21st, 2018, you understand that?

A. Yes.

6. Q. Okay. I'm going to provide you a copy of Justice Penny's Order and if I can just turn you to

paragraph 6-A of that Order, which is page 3, you just take a read of it.

A. Yes.

7. Q. You've read 6-A, okay. So, pursuant to 6-A you were provide a sworn statement of all your assets, liabilities, income and expenses but no later than October 12th, 2018, you didn't do that, am I correct?

A. I did it.

8. Q. A sworn statement?

A. Yes. I sent -- not on October 12, but I sent it to Mr. Mukul and...

9. Q. Okay. So, and I'll show you the statement that you sent but the statement was sworn, do you understand the difference between a statement a sworn statement?

A. No.

10. Q. Okay. The sworn statement it has to be provided under oath by a Commissioner or a Notary Public.

A. Okay.

11. Q. So, there's no issue here that you did not provide a sworn statement, is that correct?

A. Yes.

12. Q. Okay. Why don't we mark Justice Penny's Order as Exhibit A to this Examination, that's the Order dated September 21st, 2018. Now, what you're referring to is you provided a statement on October 21st, which I'm going to show you, just take a look at that.

EXHIBIT A: Order of Justice Penny dated September 12th, 2018.

A. Yes.

13. Q. It's an email. Okay, and do you recognize that?

A. Yes.

14. Q. Flip through the document just so you confirm that that's your statement we're referring to.

A. Yes.

15. Q. Okay. And you requested a template, I believe you contacted either Mr. Manchanda or Craig Mills at Miller Thomson, is that correct?

A. Yes.

16. Q. And in response to your request this is what was provided to you?

A. Yes.

17. Q. Okay. And you completed the documentation and we're going to go through this in a second.

A. Yes.

18. Q. Okay. Did you have any assistance completing the documentation?

A. No.

19. Q. Okay. You did this all on your own?

A. Yes.

20. Q. Okay. We're going to come back to this in a second, let's just leave that aside for now. Now, on November 1st Mr. Manchanda sent you an email, pardon me, a letter, which I'm going to show you, I want you to take a look at it and just familiarize yourself

with that letter and I'm going to ask you a few questions.

A. Yes.

21. Q. Okay. You can hang on to that letter, okay. So, Mr. Manchanda, this is at the second paragraph, he talks about, "Pursuant to the Appointment Order, the guarantors relied, among other things, a sworn statement, reported assets, liabilities, income and expenses, by no later than October 12th. The Receiver notes he did not provide the required statement up until October 21. In addition, did not provide a statement as at September 20th, 2018." So, we discussed that about the, it wasn't a sworn statement. Mr. Manchanda also notes that there was a 2017 Credit Application for the Maxium, do you know what I'm talking about, the Maxium Credit Application?

A. Okay, yes.

22. Q. Do you know? I don't want you to guess.

A. No, I don't. I saw that email --

23. Q. Yes.

A. -- and, yeah, I saw that, and I responded back to them that basically I have no idea about that.

24. Q. Okay. So, I'll get to your response in a second but I want to understand, have you seen that, the Maxium Credit Application?

A. No.

25. Q. You have never seen it before?

A. No.

26. Q. Okay. But, you responded back that anything that was put in there was not accurate, is that correct?

A. Yes.

27. Q. Okay. And how do you know, if you didn't see the Maxium Credit Application, how do you know it wasn't accurate?

A. He send me the copy of the --

28. Q. He sent you a copy of it?

A. Yes.

29. Q. Okay. And that's the first time you reviewed it?

A. Yes.

30. Q. Okay. So, you'll note Mr. Manchanda sets out the variations in the Maxium 2017 Credit Application and your current statement, which we're going to review, and that's when you said, that's when you responded by saying what, that you did not fill it out?

A. Yes.

31. Q. Okay. And we'll get to that in a moment as well. All right. You'll notice on page 2 of the letter, if you turn that, Mr. Manchanda states, "Given the significant differences in your financial position between June, 2017 and October 18, 2018, the Receiver that in accordance with paragraph 6-B of the Appointment Order you provide to the Receiver with the following." And Mr. Manchanda lists various things in this letter, including bank statements, credit card statements, documentation, relating to your mortgages, or mortgage, stocks, bonds, documentation in that regard, and so on and so forth. Now, you did not

provide any of this information to Mr. Manchanda, is that correct?

A. Yes.

32. Q. You did not, right?

A. Yeah, because I was not aware, like, that I have to provide them because I only aware that I have to fill out that form and after that I was not aware that I have to provide the statement too.

33. Q. Okay. So, did you ask Mr. Manchanda for clarification as to why he was asking for this information?

A. No, I don't know.

34. Q. Okay. So, if we go back to the Order of Justice Penny, which I will provide you a copy that you can hang onto, and this is Exhibit A to this Examination. And, I take it, you reviewed Justice Penny's Order prior to attending to here today?

A. I just, not fully, but I go through a little bit of it.

35. Q. All right. But, you were provided a copy long ago, long before Mr. Manchanda's letter of November 1st, 2018?

A. Yeah, I got some emails.

36. Q. That's an email. But, you received a copy of the Order?

A. I'm not sure.

37. Q. Okay. So, let's just go from there, but you have read the Order since?

A. Yes, I read it, yeah.

38. Q. All right. So, paragraph 6-B states, "Grant access to the Receiver to all of their financial information and documentation in respect to their respective property, including a hard copy and an electronic, this access must be granted so as to permit the Receiver to have completed its review by November 12th, 2018, this is includes but is not limited to, one, income, two, expenses, three, tax returns, four, bank accounts, and five, credit cards statements." So, you see that?

A. Yes.

39. Q. And you read that in the order prior to November 1st, 2018?

A. No, I just read it when I received that letter --

40. Q. When you received the letter?

A. -- which is (inaudible).

41. Q. But, you never contacted Mr. Manchanda, I just want to understand that.

A. No, I didn't.

42. Q. Okay. And when Justice Penny issued his Order my understanding is you were present that day in Court?

A. I think so, yeah.

43. Q. So, you would have seen the proceedings, you would understand what went on, and you that an Order issued in the form you see here today?

A. Yes.

44. Q. Okay. And did you receive a copy of the Order that day, or do you recall?

A. Yes.

45. Q. Okay. So, you did see it beforehand. But, despite 6-B of the Order you did not provide Mr. Manchanda with the information that he was requesting?

A. Not intentionally but, like, I was not aware of it that I have to provide another more, other things.

46. Q. Okay. Did you seek any advice with respect to the Order? You don't have to tell me what it was, I just want to know, did you seek any legal advice to assist you in terms of --

A. I have no lawyer.

47. Q. Okay. All right. Let's go back, I want to enter Mr. Manchanda's letter dated November 1st, 2018 as Exhibit B to this Examination. Okay. So, I'm just going to move on for a second. Mr. Manchanda followed up with a letter on November 15th, 2018, do you recall receiving the letter from Mr. Manchanda?

EXHIBIT B: Mr. Manchanda's letter dated November 1st, 2018.

A. No.

48. Q. Okay. Let me provide you a copy of the letter. I want you to take a second to familiarize yourself with that letter.

A. I didn't receive that letter, I don't know if I have an email or something.

49. Q. Okay. You don't know if you received the letter?

A. Yes, I'm not sure.

50. Q. Okay. So, if you look at the top there, your email, is that your email address?

A. Yes.

51. Q. Okay.

A. Maybe I missed it.

52. Q. Okay.

A. Seeing the email or something.

53. Q. So, in any event, the second paragraph states, "The Receiver has previously provided a copy of the Appointment Order to you, notwithstanding express requirement in paragraphs 6-B of the Appointment Order, you have not delivered the information and documents requested by the Receiver in his letter dated November 1st, 2018, first letter." And then Mr. Manchanda goes on to recite that paragraph 6-B of the Appointment Order. Again, there was no response to this letter in terms of provision of these documents requested, is that correct?

A. Yeah, because maybe it was in my junk mail and it deleted, I'm not sure.

54. Q. Okay. I'm going to enter this, the letter dated November 15th, 2018 from Mr. Manchanda to Mr. Nasim, as Exhibit C to this examination. So, I'm going to put a document in front of you, an email, to review your email dated November 22nd, 2018, familiarize yourself with that email.

A. Yes.

EXHIBIT C: Letter dated November 15h, 2018 from Mr. Manchanda to Mr. Nasim.

55. Q. Okay. So, if you'll note, this is a response to an email dated November 19, 2018 from Mr. Manchanda to yourself. And I'll read this for the record, it says, "Hi Umair, the information the receiver is requesting is clearly outlined in the receiver's letter dated November 1st, 2018, a copy of the November 1st, 2018 letter is attached to this email for your reference. In addition, the receiver sent you a letter on November 15th, 2018 reminding you of your obligation to provide the requested information, a copy of the November 15th, 2018 letter is also attached for your reference. Should you wish to discuss, please do not hesitate to contact me." So, again, this is, in response you delivered the November 22nd, 2018 email to the November 19th email, is that right?

A. Yes.

56. Q. All right. And, so, you would have seen the November 15th email based on this correspondence?

A. Not this because this one, when I opened that email there is an application for the CW-- that I was referring it to.

57. Q. That's not the application. It's referencing the November 1st letter and November 15th letter. But, you responded to the November 19th letter will you agree with me?

A. Yes.

58. Q. Okay.

A. Yes.

59. Q. Because you say, "Hi Mills and Mr. Manchanda, I can send you all the information start of next week, but to mention one thing regarding that application, it is all fake numbers and all the information provided is none of my knowledge with fake signature. I want you to inquire more on that application that when CWB received that application what measures they used to verify the information

provided to them or the person who was responsible is aware of every document, in brackets (friends)." Okay. So, you talk about "I'll send you all the information next week" this is the information requested by Mr. Manchanda in the November 15th letter, is that right?

A. Yes.

60. Q. Okay. You say you were going to send it to him the following week?

A. Yes.

61. Q. But, you never did send it to him?

A. I didn't because I was busy, got busy at work.

62. Q. And the second, just breaking this down, you say, "But, to mention one thing regarding that application, it is all fake numbers.", okay, and, "all information provided is none of my knowledge with fake signatures." Okay. So, let's look at that application, I'm handing you a copy of the CWB Maxium 2018 Credit Application, just take a quick a look at that just to familiarize yourself with the document.

A. Yes.

63. Q. All right. So, on the first page, bottom left hand corner, there's a signature, is that your signature?

A. No.

64. Q. Do you know whose signature that is?

A. I'm not sure.

65. Q. Okay. And if you look on both sides of the document there's handwriting. Do you recognize whose handwriting that is?

A. No.

66. Q. And, so, I just want to understand your evidence, you are saying you never completed an application for Maxium for any credit facility?

A. No.

67. Q. Okay. If you look on the Credit Application, first page.

A. Yes.

68. Q. It says, "25 Spitfire Drive.", this is the home address, Mount Hope, that is your current address, right?

A. Yes.

69. Q. And date of birth, is that correct?

A. Yes.

70. Q. How about the social insurance number, is that correct?

A. I think so, yeah.

71. Q. Is there any way you can verify that?

A. Yes.

72. Q. And what about the home phone number?

A. Wrong.

73. Q. That's not right?

A. No.

74. Q. Okay. And it says here, "Years at address, 3 years.", is that right or wrong on twenty --

A. That's wrong.

75. Q. That's wrong. How many years are you at Spitfire?

A. We move in 2004.

76. Q. It's been a while?

A. Yeah.

77. Q. 15, 14 years?

A. Yes.

78. Q. Okay. And on the second page there's also a signature at the bottom left hand corner?

A. Yes.

79. Q. And, so, you're saying that that's not your signature either, right?

A. No.

80. Q. Okay. And if we look at the, we're still on the second page, annual income statement, it says, "Borrowers gross annual salary, a hundred and seventy-five thousand.", is that correct?

A. No.

81. Q. And what was your annual income in 2017?

A. Sixty, seventy thousand.

82. Q. I'm sorry, which one is it?

A. Sixty to seventy.

83. Q. Okay. We'll get back to that in a second. All right. And if you go down it says, "Other income." It says, "Sixty thous--" I believe it says sixty or sixty-six thousand, is that correct?

A. No.

84. Q. Now, let's look at annual personal expenses and just take a look at those, are those annual personal expenses correct in 2017 as outlined in this document?

A. No.

85. Q. All right. And what about the net worth statement?

A. They are all fake numbers.

86. Q. All fake. So, liabilities are incorrect, all the cash, value, residence, so on and so forth, that's all incorrect?

A. Yes.

87. Q. That does not represent your financial position in 2017?

A. Yes.

88. Q. All right. Do you recognize whose handwriting this is?

A. No.

89. Q. Do you have any idea who would have completed this application and put your name on it?

A. I'm not sure.

90. Q. Now, you were aware that Maxium was providing financing for the purchase of Mount Cross Pharmacy from 1-9-1-9-9-3-2 Ontario limited, right?

A. Yeah.

91. Q. Okay. And you were going to be one of the principals in that business?

A. Yes.

92. Q. Shareholder?

A. Yes.

93. Q. Okay. And I believe the amount that was going to be advanced was upwards of four point five million, in that range?

A. Yeah, that's what...

94. Q. That's what? Pardon me?

A. Yeah, that's what the amount is.

95. Q. Okay. And you were asked to provide a guarantee for the purchase of the facilities, is that correct?

A. Yes.

96. Q. Okay. And it didn't, in that whole process, Maxium didn't ask you to provide any credit application?

A. No.

97. Q. Were you dealing with Maxium?

A. No.

98. Q. Who was dealing with Maxium?

A. Angelo.

99. Q. Angelo who?

A. Kirkopoulos.

100. Q. Can you spell the last name, please? Do you know it?

A. K-I-R-K-O-P -- I don't know.

101. Q. What was your relationship with Angelo Kirkopoulos?

A. Angelo is accountant at the pharmacy, was the one, like, who hired me as a pharmacist and as a pharmacy manager and everything with Raj Malhotra.

102. Q. Okay. And you say he's an accountant at the pharmacy, are you aware of his qualifications, is it CPA, CA, do you know any of that?

A. I heard that he's accountant but I don't know about his qualifications.

103. Q. Okay. So, in terms of, when you say that Angelo took care of it, I believe that's what you said, and you said you were never asked to complete a Credit Application, is it possible that Mr. Kirkopoulos completed this application on your behalf?

A. Maybe.

104. Q. Okay. Is it also possible that Mr. Kirkopoulos signed this Credit Application on your behalf?

A. Maybe.

105. Q. Did he ever indicate to you that he was going to be completing a Credit Application on your behalf?

A. No. No.

106. Q. Did he ever indicate that he was going to take care of all the paperwork on your behalf to obtain the credit facility?

A. Yes.

107. Q. Since learning about this Credit Application, have you ever asked Mr. Kirkopoulos if, in fact, he filled out this Credit Application on your behalf?

A. No, I didn't because I'm not in contact with him.

108. Q. Okay. Just so we don't get too far, let's enter the November 22nd, 2018 email from Mr. Nasim to Mr. Manchanda as Exhibit D to this examination. And we'll enter as Exhibit E the 2017 Maxium Credit Application. Mr. Nasim, I'm going to refer you back to the November 22nd, 2018 email, which is Exhibit D to

this examination. At the end of the email you state, you see here, "CWB received that application, what measures they used to verify the information provided to them, or the person who was responsible is aware of every document (friends)", what do you mean by 'friends'?

A. I heard that Angelo and Steve, I don't remember his last name, he's the one, they were very close friends together and they were, Steve was taking care of all the applications and everything so Angelo mostly talked to Steve.

EXHIBIT D: Email from Mr. Nasim to Mr. Manchanda, dated November 22, 2018.

EXHIBIT E: 2017 Maxium Credit Application.

109. Q. So, Steve was taking care of most of the applications?

A. Yes. Like --

110. Q. Who is Steve?

A. He's basically the person who's taking care of our loans and everything.

111. Q. Do you remember Steve's last name?

A. Start with W but I don't remember his last -- W-A-L something.

112. Q. Okay. Can we go off the record for a second?

OFF THE RECORD

113. Q. Okay, so --

A. Did you find the name?

114. Q. Yes, we did. So, while we were off we were trying to look for the name. So, the Steve you're referring to is someone at Maxium?

A. Yes, CWB.

115. Q. Okay. And the name, I'll spell the last name, it's W-A-S-Y-L-Y-S-Y-N.

MR. MANCHANDA: Z-Y-N.

116. MR. RUSSO: Q. Z-Y-N. Okay. So, Angelo was the one dealing with Steve?

A. Yes.

117. Q. Okay. Anybody else that you know of that was dealing with Maxium?

A. No. After everything I found out there's another guy by the name of Dan.

118. Q. Dan?

A. Yeah.

119. Q. Are you talking about Dan Gilcrest?

A. Dan Gilcrest.

120. Q. Now, Dan Gilcrest is also with Maxium?

A. Yes.

121. Q. Okay. So, what I'm trying to understand is who was dealing with Maxium from your side of the equation? So, you're saying right now Angelo was the one deal--

A. And Steve.

122. Q. Steve works for Maxium --

A. Yes.

123. Q. -- as well. Right. But, from representing or dealing with documentation that you were to provide to Maxium, from your side, was Angelo?

A. Yes.

124. Q. Okay. And you do recall executing a Guarantee for the transaction? For the --

A. Yes.

125. Q. -- credit facility? Okay. I'm going to put the Guarantee in front of you, take a quick look at that and I'll ask you a few questions.

A. Yes.

126. Q. You don't have to read the entire document there, okay. So, you do remember signing this?

A. Yes.

127. Q. So, the bottom right hand corner, that's your signature?

A. Yes.

128. Q. And do you know whose signature is on the left hand side there? Sean Oostdyk?

A. Yeah, he's a lawyer.

129. Q. Okay. Is he your lawyer?

A. No. It was provided by Angelo.

130. Q. Angelo provided. And Mr. Oostdyk was there, he says he witnessed it, so he was there when you signed this document?

A. Yes.

131. Q. Okay. And he was a lawyer on the transaction for the purchase of the Mount Cross Pharmacy, is that right?

A. Yes.

132. Q. Okay. All right. I'm going to mark the guarantee as Exhibit F to this examination.

A. Can I mention something? That when we are signing the documentation Mr. Sean told us that, specifically, the guarantor is under the company, it's not under your personal guarantee.

EXHIBIT F: Guarantee signed by Umair Nasim.

133. Q. Who told you that?

A. Mr. Sean.

134. Q. Okay.

A. So --

135. Q. Did he tell you anything else?

A. Yeah. He said that if something happened then only the company is responsible for paying the debt and everything, not yourself.

136. Q. When you were --

A. And because we were not like provided those documents, actually, we didn't get those documentations, it only provided to Angelo. We have no copy of any of the --

137. Q. So, you don't have an original copy of the --

A. No --

138. Q. -- Guarantee?

A. -- copy, nothing.

139. Q. No copy?

A. No.

140. Q. Were you provided any copies?

A. They told us that they going to email us, they going to send us, but no --

141. Q. When you say "they" who is "they"?

A. They lawyer office like the --

142. Q. Okay.

A. -- Sean.

143. Q. Okay. All right. When you signed the Guarantee was anyone else other than Sean in the room?

A. Angelo.

144. Q. Angelo was there?

A. Yeah. And Raj Malhotra.

145. Q. So, Ang and Mr. Malhotra were with you when you --

a. Yeah.

146. Q. -- signed the documents?

A. Yeah.

147. Q. I'm going to refer to you now to a General Security Agreement. This is a General Security Agreement in your name dated June 5th, 2017, let me

provide you a copy just, again, take a quick look at that.

A. Yeah, those are all documents that we signed but we were not aware what's inside because we are not provided --

148. Q. Okay. So, if you go to the last page, I just want you to look at the signature.

A. Yeah, that's mine.

149. Q. That's your signature on the right?

A. Yes.

150. Q. Okay. And on the left, do you recognize that signature?

A. Maybe Sean, or I'm not sure.

151. Q. Okay, you're not sure. But, maybe, Sean?

A. Yes.

152. Q. Okay. And, again, at the time you were signing the document, Angelo was in the room?

A. Yes.

153. Q. And Mr. Malhotra was in the room?

A. Malhotra too.

154. Q. And, obviously, the lawyer?

A. Yes.

155. Q. Was there anybody else?

A. I don't remember.

156. Q. Okay. And you're saying, your evidence is that you don't have a copy, or were not provided any copies or --

A. No.

157. Q. -- originals of the documents you signed?

A. No.

158. Q. Okay. Do you recall if you signed any other documents besides the Guarantee and GSA?

A. There's lots of paper that we are to sign and I signed lots of paperwork.

159. Q. Okay. And when you say you signed lots of paperwork, are you talking about the documents for the purchase of the --

A. Purchase -- yeah.

160. Q. Okay. And who would have that documentation?

A. Sean and I think Angelo too.

161. Q. Okay. And do you, just so I understand this, and your relationship with Mr. Oostdyk, did you ever get billed for his services?

A. I'm not sure because --

162. Q. Okay.

A. -- everything is done by Angelo.

163. Q. And he was representing the purchaser, you guys as the purchasers, right?

A. Yes.

164. Q. Okay.

A. Because he told us that he's basically doing both parties, Angelo, like, Mr. Orlando, and ours, then there's conflict of interest so Orlando go to some other lawyer and Sean is dealing with --

165. Q. Sorry. Let me understand you, I lost you there. So, who is Orlando?

A. Orlando is the one like who was the owner of Mount Cross.

166. Q. Okay.

A. From who we purchased the pharmacy.

167. Q. So, he's the vendor?

A. He's a vendor.

168. Q. Okay. And he went to who, do you know?

A. I'm not...

169. Q. So, he went to another lawyer?

A. Because Angelo, Orlando, George, and there's another partner, there were four partners.

170. Q. Yes.

A. And Angelo is basically in both, like he's a seller and he's a buyer too.

171. Q. So, Angelo is involved with the vendor?

A. Is a vendor and also because he's one of the partner in those one, and then he buy -- he was buying the pharmacy too.

172. Q. Okay. So, let me just break it down a little bit so we can understand. So, you're saying Angelo had an interest in the vendor company that was selling Mount Cross Pharmacy?

A. Angelo is one of the partners.

173. Q. One of the partners, or whatever you want to call it, owner, okay so --

A. Yeah.

174. Q. So, then they went to another lawyer, the vendor?

A. Yes.

175. Q. Okay. And the purchaser, you guys, the purchasers, you stayed with Mr. Oostdyk, right?

A. Yes.

176. Q. Okay. And you had indicated to me, I just want to understand your evidence here that you had signed, in addition to whatever documents I've just shown you here, there was other documentation that you signed as well?

A. Yes.

177. Q. Okay. And you don't have copies of those documents?

A. No.

178. Q. And those documents, they would be with Mr. Oostdyk, I believe?

A. Yes.

179. Q. Okay. Would you provide an undertaking, or direction for the receiver to obtain, if requested, Mr. Oostdyk's complete purchase file?

A. It's basically -- Angelo is the one who was dealing with Mr. Oostdyk.

180. Q. But, I'm not talking to Angelo, I'm talking to you, and you're the purchaser. What I'm saying is --

A. We were given the impression that Angelo -- like, Mr. Oostdyk is going to give all the documents to Angelo and he is going to provide --

181. Q. Okay.

A. -- Angelo --

182. Q. Mr. Oostdyk was your lawyer on the transactions, correct?

A. Yes.

183. Q. Okay. So, what I'm asking you is, I need an undertaking or some type of direction, if requested by the receiver --

A. Yes. I can give you --

184. Q -- to obtain - let me finish - to obtain Mr. Oostdyk's complete purchase file --

A. Yes.

185. Q. -- will you provide me that undertaking?

A. Yes. **UND**

186. Q. Okay. Thank you.

A. I was aware that you already get all the documentation from Mr. Oostdyk.

187. Q. I'm not sure, I just want to put it out there because we were just talking, you mentioned documents that you have never seen before, I want to make sure that we have a complete record of the documentation that was involved in the purchase transaction of Mount Cross Pharmacy, okay?

A. I was told by Mr. Dan and also Mr. Steve that they already got all the documentation from Mr. Oostdyk.

188. Q. They very well might, I don't know at this point.

A. Okay.

189. Q. Okay. I'm going to enter the General Security Agreement dated June 5th, 2017 as Exhibit G to this examination. Mr. Nasim, what I'm going to ask you as well to provide is original signatures from whatever source, it doesn't matter what it is, it can be a cheque, it can be something else, your original signatures in 2017, okay? If you can provide, I want 6 independent signatures. I don't want you writing it out, I want you to go to any document and find a signature, original, and I want you to provide that to the receiver, will you provide that?

A. I have to find out how can I provide.

EXHIBIT G: General Security Agreement dated June 5, 2017.

190. Q. Do you understand what I'm asking though?

A. Yes.

191. Q. I want original signature, the period being 2017, and I want 6 of them, okay? Will you provide that?

A. I can try. **UND**

192. Q. Okay. Thank you. All right. I'm going to hand you, this is your statement you provided to the receiver, I'm going to give you a copy of it, okay. So, this is a statement, we talked about this, that it was provided on October 21st, 2018 and you indicated earlier to me that this was, in fact, that you had provided.

A. Yes.

193. Q. Just so, for housekeeping purposes, I'm going to enter this as Exhibit H to this examination. So, that would be your email dated October 21st, 2018 to Mr. Manchanda enclosing the statement that was completed and provided to the receiver which is dated October 19th, 2018. You're at page 1 of the statement?

A. Yes.

EXHIBIT H: Email from Mr. Nasim to Mr. Manchanda, dated October 21, 2018, enclosing statement dated October 19, 2018.

194. Q. All right. So, we already talked about 27 Spitfire, that that's your current residence, and I understand that you're married and you live there with your wife and kids?

A. Yes.

195. Q. Your occupation, you're a pharmacist?

A. Yes.

196. Q. Okay. And I noticed here, this is on page 2 of your, of the statement. You've put, in terms of employer, you've put "relief", what does that mean?

A. At Locum.

197. Q. Can you explain that, please?

A. I work at different pharmacies.

198. Q. Okay. And what pharmacies do you work at?

A. It's different, every time it's different pharmacies.

199. Q. But, how does that work? I'm trying to understand what that --

A. There's a company, I'm a contractor.

200. Q. Okay.

A. That, I call them, they will provide me some relief shifts, so I go there and work for one day or two days.

201. Q. Who is your employer?

A. I don't have any employers.

202. Q. All right. So, is this a self-employed position?

A. Kind of self-employed.

203. Q. Okay. You can't tell me "kind of", I need to know.

A. Yeah, it's self-employed.

204. Q. Okay. So, you have your own company that you do this through, or just through you as the individual, how does that work? Explain the process? You referred to the term, can you say it? Locus, can you state it and spell it?

A. Locum, L-O-C-U-M.

205. Q. Okay. And, so, what does that mean, maybe we'll back up?

A. Locum is a relief pharmacist so if anyone, any pharmacy needs some pharmacist to be work on that day because they have no pharmacist to work --

206. Q. Yes.

A. -- we can go there, work for one day, and then...

207. Q. So, are you on call?

A. On call.

208. Q. Okay. And who pays you?

A. There's a company.

209. Q. What's the company name?

A. There's RPR, there's TAL Group.

210. Q. RPR. What's the full name, RPR what?

A. RPR Consultant.

211. Q. And what's the other one?

A. TAL Group.

212. Q. TAL Group?

A. Yeah.

213. Q. Okay. Tell me what RPR Consultant does?

A. They are recruiting company, they call if they need... The pharmacy, like, they call them if they need someone to cover that shift for them so they call the pharmacist.

214. Q. Okay. And TAL Group, what are they, same thing?

A. Same thing.

215. Q. Okay. So, right now where are you working currently?

A. I'm working at one of the pharmacies by the name if Samy's Drug Mart.

216. Q. How do you spell that?

A. S-A-M-Y-S.

217. Q. Samy's Drug Mart?

A. Yeah.

218. Q. Where is that located?

A. It's in 847 Barton Street East.

219. Q. In Hamilton?

A. Yes.

220. Q. I just want to show you something. Do you maintain a LinkedIn account?

A. Yes, no, not really.

221. Q. So, you either do or you don't, so is it, do you maintain one or don't you?

A. I have the account but I don't...

222. Q. Okay. So, you have an account, correct?

A. Yes.

223. Q. All right. So, I went on and I looked, I just want to see, is that your account?

A. Yes.

224. Q. Okay. So, if you look down to 'experience', well, first, do you know when the last day this was updated?

A. Actually my daughter is doing something but I'm not sure, but it was long time ago.

225. Q. All right. So, you'll see 'experience' it says, "Shopper's Drug Mart, 9 years 10 months." I took

that to mean that that's your current employer, am I incorrect?

A. When it says, May, 2007 to April 2013 so --

226. Q. Okay. All right.

A. -- 6 years.

227. Q. On that one, okay. So, maybe that's what confused me, the 9 years 10 months. So, you don't currently work for Shopper's Drug Mart?

A. No.

228. Q. And when did you start with either RPR Group or TAL Group as a Locum pharmacist, how long you been doing this?

A. I owned 2 pharmacies but I had to close them, one in May of 2018 and the other one in September.

229. Q. Can you tell me those pharmacies?

A. The first one is I-Care Drug Mart, which I was an owner but I have to close down.

230. Q. When did that close?

A. May 31st, 2018.

231. Q. Okay.

A. And the other one is Greenhill Pharmacy --

232. Q. Yes.

A. -- I was owner there too but I have to close in September of 2018.

233. Q. Okay. So, since the closure of the pharmacies, that's when you started doing the Locum --

A. Yes.

234. Q. -- pharmacists work?

A. Yes.

235. Q. Okay. All right. And what does one earn as a Locum pharmacist, how much money do you earn in your current position?

A. Depend upon how much they give, sometime between thirty-five to forty, or forty-five dollars per hour.

236. Q. And when you're paid, you're paid directly in your name or are you paid through TAL Group --

A. (inaudible)

237. Q. -- RP -- let me finish the question -- through RPR?

A. No, they give us the cheque under our name, the company name, which is Ansa Drugs Limited.

238. Q. Okay. So, hang on a second, let's go back. Who gives you a cheque?

A. The RPR.

239. Q. RPR pays you?

A. Yes.

240. Q. Okay. They take a percentage, I take it?

A. No.

241. Q. No. Okay. And they pay you, so the cheque is made out to, who is it?

A. My company name.

242. Q. What's your company name?

A. Ansa Drugs Limited.

243. Q. Ansa?

A. Ansa, A-N-S-A.

244. Q. I'm going to show you a corporate profile report. Ansa Drugs Limited, A-N-S-A Drugs --

A. Yes.

245. Q. -- Limited.

A. Yes.

246. Q. Just take a look at that. So, this is, as I indicated, Ansa Drugs Limited, it's incorporated on February 21st, 2007, and you appear to be Officer and Director of this company as well as there's an Ansa Sheet?

A. Yes.

247. Q. Which I'm assuming is your wife?

A. Yes.

248. Q. And she's a Secretary, okay. Are you also a Shareholder of Ansa drugs?

A. Yes.

249. Q. Okay. I'm going to enter this as Exhibit I to Mr. Nasim's examination. So, as you were indicating, you're a Shareholder as well, do you own all the shares, a hundred percent of the shares?

A. No.

EXHIBIT I: Corporate Profile Report, Ansa Drugs Limited.

250. Q. What's the share --

A. It's fifty-one forty-nine.

251. Q. You have fifty-one?

A. Yes.

252. Q. And your wife has forty-nine --

A. Forty --

253. Q. -- percent? Okay. Who maintains your Minute Book for Ansa Drugs? Do you have one?

A. No.

254. Q. Do you have a lawyer who maintains the company?

A. Not for long time now. When we open it he was doing it but right now, nobody.

255. Q. Okay. So, you have Articles of Incorporation --

A. Yes.

256. Q. -- things like that? Okay. And you also have an accountant that manages, or assists you?

A. Yes.

257. Q. And have you -- are your Financial Statements up to date?

A. Yes.

258. Q. Okay. So, what I'm going to ask you for is an undertaking to produce Financial Statements for Ansa Drugs for the years 2015 to 2018?

A. Okay. **UND**

259. Q. Okay. I'm also going to ask you to provide any tax returns for Ansa Drugs for the period 2015 to 2018 as well?

A. Okay. **UND**

260. Q. Thank you. So, just keeping up with Ansa Drugs. So, RPR or TAL Group would write a cheque to Ansa Group and that's how you would be compensated, personally, as well?

A. Yes.

261. Q. Do you receive -- how do you get paid from Ansa Group?

A. Cheque.

262. Q. You get a cheque. And how much do you receive?

A. Like how many hours I work there.

263. Q. Okay. And they pay Ansa? Okay.

A. Yeah.

264. Q. And, so, now it's in the Corporation --

A. Yeah.

265. Q. -- the funds. And do you receive like a bi-monthly, or monthly cheque from Ansa?

A. Yeah, whatever I need I can withdraw from the --

266. Q. So, you just take it out?

A. Yeah.

267. Q. Okay. And does Ansa Drugs have a bank account, I imagine?

A. Yes.

268. Q. Okay. And if we took a look at the bank account, we would be able to see your withdrawals?

A. Yeah. But, right now I'm telling them to write the cheque under my name, so I'm depositing in my own account, I can provide the information for --

269. Q. Let's just break that up for second, okay. So, up until what point were you depositing into Ansa's bank account?

A. September.

270. Q. Of what year?

A. This, 2018.

271. Q. Okay. So, up to September, 2018 funds were going from either TAL Group or RPR payable to Ansa Drugs and going into the bank account for Ansa, is that correct?

A. I started in September when I closed the pharmacy, so I was working after that. But, those cheques are going to my own personal account.

272. Q. Okay. I hear what you're saying but I need to understand this, we got to break it up because

there's two time periods here, okay. So, up until September, 2018, when you were receiving funds --

A. Yes.

273. Q. Made out to Ansa, they were being deposited into Ansa's bank accounts, right?

A. Yes.

274. Q. Okay. That's up to September, 2018?

A. Yes.

275. Q. Okay. So, what I need is an undertaking for you to provide me Ansa's bank statements --

A. Yes.

276. Q. -- from 2015 to current, right up to current, okay?

A. Okay. **UND**

277. Q. All right. So, let's, just following that, after September, 2018 you wanted to tell, or you told me, that now they're paying you, RPR or TAL, are writing cheques to you, is that right?

A. If I'm working with them. Because right now I'm working with that Samy's Drug Mart, so he's the one who's providing me --

278. Q. Okay.

A. -- but I'm just going to some shift with RPR.

279. Q. Okay. But, I want to understand how you're being paid. So, now they're not cutting cheques to Ansa, they're cutting cheques directly to you, is that correct?

A. Yes.

280. Q. Okay. And where are you depositing those funds?

A. In my account, bank account.

281. Q. Okay. And you have one account?

A. Yes.

282. Q. You don't have any other bank accounts?

A. No, personal, no.

283. Q. Okay. So, your personal account, Scotia Bank, what branch?

A. It's in, my main branch is Ancaster.

284. Q. Do you have an intersection or an address?

A. Yes, Meadowland, there's one on the...

285. Q. Can you provide me an undertaking to provide the address of the branch?

A. Sure, it's, it's on Meadowland, Golf Link Road.

286. Q. Okay. And you'll provide me that undertaking for the address as well, right?

A. Yes. **UND**

287. Q. Okay. And, also, what I'm going to need as well is bank statements for your personal bank account at Scotia Bank, that you just mentioned, again, same time period, I want 2015 to current, do I have that undertaking?

A. Yes. **UND**

288. Q. So, I note that when you filled out the, at page 2 of your statement, if you want to refer to that, you mentioned, it says, "Are you currently self-employed, or have operated a business in the last 5

years." And you put, "Not applicable.", can you tell me why you put "Not applicable"? In fact, you are operating a business, or you were in that period of time?

A. Yeah, but, this is my mistake that I was, like, I sell the pharmacy at that time, so that's why I didn't...

289. Q. Okay. But, you'll agree with me now that you, in fact, are operating another business, Ansa?

A. Yeah. Before it, like, in September.

290. Q. I understand. Okay.

A. Yes.

291. Q. All right. But, right now you're not doing anything with Ansa?

A. No.

292. Q. Is there any reason why you're not doing anything through Ansa anymore?

A. Because I closed the business pharmacy.

293. Q. But, before you were having cheques from RPR and TAL Group go through Ansa as well?

A. No, I told you that I started in September, when I closed my pharmacy, that I was working with TAL Group and --

293. Q. I understand.

A. -- RPR.

294. Q. Okay. So, maybe I misunderstood. So, after you closed the pharmacy you were no longer using Ansa anymore?

A. Yes. Because --

295. Q. Okay.

A. Yeah...

296. Q. Perfect. Okay, I just wanted to clarify that, okay. So, go to page 6 of the statement you provided the receiver and you'll notice at the top there -- page 6, you're on page 4, you see that? Right at the top it says, "Net employment income" and you put in seven thousand five hundred, how did you derive, is that monthly, by-monthly?

A. Yes, it's monthly.

297. Q. That's monthly. And how did you come up with that figure?

A. Whatever I was working so I was, this is basically September, after September.

298. Q. Okay. So, right, but the number, seventy-five hundred dollars, is that what you were -- did you average it out, what you were earning? Or, how --

A. Yes.

299. Q. Okay.

A. Average it out.

300. Q. You were averaging it out. And what did you look at, specifically, to come up with that number? Was there paystubs, or whatever invoicing that's provided by RPR or TAL Group, what did you look at?

A. I didn't look at anything, I just average it out and then...

301. Q. Okay. Does RPR or TAL Group provide you with any documentation, a pay stub, something --

A. I just did one shift with them so I have, I think I have some documentation that they send --

302. Q. Okay. I want you to provide me all documentation that you received from TAL Group and/or RPR Consulting with respect to when they were paying you. I don't know what they were providing you, specifically, was it a time sheet of some sort?

A. What were they providing you? There was a cheque, obviously?

A. Yeah.

303. Q. And was there a detail of hours?

A. Yeah, hours.

304. Q. Okay. Whatever they provided you I would like an undertaking to provide that copy to the receiver?

A. Okay. **UND**

305. Q. Okay. You had mentioned -- I just want to understand your evidence because you had mentioned something about 'you used to' but you're still working with RPR and TAL Group?

A. I'm on the pay-- like, if they call me I can work with them but right now I'm working at Samy's Drug Mart.

306. Q. Okay. When you say you're working at Samy's Drug, who's paying you at Samy's Drug Mart?

A. The owner.

307. Q. The owner's paying. So, he's writing a cheque --

A. Yes.

308. Q. -- paying you, Umair Nasim --

A. I provide him, provide them the invoice, whatever work, hours worked with them, and then...

309. Q. And how long you been doing that at Samy's?

A. It start end of September.

310. Q. Okay. So, I want you to provide me with all the invoices you've provided to Samy's with respect to the services that you've provided to Samy's as a Locum pharmacist, or pharmacist, okay, do I have an undertaking?

A. Yes. **UND**

311. Q. Okay. And you'll also, just so we're clear, you're going to provide me any and all documentation that you provided to RPR and TAL Group and whatever documentation they provided you in support of your salary?

A. Yes.

312. Q. Thank you. So we're clear again, so that's Samy's, you've been there since the September?

A. Yes.

313. Q. And we're talking September, 2018 and you work every day?

A. Not every day.

314. Q. So, what's your schedule?

A. It's different, some week I have to work 3, 4 days, some 5 days, different.

315. Q. Okay. And who determines your schedule?

A. The pharmacy manager.

316. Q. And who is that, what's his or her name?

A. His name is Shadi.

317. Q. Can you spell that?

A. S-H-A-D-I.

318. Q. And he's a full time employee at --

A. Yes.

319. Q. -- Samy's? Let me finish the question because then our Reporter won't be able to get it down. Shadi is a full time employee at Samy's?

A. Yes.

320. Q. Okay. And when you're not working in those 3 or 4 days, what are you doing, do you have any other job?

A. No.

321. Q. So, I just want to be clear, just outside of Samy's right now, that's your only employment source of income?

A. Yes.

322. Q. All right. You don't receive any types of bonuses or commissions at Samy's?

A. No.

323. Q. All right. What I'd like you to undertake is to provide your 2015, 2016, and 2017 T1 General along with all the Schedules, okay? **UND**

A. (No audible answer)

324. Q. I also would like you to undertake to produce Notices of Assessment for yourself for 2015, 2016, and 2017, do I have those undertakings?

A. Yes. **UND**

325. Q. How did you come to work at Samy's, is there a Samy by the way? It's Samy's Drug Mart, right?

A. Yes.

326. Q. Okay. Is there a Samy?

A. Yes.

327. Q. Okay. Do you know Samy?

A. Yeah.

328. Q. Okay. Are you related to Samy?

A. No.

329. Q. Okay. And, so, how did you come about to obtain that position, was this through the various consulting company's?

A. No. I have a friend he works there so he introduce it to me.

330. Q. And who is your friend?

A. His name is Aman.

331. Q. How do you spell it?

A. A-M-A-N.

332. Q. A-M-A-N. And --

A. S-I-N-G-H is the last name.

333. Q. S-H-I?

A. S-I-N-G-H.

334. Q. Singh, Aman Singh?

A. Yes.

335. Q. And how do you know Aman?

A. He worked for me at one of my pharmacies.

336. Q. Okay. And Aman is a pharmacist as well?

A. Yes.

337. Q. Okay. So, just so I'm clear, other than what you've told me about what you're receiving from Samy's, you're evidence here today that you're receiving no other payments from any other source?

A. No.

338. Q. Now, you mention Greenhill Pharmacy, and let me just... I'm going to show you, this is from the Ontario College of Pharmacists, it says Greenhill Pharmacy there, is Greenhill associated with Ansa, you're running it through Ansa?

A. Yes.

339. Q. Okay. And you mentioned that Greenhill closed down and, again, just for the record, can you tell us again when it closed down?

A. September, 2018.

340. Q. And can you tell us why it closed down?

A. I have a criminal case going on and according to that case I cannot work as a pharmacy manager, so I have a manager, like, he was working for me, then I have a case like back in May or June --

341. Q. Yes.

A. -- so he was working for me as a manager and then in September he said he cannot work.

342. Q. Okay.

A. So --

343. Q. So, this pharmacy is closed now?

A. Yes.

344. Q. It's not operating?

A. No.

345. Q. Okay. And, again, you're running this through Ansa, right?

A. Yes.

346. Q. Okay. So, any and all, you know, income was taken through Ansa and you've already provided the undertaking to provide your financial... So, when you closed, you said September 7th, 2018, when it closed, what happened to the inventory at the business?

A. I have outstanding rent that I have to pay so my landlord he took everything.

347. Q. Okay. Did the landlord provide you with any documentation in support of, when you say taking, did he give you any documentation, letters, emails, anything of that sort?

A. NO.

348. Q. So, how do you know he took everything?

A. Because he has the key, he won't allow me to go inside the pharmacy and get my stuff.

349. Q. Okay.

A. So, I have to transfer, he has another pharmacy, so I have to transfer my stuff to his...

350. Q. So, let's just break this down. You're talking -- the location is 625 Greenhill Avenue in --

A. Yes.

351. Q. -- in Hamilton? That's the location of the Greenhill pharmacy, right?

A. Yes.

352. Q. Okay. So, you're saying that after it closed you had outstanding rent that was due and owing?

A. Yeah.

353. Q. Do you remember how much that was?

A. Seven, eight thousand.

354. Q. All right. And you said that your landlord took the inventory?

A. Yeah.

355. Q. In order to cover off the rent?

A. Yes.

356. Q. Okay. But, you're saying that he never provided you with any notice, official notice, or anything alike?

A. No.

357. Q. Okay. No email saying what he was going to do?

A. No.

358. Q. Letter?

A. Nothing.

359. Q. So, he just told you verbally?

A. Yes.

360. Q. Okay. And do you remember when he told you that?

A. It's in September, first week of September.

361. Q. And what did you say in response to that?

A. He asked me to pay the rent, I don't have the money to pay and, so, he said, "Okay, I have to take your inventory, and whatever in the pharmacy."

362. Q. Okay.

A. So, they only provide me to pick up the computer because I have to transfer that computer patient profile to the other pharmacy.

363. Q. Who has the computer now?

A. It's Parkhill Pharmacy.

364. Q. Parkhill Pharmacy has your computer?

A. Yes.

365. Q. Why is that?

A. Because they have the patient document files so I have to provide patient documents to them.

366. Q. So, you're talking, there's a transfer of the patients --

A. Patient file --

367. Q. -- to Parkhill Pharmacy?

A. Yes.

368. Q. Okay. Who is your landlord, what's the name?

A. I was subleasing to Greenhill Medical Clinic.

369. Q. So, Greenhill Medical, you had a sublease with Greenhill Medical Clinic?

A. Yes.

370. Q. Okay. Did you have a physical lease?

A. Yes.

371. Q. Okay. Do you have a copy of the lease somewhere?

A. Yes.

372. Q. Can I have an undertaking to provide that lease?

A. Yeah, I can try. Because I don't know if my, all the documents is still in Greenhill or not, I can try. **UND**

373. Q. Okay. But, who did you speak to from the landlord?

A. His name is Hamil Sakhi, S-A-K-H-I.

374. Q. And he was the gentlemen, he was the sub-landlord?

A. Yes.

375. Q. And, so, what did he do with the inventory?

A. Inventory still there, I don't know if he transfer it to his other pharmacy or not.

376. Q. And what other pharmacy did he have?

A. He, his pharmacy is HD Pharmacy.

377. Q. When you say, HD Pharmacy, when you say it's still there, you're saying it's still in the Greenhill --

A. No, no, no. It's not in the Greenhill, like, it's in downtown Hamilton. He's kind of owner of that pharmacy too.

378. Q. Of which pharmacy?

A. HD.

379. Q. HD. And where is HD located?

A. It's on Hunter Street.

380. Q. Okay.

A. 77 Hunter.

381. Q. Do you know if he physically transferred the inventory from --

A. I'm not sure because I was trying to call him, I was contacting him, he was not responding.

382. Q. Okay. And what do you think, or what do - maybe 'think' is not the right word but - can you tell me what the inventory was worth at the time that it would be --

A. Seven or eight thousand --

383. Q. Let me just finish. At the time the pharmacy was closed down, Greenhill?

A. Seven to eight thousand.

384. Q. Seven to eight thousand. And what kind of inventory are we talking about here?

A. Prescription drugs.

385. Q. Prescription drugs?

A. Yeah.

386. Q. Okay. Does the College of Pharmacists have to be notified when drugs are being moved from one facility to --

A. Yeah, that's what I was trying to explain it to College too, I send letter to them stating that it's my, I'm just in negotiation with my landlord and

once he provide me the access to the pharmacy, I have to let them know.

387. Q. Okay. And, so, you sent the letter to the College?

A. Yes.

388. Q. Can I have an undertaking to produce that letter?

A. Sure.

389. Q. And when did you send that letter, do you remember?

A. Was in September, October, actually, because I have to give them 30 days' notice.

390. Q. Okay. And did they respond, the college?

A. No.

391. Q. Okay. So, there's no letter in response to that?

A. No.

392. Q. Okay. So, you'll provide me the letter you sent to the College?

A. Sure. **UND**

393. Q. The other pharmacy you mentioned was -- actually, let me just enter the page from the Ontario College of Pharmacists setting out details with respect to Greenhill Pharmacy, and that's going to be Exhibit J to this examination. We'll take 5 minutes.

EXHIBIT J: Page from Ontario College of Pharmacists setting out details with respect to Greenhill Pharmacy.

OFF THE RECORD

394. Q. You also mentioned I-Care Drug Mart as well, so you're familiar with the I-Care Drug Mart, and that's one of your pharmacies as well?

A. Yes.

395. Q. Okay. And, again, I'm just going to show you a page from the Ontario College of Pharmacists just setting out some details of I-Care Drug Mart. Where was I-Care located?

A. 567 Scenic Drive.

396. Q. In Hamilton, okay. And it says here it was closed on May 30th, 2018, is that correct?

A. Yes.

397. Q. Okay. And the reason for the closure?

A. Same, I don't have the pharmacy manager.

398. Q. And I-Care Drug Mart, was this also through Ansa, or some other --

A. Some other corporation.

399. Q. Okay. And tell me about what that other corporation is?

A. It's a numbered company.

400. Q. What's the numbered company?

A. 2-2-5-3-6-5-8.

401. Q. Can you say that again, 2-2?

A. 2-2-5-3-6-5-8 Ontario Inc.

402. Q. Okay. And you're a Director and Officer of that company?

A. Yes.

403. Q. Anybody else?

A. I have partners before but they resigned.

404. Q. So, as the date it closed who was the --

A. Just me.

405. Q. Okay. And you were the sole shareholder as well?

A. Yes.

406. Q. Okay. So, what I'm going to ask for, 2-2-5-3-6-5-8 Ontario Inc., is to provide me with, I just want to be clear on this so we don't... I want you to provide me with, from 2015 to current, 2018, any Financial Statements for the numbered company as well as any tax returns for that period as well, do I have that undertaking?

A. Yes. **UND**

407. Q. All right. And you had a lease for I-Care Drugs?

A. Yes.

408. Q. Okay. And who was the landlord?

A. His name is Rajeev Sharma, S-H-A-R-M-A.

409. Q. Rajeev Sharma?

A. Yeah.

410. Q. Okay. And do you have a formal lease, written lease?

A. It was changed to monthly.

411. Q. Okay.

A. In 2016.

412. Q. But, you had a lease though?

A. Yes.

413. Q. Right. And I'm assuming the lease expired or matured?

A. Yes.

414. Q. Okay. So, can you undertake to provide me a copy of that lease?

A. I have no copy of the lease.

415. Q. Who has a copy of it?

A. Maybe other partners.

416. Q. Okay.

A. But, I am not talking to them, like we are not --

417. Q. Okay.

A. -- in contact.

418. Q. And when did it go month to month?

A. 2016 or '17, I'm not sure, 2016.

419. Q. And if requested by the receiver would you provide an Authorization or Direction to obtain a copy of the lease from Mr. Sharma?

A. Yes. **UND**

420. Q. And, again, when this closed, was there inventory at the pharmacy?

A. Yes.

421. Q. Okay. And what happened to that inventory?

A. It transferred to Greenhill Pharmacy.

422. Q. To Greenhill?

A. Yes.

423. Q. And that's the inventory we're talking about that went --

A. Yes.

424. Q. -- over -- okay. At the time you transferred that inventory over to Greenhill did you notify the College of --

A. Yes.

425. Q. -- Pharmacists? Okay. And when did you notify them?

A. When I closed the pharmacy.

426. Q. Okay. And you sent them a letter as well?

A. Yes.

427. Q. Okay. May I have an undertaking for you to produce that letter?

A. I have to check, I'm not sure if I have the letter or not with me.

428. Q. Okay. But, you'll look for the letter --

A. Yes.

429. Q. -- and if you have it you'll provide me a copy?

A. Yes. **UND**

430. Q. Okay. I'm going to enter as Exhibit K to this examination the document from Ontario College of Pharmacists setting out details with respect to I-Care Drug Mart.

EXHIBIT K: Document from Ontario College of Pharmacists setting out details with respect to I-Care Drug Mart.

431. Q. Okay. So, other than Mount Cross, Ansa, the numbered company, the 2-2-5, were you involved in any other businesses?

A. No.

432. Q. Any other partnerships?

A. No.

433. Q. And other than the corporations that we've talked about, Ansa, 2-2-5 Ontario, are you a Director or Officer of any other corporations?

A. No.

434. Q. Okay. So, let's go to page 3 of the statement you provided to the receiver, we're going to jump around a little but we're going to cover everything. So, you indicated here in the real estate, 27 Spitfire, which we've established is your current

residence in which you live with your family, is that right?

A. Yes.

435. Q. And you purchased this in 2014(sic)?

A. Yes.

436. Q. And you own this --

A. Wait, 2000 and?

437. Q. 4, pardon me, my apologies, 2004. And you own it with your wife, and your wife's name is Ansa Novine Sheet?

A. Yes.

438. Q. That's her full name, right?

A. Yes.

439. Q. And can you just describe the house to me? Like, how big is it? How many rooms? Anything like that.

A. We have 4.

430. Q. How many square feet?

A. Thirty-three hundred.

431. Q. 4 bedroom?

A. Yeah.

432. Q. Okay. I'm just going to hand a Parcel Register and Transfer and Charge for 27 Spitfire, okay. If you look at the mortgage document, just keep turning that, do you see that? Here, I can hand it to you, I'll show you which one I'm talking about. Okay, I just circled what I'm going to ask you about. Okay. So, currently, there's a mortgage on the property for five hundred and twenty thousand?

A. Yes.

433. Q. Okay. And this mortgage was taken out on May 3rd, 2017, you see that?

A. Yes.

434. Q. Okay. Was this a refinancing?

A. Yes.

435. Q. Okay. What was the reason for the refinancing?

A. To pay some of my debts.

436. Q. And what debts were you paying?

A. I have some outstanding bill from the pharmacy.

437. Q. When you say "Outstanding" so I need you to be more specific?

A. It's wholesalers.

438. Q. Okay. Give me their names?

A. McKesson Canada.

439. Q. And how much did you pay McKesson?

A. It was eighteen thousand, I think.

440. Q. Okay. So, again, we'll come back to that. So, eighteen thousand and that was for product supply?

A. Yes.

441. Q. All right. Did you have a personal guarantee with McKesson, is that why you paid them?

A. Yes.

442. Q. Do you have a copy of that guarantee?

A. No.

443. Q. Again, if the receiver requests, would you provide an Direction or Acknowledgment to obtain the document from McKesson, if requested?

A. Yes. **UND**

444. Q. And you said, "Pay off the debts, eighteen thousand.", how did you, did you cut them a cheque, you wrote them a cheque?

A. It's bank transfer.

445. Q. Bank transfer. And that was out of what account, your personal account, or Ansa account?

A. From personal account.

446. Q. And when you provide us the bank statement that should be, it will be reflected in your bank statement?

A. Yes.

447. Q. Okay. Anybody else?

A. Some -- I don't remember right now, like, there's some other, could be credit cards or something.

448. Q. Okay. So, you paid off a number of your debts?

A. Yes.

449. Q. Do you remember, and I'll come back but, globally, what kind of number you were looking at in terms of the debt? So, was it a hundred thousand, two hundred thousand?

A. At that time, I'm not sure.

450. Q. Okay.

A. It's less than that.

451. Q. So, in order for you to write these cheques you had to know how much you owed, so what would you have looked at, for instance, to know what to pay?

A. Some statements that I use it to pay.

452. Q. So, McKesson. Was there any other supplier?

A. I'm not sure.

453. Q. Okay. Did McKesson send you a letter threatening to sue you or anything like that?

A. Yeah, they put a hold on my account at that time.

454. Q. A hold on your account to purchase?

A. Yeah.

455. Q. Okay. So, let me ask you this, in terms of... If you were to go back to your records to go look at who you paid, would you be able to do that for me?

A. I don't know if I can provide that statement for that long, it's 2017, so I'm not sure.

456. Q. Well, the undertaking you provided me was provide statements from 2015 to current, so that would cover that period.

A. From the bank statement too?

457. Q. Yes.

A. I'm not sure if they can provide me --

458. Q. They can provide it, that's not going to be an issue.

A. Okay.

459. Q. So, in that bank statement we'll see payments coming out to various -- are these just vendors? Who else? Like if --

A. I'm not -- it's not on my top of my head right now.

460. Q. So, that's why the refinancing occurred?

A. Yes.

461. Q. Okay. All right. And at the time that you did the refinancing, did someone come out and do an evaluation of the home?

A. Yes.

462. Q. Okay. Did you get a copy of that valuation?

A. No.

463. Q. Okay. Can I get an undertaking for you to ask Equitable Bank, which is the mortgagee here, for the appraisal that was done on the property, can you make that inquiry, please?

A. Okay. **UND**

464. Q. What I'd also like you to do is request a discharge statement form Equitable as well, do you understand what that is?

A. No.

465. Q. I want you to request the discharge, so they're going to tell you what the current amount is owing on the mortgage if you were to pay it off on the

date on the discharge statement, do I have that undertaking?

A. Okay. So, are you going to provide me those documents to what to provide to you, or? **UND**

MR. RUSSO: Let's just go off for a second.

OFF THE RECORD

466. Q. 46 Kelso Drive -- pardon me, let's just back up. I'm going to enter the Parcel Register, the Transfer and the Charge on 27 Spitfire Drive in Mount Hope as Exhibit L to this examination. Just before we move onto Kelso. I did a Canada 411 search and it came up with a K Mahmood under the address 27 Spitfire Drive, Mount Hope, Ontario, do you know who that person is?

A. That's my mother in-law.

EXHIBIT L: Parcel Register, Transfer and Charge on 27 Spitfire Drive in Mount Hope.

467. Q. Okay. That's your mother in-law, she resides with you?

A. Yes.

468. Q. Okay. Now, let's talk about 46 Kelso Drive. That is a property that is owned by you and your wife as well?

A. Yes.

469. Q. Are you joint tenants, you own in fifty fifty?

A. Yes.

470. Q. Okay. And you purchased that property on February 2nd, 2018, is that correct?

A. Yes.

471. Q. I'll hand you a copy of the Parcel Register, Transfer and Charge on the property as well, okay. And the, I see the purchase price is four hundred and forty-five thousand, roughly, around that, right?

A. Yes.

472. Q. Okay. And you have a mortgage of three hundred and sixty-seven thousand two hundred, which

was taken out on February 2nd, 2018, which matures on February 1st, 2019, you see that, do you agree with me on that?

A. Yes.

473. Q. Okay. And, again, was a valuation done on the Caledonia?

A. Yes.

474. Q. And did you receive a copy of that valuation?

A. I think so.

476. Q. Okay. So, I want you to look in your records to see if you have a copy of the valuation, if you do, I'd like you to provide it to me, do I have that undertaking?

A. Okay. **UND**

477. Q. If you don't have a copy the undertaking I'm requesting is that you approach Home Trust Company for a copy of that appraisal and provide the receiver a copy of that appraisal?

A. Okay. **UND**

478. Q. Thank you. Okay. And how much was the down payment on the house, do you remember? It's about a hundred thousand, or so?

A. Less than that.

479. Q. Less than that. And where did you get the money for the down payment?

A. Some of my wife provide me, and some we pick up from our friend.

480. Q. Who is your friend?

A. My wife's friend.

481. Q. Does this person have a name?

A. It is, last name, B-U-T-T, first name, N-A-G-I-N-A.

482. Q. Thank you. So, what portion did your wife provide for the down payment?

A. Thirty thousand.

483. Q. Thirty thousand. And the remainder of the other amount was provided by this other individual?

A. Yes.

484. Q. Okay. And do you have any documentation documenting the -- was it a loan?

A. Yeah.

485. Q. And there's no documentation?

A. No.

486. Q. Where would this money have -- would this money have come into your account for the deposit?

A. No, it's under my wife's name and she make a draft and we give it to lawyer.

487. Q. Does your wife work?

A. At that time she was not working but she just started recently.

488. Q. All right. So, where did she receive -- get the money, thirty thousand dollars?

A. She has some saving at that time.

489. Q. So, when did she -- so you said at that time she didn't work, and you said that time, you're talking 2018, right?

A. Yeah, when we buy the house.

490. Q. February, 2018?

A. Yes.

491. Q. When did she stop working?

A. She stop -- she was not working. So, she just started working September of this year.

492. Q. Okay. So, did the thirty thousand dollars come from you?

A. No, from her.

493. Q. Okay. Where did she get the thirty thousand dollars?

A. She has some savings before our marriage.

494. Q. When did you get married?

A. 2000 -- sorry, 1997.

495. Q. So, this money's coming way back from 1997?

A. Yeah.

496. Q. This thirty thousand?

A. Yeah.

497. Q. All right. And the monies went into -- so, from her account then she provided the down payment together with this other individual?

A. Yes.

498. Q. And you're telling me there's no loan documentation with respect to the other monies lent by this other individual?

A. NO.

499. Q. Do you have an address of this other individual or phone number?

A. I can provide it to you. **UND**

500. Q. Thank you. I'd also like you to request a discharge statement from Home Trust Company as well?

A. Okay. **UND**

501. Q. Now, this property, Caledonia, this is an investment property?

A. Yes.

502. Q. Okay. And, so, it's currently being rented out?

A. Yes.

503. Q. And it's being rented out at one thousand seven hundred and fifty dollars a month?

A. Yes.

504. Q. Okay. And you have tenants living there, I take it?

A. Yes.

505. Q. And what are the tenants' names?

A. Justin, I don't know his last name.

506. Q. Do you have a written lease agreement?

A. Yes.

507. Q. Okay. Can you provide me a copy of the lease with tenant?

A. Sure. **UND**

508. Q. And the monies received from the tenant, are they being deposited into your personal account?

A. Yeah.

509. Q. And who's the landlord on the lease, is it you and your wife, or just you, or just your wife?

A. Both.

510. Q. And, again, I just want to be clear, the seventeen fifty is being deposited into your account, your bank account?

A. Not every month. He provided us first and last month rent.

511. Q. Yes.

A. And then he paid five thousand.

512. Q. But, whatever money you receive from the tenant gets deposited in your personal bank account?

A. Yes.

513. Q. So, when we get the statements we'll see those deposits?

A. I think so, yeah.

514. Q. Okay. All right. So, I'm going to take you back to -- let me just enter the Parcel Register, Transfer, and Charge for 46 Kelso Drive in Caledonia as Exhibit M to this examination. So, I note in your statement, we're going back to your statement to the receiver, you don't include rental income, in fact, you state "rental business not applicable" why did you say that? If you look at page 3, yes, let me show it to you.

A. Okay. I mis -- I think it says "Rental business" so that's why I misunderstood.

EXHIBIT M: Parcel Register, Transfer and Charge for 46 Kelso Drive, Caledonia.

515. Q. Okay. But, you understood that the purpose of this exercise was to understand what assets you have, you understood that, right?

A. Yes.

516. Q. Okay. You'll agree that's obviously an omission this document, it should have been included?

A. Yes.

517. Q. Now, you had mentioned about your wife working, what's her occupation, or was her occupation?

A. She's working at some doctor office as a receptionist.

518. Q. Right now?

A. Yeah.

519. Q. And before?

A. She was a doctor back home but she didn't get her licence in Canada.

520. Q. And 'back home' is where?

A. Pakistan.

521. Q. Pakistan. Okay. And do you know how much your wife earns right now?

A. It's fifteen dollars an hour.

522. Q. Does she work 40 hours a week?

A. Yeah.

523. Q. She does?

A. Yes.

524. Q. Okay. So, in terms, of -- we've gone through your income, we know about the rental income as well. And you have indicated to me you have no other income, no other income, right?

A. (No audible answer)

525. Q. Okay. You don't receive any type of employment benefits or anything like that?

A. No.

526. Q. Do you have access to any annuities, any type of investments?

A. No.

527. Q. Inheritances, have you received an inheritances, or expect to receive any inheritance?

A. No.

528. Q. And what about dividends from any companies?

A. No.

529. Q. Now, let's talk about, going back to page 3 of the statement, and it talks about the, pardon me, just back up for a second. I want to understand your monthly expenses here as well, okay, what your costs of living here, so do you have any idea of what you would spend on a monthly basis with respect to your expenses for the household, excluding mortgage? Like, food, clothing, anything like that?

A. About fifteen hundred, two thousand.

530. Q. I notice as well, if you go to page 6 of the statement, this is where, I probably should have showed you this first, actually, my apologies. So, you

talk about living expenses, food, groceries, twelve hundred, repairs, maintenance, gas, a thousand, vehicle, two ninety-seven, house, two ninety-three, you'll need insurance expenses and you put here five hundred dollars to secured creditors, who is that going to, who is the secured creditor?

A. Just credit card.

531. Q. That's the credit card?

A. Yeah.

532. Q. Okay. All right. And, so, I notice you didn't put anything for clothing or grooming or anything like that, but there would be expenses?

A. Yes.

533. Q. Okay. And what would you anticipate those expenses to be?

A. Three to four hundred dollars.

534. Q. A month?

A. Yeah.

535. Q. Okay. All right. What I'm going to ask for is an undertaking to produce documents supporting your current expenses?

A. Okay. **UND**

536. Q. Thank you.

A. Do you want the grocery bills and everything?

537. Q. I'd like to have a snap shot of what you're spending, you don't have to do it for every month but I'd like to a snap shot of your living expenses, yes.

A. You can get it from the bank statement.

538. Q. You do all your -- well, I'll leave it to you as to how you want to provide it to me, if it's encapsulated within the banking statement, that's fine, I just want to understand from whatever back up there is, okay. In terms of the living expenses, you talk about renter mortgage of thirty-three thousand four hundred and thirty dollars, okay, where did you get this number from, what did you look at?

A. this is the mortgage per month.

539. Q. I know, for which property, for both?

A. No, just the one.

540. Q. So, I have your, thirty-four thirty, so that's the --

A. 27 Spitfire Drive.

541. Q. 27 Spitfire Drive, I have the mortgage as -- well, why don't we look just to see, okay? Is that what you looked at, the mortgage? Or, what were you looking at?

A. Yeah, just the mortgage.

542. Q. Twenty-five forty-two eighty-nine? That's what I have.

A. No, that's for Kelso.

543. Q. This is for, no, this is for Spitfire.

A. No, I'm paying thirty-three thousand, that's the basically, taxes and everything is not included --

544. Q. Okay. So, you're paying taxes on top of that, and that's what it comes out to, okay. And, so, the number here is -- so, what about Kelso?

A. Kelso it twenty-three fifty.

545. Q. Okay. But, you didn't include that as a --

A. No, I didn't.

546. Q. Why is that?

A. It was a rental, so that's why maybe I didn't calculate it.

547. Q. But, you understood you have two homes?

A. Yes.

548. Q. Right. And you understood that this was another (inaudible) of what was being asked of you here? Is the reason you didn't include it because you didn't want the receiver to know that you had a rental property?

A. No, no. I, if I didn't -- I have to mention that it's my account that I have the rental agreement --

549. Q. Okay. I'm just trying to understand your evidence, okay. All right. And then you've got heat, gas, oil, telephone, cell, again, as part of that undertaking I want to see some back up documentation with respect to this, okay?

A. Sure. **UND**

550. Q. Just bear with me a second here. And what are the taxes, the property taxes on the home, on both homes, do you recall?

A. I'm not sure right now.

551. Q. Okay. So, part of the undertaking, you'll produce a copy of the property tax statements? **UND**

A. Yeah.

552. Q. For both homes, 46 and 27?

A. Yeah, I think they have the...

553. Q. Okay.

A. The Equitable Bank and (inaudible).

554. Q. Okay. Thank you. Okay, do you own any other real estate other than Spitfire and Kelso?

A. No.

555. Q. And you indicated in your statement as well that, if you go to page 3, about your vehicles. You've got a 2014 Nissan Pathfinder?

A. Yeah.

556. Q. And you have valued that at eight thousand. Do you own that out right?

A. Yes.

557. Q. Okay. And how do you know it's eight thousand dollars?

A. I just wanted to sell it and that's what...

558. Q. So, you haven't done any evaluation of the vehicle?

A. No.

559. Q. Is it currently listed for sale?

A. No.

560. Q. And who is the vehicle registered to? Whose name is the vehicle in?

A. Mine.

561. Q. Your name. And how do you know it's worth eight thousand dollars?

A. I went to the dealership to do the trade in.

562. Q. Okay. And did you trade it in? Sorry, you didn't trade it in, you wanted to trade it in right?

A. No.

563. Q. You were going to buy another vehicle?

A. I was trying to but right now, no.

564. Q. And then you also list a 2011 Nissan Pathfinder, you own this out right as well?

A. There's only one Pathfinder.

565. Q. Pardon me. This is, I've got 2 here, you've listed 2011 and a 2014, you see that? Did I read that wrong?

A. This is Nissan Pathfinder --

566. Q. Oh, that's '11, okay, so you've listed it twice there, okay.

A. My, my...

567. Q. That's my mistake.

A. That's mine and the other one is under my wife's name.

568. Q. The other one you're talking about is the Toyota Camry, 2014 Toyota Camry?

A. No.

569. Q. Okay.

A. It's --

570. Q. What do you have?

A. Jeep Wrangler.

571. Q. And when did you buy the Jeep Wrangler?

A. 2010, '11.

572. Q. And that's owned by your wife?

A. Yeah.

573. Q. And is it financed?

A. Yeah.

574. Q. But, it's in her name, right?

A. Yeah.

575. Q. Okay. So, you've never financed or leased a 2014 Toyota Camry?

A. No. It's also listed under my name?

576. Q. I have a PPSA search here under your name that comes up as 2014 Toyota Camry. You say you've never owned one?

A. (No audible answer)

577. Q. Okay. All right. So, let's go back to page 3, pardon me, we're still on page 3. You talk about cash on hand in bank, it says, as of the date you

signed this document, that's the cash on hand, was five hundred dollars, that was in the bank?

A. Yeah.

578. Q. Okay. We've already talked about your bank, the bank address. And your account, is it a chequing or savings account?

A. Chequing.

579. Q. And I have your undertaking with respect to the bank statements from the period 2015 to current. And, just so we're clear on that undertaking, we'd like those statements on a monthly basis?

A. Sure. **UND**

580. Q. Do you have a safety deposit box?

A. No.

581. Q. Have you ever had a safety deposit box?

A. No.

582. Q. Okay. And I'm going to ask you some specific questions about assets to see if you have any of them or not. Do you have any interest in any mortgage?

A. No.

583. Q. Does anyone owe you money?

A. No.

584. Q. Any stocks?

A. No.

585. Q. RRSP's?

A. Yes.

586. Q. RRSP's?

A. RESP.

587. Q. Okay. So, RRSP?

A. No.

588. Q. Okay. RESP's, you list here ten thousand dollars?

A. Yeah.

589. Q. Okay. Can you provide the documentations for the RESP?

A. Sure. UND

590. Q. Do you have anything of value, boats, or anything like that?

A. No.

591. Q. Nothing like that. Do you carry life insurance on yourself?

A. No.

592. Q. You've indicated no one owes you money right now?

A. I owe money but not...

593. Q. No one owes you money, right now, okay. And your evidence is you have, other than what you've described here today, you have no other income from any other source whatsoever?

A. (No audible answer)

594. Q. Does anyone hold property for you in trust?

A. (No audible answer)

595. Q. You have to answer 'yes' or 'no'.

A. No.

596. Q. Are you holding any property in trust for anybody?

A. No.

597. Q. When I asked you about the property, you mentioned Kelso and Spitfire are the only property you

have. Do you have properties anywhere other than Ontario, other than those two? Is there anything else in anywhere else?

A. No.

598. Q. I just want to talk to you about the, if you go to page 4 of the statement, it's your list of creditors here that you've identified. First one being Scotia Visa card, ten thousand, was that the amount that was provided on the date, on October 19th, was that the amount in your account?

A. Yes.

599. Q. That you owed?

A. (No audible answer)

600. Q. Okay. So, what I'd like is an undertaking to provide a credit card statements, statements on a monthly basis from let's say June, 2017 to today's date.

A. Okay. **UND**

601. Q. Same with Capital one, same undertaking.

A. Okay. **UND**

601. Q. Do you have any other credit cards?

A. No.

602. Q. And these credit cards are in your name only?

A. Yes.

603. Q. Okay. And you pay them through your bank account, I take it?

A. Yes.

604. Q. If we go to page 8 of the statement, if you look at the bottom there where there's some writing, it says -- the question that was posed in the statement was, "Do you bank with a financial institution which you owe money, including overdrafts, credit cards, lines of credit, or do you have any automatic deposits or post-dated cheques for debt payments. If 'yes', provide details." And you say, "Scotia Bank." And what's the second?

A. Thinking Capital.

605. Q. Thinking Capital. What's thinking capital?

A. It's vendor that I borrow some loan for my pharmacies.

606. Q. Do you owe them money?

A. Yes.

607. Q. How much do you owe them?

A. Thinking Capital is twenty-eight thousand.

608. Q. Okay. So, that's twenty-eight thousand.

A. Evelocity is another vendor.

609. Q. Yes. You have Velocity.

A. Yeah, it's eighteen.

610. Q. Eighteen thousand?

A. Yeah. Then LPG is a wholesaler.

611. Q. LPG?

A. Yeah.

612. Q. Wholesaler of pharmaceutical's?

A. Yes. It's thirty-two thousand.

613. Q. And those are currently outstanding?

A. Yes.

614. Q. Okay. And do you have any documentation to support these debts, what documentation can you

provide us? Okay, I'm going to ask for an undertaking for documentation in support of these debts?

A. Okay.

615. Q. Okay. So, that's the debt to Thinking Capital, Evelocity, and LPG, I have that undertaking?

A. Yes. **UND**

616. Q. And these debts, are they personal to you or the business? And when I say "business" either Ansa or the numbered company?

A. Yes, the business.

617. Q. Which one?

A. Everything. I don't know, I have to find out from Thinking Capital if it's under my name or is it under the business.

618. Q. Okay. But, you don't know if that's the 2-2-5 numbered company or is it Ansa, these debts?

A. Thinking Capital is Ansa's.

619. Q. Okay.

A. And Evelocity is 2-2-5.

620. Q. Okay. And this fifty thousand, you mention your fifty thousand line of credit.

A. That's under 2-2-5.

621. Q. That's for 2-2-5, and that's with Scotia Bank?

A. Yes.

622. Q. Is that an unsecured line of credit?

A. Yes.

623. Q. Okay. Can I also have documentation with respect to the line of credit, can you produce that?

A. Okay. **UND**

624. Q. And is the line maxed out?

A. Yes.

625. Q. Are you making payments on the line?

A. Not right now.

626. Q. Has the bank made any demands for payment?

A. Yeah, they are calling, yeah.

627. Q. They are calling or have they written to you?

A. I just received a phone call.

628. Q. Okay. So, you'll provide me the documentations for the line?

A. Okay. **UND**

629. Q. Is there anyone else that either you, personally, or the companies, Ansa, or 2-2-5, owe money to?

A. No.

630. Q. Can we take 5 minutes?

OFF THE RECORD

631. Q. Mr. Nasim, do you own any jewelry?

A. No.

632. Q. Does your wife own any jewelry?

A. Yes.

633. Q. Can you provide us a list of jewelry that your wife owns?

A. I don't...

634. Q. You don't know, or you won't?

A. I won't. **REF**

635. Q. That's a refusal. And do you have any precious metal, gold, silver in the house?

A. No.

636. Q. So, as you know, the Order of Justice Penny still requires you to produce a sworn statement. The receiver is going to require you to comply with that Order. Once you've provided your answers to undertakings and the documentation, we're going to need you to provide that sworn statement, do you have any issue providing a sworn statement?

A. No.

637. Q. Okay. Subject to the undertakings you've provided and the one refusal, those are my questions today. Thank you very much.

*****

Transcribed to the best of my
skill and ability

_____

Sara Stein, Verbatim Reporter

254

Court File No.: CV-18-597922-00CL

ONTARIO SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

CWB MAXIUM FINANCIAL INC.

Plaintiff

- and -

1970636 ONTARIO LTD. O/A MT. CROSS PHARMACY,UMAIR N.NASIM, SHRIKANT MALHOTRA, 1975193 ONTARIO LTD. dba MTN RX & HEALTH and ANGELO KIRKOPOULOS

Defendants

This is the Examination Under Oath of **UMAIR NASIM**

CINDY JONES
VERBATIM REPORTING SERVICE

APPENDIX 12

See attached.

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Court File No. CV-18-597922-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

CWB MAXIUM FINANCIAL INC.

Plaintiff

and

1970636 ONTARIO LTD. O/A MT. CROSS PHARMACY, UMAIR N. NASIM, SHRIKANT MALHOTRA, 1975193 ONTARIO LTD. dba MTN RX & HEALTH and ANGELO KIRKOPOULOS

Defendants

REFUSALS AND UNDERTAKINGS CHART

REFUSALS

Refusals to answer questions on the examination of Umair Nasim, dated December 10, 2018.

Issue & relationship to pleadings or affidavit (*Group the questions by issues.*)	Question No.	Page No.	Specific question	Answer or precise basis for refusal	Disposition by the Court
1.	634	117	To produce a list of jewellery owned by your wife.		

UNDERTAKINGS

Outstanding undertakings given on the examination of Umair Nasim, dated December 10, 2018.

Issue & relationship to pleadings or affidavit (*Group the undertakings by issues.*)	Question No.	Page No.	Specific undertaking	Date answered or precise reason for not doing so	Disposition by the Court
1.	183	37-38	To obtain Mr. Oostdyk's complete purchase file.		

UNDERTAKINGS

Outstanding undertakings given on the examination of Umair Nasim, dated December 10, 2018.

Issue & relationship to pleadings or affidavit (*Group the undertakings by issues.*)	Question No.	Page No.	Specific undertaking	Date answered or precise reason for not doing so	Disposition by the Court
2.	189	39	To provide six documents containing original signatures from 2017	February 5, 2019	
3.	258	51	To produce financial statements for Ansa Drugs for the years 2015-2018.	February 5, 2019	
4.	259	51	To produce tax returns for Ansa Drugs for the period of 2015 to 2018.	February 5, 2019	
5.	275	54	To produce bank statements for Ansa Drugs from 2015 to current.	February 5, 2019	
6.	285	56	To provide the address of the Scotia Bank where personal account is located.	January 21, 2019 The Bank Of Nova Scotia 851 Golf Links Road At Legend Court Ancaster, On L9K 1L5	
7.	287	56	To produce bank statements for personal bank account at Scotia Bank from 2015 to current.	February 5, 2019	
8.	304	60	To produce all documentation received from Tal Group and/or RPR Consulting with respect to what they were paying you.		

UNDERTAKINGS					
Outstanding undertakings given on the examination of Umair Nasim, dated December 10, 2018.					
Issue & relationship to pleadings or affidavit (*Group the undertakings by issues.*)	**Question No.**	**Page No.**	**Specific undertaking**	**Date answered or precise reason for not doing so**	**Disposition by the Court**
9.	310	61	To produce all invoices provided to Samy's with respect to the services that you have provided to Samy's as a Locum pharmacist.	January 21, 2019	
10.	323	64	To produce T1 General and their schedules from 2015, 2016 and 2017.		
11.	324	64	To produce Notices of Assessment for Nasim from 2015, 2016 and 2017.	February 5, 2019	
12.	372	71	To produce a copy of the sublease with Greenhill Medical Clinic		
13.	391	74	To produce the letter provided to the College of Pharmacists when drugs were being moved.		
14.	406	77	To produce any financial statements and tax returns from 2253658 Ontario Inc. from 2015 – 2018.	January 21, 2019	
15.	419	79	To produce a copy of the ICare lease and if requested by the receiver to provide an Authorization and Direction to obtain a copy of the lease from Mr. Sharma.		
16.	427	80	To produce the letter sent to the College of Pharmacists when the inventory was sent to Greenhill.	January 21, 2019	

UNDERTAKINGS

Outstanding undertakings given on the examination of Umair Nasim, dated December 10, 2018.

Issue & relationship to pleadings or affidavit (*Group the undertakings by issues.*)	Question No.	Page No.	Specific undertaking	Date answered or precise reason for not doing so	Disposition by the Court
17.	443	84	To provide an Authorization and Direction to obtain the Personal Guarantee from McKesson Canada.		
18.	463	88	To ask Equitable Bank, the mortgagee, for the appraisal that was done on the property.		
19.	464	89	To request the discharge statement from Equitable Bank.	February 24, 2019 Notice of Sale Provided	
20.	476	91	To produce the valuation that was completed on the Caledonia and if not then to approach Home Trust Company for a copy of the appraisal and to provide it to the receiver.	February 5, 2019	
21.	499	95	To produce the contact information of Nagina Butt.		
22.	500	95	To produce the discharge statement from Home Trust Company.	February 24, 2019 Notice of Sale Provided	
23.	507	96	To produce the lease from the Caledonia property.	March 6, 2019	
24.	535	102	To produce documents supporting current expenses.	February 5, 2019	

UNDERTAKINGS

Outstanding undertakings given on the examination of Umair Nasim, dated December 10, 2018.

Issue & relationship to pleadings or affidavit (*Group the undertakings by issues.*)	**Question No.**	**Page No.**	**Specific undertaking**	**Date answered or precise reason for not doing so**	**Disposition by the Court**
25.	549	104	To produce all back up documentation to support the current expenses.	February 5, 2019	
26.	551	105	To produce a copy of the property tax statements for both homes at 46 and 27.		
27.	579	109	To produce the personal bank statements from Scotia Bank on a monthly basis.	Same as #7	
28.	589	110	To produce documentation for the RESP.	March 7, 2019	
29.	600	112	To produce credit card statement for Scotia Visa Card on a monthly basis from June 2017 to today's date.	February 5, 2019	
30.	601	112	To produce credit card statement for Capital One card on a monthly basis from June 2017 to today's date.	February 5, 2019	
31.	615	115	To provide the debts to Thinking Capital, Evelocity and LPG.		
32.	623	116	To provide documentation to support the $50,000.00 line of credit with Scotia Bank.		

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December 19, 2018

PALLETT VALO LLP
Lawyers & Trade-Mark Agents
77 City Centre Drive, West Tower
Suite 300
Mississauga, Ontario L5B 1M5

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Lawyers for the Receiver, msi Spergel inc.

RCP-E 37C (November 1, 2005)

APPENDIX 13

See attached.

NOTICE OF SALE UNDER MORTGAGE

TAKE NOTICE that default has been made in payment of monies due under a certain mortgage made between **Umair Nasim and Ansa Noveen Sheikh** as mortgagors, and **Equitable Bank** as mortgagee and respecting the land and premises situate, lying and being in the City of Hamilton, in the Province of Ontario, and being composed of the Lot 6, Plan 62M970, Hamilton; subject to an Easement in WE121864 subject to a Right to Enter in favour of Grisenthwaite-Kanuka Limited any time within 5 years after 2003-05-16, as set out in WE161230; being all of PIN 17400-0326 LT. The said mortgage was registered in the Land Registry Office for the Land Titles Division of Wentworth (No. 62) as Instrument Number: WE1203344 on the 3rd day of May, 2017. The said mortgage is a variable rate mortgage and currently bears interest at the rate of 5.45% per annum calculated monthly, not in advance. On the above described parcel of land is erected premises known as municipal number **27 Spitfire Dr., Mount Hope ON L0R 1W0**

AND I HEREBY give you notice that the amount now due on the mortgage for principal money, interest, penalty interest, administration charges, insurance, taxes and legal costs respectively, if any, are as follows:

Principal Balance as at October 1, 2018	$509,568.41
Interest from October 1, 2018 to December 20, 2018	$6,017.25
Late Payment Interest	$29.21
Less Partial Payments received by Equitable Bank currently held in sundry account	($3,273.07)
Returned Payment Fees	$1,000.00
Previous Expenses Paid	$532.12
Tax Account Balance	($1,123.74)
Annual Account Maintenance Fees	$450.00
Legal Action Administration Fee	$1,000.00
Three months interest pursuant to Section 17 of the Mortgages Act	$6,942.87
Costs (such amount for costs being up to and including the service of this Notice only, thereafter such further costs and disbursements will be charged as may be proper including HST)	$4,500.00
TOTAL	**$525,643.05**

together with interest as set out in the Charge/Mortgage on the principal and interest hereinbefore mentioned from the 20th day of December, 2018 up to the date of payment.

AND UNLESS the said sums are paid on or before the **28th day of January, 2019, Equitable Bank** shall sell the property covered by the said mortgage under the provisions contained in it.

THIS NOTICE was given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem same.

DATED at Hamilton, Ontario this 20th day of December, 2018 by **TURKSTRA MAZZA ASSOCIATES**, Barristers and Solicitors, 15 Bold Street, Hamilton ON L8P 1T3, Phone 416-368-4554, Lawyers for the Mortgagee.

EQUITABLE BANK
By its lawyers,
TURKSTRA MAZZA ASSOCIATES

PER: PAUL DOUGLAS MAZZA

Umair Nasim
27 Spitfire Drive
Mount Hope ON L0R 1W0

The Spouse of Umair Nasim
27 Spitfire Drive
Mount Hope ON L0R 1W0

Ansa Noveen Sheikh
27 Spitfire Drive
Mount Hope ON L0R 1W0

The Spouse of Ansa Noveen Sheikh
27 Spitfire Drive
Mount Hope ON L0R 1W0

2035881 Ontario Inc.
(RE: Instrument No. WE1203987)
12th Floor, 2 Lansing Square
Toronto ON M2J 4P8

MSI Spergel Inc.
(Re: Instrument No. WE1313198)
C/o Craig Mills
Miller Thomson LLP
Barristers and Solicitors
5800-40 King Street West
Toronto ON M5H 3S1

MSI Spergel Inc.
(Re: Instrument No. WE1313198)
C/o John Russo
Pallett Valo LLP
Barristers and Solicitors
300-77 City Centre Drive, West Tower
Mississauga ON L5B 1M5

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NOTICE OF INTENTION TO ENFORCE SECURITY (SEC. 244(1))
of the BANKRUPTCY AND INSOLVENCY ACT

TO: **Umair Nasim,** an insolvent person
Ansa Noveen Sheikh, an insolvent person

TAKE NOTICE THAT:

1. **Equitable Bank,** a secured creditor, intends to enforce its security on the property of the insolvent person(s) municipally described as follows:

   27 Spitfire Drive, Mount Hope ON L0R 1W0

2. The security that is to be enforced is in the form of a Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of Wentworth (No. 62) as Instrument Number: WE1203344 on the 3rd day of May, 2017.

3. The total amount of indebtedness secured by the security is **$525,643.05**.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Hamilton this 20th day of December, 2018

EQUITABLE BANK
BY ITS LAWYERS
TURKSTRA MAZZA ASSOCIATES
PER:

PAUL DOUGLAS MAZZA
15 Bold Street
Hamilton ON L8P 1T3

Telephone 416-368-4554
Fax: 416-368-4741

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NOTICE OF SALE UNDER CHARGE

To: **Umair Nasim**, 46 Kelso Dr, Caledonia, ON, N3W 0B7

Noveen Ansa Sheikh, 46 Kelso Dr, Caledonia, ON, N3W 0B7

Umair Nasim, 27 Spitfire Dr, Mount Hope, ON, L0R 1W0

Noveen Ansa Sheikh, 27 Spitfire Dr, Mount Hope, ON, L0R 1W0

MSI Spergel Inc., 505 Consumers Road, Toronto, ON, M2J 4V8

The Spouse of Umair Nasim, 46 Kelso Dr, Caledonia, ON N3W 0B7

The Spouse of Noveen Ansa Sheikh, 46 Kelso Dr, Caledonia, ON N3W 0B7

TAKE NOTICE that default has been made in payment of the moneys due under a certain charge dated January 31, 2018 and made between

Umair Nasim and Noveen Ansa Sheikh
and
Computershare Trust Company of Canada

upon the following property, namely:

LOT 104, PLAN 18M51; SUBJECT TO AN EASEMENT FOR ENTRY AS IN CH81108; HALDIMAND COUNTY
Property Identification Number 38155-0578 (LT)

which charge was registered on February 2, 2018 in the Land Registry Office for the Land Titles Division of Haldimand (No. 18) as Instrument No. CH81109.

And we hereby give you notice that the amount now due on the charge for principal money, interest, taxes and costs, respectively, is **$378,227.96** made up as follows:

Principal	**$363,578.42**
Interest	4,722.45
Payment on Account	(94.12)
Return Payment Fee	2,025.00
Maintenance fee	339.00
Tax administration fee	339.00
Manual debit fee	380.00
Home Insurance fee	720.00
Home insurance premium	247.30
Interest on Arrears	139.65
Prepayment cost	4,535.64
Tax account balance	(1,819.38)
Default Administration fee	1,295.00
Property inspection	125.00
Legal Fees and Disb. (Incl HST 11936 4511 RT0001)	$1,695.00

(such amount for costs being up to and including the service of this notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 4.990% per annum calculated half yearly not in advance, on the principal, interest, taxes and costs, calculated and payable half yearly from January 17, 2019 to the date of payment.

AND unless the said sums are paid on or before February 25, 2019 we shall sell the property covered by the said charge under the provisions contained in it.

By Transfer of Charge dated January 16, 2019 and registered as Instrument No. CH88887, the charge was transferred to Home Trust Company.

THIS notice is given to you as you appear to have an interest in the charged property and may be entitled to redeem the same.

DATED January 17, 2019

Home Trust Company, Chargee, by its lawyers
Gowling WLG (Canada) LLP
One Main St. West
Hamilton, ON L8P 4Z5
Per:
Mark D. Temminga
MDT/JB
Tel: 905-540-3280 x23391 re Mtge No. 10340887