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
(RETURNABLE JUNE 14, 2018)

MILLER THOMSON LLP
Barristers and Solicitors
40 King Street West, suite 5800
Toronto ON M5H 3S1

Bobby Sachdeva LSUC #34454C
Tel: 905.532.6670
Fax: 905.660.0139
bsachdeva@millerthomson.com

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

Fax. 416.595.8695

Lawyers for the Plaintiff

SERVICE LIST
(As at May 16, 2018)

TO: **1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY**
503 Concession St.
Hamilton, ON
L9A 1C1

Email: umair_nasim@hotmail.com

AND TO: **UMAIR N. NASIM**
27 Spitfire Drive
Mount Hope, ON
L0R 1W0

Email: umair_nasim@hotmail.com

AND TO: **SHRIKANT MALHOTRA**
5633 Retreat Street
Mississauga, ON
L5R 0B3

Email: shrikant_malhotra@hotmail.com

AND TO: **msi Spergel inc.**
505 Consumers Road, Suite 200
Toronto, Ontario, M2J 4V8

Philip H. Gennis
Senior Principal
Tel: 416-498-4325
Fax: 416-498-4325
Email: pgennis@spergel.ca

Interim Receiver

AND TO: **Pallett Valo**
77 City Centre Drive

West Tower, Suite 300
Mississauga, ON
L5B 1M5

John Russo / Dina Milivojevic
Tel: 905.273.3300 ext. 282/283
Fax: 905276.6920
Email: jrusso@pallettvalo.com /dmilivojevic@pallettvalo.com

Lawyers for Interim Receiver

AND TO: **1975193 ONTARIO LTD. dba MTN RX & HEALTH**
84 Wills Cres.
Binbrook, ON L0R 1C0

and

566 Concession Street
Hamilton ON L8V 1B1

AND TO: **The Department Of Justice**
The Exchange Tower
130 King Street West
Suite 3400, P.O. Box 36
Toronto, Ontario
M5X 1K6

Attention: Diane Winters/Peter Zevenhuizen
Tel: 416.973.3172/416.952.8563
Fax: 416.973.8710
Email: diane.winters@justice.gc.ca/peter.zevenhuizen@justice.gc.ca

AND TO: **Her Majesty The Queen In The Right Of The Province Of Ontario As Represented By The Minister Of Finance**
Legal Services Branch
33 King Street West, 6th floor
Oshawa, Ontario
L1H 8H5

Attention: Kevin O'Hara
Tel: 905.433.6934
Fax: 905.436.4510
Email: Kevin.ohara@ontario.ca

AND TO: **Her Majesty The Queen In Right Of The Province Of Ontario As Represented By The Minister Of Health And Long-Term Care**

Legal Services Branch
56 Wellesley St. West
Toronto, Ontario
M5R 2S3

AND TO: **Faber & Oostdyk o/u Sean Oostdyk Professional Corporation**
1025 Waterdown Road
Burlington, ON L7T 1N4

Tel: 905-681-7800
Fax: 905-681-7814
Email: sean@folaw.ca

AND TO: **Daoust Vukovich LLP**
20 Queen Street West, Suite 3000
Toronto, ON, M5H 3R3

Daniel Waldman
Tel: (416) 597-9306
Fax: (416) 597-8897
dwaldman@dv-law.com

Lawyers for Wittington Properties Limited

AND TO: **Public Prosecution Services of Canada**
Attention: Sandra Antoniani
sandra@smork.com

AND TO: **Royal Canadian Mounted Police**
Serious and Organized Crime Section
Hamilton-Niagara Regional Detachment

Attention: Cst. Daniel Carter
Tel: 905.643.5791
fax: 905.643.5932
Email: daniel.carter@rcmp-grc.gc.ca

AND TO: Angelo Kirkopoulos
Email: kirkopoulosa@gmail.com

AND TO: 1919932 Ontario Limited
503 Concession Street
Hamilton, On L9C 1A1

AND TO: George Vlachodimos
56 Clapham Rd
Hamilton ON, L8G2H8

AND TO: Orlando Den Cassavia
4 Playfair Court
Ancaster, ON L9K 1R6

AND TO: Ahmed Kassim
84 Wills Crescent
Binbrook, ON L0R 1C0
Email: canada2468@gmail.com

AND TO: Angela Abrantes
15 Citino Dr.
Hamilton ON
Tel: 905-928-4702

AND TO: Vadim Kovalev
566 Concession Street
Hamilton ON L8V 1B1

AND TO: **McKesson Canada Corporation**
6355 Viscount Road
Mississauga, ON L4V 1W2

AND TO: **TELUS Health Solutions Inc.**
630 René-Levesque oust
Montréal QC H3B 1S6

Attention: Amalia Pinos
Tel: (514) 665-4137
Email: Amalia.Pinos@telus.com

INDEX

INDEX

Appendix 16	Letter to Telus Health
3.	Affidavit of Maureen McLaren, sworn June 6, 2018
Exhibit A	Letter from CWB Maxium to U. Nasim and S. Shrikant dated May 28, 2018
Exhibit B	PPSA Financing Change Statement
Exhibit C	Corporate Profile Report 1975193 Ontario Ltd.
Exhibit D	PPSA Search 1975193 Ontario Ltd.
Exhibit E	Corproate Profile Report 1919932 Ontario Ltd
4.	Draft Order Appointing Receiver
5.	Draft Order Approving Interim Receiver's Report

TAB 1

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

NOTICE OF MOTION
(Returnable June 14, 2018)

The Plaintiff, CWB Maxium Financial Inc. ("**CWB Maxium**"), will make a motion to a judge, on June 14, 2018, at 10:00 a.m. or as soon after that time as the motion can be heard, by then Commercial List or as soon after that time as the motion can be heard, at 330 University Ave, Toronto, Ontario.

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

- [ ] in writing under subrule 37.12.1(1) because it is on consent or unopposed or made without notice;
- [ ] in writing as an opposed motion under subrule 37.12.1(4);
- [X] orally.

THE MOTION IS FOR:

1. An Order substantially in the form attached as Tab 3 to the Motion Record including, *inter alia,* the following relief:

(a) If necessary, an Order abridging the time for service of this motion and validating service of notice hereof;

(b) 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, undertaking and properties of 1970636 Ontario Ltd. o/a Mt. Cross Pharmacy ("**Mt. Cross**"), and 1975193 Ontario Ltd. dba MTN RX & Health ("**MTN RX**") (collectively, the "**Debtors**");

(c) such further and other relief as may be required in the circumstances and this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE:

1. CWB Maxium is a corporation duly incorporated pursuant to the laws of the Province of Ontario, carrying on business as a finance company, with offices in Richmond Hill and elsewhere.

2. Mt. Cross is a corporation incorporated pursuant to the laws of the Province of Ontario. Mt. Cross operates a retail pharmacy ("**Mt. Cross Pharmacy**") at a leased premises located at 503 Concession Street in Hamilton, Ontario (the ("**Premises**"). The Premises are also referred to Concession Wentworth Medical Clinic ("**CWMC**").

3. The Defendants, Umair N. Nasim ("**Nasim**") and Shrikant Malhotra ("**Malhotra**"), are the principals of Mt. Cross. They are also guarantors (collectively, the "**Guarantors**") of all obligations owed by Mt. Cross to CWB Maxium.

4. The Defendant, Angelo Kirkopoulos ("**Kirkopoulos**"), is the Secretary and Treasurer of Mt. Cross. Kirkopoulos is also the President of Concession Wentworth Medical Centre Inc. (the "**CWMC**").

5. The Defendant MTN RX is a corporation incorporated pursuant to the laws of the Province of Ontario, with a registered office in Binbrook, Ontario. It operates a pharmacy at 566 Concession St. in Hamilton, Ontario (the "**MTN Pharmacy**"). Ahmed Kassim ("**Kassim**") is the principal of the MTN Pharmacy;

6. In 2017, CWB Maxium agreed to provide financing to Mt. Cross in respect to its purchase of the assets of the Mt. Cross pharmacy business from 1919932 Ontario Ltd. (the "**Vendor**") pursuant to a purchase agreement dated June 2, 2017 (the "**Purchase Agreement**"). The directors and officers of the Vendor are Orlando Den Cassavia, George Vlachodimos and Angelo Kirkopoulos;

7. As such, on June 6, 2017, CWB Maxium and Mt. Cross entered into a promissory note (the "**Note**") whereby Mt. Cross promised to pay to CWB Maxium the sum of $4,300,450.00 with interest at the rate of 5.75% per annum and interest on overdue interest at the rate of 18% per annum to CWB Maxium. The balance of the purchase price under the Purchase Agreement (the "**Deposit**") was to have been funded by the Guarantors.

8. As security for the Note, on June 5, 2017, CWB Maxium and Mt. Cross entered into a General Security Agreement (the "**GSA**") whereby Mt. Cross granted to CWB Maxium a continuing security interest in all of Mt. Cross's assets and undertakings and an assignment of Mt. Cross' accounts in consideration for CWB Maxium continuing to deal with Mt. Cross.

9. The GSA provides, among other things, that if Mt. Cross fails to make a payment required pursuant to Note, the Plaintiff may require Mt. Cross to repay all obligations in full and may appoint a receiver over the assets and undertaking of Mt. Cross.

10. On May 25, 2017, CWB Maxium registered its security interest in the assets and undertaking of Mt. Cross pursuant to the *Personal Property Security Act* (the "**PPSA**").

11. On June 5, 2017, the Guarantors executed personal guarantees (the "**Guarantees**") whereby they guaranteed all of Mt. Cross' obligations to CWB Maxium.

In support of the Guarantees, they also executed General Security Agreements dated June 5, 2017 as security in respect to the Guarantees.

12. On or about April 15, 2018, Mt. Cross defaulted in its obligations to CWB Maxium in that it failed to make the payments required pursuant to the Note.

13. On May 8, 2018 and May 28, 2018, the Plaintiff delivered demands for payment and a Notice of Intention to Enforce Security to Mt. Cross and the Guarantors demanding payment in full of the amount of $4,578,464.85.

14. Despite these demand letters, neither Mt. Cross nor the Guarantors have paid the amount owing to CWB Maxium under the Note and the Guarantees.

15. Pursuant to the terms of the Note, the GSA and the Guarantees, Mt. Cross and the Guarantors owe CWB Maxium the sum of $44,578,464.85 as at May 28, 2018, plus interest, at the rate of 18% per annum.

16. Mt. Cross' business has been negatively impacted by the following developments:

(a) Following Mt. Cross' purchase of the Pharmacy, most of the physicians located within the Premises moved their practices out of the Premises;

(b) MTN RX opened a competing pharmacy in close proximity to the Mt. Cross Pharmacy in February 2018. A significant number of client files have been transferred from the Mt. Cross Pharmacy to the MTN Pharmacy without the consent or authorization of Mt. Cross. The pharmacist of the MTN Pharmacy is Kassim, who was formerly employed by Mt. Cross;

(c) on May 16, 2018, the RCMP executed a search warrant and the books and records of Mt. Cross have been seized. Both Kirkopoulos and Nasim have been charged by the RCMP;

(d) unauthorized changes have been made to the website for the Mt. Cross Pharmacy such that it defaults to the MTN Pharmacy; and

(e) the Pharmacy's point of sale provider, Fillware Technologies ("**Fillware**") received an unauthorized request to merge the prescription software system for the Mt. Cross Pharmacy with the system for the MTN Pharmacy.

17. On May 16, 2018, Mr. Justice Dunphy appointed Spergel, as interim receiver (the "**Interim Receiver**"), without security, of all of the assets, undertakings and properties of Mt. Cross, pursuant to section 47(1) of the BIA.

18. As detailed in the First Report of the Interim Receiver, it has discovered the following as a result of its investigations:

(a) Nasim, the designated pharmacist and President of Mt. Cross, has been prohibited from entering the Premises due to criminal charges laid against him by the RCMP. Similarly, charges have been laid by the RCMP against Kirkopoulos;

(b) the RCMP has also seized certain books and records of the Mt. Cross Pharmacy. The Interim Receiver has requested access to the books and records, but has been advised that the Crown will not share any documents seized without court order;

(c) the insurance policy for the Mt. Cross Pharmacy was cancelled in September 2017. The Interim Receiver is securing replacement insurance as a result;

(d) it appears that Kirkopoulos was engaged by MTN RX to set up its corporate structure and was formerly an officer of the company;

(e) the website for the MTN Pharmacy is substantially similar to the Mt. Cross Pharmacy and that the name of the pharmacy featured on the website has been changed from Mt. Cross to MTN RX. The current

website also refers to CWMC, which is the name of the medical clinic which operates from the Premises;

(f) it has been able to verify that at least 102 client files have been transferred to the MTN Pharmacy. In addition, some of the clients of Mt. Cross are being serviced by MTN RX although their files have not been transferred. In light of this, the Interim Receiver anticipates that, subject to further investigation, the number of client files that have been transferred is much higher;

(g) since its appointment, a number of clients of the Mt. Cross Pharmacy have advised the Interim Receiver that they never authorized the transfer of their files to the MTN Pharmacy;

(h) Angela Abrantes, a former employee of Mt. Cross who is now employed by MTN RX, has confirmed to the Interim Receiver that she: (1) has transferred the majority of the blister pack patients from Mt. Cross to MTN RX; (2) transferred approximately 150 clients to the MTN Pharmacy; and (3) contacted Fillware to merge the Mt. Cross software system with the MTN RX software system;

(i) the Guarantors have confirmed that they never paid the Deposit under the Purchase Agreement and six of physicians that operated from the Premises departed prior to the closing of the Purchase Agreement;

(j) the sales reports provided to CWB Maxium by Mt. Cross in support of its credit application in 2017 are significantly higher than the sales reports generated by the Interim Receiver for the same time frame;

(k) Telus Health, which provides electronic claims processing for a number of insurance companies, has advised the Interim Receiver that its investigations revealed that Mt. Cross had been billing the insurers for drugs that had not been supplied to clients. As such, Telus Health terminated its agreement with Mt. Cross in April 2018;

19. As the appointment of Spergel will expire within 30 days of the appointment, CWB Maxium now seeks to extend the appointment of Spergel as a Receiver pursuant to section 243(1) of the BIA and section 101 of the CJA. As noted above, the Interim Receiver has identified several issues for further investigation and possible pursuit.

20. In addition, CWB Maxium seeks to appoint the receiver over the assets, property and undertaking of MTN RX as it appears that certain assets and the business of the Mt. Cross Pharmacy has been transferred to the MTN Pharmacy.

21. CWB Maxium is the only secured creditor in respect to Mt. Cross. The only secured creditor in respect to MTN is McKesson Canada Corporation, an inventory supplier;

22. CWB Maxium is entitled to the appointment of a receiver under the terms and conditions of the GSAs executed by Mt. Cross, Nasim and Malhotra in favour of CWB Maxium;

23. Furthermore, on May 22, 2018, in light of the unauthorized transfer of assets and property to MTN RX, CWB Maxium has amended its PPSA registration against Mt. Cross to include MTN RX as an additional debtor pursuant to s. 48(2) of the PPSA;

24. The appointment of a Receiver is:

(a) necessary for the protection of the Debtors' estate for the benefit of all creditors of the Debtors, including CWB Maxium; and

(b) just and convenient under the circumstances;

25. In the light of the outcome of the Interim Receiver's investigations thus far, CWB Maxium respectfully submits that the Receiver be empowered to: (i) examine the Debtors and any person reasonably thought to have knowledge of the affairs of the Debtors; (ii) assign the Debtors into bankruptcy; (iii) assign and transfer to the Plaintiff all of the Debtors' right, title and interest in a chose in action upon the Receiver being satisfied that such chose in action is subject to the Plaintiff's security; (iv) demand that the lawyers for the Vendors deliver and/or grant access to the Vendor's file in respect to

the Purchase Agreement and deliver all funds in their possession relating to the Purchase Agreement to the Receiver;

26. Spergel is a licensed insolvency trustee and has consented to being appointed as receiver, without security, of all of the assets, undertakings and property of the Debtors acquired for, or used in relation to the businesses carried on by the Debtors;

27. CWB Maxium relies upon section 243(1) of the BIA, section 101 of the CJA and rules 3.02, 37.07 and 41 of the *Rules of Civil Procedure*; and

28. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

(a) Affidavit of Daniel Gilchrist, sworn and the Exhibits attached thereto;

(b) the report of Spergel in its capacity as Interim Receiver dated June 6, 2018;

(c) Affidavit of Maureen McLaren, sworn June 6, 2018;

(d) the Order of Mr. Justice Dunphy dated May 16, 2018 appointing Spergel as Interim Receiver; and

(e) such further and other evidence as counsel may advise and this Honourable Court may permit.

June 6, 2018

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
Fax: 905.660.0139
bsachdeva@millerthomson.com

Craig A. Mills LSUC#: 40947B
Tel: 416.595.8596
Fax: 416.595.8695
Email: cmills@millerthomson.com

Lawyers for the Plaintiff

TO: **1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY**
503 Concession St.
Hamilton, ON
L9A 1C1

Email: umair_nasim@hotmail.com

AND TO: **UMAIR N. NASIM**
27 Spitfire Drive
Mount Hope, ON
L0R 1W0

Email: umair_nasim@hotmail.com

AND TO: **SHRIKANT MALHOTRA**
5633 Retreat Street
Mississauga, ON
L5R 0B3

Email: shrikant_malhotra@hotmail.com

AND TO: **msi Spergel inc.**
505 Consumers Road, Suite 200
Toronto, Ontario, M2J 4V8

Philip H. Gennis
Senior Principal
Tel: 416-498-4325
Fax: 416-498-4325
Email: pgennis@spergel.ca

Interim Receiver

AND TO: **Pallett Valo**
77 City Centre Drive
West Tower, Suite 300
Mississauga, ON
L5B 1M5

John Russo / Dina Milivojevic
Tel: 905.273.3300 ext. 282/283
Fax: 905276.6920
Email: jrusso@pallettvalo.com /dmilivojevic@pallettvalo.com

Lawyers for Interim Receiver

AND TO: **1975193 ONTARIO LTD. dba MTN RX & HEALTH**
84 Wills Cres.
Binbrook, ON L0R 1C0

and

566 Concession Street
Hamilton ON L8V 1B1

AND TO: **The Department Of Justice**
The Exchange Tower
130 King Street West
Suite 3400, P.O. Box 36
Toronto, Ontario
M5X 1K6

Attention: Diane Winters/Peter Zevenhuizen
Tel: 416.973.3172/416.952.8563
Fax: 416.973.8710
Email: diane.winters@justice.gc.ca/peter.zevenhuizen@justice.gc.ca

AND TO: **Her Majesty The Queen In The Right Of The Province Of Ontario As Represented By The Minister Of Finance**
Legal Services Branch
33 King Street West, 6th floor
Oshawa, Ontario
L1H 8H5

Attention: Kevin O'Hara
Tel: 905.433.6934
Fax: 905.436.4510
Email: Kevin.ohara@ontario.ca

AND TO: **Her Majesty The Queen In Right Of The Province Of Ontario As Represented By The Minister Of Health And Long-Term Care**
Legal Services Branch
56 Wellesley St. West
Toronto, Ontario
M5R 2S3

AND TO: **Faber & Oostdyk o/u Sean Oostdyk Professional Corporation**
1025 Waterdown Road
Burlington, ON L7T 1N4

Tel: 905-681-7800
Fax: 905-681-7814
Email: sean@folaw.ca

AND TO: **Daoust Vukovich LLP**
20 Queen Street West, Suite 3000
Toronto, ON, M5H 3R3

Daniel Waldman
Tel: (416) 597-9306
Fax: (416) 597-8897
dwaldman@dv-law.com

Lawyers for Wittington Properties Limited

Public Prosecution Services of Canada
Attention: Sandra Antoniani
sandra@smork.com

Royal Canadian Mounted Police
Serious and Organized Crime Section
Hamilton-Niagara Regional Detachment

Attention: Cst. Daniel Carter
Tel: 905.643.5791
fax: 905.643.5932
Email: daniel.carter@rcmp-grc.gc.ca

Angelo Kirkopoulos
Email: kirkopoulosa@gmail.com

1919932 Ontario Limited
503 Concession Street
Hamilton, On L9C 1A1

George Vlachodimos
56 Clapham Rd
Hamilton ON, L8G2H8

Orlando Den Cassavia
4 Playfair Court
Ancaster, ON L9K 1R6

Ahmed Kassim
84 Wills Crescent
Binbrook, ON L0R 1C0
Email: canada2468@gmail.com

Angela Abrantes
15 Citino Dr.
Hamilton ON
Tel: 905-928-4702

Vadim Kovalev
566 Concession Street
Hamilton ON L8V 1B1

AND TO: McKesson Canada Corporation
6355 Viscount Road
Mississauga, ON L4V 1W2

AND TO: TELUS Health Solutions Inc.
630 René-Levesque oust
Montréal QC H3B 1S6

Attention: Amalia Pinos
Tel: (514) 665-4137
Email: Amalia.Pinos@telus.com

CWB MAXIUM FINANCIAL
Plaintiff

and

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST

Proceeding commenced at TORONTO

NOTICE OF MOTION
(Returnable June 14, 2018)

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

Bobby Sachdeva LSUC #34454C
bsachdeva@millerthomson.com
Tel: 905.532.6670
Craig A. Mills LSUC#: 40947B
cmills@millerthomson.com
Tel: 416.595.8596
Fax: 416.595.8695

Lawyers for the Plaintiff

TAB 2

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

FIRST REPORT OF MSI SPERGEL INC. IN ITS CAPACITY AS THE COURT-APPOINTED INTERIM RECEIVER OF 1970636 ONTARIO LTD. o/a MT. CROSS PHARMACY

June 6, 2018

TABLE OF CONTENTS

APPENDICES

1. Interim Receivership Order of the Honourable Justice Dunphy dated May 16, 2018
2. Interim Receiver's email correspondence with the Landlord
3. Copy of Cancellation Notice from Intact Insurance
4. RCMP Search Warrant
5. Information related to criminal charges against Angelo Kirkopoulos and Umair Nasim
6. Interim Receiver's email correspondence with RCMP
7. Mt. Cross' website listing at hnhbhealthline.ca
8. Screenshot of Mt. Cross website as at July 24, 2017
9. Screenshots of current website
10. Domain registration information
11. The Purchase Agreement
12. Interim Receiver's Counsel's letter to Sean Oostdyk, acknowledgement of the Vendor regarding receipt of the Deposit, acknowledgement of Mt. Cross regarding source of the Deposit and copy of the BMO draft payable to the Vendor.
13. Corporate profile search of 1975193 Ontario Ltd.
14. 2016 Sales Report and 2017 Interim Sales report both submitted by Mt. Cross to Maxium and extracted from Fillware on May 25, 2018.

15. Gross sales report of APO-CINACALCET for the period from June 2017 to May 2018.

16. Letter to Telus Health.

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 interim receiver (in such capacity, the "**Interim Receiver**") of 1970636 Ontario Ltd. o/a Mt. Cross Pharmacy ("**Mt. Cross**" or the "**Company**").

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 operates from the premises located at 503 Concession Street, Hamilton, Ontario (the "**Premises**"). It is the Interim Receiver's understanding that the Premises was also referred to as the Concession Wentworth Medical Clinic. A corporate search of Concession Wentworth Medical Clinic Inc. ("**Concession Wentworth**") indicates that Kirkopoulos (as defined herein) is the director of Concession Wentworth.

1.0.3 Spergel was appointed as the Interim Receiver without security, of all of the assets, undertakings and properties of the Company (collectively, the "**Property**") by Order of the Honourable Mr. Justice Dunphy of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made May 16, 2018 (the "**Appointment Order**"). The Appointment Order was made upon the application of the Company's general secured creditor, CWB Maxium Financial Inc. ("**Maxium**"). Attached as **Appendix "1"** to this Report is a copy of the Appointment Order.

2.0 PURPOSE OF THIS REPORT AND DISCLAIMER

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

(a) approving this Report and the actions of the Interim Receiver described herein;

(b) sealing the Confidential Appendices (as defined herein) to this Report; and

(c) Such further and other relief as this Honourable Court deems just.

2.0.2 The Interim 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 Interim Receiver has relied upon certain information provided to it by the Company's former management. The Interim 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 Interim 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 INTERIM RECEIVER UPON APPOINTMENT

3.0.1 A copy of the Appointment Order was provided to the Company by Maxium's counsel.

3.0.2 Immediately upon the granting of the Appointment Order, the Interim Receiver attended at the Premises the same afternoon and secured the assets and undertakings of the Company. The Interim Receiver has secured a chain of supply for the Mt. Cross Pharmacy and directed all insurance providers to make payments to the Interim Receiver for prescription sales facilitated through insurance providers. The Interim Receiver is able to report to the Court that the Mt. Cross Pharmacy is fully operational under the supervision of the Interim Receiver and is in full compliance with the rules and regulations of the Ontario College of

Pharmacists ("**OCP**"). The Pharmacy is operating with a new designated pharmacist as the previous designated pharmacist Umair N. Nasim ("**Nasim**"), who is the President and sole director of Mt. Cross, has been prohibited by the OCP from entering the Premises in consequence of the criminal charges laid against him by the Royal Canadian Mounted Police ("**RCMP**"), the details of which will be discussed later in this report.

3.0.3 In addition, the Interim Receiver has notified Wittington Properties Limited (the "**Landlord**"), the landlord of the Premises regarding the Interim Receiver's appointment. The Interim Receiver understands that Mt. Cross was in arrears of its rent obligations to the Landlord for the months of April and May of 2018. The Interim Receiver has requested documentation from the Landlord related to, amongst other things, the rent arrears of Mt. Cross. As at the date of this Report, the Interim Receiver has not received the requested documentation from the Landlord and, as such the rent on the Premises remains unpaid. However, the Interim Receiver has advised the Landlord that it will be operating the Mt. Cross Pharmacy and will be responsible for paying the rent related to the Interim Receiver's occupation of the Premises. A copy of the Interim Receiver's email exchange with the Landord is attached to this Report as **Appendix "2".**

3.0.4 Further upon its appointment, the Interim Receiver discovered that the insurance policy of Mt. Cross was cancelled on September 8, 2017 due to non-payment of premiums and that Mt. Cross was operating without insurance. The Interim Receiver is currently in the process of obtaining insurance required to operate the Mt. Cross Pharmacy. A copy of the cancellation notice is attached to this Report as **Appendix "3"**.

Warrant to Search Executed by the RCMP

3.0.5 While taking possession of the Premises on May 16, 2018, the Interim Receiver noted that a search warrant had been executed by the RCMP

earlier in the day and certain books and records of Mt. Cross were seized by the RCMP pursuant to section 487(1) of the *Criminal Code*. A copy of the search warrant is attached to this Report as **Appendix "4"**.

3.0.6 On the same day, the Interim Receiver met with two RCMP officers Constable Marcel McLennan and Constable Daniel Carter (collectively the "**Officers**") who confirmed that the RCMP had seized certain books and records of Mt. Cross. The Officers also advised that Angelo Kirkopoulos ("**Kirkopoulos**"), who is the Secretary and Treasurer of Mt. Cross, and Nasim had been arrested and charged by the RCMP. Kirkopoulos was charged with fraud under $5,000, uttering forged documents and two counts of possession for the purpose of trafficking. Nasim was charged with contravening regulations under the *Controlled Drugs and Substances Act*. Copies of the informations obtained from the court related to the charges against Kirkopoulos and Nasim are attached to this Report as **Appendix "5"**.

3.0.7 On May 17, 2018, the Interim Receiver sent an email to the RCMP requesting, among other things, access to both physical and electronic copies of the books and records of Mt. Cross which were seized by the RCMP pursuant to the warrant. On June 4, 2018, the Interim Receiver was advised by Public Prosecution Services of Canada ("**PPSC**") that the Crown will not share any of its files related to Mt. Cross without an order of this Honourable Court. A copy of the Interim Receiver's email correspondence with RCMP and PPSC is attached to this Report as **Appendix "6"**.

Interim Receiver's Investigation

3.0.8 The Interim Receiver has reviewed the affidavit of Daniel Gilchrist, sworn May 15, 2018 ("**Gilchrist Affidavit**"), which was filed by the Plaintiff in support of its application to appoint the Interim Receiver. In light of the

evidence contained in paragraph 37 of the Gilchrist Affidavit, the Interim Receiver has investigated a) the transfer of the website of Mt. Cross to 1975193 Ontario Ltd. dba MTN RX & Health ("**MTN RX**") (It should be noted that the Corporate Profile Report for MTN RX does not reveal any registered business names); b) the transfer of prescriptions from the Mt. Cross Pharmacy to MTN RX; c) the terms and conditions underlying the agreement of purchase and sale dated June 2, 2017 between 1919932 Ontario Ltd. (the previous owner of the Mt. Cross Pharmacy), as vendor, and Mt. Cross, as purchaser; and d) discrepancies in the sales report provided to Maxium. These investigations are discussed in greater detail below.

4.0 INTERIM RECEIVER'S INVESTIGATIONS

MTN RX

4.0.1 MTN RX operates a retail pharmacy ("**MTN RX Pharmacy**") located at 566 Concession Street, Hamilton Ontario (the "**MTN RX Premises**"). The designated pharmacist at MTN RX is Ahmed Kassim ("**Kassim**") who is also the sole director of MTN RX. It is the Interim Receiver's understanding that Kassim was employed as a locum pharmacist with Mt. Cross up until January 2018. The OCP's website indicates that an accreditation number was issued to MTN RX on February 27, 2018. MTN RX was incorporated on September 12, 2017.

4.0.2 During the Interim Receiver's meeting with Kirkopoulos on June 4, 2018, Kirkopoulos advised the Interim Receiver that MTN RX engaged him to set up its corporate structure and set up all of the required accounts to operate a pharmacy. In addition, Kirkopoulos advised that he was also an officer of MTN RX, but resigned prior to the opening of the MTN RX Pharmacy. Kirkopoulos advised that the sole purpose of his appointment

as an officer of MTN RX was to allow him to sign documents related to setting up the MTN RX Pharmacy.

4.0.3 Prior to the appointment of the Interim Receiver, Maxium was advised by Nasim that: a) the website of Mt. Cross had been modified to default to MTN RX's website without Mt. Cross' consent or knowledge; and b) since April 1, 2018, approximately 675 client files were transferred to MTN RX without authorization from Mt. Cross.

Transfer of Mt. Cross's website to MTN RX

4.0.4 The Interim Receiver understands that Mt. Cross was using the domain name http://www.mountainclinic.ca (the "**Domain**") to host its website. A listing on http://www.hnhbhealthline.ca, which is a website that publishes information abouth health services and health care providers across the Hamilton, Niagara, Haldimand and Brant regions of Ontario, shows a listing for the Mt. Cross Pharmacy that included the Domain as the website address for Mt. Cross. A copy of the Mt. Cross listing is attached to this Report as **Appendix "7"**.

4.0.5 In order to further investigate the transfer of the website, the Interim Receiver obtained a screen shot of the website hosted on the Domain as at July 24, 2017 from the Internet Archive (the "**2017 Screenshot**"). The 2017 Screenshot indicates that the website hosted on the Domain as at July 24, 2017 was that of Mt. Cross. The Internet Archive is a website (https://www.archive.org) where, among other things, a search of the history of webpages can be conducted. A copy of the 2017 Screenshot is attached to this Report as **Appendix "8"**.

4.0.6 In addition to the above the Interim Receiver compared the 2017 Screenshot with the current website hosted on the Domain and noted that, although the appearance of the current website was substantially similar to what appeared on the 2017 Screenshot, the name of the pharmacy has

been changed from Mt. Cross to MTN RX. Further, certain pages of the current website still make a reference to Concession Wentworth Medical Clinic, which is the same name that was used by Mt. Cross to describe the medical centre and the Mt. Cross Pharmacy operating at the Premises. In the Interim Receiver's meeting with Kirkopoulos, he advised that he did not consent to the use of Concession Wentworth Medical Clinic by MTN RX. Copies of screenshots of the current website, along with the pages making reference to Concession Wentworth Medical Clinic, are attached to this Report as **Appendix "9"**.

4.0.7 In order to determine the ownership of the Domain, the Interim Receiver conducted a search on the internet and noted that the Domain was registered with Godaddy.com on June 19, 2017, which is the approximate date on which Maxium advanced funds to Mt. Cross for purchase of the Mt. Cross Pharmacy. Although the Interim Receiver was able to find the registration date, it was not able to confirm the registrants of the Domain as it appears that the information is not made available to the public by the registrant. A copy of the search regarding the registration of the Domain is attached to this report as **Appendix "10"**.

4.0.8 As at the date of this Report, the Interim Receiver has not received any evidence to show that the Domain and the website of the Mt. Cross Pharmacy was transferred to MTN RX through a *bona fide* transaction.

Transfer of client files to MTN RX

4.0.9 Prior to the appointment of the Interim Receiver, Maxium was advised by Nasim that since April 1, 2018, approximately 675 client files had been transferred from the Mt. Cross Pharmacy to MTN. In addition, Nasim advised Maxium that on May 11, 2018 Fillware Technologies ("**Fillware**"), which licenses prescription dispensing software used by a majority of pharmacies, advised Nasim that Fillware had received a call from Angela

Abrantes ("**Angela**"), who was formerly employed as an assistant at Mt. Cross and is currently working as an assistant at MTN RX, to merge the Mt. Cross' "RX" software system (the point of sale system for prescriptions within a pharmacy) with the system for MTN RX.

4.0.10 In order to investigate the transfer of client files from Mt. Cross to MTN RX, the Interim Receiver extracted a list of active Mt. Cross Pharmacy patients for the period from June 2017 to May 16, 2018, along with the revenue generated from these patients during that period from Fillware. In addition, the Interim Receiver extracted reports indicating the transfer of clients to MTN RX recorded in Fillware. The Interim Receiver compared the two reports and determined that at least 102 patients were transferred to MTN RX between April 2018 and May 2018 resulting in a loss of approximately $31,154.76 in revenue on a monthly basis to Mt. Cross which translates into $373,857.12 on an annual basis. Copies of the transfer report and the active patient report are attached to this Report as **Confidential Appendix "1"**.

4.0.11 It should be noted that the current pharmacist has discovered that certain patients, although not officially transferred in Fillware, are being serviced by MTN RX. As such, the Interim Receiver anticipates that the number of patients transferred to MTN RX is potentially much higher than the 102 shown to have been transferred on Fillware. Furthermore, the Interim Receiver is advised by the current designated pharmacist that a number of patients have visited the Mt. Cross Pharmacy and indicated that they never authorized the transfer of their files to MTN RX. A number of patients also advised the current designated pharmacist that they were advised by Angela and/or they were under the impression that Mt. Cross was moving locations to the MTN RX Premises.

4.0.12 Given the above, the Interim Receiver met with Nasim and Shrikant Malhotra ("**Malhotra**") to discuss these issues. Malhotra is a shareholder of Mt. Cross.

4.0.13 During the meeting with Nasim, he advised the Interim Receiver of the following:

- All or substantially all of the blister pack patients were transferred to MTN RX;
- Due to the transfers to MTN RX, Mt. Cross had lost revenue of approximately $80,000 on a monthly basis;
- Angela is responsible for the majority of the transfers made and has been advising patients that Mt. Cross has moved its location to the MTN RX Premises; and
- The books and records of Mt. Cross are in the possession of Kirkopoulos.

4.0.14 Following the Interim Receiver's meeting with Angela (which is discussed in greater detail later in this Report) the Interim Receiver approached Nasim for another meeting. Nasim's counsel advised the Interim Receiver to provide the questions that it has for Nasim in writing and advised that a meeting at this point would be meaningless.

4.0.15 During the Interim Receiver's meeting with Malhotra, he advised that his involvement in Mt. Cross was limited to paying certain payables and bringing in business. He further advised that he has not been involved in Mt. Cross for a few months due to his health issues. However, Malhotra did confirm to the Interim Receiver that all of the accounting for Mt. Cross was done by Kirkopoulos and that Kirkopoulos has possession of the books and records of Mt. Cross.

4.0.16 Given the information from Nasim, the Interim Receiver's counsel wrote to both Angela and Kirkopoulos to set up a meeting to discuss the affairs of Mt. Cross. On June 1, 2018 the Interim Receiver met with Angela and Greg Kesminas ("**Greg**"), who claims to be a shareholder of MTN RX. During the Interim Receiver's meeting with Angela, she advised the Interim Receiver that:

- she had been advising clients since January of 2018 that she was planning on moving from Mt. Cross to MTN RX;
- she did in fact transfer the majority of the blister pack patients from Mt. Cross to MTN RX;
- she transferred approximately 150 clients from Mt. Cross to MTN RX; and
- she did make the call to Fillware to merge Mt. Cross' "RX" software system with the system for MTN RX, but on instructions from Nasim.

4.0.17 On June 4, 2018 counsel for the Interim Receiver wrote to MTN RX and Kassim asking for a meeting to discuss the transfer of clients from Mt. Cross to MTN RX. The Interim Receiver expects to meet with Kassim this week. The Interim Receiver's investigation into the transfer of client files to MTN RX is ongoing.

Agreement of purchase and sale between 1919932 Ontario Ltd. and Mt. Cross

4.0.18 As noted above, on June 2, 2017, Mt. Cross entered into an agreement of purchase and sale (the "**Purchase Agreement**") with 1919932 Ontario Ltd. (the "**Vendor**") to purchase all of the assets of the Vendor for a purchase price of $5,450,000.00, plus an agreed upon value of inventory (the "**Purchase Price**"). The required deposit under the Purchase

Agreement was $1,250,000 (the "**Deposit**"), which was to be paid by Nasim and Malhotra. The balance of the Purchase Price ($4,300,000) was financed by Maxium. In addition, as part of Nasim's and Malhotra's application to Maxium to finance the transaction, Maxium was advised that there were at least seven physicians and a specialist practicing out of the Premises. A copy of the Purchase Agreement is attached to this Report as **Appendix "11"**.

4.0.19 During the Interim Receiver's meeting with both Nasim and Malhotra, they indicated that the Deposit was never paid and that the six physicians left the Premises prior to the closing of the Purchase Agreement.

4.0.20 In order to determine whether the Deposit was paid to the Vendor, the Interim Receiver wrote to Faber & Oostdyk o/u Sean Oostdyk Professional Corporation ("**Sean Oostdyk**"), who acted as counsel for both the Vendor and Mt. Cross, to review the documents related to the closing of the Purchase Agreement. The Interim Receiver attended at the offices of Sean Oostdyk on May 31, 2018 to review the records. Sean Oostdyk provided access to the Mt. Cross files related to the closing of the Purchase Agreement ("**Mt. Cross' Closing Files**"); however, he did not provide the Vendor's file related to same (the "**Vendor's Closing Files**"). Sean Oostdyk indicated that he will produce the Vendor's Closing Files on the granting of an order from this Honourable Court compelling him to do so.

4.0.21 During the review of Mt. Cross' Closing Files, the Interim Receiver discovered the following:

- The Deposit did not flow through the trust account of Sean Oostdyk;
- An acknowledgment was signed by Kirkopoulos on behalf of Mt. Cross certifying and representing to Maxium that the Deposit was

from non-borrowed sources and attaching a copy of a Bank of Montreal ("**BMO**") draft payable to the Vendor. In addition an acknowledgement was signed by Kirkopoulos on behalf of the Vendor acknowledging receipt of the Deposit. Kirkopoulos has advised the Interim Receiver that he does not know whether the Deposit was paid despite signing the acknowledgement;

- Sean Oostdyk has been holding $76,514.84 for Mt. Cross (the "**Mt. Cross Trust Funds**") and $110,136.59 for the Vendor (the "**Vendor Trust Funds**" collectively the "**Trust Funds**") in the trust account since June 2017.

4.0.22 On May 31, 2018 the Interim Receiver's counsel wrote to Sean Oostdyk requesting that he maintain and not distribute the Trust Funds without further notice from the Interim Receiver. Copies of the letter, the acknowledgement signed by Kirkopoulos for both the Vendor and Mt. Cross and the BMO draft are attached to this Report as **Appendix "12"**. The Interim Receiver is of the view that the Mt. Cross Trust Funds constitute Property. As such, the Trust Funds should be forwarded to the Interim Receiver forthwith.

4.0.23 Given the irregularities surrounding the Purchase Agreement, the Interim Receiver recommends that the Vendor Trust Funds also be forwarded to the Interim Receiver. If required, the Interim Receiver will hold the Vendor Trust Funds in a separate trust account until further order of this Honourable Court.

4.0.24 In addition, the Interim Receiver is of the view that it should be allowed to review and take away copies of the Vendor's Closing Files as the files contain information relevant to Mt. Cross' purchase of the Vendor's assets. Also, as Sean Oostdyk was acting for both the Vendor and the

Purchaser, one would expect that nothing in the file would be privileged as between the parties.

4.0.25 Further to determine the timing of departure of the physicians, the Interim Receiver had a telephone discussion with Dr. Jutta who was the lead physician at the Premises. Dr. Jutta advised the Interim Receiver that he and his team moved their practice from the Premises in May of 2017, which is prior to the execution of the Purchase Agreement.

4.0.26 The Corporate Profile Report of the Vendor indicates that Kirkopoulos is also an officer of the Vendor. A copy of the Corporate Profile Report of the Vendor is attached to this Report as **Appendix "13"**.

Discrepancies in sales reports submitted to Maxium by the Vendor for the period from November 2016 to May 2017

4.0.27 In support of its credit application which was submitted to Maxium, Mt. Cross, among other things, included sales reports for the period from November 1, 2015 to October 31, 2016 (the "**2016 Sales Report**") and for the period from November 1, 2016 to March 31, 2017 (the "**Interim 2017 Sales Report**"). As a point of comparison, the Interim Receiver extracted from Fillware both the 2016 Sales Report and the Interim 2017 Sales Report on May 25, 2018. Copies of the 2016 Sales Report and Interim 2017 Sales Report provided by Kirkopoulos to Maxium and copies of the versions extracted by the Interim Receiver from Fillware on May 25, 2018 are attached to this Report as **Appendix "14"**.

4.0.28 A comparison of the 2016 Sales Report and Interim 2017 Sales Report submitted by Mt. Cross with the reports extracted by the Interim Receiver from Fillware indicates the following:

Description	Report Submitted by Mt. Cross	Report extracted from Fillware	Variance

	Total Price Paid	Total Price Paid	
2016 Sales Report	$3,347,651.48	$2,413,854.75	($933,796.93)
Interim 2017 Sales Report	$1,465,085.92	$910,033.50	($554,752.42)

4.0.29 The Interim Receiver is in the process of determining the cause of the variance noted above with the help of Fillware.

Other Investigation

4.0.30 As part of its review of the financial affairs of Mt. Cross, the Interim Receiver extracted a report for the period from June 2017 to May 2018 listing revenues generated by each doctor that referred patients to the Mt. Cross Pharmacy. The Interim Receiver noted that the highest revenue was generated by Dr. Vadim Kovalev ("**Vadim**") in the amount of $1,263,613.55. It is the Interim Receiver's understanding that Vadim operated out of the Premises for a brief period in 2017. The second highest revenue generator was Dr. Israel Koma for a revenue of $90,170.37. There was a significant difference between the revenue generated by Vadim and any other doctor referring patients to Mt. Cross Pharmacy. As such, the Interim Receiver reviewed the patient profiles attached to Vadim. The Interim Receiver discovered a pattern wherein a drug by the name of APO-CINACALCET (the "**Drug**") was prescribed to substantially all of Vadim's patients. The Fillware software indicated that the Drug was being dispensed to these patients up until April of 2018. The total revenue generated from the sale of the Drug for the period from June 2017 to May 2018 was $867,461.27. A copy of the report outlining the name of patients and the quantity of the Drug dispensed to each patient is

attached to this Report as **Confidential Appendix "2"**. In addition, a copy of the report indicating the gross sales from the Drug is attached to this Report as **Appendix "15"**.

4.0.31 In light of these results, the Interim Receiver instructed the current pharmacist to call a few of these patients and ask if they require a refill of their medication. The current pharmacist was advised by these patients that they have not been to Mt. Cross Pharmacy in more than a year and were never prescribed the Drug.

4.0.32 Given the information from the patients, the Interim Receiver checked Vadim's registration with the College of Physicians and Surgeons of Ontario ("**CPSO**"). The CPSO search for Vadim's CPSO# 517870 did not return any results. A copy of the prescription written by Vadim and indicating Vadim's CPSO number is attached to this Report as **Confidential Appendix "3"** (collectively with Confidential Appendices 1 and 2, the "**Confidential Appendices**").

4.0.33 On June 1, 2018, during the Interim Receiver's meeting with Greg, he advised that Vadim is a nurse practitioner and the CPSO number indicated on the prescription is Vadim's nurse practitioner number. He further advised that currently Vadim is practicing from the MTN RX Premises. Furthermore, he advised that the signature on the prescription did not appear to be Vadim's signature. He also advised that Vadim did not prescribe the Drug. The Interim Receiver has confirmed Vadim's registration as a nurse practitioner on the website of the College of Nurses of Ontario.

4.0.34 Greg also advised that Sun Life insurance was investigating this matter and had cancelled Mt. Cross' ability to process claims with multiple insurance companies. On June 4, 2018, the Interim Receiver participated in a telephone conversation with Jason Kennedy ("**Jason**") of Telus Health

Solutions Inc. ("**Telus Health**") regarding continuing the electronic claims processing services to Mt. Cross. Telus Health is a Pharmacy Benefit Manager ("**PBM**") providing electronic claims processing for a number of insurance companies. Jason advised that Telus Health, along with the insurance companies, investigated the claims submitted by Mt. Cross. Jason further advised that, in or around April 2018, Telus terminated its agreement with Mt. Cross. Furthermore, Jason advised that the investigation revealed that Mt. Cross was billing insurance companies for drugs that were never supplied to clients. Telus Health estimates a total loss of approximately $800,000 due to the actions of Mt. Cross. The Interim Receiver's investigation into this matter is ongoing.

4.0.35 On June 4, 2018, the Interim Receiver's counsel sent a letter to Telus Health requesting, among other things, that Telus Health continue to provide electronic claims process services. A copy of the letter is attached to this Report as **Appendix "16"**. The Interim Receiver has been advised by Telus Health that the insurance companies associated with Telus Health may not be willing to provide such access to Mt. Cross. As Telus Health represents a significant number of insurance companies, in the event Telus Health does not provide the electronic claims processing service to Mt. Cross, it will cause significant damage to the business of Mt. Cross as patients insured with the insurance companies associated with Telus Health will move to other pharmacies.

4.0.36 The Interim Receiver advised Telus Health that it will bring this matter to the attention of this Honourable Court and, if required, will seek an order from this Honourable Court directing Telus Health to continue providing the electronic claim processing service to Mt. Cross.

5.0 BOOKS AND RECORDS

5.0.1 As at the date of this Report, the Interim Receiver has not been able to secure the books and records of the Company. In an effort to secure the books and records of the Company, the Interim Receiver's counsel sent a letter to Kirkopoulos asking for access to the books and recrods of Mt. Cross that are in his possession. On June 4, 2018, the Interim Receiver met with Kirkopoulos. During the meeting, Kirkopoulos confirmed that he had possession of books and records of Mt. Cross. He advised that currently he does not have access to the books and records of Mt. Cross due to some personal issues. He further advised that he will be willing to provide a copy of Mt. Cross' books and records to the Interim Receiver once he obtains access to same.

6.0 Conclusions and Recommendation

6.0.1 Given the Interim Receiver's findings above, it is the Interim Receiver's view that certain assets and business of Mt. Cross, over which Maxium has security, were transferred to MTN RX. In addition, as Kirkopoulos appears to have been an officer of the Vendor, Mt. Cross and MTN RX, it appears that these parties were dealing with each other at non-arm's length. As such, further investigation and inquiries into the affairs of Mt. Cross, the Vendor and MTN RX is warranted, including further investigation of the following:

(i) the Deposit and any funds being held by Sean Oostdyk relating to the Purchase Agreement;

(ii) the Purchase Agreement, including a review of the Vendor's legal file and examinations of the principals of the Vendor, if necessary;

(iii) the prescriptions that appear in Mt. Cross' records to be associated with Vadim;

(iv) the review of the investigation carried out by Telus Health and associated insurance companies.

(v) the transfer of client records to MTN RX; and

(vi) the re-directing of the Mt. Cross website to the MTN RX website;

6.0.2 It is the Interim Receiver's understanding that Maxium intends to bring a motion, among other things, to appoint Spergel as a full receiver over Mt. Cross and MTN RX. Should this Honourable Court grant a full receivership order over Mt. Cross and MTN RX, Spergel consents to its appointment as receiver and has provided a signed consent to Maxium to be included in Maxium's motion materials.

6.0.3 The Interim Receiver respectfully requests that this Honourable Court grant an Order:

a. approving this Report and the actions of the Interim Receiver described herein; and

b. sealing the Confidential Appendices (as defined herein) to this Report.

Dated at Toronto this 6th day of June, 2018.

msi Spergel inc.,
solely in its capacity as court-appointed
Interim Receiver of 1970636 Ontario Ltd
and not in its personal or corporate capacity

Per: 

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

Appendix 1

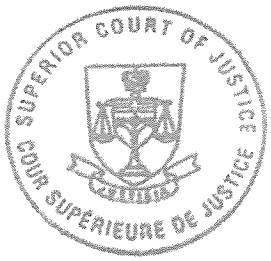
Court File No. CV-18-597922-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE MR.	)	WEDNESDAY, THE 16TH
	)	
JUSTICE DUNPHY	)	DAY OF MAY, 2018



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

ORDER
(appointing Interim Receiver)

THIS MOTION made by the Plaintiff for an Order pursuant to section 47(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 interim receiver (in such capacity, the "**Interim Receiver**") without security, of all of the assets, undertakings and properties of 1970636 Ontario Ltd. o/a Mt. Cross Pharmacy (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Daniel Gilchrist sworn May 15, 2018 and the Exhibits thereto and the affidavit of Maureen McLaren sworn May 16, 2018, and on hearing the submissions of counsel for the Plaintiff, no one appearing for the Debtor although duly served as appears from the affidavit of service of Maureen McLaren sworn May 16, 2018 and on reading the consent of Spergel to act as the Interim 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 47(1) of the BIA and section 101 of the CJA, Spergel is hereby appointed Interim Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

INTERIM RECEIVER'S POWERS

3. THIS COURT ORDERS that the Interim 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 Interim Receiver is hereby expressly empowered and authorized to do any of the following where the Interim 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 preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to engage 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 Interim Receiver's powers and duties, including without limitation those conferred by this Order;

(d) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor, to deposit such monies in a separate bank account controlled by the Interim Receiver and pay such disbursements that are necessary for the continued operation of the business of the Debtor;

(e) to summarily dispose of Property that is perishable or likely to depreciate rapidly in value;

(f) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate on all matters relating to the Property and the interim receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;

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

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (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, 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 Interim 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 Interim Receiver, and shall deliver all such Property to the Interim Receiver upon the Interim Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Interim 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 Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall, subject to Paragraph 6A, provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim 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 Interim Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Interim Receiver for the purpose of allowing the Interim 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 Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions

on the use of any computer or other system and providing the Interim 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 Interim 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 Interim Receiver or the Custodian to have access to the Client Records; (iv) allow the Debtor 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 Debtor, from time to time, to perform certain obligations.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

7. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Interim Receiver except with the written consent of the Interim Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. THIS COURT ORDERS that all rights and remedies against the Debtor, the Interim Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Interim 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 Interim Receiver or the

Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Interim Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE INTERIM RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Interim Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Interim Receiver, and that the Interim Receiver shall be entitled to the continued use of the Debtor' 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 Interim Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Interim Receiver, or as may be ordered by this Court.

INTERIM RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim 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 Interim Receiver (the **"Post Interim Receivership Accounts"**) and

the monies standing to the credit of such Post Interim Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor. The Interim 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 Interim 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.*

LIMITATION ON ENVIRONMENTAL LIABILITIES

14. THIS COURT ORDERS that nothing herein contained shall require the Interim 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 Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim 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 INTERIM RECEIVER'S LIABILITY

15. THIS COURT ORDERS that the Interim 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 Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

INTERIM RECEIVER'S ACCOUNTS

16. THIS COURT ORDERS that the Interim Receiver and counsel to the Interim 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 Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the **"Interim 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 Interim 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.

17. THIS COURT ORDERS that the Interim Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Interim Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

18. THIS COURT ORDERS that prior to the passing of its accounts, the Interim 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 Interim 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 INTERIM RECEIVERSHIP

19. THIS COURT ORDERS that the Interim 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 $100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Interim 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 "**Interim 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 Interim Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. THIS COURT ORDERS that neither the Interim Receiver's Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

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

22. THIS COURT ORDERS that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim 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 Interim Receiver's Certificates.

SERVICE AND NOTICE

23. 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'.

24. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Interim Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor' creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof; or if sent by ordinary mail, on the third business day after mailing.

GENERAL

25. THIS COURT ORDERS that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

27. 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 Interim 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 Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

28. THIS COURT ORDERS that the Interim 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 Interim 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.

29. 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 Interim Receiver from the Debtor' estate with such priority and at such time as this Court may determine.

30. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than ~~seven (7)~~ three (3) days' notice to the Interim 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.

31. THIS COURT ORDERS that the Interim 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 Debtor' 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:

MAY 16 2018

PER / PAR: MB

SCHEDULE "A"

INTERIM RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that msi Spergel inc., the interim receiver (the "**Interim Receiver**") of the assets, undertakings and properties 1970636 Ontario Ltd. o/a Mt. Cross Pharmacy acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ___ day of May, 2018 (the "**Order**") made in an action having Court file number CV-●-00CL, has received as such Interim Receiver from the holder of this certificate (the "**Lender**") the principal sum of $_____, being part of the total principal sum of $_____ which the Interim 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 Interim 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 Interim 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 Interim

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 Interim 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 Interim 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 Interim Receiver of the Property, and not in
its personal capacity

Per: _____

Name:

Title:

CWB MAXIUM FINANCIAL INC. and

Plaintiff

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 INTERIM RECEIVER)

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

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

Fax: 416.595.8695

Solicitors for the Plaintiff.

Appendix 2

Mukul Manchanda

From:	Philip Gennis
Sent:	May 18, 2018 1:33 PM
To:	Nathan Mordaunt (WPL)
Cc:	Mukul Manchanda; Frieda Kanaris; Dina Milivojevic (dmilivojevic@pallettvalo.com); Philip Gennis
Subject:	503 Concession, Hamilton-Interim Receivership of 1970636 Ontario Ltd., o/a Mt. Cross Pharmacy
Attachments:	31383134_1_Order of Dunphy J 2018-05-16 (appointing Interim Reciever) .pdf; Philip H. Gennis - msi Spergel Inc.
Importance:	High

Nathan:

It was a pleasure speaking with you today. My contact information is attached.

I have also attached a copy of the Court Order appointing msi Spergel inc., ("Spergel") as Interim Receiver over the assets and undertaking of 1970636 Ontario Ltd. o/a Mt. Cross Pharmacy and carrying on business at 503 Concession Street, Hamilton, Ontario.

As advised, we will be in occupation of the premises and operating the pharmacy solely in our capacity as Interim Receiver. The plan, to the extent formulated, is to stabilize the business of the pharmacy and ultimately seek a purchaser to acquire same. Any such transaction would of necessity require your reasonably exercised approval as well as the approval of the Ontario Superior Court.

We look forward to receipt of documentation supporting the rent being claimed which, as advised, we require from an accounting perspective to support payment of current rent and all arrears. We confirm that we will be in funds early next week, and accordingly, subject to receipt of this documentation, we will be able to discharge the arrears in a timely manner.

Have an excellent long weekend.

Regards,

Philip

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

msi Spergel inc., Licensed Insolvency Trustees
505 Consumers Road, Suite 200, Toronto, Ontario, M2J 4V8
T 416-498-4325 | **F** 416-498-4325 | **C** 416-457-4773
SPERGEL **pgennis@spergel.ca** | **www.spergel.ca**

Member of the Independent Canadian Insolvency Network

From: Nathan Mordaunt (WPL) [mailto:Nathan.Mordaunt@wittington.ca]
Sent: May 18, 2018 12:05 PM

To: Philip Gennis
Subject: 503 Concession, Hamilton

Hi Phil

Thanks for your call. As discussed, my contact info is here.

The clinic currently has arrears of $22,505.06 inclusive of HST, which represents monthly rent for April & May.

Going forward from June 1 through December 31 2018, the monthly rent inclusive of HST is $11,335.57. Operating costs and taxes are re-estimated as of Jan 1 of each year.

We'll look to follow up with further information & documentation next week.

Thanks,

Nathan

Nathan Mordaunt
Director, Properties
Wittington Properties Limited
T 416-967-7934

This email message is confidential, may be legally privileged and is intended for the exclusive use of the addressee. If you received this message in error or are not the intended recipient, you should destroy the email message and any attachments or copies, and you are prohibited from retaining, distributing, disclosing or using any information contained. Please inform us of the delivery error by return email. Thank you for your cooperation.

Le présent message électronique est confidentiel et peut être couvert par le secret professionnel. Il est à l'usage exclusif du destinataire. Si vous recevez ce message par erreur ou si vous n'en êtes pas le destinataire prévu, vous devez détruire le message et toute pièce jointe ou copie et vous êtes tenu de ne pas conserver, distribuer, divulguer ni utiliser tout renseignement qu'il contient. Veuillez nous informer de toute erreur d'envoi en répondant à ce message. Merci de votre collaboration.

Appendix 3

Accounts Receivable Department

Registered Letter

To: COMPANY COPY

MISSISSAUGA REGIONAL OFFICE

August 21, 2017

Re: Policy #501403233 677

Policy Effective Date: MAY 29, 2017
Policy Cancellation Date: SEPT 08, 2017

Insured: 1970838 ONTARIO LTD.
Location of Property: 503 CONCESSION ST HAMILTON ON

We regret to advise you that on the above cancellation date at 12:01 a.m. we are cancelling your policy or your interest in it; in accordance with the policy Statutory Conditions.

This policy is being cancelled for non-payment of an outstanding premium.

Your coverage will cease on the policy cancellation date shown above.

Our billing records indicate that $2572.00 is the premium for the period you had insurance coverage, from the policy effective date to policy cancellation date. Interest charges are $77.16. The provincial sales tax is $205.76 NSF fees are $40.00. Total amount owing is $2894.92.
The total amount you paid during the same period is $930.43.

Please pay $1964.49, which represents the difference between the amount owed above and the amount paid by you.

Payment can be made by money order, certified cheque or approved credit card.

Authorized Representative

Cc: PEARSON DUNN INSURANCE INC.

Intact Insurance Company
Suite 1500, 700 University Avenue, Toronto, Ontario, M5G 0A1
Tel. 416 440 8703 Toll Free 1 866 440 8703 Fax. 416 440 8830

Appendix 4

Canada
Form 5

File# 2018-163877

ONTARIO COURT OF JUSTICE
(Central West Region)

IN THE MATTER OF an application for a Search Warrant pursuant to section 487(1) of the *Criminal Code.*

AND IN THE MATTER OF an application for an Assistance Order, pursuant to section 487.02 of the *Criminal Code.*

WARRANT TO SEARCH

TO: Marcel McLennan or any Peace Officers in the Province of Ontario assisting him:

WHEREAS it appears on the oath of Marcel McLennan, a Peace Officer and a member of the Royal Canadian Mounted Police (RCMP) in the Province of Ontario;

THAT there are reasonable grounds to believe that the Named Offences have been committed, as set out in Appendix B (see attached Appendix B).

AND THAT there are reasonable grounds to believe that the Named Items listed in Appendix A (see attached Appendix A), subject to the Terms and Conditions stated there in, will afford evidence of the Named Offences listed in Appendix B.

AND THAT there are reasonable grounds to believe that the Named Items listed in Appendix A or some part of them, are located at Mt Cross Pharmacy located at 503 Concession Street, Hamilton, Ontario and the office of Angelo Kirkopoulos at Mt Cross Pharmacy (Mt Cross Pharmacy).

THIS IS THEREFORE, to authorize and require you or any Peace Officers in the Province of Ontario assisting you and between the hours of 8:00 a.m. on the 16th day of May, 2018, to 4:00 p.m. on the 16th day of May, 2018, to enter into Mt Cross Pharmacy and to search for and seize the Named Items and bring them before me or some other Justice, or submit a Report to Justice in writing in respect of anything seized.

IT IS ORDERED THAT, pursuant to section 487.02 of the *Criminal Code*, any employee of the Ontario College of Pharmacists and Health Canada shall provide all necessary assistance that is reasonably required to implement this order. This includes personnel to assist in the search and seizure of the Named Items in the Business, for the purpose of giving effect to this search warrant.

DATED this 14 day of May, 2018 at the City of Hamilton in the Province of Ontario.

A Justice of the Peace in and for the Province of Ontario

Canada
Form 1

RCMP File#: 2018-163877

APPENDIX A

Things to be Seized

1. All electronic and paper generated records for any transactions related to controlled substances required to be kept by the *Narcotic Control Regulations (NCR), Food and Drug Regulations (FDR)* and *Benzodiazepines and Other Targeted Substances Regulations (BOTSR)*, including receiving, dispensing, inventory, prescription files and transport, for Mt Cross Pharmacy and MTN RX and Health Clinic;

2. Vehicle ownership, registration, insurance documents and repair and maintenance documents related to a Black 2014 Land rover Range Rover, Vehicle Identification Number: SALGV2TF5EA167685 and Ontario license CCWZ130;

3. Personal records including debt lists, calendars and address memo books;

4. Financial documents including money transfer records, banking slips, debit and credit receipts, deposit and withdrawal information slips, cheques, bank drafts, statements, credit card statements, mortgage applications and documents, loan application and related documents, bank account records and safety deposit box keys;

5. Invoices, receipts, appraisals, floor and building plans, names lists and documents related to construction, purchase and rental agreements, insurance policies and documents, land title documents, records of ownership for land and property, real estate documents, offers to purchase and sale, mortgages, property tax records, cancelled cheques, payment schedules and keys;

6. Records of ownership demonstrating the acquisition and disposal of assets;

7. Tax records, income tax returns, employment records and resumes; and

8. Computers, digital storage devices and smart phones.

Terms and Conditions

9. The electronic and paper generated records for any transactions related to controlled substances required to be kept by the *NCR, FDR* and *BOTSR*, including receiving, dispensing, inventory, prescription files and transport, for Mt Cross Pharmacy and MTN RX and Health Clinic, shall be limited to the period of June 26th, 2017, up until the date of the execution of the attached warrant.

10. The items in paragraph one are specific to Mt Cross Pharmacy.

11. The items in paragraphs 2-8 are specific to the office of Angelo Kirkopoulos at Mt Cross Pharmacy and includes the items in paragraph 1.

12. The items in paragraphs 4-7 shall be limited to the period of January 1st, 2015, up until the date of the execution of the attached warrant.

13. The documents in paragraphs 3-7 relate to Angelo Kirkopoulos and companies associated to him.

Appendix B

Offences

1. Sections 30, 42 and 43 of the *Narcotic Control Regulations*;

2. Sections G.03.001(1), G.03.012 and G.03.013 of the *Food and Drug Regulations*; and

3. Sections 7(1)(b) and 50 of the *Benzodiazepines and Other Targeted Substances Regulations*;

   thereby committing offences contrary to Section 46 of the *Controlled Drugs and Substances Act*; and

4. Possess a Substance for the Purpose of Trafficking to wit: Fentanyl, contrary to Section 5(2) of the *Controlled Drugs and Substances Act*;

5. Possess a Substance for the Purpose of Trafficking to wit: Oxycodone, contrary to Section 5(2) of the *Controlled Drugs and Substances Act*;

6. Possession of Proceeds of Property knowing that all or part of the proceeds of the property was obtained by the commission in Canada of an offence punishable by indictment, contrary to Section 354(1)(a) of the *Criminal Code*; and

7. Laundering the Proceeds of Crime contrary to Section 462.31(1) of the *Criminal Code*.

Appendix 5

Police File# 2015-1484320

CANADA
PROVINCE OF ONTARIO
PROVINCE DE L'ONTARIO
Central West / Centre-Ouest
(Region / *Région*)

Information of Marcel McLennan 15-4054
Dénonciation de :
of RCMP-GRC Peace Officer
de (occupation / *profession*)

The informant says that he believes on reasonable grounds that
Le dénonciateur déclare qu'il a des motifs raisonnables de croire que

Angelo Kirkopoulos February 6th, 1978
(date of birth / *date de naissance*)

(1) between the / entre le 1st day of / *jour de* June, yr. / *an* 2015, and the 15th day of July, 2015,

at the / *à(au)* City of / *de* Hamilton in the said region / *dans ladite région*

did knowingly utter a forged document, to wit: The Toronto Dominion Bank cheque# 001 dated June 20th, 2015, from account# 3171-5017102 in the sum of $2,000.00, as if it were genuine contrary to Section 368 (1)(a) of the Criminal Code.

(2) AND FURTHER, did knowingly utter a forged document, to wit: The Toronto Dominion Bank cheque #002 dated July 1st, 2015, from account# 3171-5017102 in the sum of $8,680.00, as if it were genuine contrary to Section 368 (1)(a) of the Criminal Code.

(3) AND FURTHER, did knowingly utter a forged document, to wit: The Toronto Dominion Bank cheque #003 dated July 15th, 2015, from account# 3171-5017102 in the sum of $4,594.00, as if it were genuine contrary to Section 368 (1)(a) of the Criminal Code.

(4) AND FURTHER, did knowingly utter a forged document, to wit: The Toronto Dominion Bank cheque# 004 dated July 15th, 2015, from account# 3171-5017102 in the sum of $7,000.00, as if it were genuine contrary to Section 368 (1)(a) of the Criminal Code.

(5) AND FURTHER, did knowingly utter a forged document, to wit: The Toronto Dominion Bank cheque #007 dated June 30th, 2015, from account# 3171-5017102 in the sum of $2,750.00, as if it were genuine contrary to Section 368 (1)(a) of the Criminal Code.

(6) AND FURTHER, did knowingly utter a forged document, to wit: The Toronto Dominion Bank cheque# 008 dated July 9th, 2015, from account# 3171-5017102 in the sum of $9,040.00, as if it were genuine contrary to Section 368 (1)(a) of the Criminal Code.

(7) AND FURTHER, did knowingly utter a forged document, to wit: The Toronto Dominion Bank cheque# 009 dated June 11th, 2015, from account# 3171-5017102 in the sum of $7,591.00, as if it were genuine contrary to Section 368 (1)(a) of the Criminal Code.

(8) AND FURTHER, did knowingly utter a forged document, to wit: The Toronto Dominion Bank cheque# 010 dated June 4th, 2015, from account# 3171-5017102 in the sum of $4,000.00, as if it were genuine contrary to Section 368 (1)(a) of the Criminal Code.

(9) AND FURTHER, did unlawfully by deceit, falsehood or other fraudulent means, defraud the Toronto Dominion Bank of money of a value less $5,000, by uttering The Toronto Dominion Bank cheque# 010 dated June 4th, 2015, from account# 3171-5017102, contrary to Section 380 (1) of the Criminal Code.

(10) AND FURTHER THAT, Angelo Kirkopoulos (DOB: February 6th, 1978), did on or about the 4th day of May, 2018 at the City of Hamilton in the said Region, Possess a Substance for the Purpose of Trafficking to wit: Fentanyl, contrary to Section 5 (2) of the Controlled Drugs and Substances Act.

(11) AND FURTHER THAT, Angelo Kirkopoulos (DOB: February 6th, 1978), did on or about the 4th day of May, 2018 at the City of Hamilton in the said Region, Possess a Substance for the Purpose of Trafficking to wit: Oxycodone, contrary to Section 5 (2) of the Controlled Drugs and Substances Act.

(12) AND FURTHER THAT, Angelo Kirkopoulos (DOB: February 6th, 1978) did have in his possession proceeds of property: to wit: $60,020.00 in Canadian Currency, of a value exceeding $5,000, knowing that all or part of the proceeds of the property was obtained by the commission in Canada of an offence punishable by indictment, contrary to Section 354(1)(a) of the Criminal Code,

MAY 07 2018
(BG) Recog 50 000 w/ surety

☐ Language Notification Issued / *Langue de notification*
☐ Interpreter / *Interprète* _____

APPEARANCES – ADJOURNMENTS
COMPARUTIONS – AJOURNEMENTS

Page "A"

Date *Date*	Accused *Accusé(e)*	Adjournment *Ajournement*	Parties Consent *Consentement des parties*	Appearance Details *Détails de la comparution*	Reason for Adjournment *Raison de l'ajournement*	Counsel as Agent *Avocat(e) mandataire*	Fails to Appear *Omet de comparaître*	Bench Warrant *Mandat du tribunal*	Discretion *Discrétion*	Certificate of Default *Certificat de défaut*
MAY 05 2018		7 May 18	✓	BH 9:30 am #100		APN				
MAY 07 2018	BG	13 Jun 18	✓	SD 9am #214 ACP	Recog 5000				w/s	

Date *Date*	Clerk *Greffier*	Reporter *Sténographe*	For Crown *Pour la Couronne*	For Accused *Pour l'accusé(e)*	Justice's Initials *Initiales du juge*
MAY 05 2018	Kaur	Asmoudo	Brock	DC	DD
MAY 07 2018	Dhaliwal	Aila	Ellins	Pillay	CBG

Accused / *Accusé(e)* Notice Given Under H.T.A. *Avis en vertu du Code de la route* ☐ Suspension *Suspension* ☐ Impoundment *Mise en fourrière*

Accused / *Accuse(e)*: _____

515(9.1) Detained in custody primarily because of a previous conviction *Détention sous garde fondée principalement sur une condamnation antérieure* Yes *Oui* ☐ No *Non* ☐ Date: *Date :* _____

Confirmed and initialled by the Judge/Justice of the Peace in the appropriate box above / *Confirmé et paraphé par un(e) juge/juge de paix dans la case appropriée ci-haut*

At the Bail Review dated: _____, 515(9.1) was ☐ confirmed ☐ rescinded ☐ made (see application)
Au moment de la révision du cautionnement, le : _____, *515 (9.1) a été* *confirmé* *révoqué* *exécuté (voir la requête)*

Accused / *Accuse(e)*: _____

515(9.1) Detained in custody primarily because of a previous conviction *Détention sous garde fondée principalement sur une condamnation antérieure* Yes *Oui* ☐ No *Non* ☐ Date : *Date :* _____

Confirmed and initialled by the Judge/Justice of the Peace in the appropriate box above / *Confirmé et paraphé par un(e) juge/juge de paix dans la case appropriée ci-haut*

At the Bail Review dated: _____, 515(9.1) was ☐ confirmed ☐ rescinded ☐ made (see application)
Au moment de la révision du cautionnement, le : _____, *515 (9.1) a été* *confirmé* *révoqué* *exécuté (voir la requête)*

Accused / *Accuse(e)*: _____

515(9.1) Detained in custody primarily because of a previous conviction *Détention sous garde fondée principalement sur une condamnation antérieure* Yes *Oui* ☐ No *Non* ☐ Date: *Date :* _____

Confirmed and initialled by the Judge/Justice of the Peace in the appropriate box above / *Confirmé et paraphé par un(e) juge/juge de paix dans la case appropriée ci-haut*

At the Bail Review dated: _____, 515(9.1) was ☐ confirmed ☐ rescinded ☐ made (see application)
Au moment de la révision du cautionnement, le : _____, *515 (9.1) a été* *confirmé* *révoqué* *exécuté (voir la requête)*

Sworn before me at the City
Assermenté devant moi à(au)
of / *de* Hamilton
in the Province of Ontario / *dans la province de l'Ontario*
This 05 day of May, yr. 2018
Ce jour de An

Justice of the Peace / *Juge de paix*

Informant / *Dénonciateur*

☐ Appearance Notice *Citation à comparaître* ☒ Promise to Appear *Promesse de comparaître* ☐ Recognizance *Engagement pour* for _____, yr. _____ *le an*

☐ Confirmed on _____, yr. _____ *Confirmé(e) le an*

☐ **Publication ban pursuant to** _____ ***Interdiction de publication en vertu de***

Justice of the Peace *Juge de paix*

Date **Crown Elects to Proceed** *Date* ***Choix de la Couronne*** ☐ Summarily *Procédure sommaire* ☐ By Indictment *Acte d'accusation* ☐ Summary Conviction Offence(s) *Infraction(s) punissable(s) sur déclaration de culpabilité par procédure sommaire* ☐ Indictable Offence(s) *Infraction(s) punissable(s) par mise en accusation*

Date *Date*	Accused *Accusé(e)*	Elects Trial by *Choix d'un procès devant*			Preliminary Hearing Requested *Enquête préliminaire demandée*		Justice's Initials *Initiales du juge*	Abs. Juris. *Comp. absolue*	Pleads / *Plaidoyer*	
		Superior Court *Cour supérieure*		Ontario Court *Cour de l'Ontario*						
		Judge *Juge*	Judge & Jury *Juge et jury*	Judge On Counts *Juge pour les chefs d'accusation*	Yes *Oui*	No *Non*			Guilty to Counts *Coupable pour les chefs d'accusation*	Not Guilty to Counts *Non coupable pour les chefs d'accusation*

Date *Date*	Accused *Accusé(e)*	Committed (or) Ord. Std. Trial *On Counts *Interné(e) (ou) renvoyé(e) à son procès * pour les chefs d'accusation*	Discharged on Counts *Libéré(e) pour les chefs d'accusation*	Found Guilty on Counts *Reconnu(e) coupable pour les chefs d'accusation*	Not Guilty on Counts *Non coupable pour les chefs d'accusation*

* ☐ With consent of accused and prosecutor, without taking or recording *Avec le consentement de l'accusé(e) et du poursuivant sans recueillir ou consigner* ☐ (a) any evidence *a) de preuve* (or) *(ou)* ☐ (b) further evidence *b) de preuve supplémentaire*

☐ Victim Surcharge $ _____ *Suramende compensatoire* Time to Pay $ _____ *Délai de paiement*

Judge / *Juge*

No. of Information / *N° de la dénonciation*
Return Date of Summons / *Sommation rapportée le* , yr. / *an*

INFORMATION Against / *DÉNONCIATION visant*

Angelo Kirkopoulos

Address / *Adresse*

52 Davinci Blvd., Hamilton, ON

CHARGE / *ACCUSATION*

☐ Summons *Sommation* ☐ Show Cause *Audience de justification* ☐ Warrant 1st *Mandat en 1re instance* ☒ Re-laid Information *Dénonciation déposée de nouveau*

☐ Reportable M.V. Offence (*H.T.A.* 199) *Infraction V.M. à déclarer* (Code de la route *199*)

C.V.O.R. No (Commercial Vehicles Only) *Numéro C.E.C.V.U. (véhicules utilitaires seulement)*

Sex *Sexe*	Birth Date / *Date de naissance* Day / *Jour*	Month / *Mois*	Year / *Année*	Was defendant owner? *La partie défenderesse était-elle propriétaire?*
M	12	04	61	☐ Yes / *Oui* ☐ No / *Non*

Driver's License Number / *Numéro du permis de conduire*

K 4 6 0 9 0 4 3 0 7 8 0 2 0 6

Plate No. / *Numéro de plaque* ☐ Involves a Collision *Infraction reliée à un accident*

Informant *Dénonciateur* **Marcel McLennan**

Date Sworn *Date d'assermentation* **May 8th, 2018**

Officer / *Agent de police* **Marcel McLennan** No. / *N°* **48088**

Div. **O** Dist.

Courtroom / *Salle d'audience*

At / À(Au)

No. of Information / *N° de la dénonciation*
Return Date of Summons / *Sommation rapportée le* , yr. / *an*

INFORMATION Against / *DÉNONCIATION visant*

Address / *Adresse*

CHARGE / *ACCUSATION*

☐ Summons *Sommation* ☐ Show Cause *Audience de justification* ☐ Warrant 1st *Mandat en 1re instance* ☐ Re-laid Information *Dénonciation déposée de nouveau*

☐ Reportable M.V. Offence (*H.T.A.* 199) *Infraction V.M. à déclarer* (Code de la route *199*)

C.V.O.R. No (Commercial Vehicles Only) *Numéro C.E.C.V.U. (véhicules utilitaires seulement)*

Sex *Sexe*	Birth Date / *Date de naissance* Day / *Jour*	Month / *Mois*	Year / *Année*	Was defendant owner? *La partie défenderesse était-elle propriétaire?*
				☐ Yes / *Oui* ☐ No / *Non*

Driver's License Number / *Numéro du permis de conduire*

Plate No. / *Numéro de plaque* ☐ Involves a Collision *Infraction reliée à un accident*

Informant *Dénonciateur* **Marcel McLennan**

Date Sworn *Date d'assermentation*

Officer / *Agent de police* No. / *N°*

Div. Dist.

Courtroom / *Salle d'audience*

At / À(Au)

No. of Information / *N° de la dénonciation*
Return Date of Summons / *Sommation rapportée le* , yr. / *an*

INFORMATION Against / *DÉNONCIATION visant*

Address / *Adresse*

CHARGE / *ACCUSATION*

☐ Summons *Sommation* ☐ Show Cause *Audience de justification* ☐ Warrant 1st *Mandat en 1re instance* ☐ Re-laid Information *Dénonciation déposée de nouveau*

☐ Reportable M.V. Offence (*H.T.A.* 199) *Infraction V.M. à déclarer* (Code de la route *199*)

C.V.O.R. No (Commercial Vehicles Only) *Numéro C.E.C.V.U. (véhicules utilitaires seulement)*

Sex *Sexe*	Birth Date / *Date de naissance* Day / *Jour*	Month / *Mois*	Year / *Année*	Was defendant owner? *La partie défenderesse était-elle propriétaire?*
				☐ Yes / *Oui* ☐ No / *Non*

Driver's License Number / *Numéro du permis de conduire*

Plate No. / *Numéro de plaque* ☐ Involves a Collision *Infraction reliée à un accident*

Informant *Dénonciateur* **Marcel McLennan**

Date Sworn *Date d'assermentation*

Officer / *Agent de police* No. / *N°*

Div. Dist.

Courtroom / *Salle d'audience*

At / À(Au)

HPS151484320 md

RECOGNIZANCE OF BAIL / *ENGAGEMENT DE CAUTION*

ENTERED INTO BEFORE A JUDGE OR JUSTICE OF THE PEACE / *CONTRACTÉ DEVANT UN JUGE OU UN JUGE DE PAIX*

CANADA
PROVINCE OF ONTARIO
PROVINCE DE L'ONTARIO

Central West
(Region / *Région*)

BE IT REMEMBERED that on this day the persons named in the following schedule personally came before me and severally acknowledged themselves to owe to Her Majesty the Queen the several amounts set opposite their respective names, namely,
SACHEZ QUE, ce jour, les personnes nommées dans la liste qui suit ont personnellement comparu devant moi et ont chacune reconnu devoir à Sa Majesté la Reine les diverses sommes indiquées en regard de leurs noms respectifs, à savoir :

Form / *Formule* 32
Sections / *Articles* 493, 550, 679, 706, 707, 810, 810.1 and / *et* 817 of the *Criminal Code* / *du* Code criminel

4711-998-18-4054
(Case/File No. / *N° du cas/dossier*)

	NAME *NOM*	DATE OF BIRTH *DATE DE NAISSANCE*	OCCUPATION *PROFESSION*	TOTAL AMOUNT *MONTANT*	CASH *ESPÈCES*
ACCUSED / *PRÉVENU*	Angelo KIRKOPOULOS	1976/02/06		$ 50,000.00	$ without deposit
Address / *adresse*	52 Divinci Cres, Hamilton, ON			$	$
SURETY / *CAUTION*	Jiuly CASSAVIA [Named as part of Release Order]			$ 50,000.00	$
Address / *adresse*	52 Divinci Cres, Hamilton, ON				

to be made and levied of their several goods and chattels, lands and tenements, respectively, to the use of Her Majesty the Queen, if the said accused fails in any of the conditions hereunder written.
lesdites sommes devant être prélevées sur leurs biens et effets, terres et tènements, respectivement, pour l'usage de Sa Majesté la Reine, si ledit prévenu ne remplit pas la condition ci-après énoncée.

Taken and acknowledged before me at the City of Hamilton in the Province of Ontario
Fait et reconnu devant moi à(au) de(du) dans la province de l'Ontario

on the 7th day of May, yr. 2018 at 10:20 a.m.
le jour de an à heures

Judge/Justice of the Peace / *Juge/juge de paix*
HIS WORSHIP C.B. QUINN

WHEREAS the said Angelo KIRKOPOULOS hereinafter called the accused, has been charged that
ATTENDU QUE *ledit (ladite) ci-après appelé(e) le prévenu, a été inculpé(e)*

he/she on or about/between the 1st day of June, yr. 2015,
d'avoir, le ou vers le/entre le jour de an

at the City of Hamilton unlawfully did commit the offence(s) of:
à(au) de(du) illégalement commis l'infraction ou les infractions suivantes :

Utter forged document, s.368(1)(a)ccc, FURTHER June 01, 2015 at the City of Hamilton, Utter forged document, s.368(1)(a)ccc, FURTHER June 01, 2015 at the City of Hamilton, Utter forged document, s.368(1)(a)ccc, FURTHER July 15, 2015 at the City of Hamilton, Utter forged document, s.368(1)(a)ccc, FURTHER June 30, 2015 at the City of Hamilton, Utter forged document, s.368(1)(a)ccc, FURTHER July 09, 2015 at the City of Hamilton, Utter forged document, s.368(1)(a)ccc, FURTHER June 11, 2015 at the City of Hamilton, Utter forged document, s.368(1)(a)ccc, FURTHER June 04, 2015 at the City of Hamilton, Utter forged document, s.368(1)(a)ccc, FURTHER June 04, 2015 at the City of Hamilton, Fraud over $5000 or re: testamentary instrument, s.380(1)ccc, FURTHER May 04, 2018 at the City of Hamilton, Possession for the purpose of trafficking, s.5(2)cdsa x2, FURTHER May 04, 2018 at the City of Hamilton, Possession of property over $5000 obtained by crime, s.354(1)(a)ccc

NOW THEREFORE, the condition of this recognizance is that if the accused attends
À CES CAUSES, *le présent engagement est subordonné à la condition que si le prévenu est présent*

court on Wednes **day, the** 13th **day of** June, **yr.** 2018, **at** 09:00 o'clock in the before noon in
au tribunal le jour de an, à heures dans la

courtroom / *salle d'audience* 204 at / *de(du)* 45 Main St. E., Hamilton
and attends thereafter as required by the court in order to be dealt with according to law; or
et est présent par la suite selon les exigences du tribunal, afin d'être traité selon la loi, ou

AND FURTHER, if the Accused complies with the following conditions, the said recognizance is void, otherwise it stands in full force and effect /
Et qu'EN *OUTRE, si le prévenu se conforme aux conditions suivantes, ledit engagement est nul mais qu'au cas contraire il a pleine force et plein effet*

1. **Sign in at the Hamilton Niagara RCMP Detachment located at 777 Highway #8,Stoney Creek, ON on the first Fridayof every month between the hours of 8:00 a.m. and 4:00 p.m. and sign in as required commencing June 1, 2018.**
2. **Reside with your surety and be amenable to the rules and discipline of the home.**
3. **Notify the Hamilton Niagara RCMP Detachment located at 777 Highway #8,Stoney Creek, ON of any change of your address in writing within 48 hours prior to any change in your address.**
4. **Do not contact or communicate in any way either directly or indirectly, by any physical, electronic or other means, with the following: Giuseppe AVIGNONE, Kleanthes ISAIAS**

   EXCEPT

   - in the presence of or through legal counsel
5. **Do not attend at Mt Cross Pharmacy located at 503 Concession St, Hamilton, ON.**
6. **Carry a copy of your recognizance on your person at all times when not in your place of residence.**
7. **Do not possess**

   - a firearm, cross-bow, prohibited weapon, restricted weapon, prohibited device, ammunition, prohibited ammunition or explosive substance, or all those things until dealt with according to law (section 515(4.1), Criminal Code)
8. **Do not possess or consume any unlawful drugs or substances (refer to the Controlled Drugs and Substances Act) except with a valid prescription in your name**
9. **Possess one cell phone or one cell phone SIM card only registered in your name and provide your cell phone number to the Hamilton-Niagara RCMP.**

DISTRIBUTION: / ***COPIE À(AU) :***

☐ *Accused / accusée* ☐ *Surety / caution* ☐ *Crown / Couronn* ☐ *VWAP / PVAT* ☐ *Police / Police* ☐ *Chief Firearms Officer / contrôleur des armes a feu*

 © Queen's Printer for Ontario, 2016

THE *CRIMINAL* CODE PROVIDES AS FOLLOWS:

NOTE: Section 763 and subsections 764(1) to (4) of the Criminal Code state as follows:

"763. Where a person is bound by recognizance to appear before a court, justice or provincial court judge for any purpose and the session or sittings of that court or the proceedings are adjourned or an order is made changing the place of trial, that person and his sureties continue to be bound by the recognizance in like manner as if it had been entered into with relation to the resumed proceedings or the trial at the time and place at which the proceedings are ordered to be resumed or the trial is ordered to be held. R.S., c.C-34, s.697; R.S.C. 1985, c.27 (1st Supp.), s.203..

764. (1) Where an accused is bound by recognizance to appear for trial, his arraignment or conviction does not discharge the recognizance, but it continues to bind him and his sureties, if any, for his appearance until he is discharged or sentenced, as the case may be.

(2) Notwithstanding subsection (1), the court, justice or provincial court judge may commit an accused to prison or may require him to furnish new or additional sureties for his appearance until he is discharged or sentenced, as the case may be.

(3) The sureties of an accused who is bound by recognizance to appear for trial are discharged if he is committed to prison pursuant to subsection (2).

(4) The provisions of section 763 and subsections (1), (2) and (3) of this section shall be endorsed on any recognizance entered into pursuant to this Act. R.S., c.C-34, s.698."

LE CODE CRIMINEL *PRÉVOIT* QUE :

REMARQUE : L'article 763 et les paragraphes 764(1) à (4) du Code criminel se lisent comme suit :

« 763. Lorsqu'une personne est tenue, par engagement, de comparaître devant un tribunal, un juge de paix ou un juge de la cour provinciale pour une fin quelconque et que la session de ce tribunal ou les procédures sont ajournées, ou qu'une ordonnance est rendue pour changer le lieu du procès, cette personne et ses cautions continuent d'être liées par l'engagement de la même manière que s'il avait été contracté à l'égard des procédures reprises ou du procès aux date, heure et lieu où la reprise des procédures ou la tenue du procès est ordonnée.

S.R., ch. C-34, art. 697, L.R.C. (1985), ch. 27 (1er suppl.), art. 203.

764. (1) Lorsqu'un prévenu est tenu, aux termes d'un engagement, de comparaître pour procès, son interpellation ou la déclaration de sa culpabilité ne libère pas de l'engagement, mais l'engagement continue de lier le prévenu et ses cautions, s'il en existe, pour sa comparution jusqu'à ce que le prévenu soit élargi ou condamné, selon le cas.

(2) Nonobstant le paragraphe (1), le tribunal, le juge de paix ou le juge de la cour provinciale peut envoyer un prévenu en prison ou exiger qu'il fournisse de nouvelles cautions ou des cautions supplémentaires pour sa comparution jusqu'à ce qu'il soit élargi ou condamné, selon le cas.

(3) Les cautions d'un prévenu qui est tenu, par engagement, de comparaître pour procès sont libérées si le prévenu est envoyé en prison selon le paragraphe (2).

(4) Les dispositions de l'article 763 et des paragraphes (1) à (3) du présent article sont inscrites sur tout engagement contracté en vertu de la présente loi.

Signature of Accused / Signature du prévenu

Signature of Surety / Signature de la caution

 © Queen's Printer for Ontario, 2016

RECOGNIZANCE OF BAIL
ENGAGEMENT DE CAUTION

ENTERED INTO BEFORE A JUDGE OR JUSTICE OF THE PEACE
CONTRACTÉ DEVANT UN JUGE OU UN JUGE DE PAIX

Angelo KIRKOPOULOS

accused / prévenu

Dated / *Fait le* MAY 07 2018 day of / *jour de* ..... , yr. / *an* .....

CERTIFICATE OF DEFAULT
CERTIFICAT DE DÉFAUT

Form / Formule 33
Section / Article 770 C.C./C. cr.

I hereby certify that .....
Je certifie par les présentes que

(has not appeared as required by this recognizance or has not complied with a condition of this recognizance) and that by reason thereof the ends of justice have been (defeated or delayed, as the case may be).
(n'a pas comparu ainsi que l'exigeait le présent engagement ou ne s'est pas conformé à une des conditions prévues dans cet engagement) et que, de ce fait les fins de la justice ont été (contrariées ou retardées, selon le cas).

The nature of the default is .....
Le manquement peut se décrire comme suit :

.....

and the reason for the default is .....
et la raison du manquement est

.....
(state reason if known / *indiquer la raison, si elle est connue)*

The names and addresses of the principal and sureties are as follows:
Les noms et adresses du cautionné et de ses cautions sont les suivants :

.....

.....

.....

.....

.....

Dated / *Fait le* ..... day of / *jour de* ..... , yr. / *an* .....

at / *à* .....

in the Province of Ontario / *dans le province de l'Ontario*

Signature of Justice, Judge, Ontario Court of Justice Judge, Clerk of the Court, peace officer or other person, as the case may be
Signature du juge de paix, juge, juge de la Cour de justice de l'Ontario, greffier du tribunal, agent de la paix ou autre personne, selon le cas

In case of cash bail, signature of person depositing cash:
S'il s'agit d'un cautionnement en espèces, signature de la personne qui dépose l'argent :

..... , yr. / *an* ..... RECEIVED / *REÇU*

from the COURT CLERK the sum of
du GREFFIER DE LA COUR la somme de

..... Dollars

$ ..... $ .....
(Signature)

PTA July 11/18

18-4298

Police File No. - N° de dossier de la police
2018-163877

CANADA
PROVINCE OF
PROVINCE DE Ontario

Central South
(Region or District - Région ou District)

Information of
Dénonciation de Constable Nicholas TAM

of - de Royal Canadian Mounted Police - Gendarmerie royale du Canada

(Occupation
Profession) Peace Officer - Agent de la paix

The informant says that he/she believes on reasonable grounds that
Le dénonciateur déclare qu'il/elle a des motifs raisonnables de croire que

(1) Umair NASIM (DOB 1970-02-08)

on or about the 16 day of January, A.D. 2018 at the City
le ou vers le jour de à

of Hamilton in the said Region
de dans ladite Région

(1) Did contravene Sections 30, 42 and 43 of the Narcotic Control Regulations; Sections G. 03.001 (1), G. 03.012 and G.03.013 of the Food and Drug Regulations; and Sections 7(1)(b) and 50 of the Benzodiazepines and Other Targeted Substances Regulations, thereby committing an offence contrary to Section 46 of the Controlled Drugs and Substances Act.

(Long Form - One or More Accsd.
Formule intégrale - Une ou plusieurs acc.)

(Continued on Page No. 2
(suite à la page n° 2

Page "A"

APPEARANCES - ADJOURNMENTS
COMPARUTIONS - AJOURNEMENTS

Police File No. - N° de dossier de la police
2018-163877

Date	Accused Accusé	Appears Adjournment (Remand to) Comparution Ajournement (Renvoi)	Parties Consent Consentement des parties	Bail and/or other Action Cautionnement et/ou autre mesure	Fail to appear Omet de comparaître	Bench Warrant Mandat du tribunal	Discretion Discrétion	Estreat Confiscation
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐
			☐		☐	☐	☐	☐

Date	Clerk Greffier	Reporter Sténographe	For Crown pour la Couronne	For Accused pour l'accusé

Accused
Accusé

Novice Given Under H.T.A.
Avis en vertu du Code de la route ☐ 154(3) Impnd.

Police File No. - N° de dossier de la police
2018-163877

Sworn before me at the / Assermenté devant moi à City of / de Hamilton

this / le 17 day of / jour de May A.D. 2018

A Justice of the Peace in and for the Province of / Juge de paix dans et pour la province de

Informant - Dénonciateur

☐ Appearance Notice / Citation à comparaître ☑ Promise to Appear / Promesse de comparaître ☐ Recognizance for / Engagement pour le 11 day of / jour de July A.D. 2018

Confirmed on / Confirmé(e) le 17 day of / jour de May A.D. 2018 J.P.

Date | Crown Elects to proceed / Choix de la Couronne | ☐ Summarily / Procédure sommaire | ☐ By indictment / Acte d'accusation | ☐ Summary Conviction Offence(s) / Infraction punissable sur déclaration de culpabilité par procédure sommaire

Date	Accused / Accusé	Elects Trial by - Choix d'un procès devant: Gen. Division générale: Judge / Juge	Gen. Division générale: Judge & Jury - Juge et jury	Provincial Division provinciale: Judge On Counts / Juge pour les chefs d'accusation	Abs. Juris.	Pleads - Plaidoyer: Guilty to Counts / Coupable pour les chefs d'accusation	Not Guilty to Counts / non coupable pour les chefs d'accusation
		☐	☐				
		☐	☐				
		☐	☐				
		☐	☐				
		☐	☐				
		☐	☐				
		☐	☐				
		☐	☐				

		Committed (or) Ord. Std. Trial * On Counts / Interné ou renvoyé à son procès * pour les chefs d'accusation	Bail / Cautionnement	Discharged on Counts / Libéré pour les chefs d'accusation	Found Guilty on Counts / Reconnu coupable pour les chefs d'accusation	Not Guilty to Counts / Non coupable pour les chefs d'accusation

* ☐ With consent of accused and prosecutor, without taking or recording / Avec le consentement de l'accusé et du poursuivant sans recueillir ou consigner ☐ (a) any evidence (or) / (a) de preuve (ou) ☐ (b) further evidence / (b) de preuve supplémentaire

Judge - Juge

Police File No. - N° de dossier de la police
2018-163877

Information No. - N° de la dénonciation	Return Date of summons - Sommation rapportée le

INFORMATION Against - DÉNONCIATION visant

Address - Adresse

CHARGE - ACCUSATION

☐ Summons / Sommation ☐ Warrant / Mandat ☐ Arrest / Arrestation

☐ Reportable M.V. Offence (H.T.A. 184) / Rapport V.M. (Code de la route 184)

C.V.O.R. No. (Commercial Vehicles Only) / Numéro I.V.U.O. (véhicules utilitaires seulement)

Sex / Sexe	DOB - DDN	Was defendant owner? / Le défendeur était-il propriétaire?	Driver's Licence No. / N° du permis de conduire	Plate No. / N° de plaque	☐ Involves an Accident / Infraction reliée à un accident

Informant - Dénonciateur	Date Sworn / Date d'assermentation
	2018-05-17
Officer - Agent de police	No. - N°
Constable Nicholas TAM	64205

Div.	Dist.
O	Southwest

Courtroom / Salle d'audience	At - À

PROMISE TO APPEAR
PROMESSE DE COMPARAÎTRE

CANADA

Form/Formule 10 C.C.
Section/ *Article* 493 of the *Criminal Code/du Code Criminel*

Province of Ontario - Province de l'Ontario

Central West
(Region / *Région*)

2018-163877
Case/File No. / *N° du cas / dossier*

I / *Je soussigné(e)*, Umair Nasim

of / *de* 27 Spitfire Drive, Mount Hope, ON, L0R 1W0

occupation / *profession* Pharmacist

understand that it is alleged that I have committed (set out substance of offence)
comprends qu'il est allégué que j'ai commis (indiquer l'essentiel de l'infraction)

Offences contrary to Section 46 of the Controlled Drugs and Substances Act by contravening:
1. Sections 30, 42 and 43 of the Narcotic Control Regulations;
2. Sections G.03.001 (1), G.03.012 and G.03.013 of the Food and Drug Regulations; and
3. Sections 7(1)(b) and 50 of the Benzodiazepines and Other Targeted Substances Regulations.

In order that I may be released from custody;
Afin de pouvoir être mise en liberté;

1. I promise to appear before the presiding Judge or Justice on Wednesday, the 11th day of July yr 2018
Je promets de comparaître devant le juge ou le juge de paix qui préside le / *jour de* / *an*

   at 9:00 o'clock, in the forenoon in the Ontario Court of Justice Courtroom No. 204
   à / *heures,* / *à la Cour de justice de l'Ontario, salle d'audience n°*

   at John Sopinka Courthouse, 45 Main St. E. Hamilton and to attend thereafter as required by the court,
   à / *et d'être présent(e) par la suite selon les exigences*

   in order to be dealt with according to law.
   du tribunal, afin d'être traité(e) selon la loi.

2. ~~I also promise to appear on _____, the _____ day of _____ yr _____~~
   ~~*Je promets également de comparaître* / *jour de* / *an*~~

   ~~at _____ o'clock, in the _____ (police station / *poste de police*)~~
   ~~*à* / *heures,*~~

   ~~_____ (address / *adresse*)~~

   ~~for the purpose of the Identification of Criminals Act. (ignore if not filled in)~~
   ~~*aux fins de la Loi sur l'identification des criminels. (ne pas tenir compte du présent alinéa s'il n'est pas rempli)*~~

I understand that failure without lawful excuse to attend court in accordance with this promise to appear is an offence under subsection 145(5) of the *Criminal Code.*
Je comprends que l'omission, sans excuse légitime, d'être présent(e) au tribunal en conformité avec la présente promesse de comparaître constitue une infraction en vertu du paragraphe 145(5) du Code criminel.

Subsection 145(5) and (6) of the *Criminal Code* states as follows:

"(5) Every person who is named in an appearance notice or promise to appear, or in a recognizance entered into before an officer in charge or another peace officer, that has been confirmed by a justice under section 508, and who fails, without lawful excuse, the proof of which lies on the person, to appear at the time and place stated therein, if any, for the purposes of the Identification of Criminals Act, or to attend court in accordance therewith, is guilty of;

a) an indictable offence and liable to imprisonment for a term not exceeding two years; or
b) an offence punishable on summary conviction.

(6) For the purposes of subsection (5), it is not a lawful excuse that an appearance notice, promise to appear of recognizance states defectively the substance of the alleged offence."

Les paragraphes 145(5) et (6) du Code criminel s'énoncent comme suit :

« (5) Est coupable :

a) soit d'un acte criminel et passible d'un emprisonnement maximal de deux ans;
b) soit d'une infraction punissable sur déclaration de culpabilité par procédure sommaire,

quiconque est nommément désigné dans une citation à comparaître ou une promesse de comparaître ou dans un engagement contracté devant un fonctionnaire responsable ou un autre agent de la paix, et qui a été confirmé par un juge de paix en vertu de l'article 508 et omet, sans excuse légitime, dont la preuve lui incombe, de comparaître aux lieu et date indiqués, le cas échéant, pour l'application de la Loi sur l'identification des criminels ou d'être présent au tribunal en conformité avec ce document.

(6) Pour l'application du paragraphe (5), le fait qu'une citation à comparaître, une promesse de comparaître ou un engagement indiquent d'une manière imparfaite l'essentiel de l'infraction présumée, ne constitue pas une excuse légitime.»

Section 502 of the *Criminal Code* states as follows:

"502 Where an accused who is required by an appearance notice or promise to appear or by a recognizance entered into before an officer in charge or another peace officer to appear at a time and place stated therein for the purposes of the Identification of Criminal Act does not appear at the time and place, a justice may, where the appearance notice, promise to appear or recognizance has been confirmed by a justice under section 508, issue a warrant for the arrest of the accused for the offence with which the accused is charged."

L'article 502 du Code criminel s'énonce comme suit :

«502 Lorsqu'un prévenu à qui une citation à comparaître, une promesse de comparaître ou un engagement contracté devant un fonctionnaire responsable ou un autre agent de la paix enjoint de comparaître aux temps et lieu y indiqués, pour l'application de la Loi sur l'identification des criminels, ne comparaît pas aux temps et lieu ainsi fixés, un juge de paix peut, lorsque la citation à comparaître, la promesse de comparaître ou l'engagement a été confirmé par un juge de paix en vertu de l'article 508, décerner un mandat pour l'arrestation du prévenu pour l'infraction dont il est inculpé. »

DATED this 16 day of May yr. 2018
FAIT le / *jour de* / *an*

at 5:36 o'clock in the After noon,
à / *heures*

at the City of Hamilton
à la / *de*

Umair Nasim
Signature of accused / *Signature du prévenu*

Cst. Daniel Carter #55716
Officer in Charge / *Fonctionnaire responsable*

RCMP Hamilton Niagara Regional Det.
Station / *Poste*

RCMP GRC AD0245 (2013-09)
CC0010
CCO-10-493-1 (Rev. 05/99) CSD

UNDERTAKING GIVEN TO A PEACE OFFICER OR AN OFFICER IN CHARGE
PROMESSE REMISE À UN AGENT DE LA PAIX OU À UN FONCTIONNAIRE RESPONSABLE

CANADA
PROVINCE OF ONTARIO
PROVINCE DE L'ONTARIO

(FORM/FORMULE 11.1)
(Sections/Articles 493, 499 and/et 503)

Central West
(Region / Région)

2018-163877
Case/File No. / No. du cas/dossier

I / Je, moi, Umair Nasim

1970-02-08
(date of birth / date de naissance)

of / de 27 Spitfire Drive, Mount Hope, ON.

occupation / *profession ou occupation* Pharmacist

understand that it is alleged that I have committed *(set out substance of the offence).* / *comprends qu'il est allégué que j'ai commis* (indiquer l'essentiel de l'infraction).

Offences contrary to Section 46 of the Controlled Drugs and Substances Act by contravening: (Continued on Page 2)

In order that I may be released from custody by way of (a promise to appear or a recognizance entered into before a peace officer or an officer in charge),
Afin de pouvoir être mis en liberté je m'engage, par (cette promesse de comparaître ou cet engagement contracté devant un agent de la paix ou un fonctionnaire responsable)

I undertake to *(insert andy conditions that are directed):* / *Je promets de* (insérer toutes les conditions qui sont fixées):

M ☐ (a) remain within
à rester dans les limites de (designated territorial jurisdiction) *(juridiction territoriale désignée)*

DC ☑ (b) notify Cst. Daniel Carter RCMP @ 905-643-5800 of any change in my address, employment or occupation.
à notifier à (name of peace officer or other person designated) *(nom de l'agent de la paix ou d'un autre personne désignée)* *tout changement d'adresse, d'emploi ou d'occupation.*

DC ☑ (c) abstain from communicating directly or indirectly with
M *à m'abstenir de communiquer avec* (name of victim, witness or other person) *(nom de la victime, du témoin ou autre personne)*
or from going to 503 Concession Street. Hamilton, ON.
ou de me rendre à (name or description of place) *(nom ou désignation du lieu)*
except in accordance with the following conditions: / *si ce n'est en conformité avec les conditions suivantes:*
; and *et*
(as the peace officer or other person designated specifies) *(celles que l'agent de la paix ou autre personne désignés spécifie)*

☐ (d) deposit my passport with
à déposer mon passeport auprès de (name of peace officer or other person designated) *(nom de l'agent de la paix ou autre personne désignés)*

☐ (e) to abstain from possessing a firearm and to surrender to / *à m'abstenir de posséder des armes à feu et à remettre à*
(name of peace officer or other person designated) *(nom de l'agent de la paix ou autre personne désignée)*
any firearm in my possession and any authorization, licence or registration certificate or other document enabling the acquisition or possession of a firearm;
toute armes à feu et les autorisations, permis et certificats d'enregistrement dont je suis titulaire ou tout autre document me permettant d'acquérir ou de posséder des armes à feu;

☐ (f) report at to ; and
à me présenter à (state times) *(indiquer à quels moments)* *à* (name of peace officer or other person designated) *(nom de l'agent de la paix ou autre personne désignée)* *et*

☐ (g) to abstain from:
à m'abstenir de consommer:
(i) the consumption of alcohol or other intoxicating substances, or
(i) de l'alcool ou d'autres substances intoxicantes,
(ii) the consumption of drugs except in accordance with a medical prescription.
(ii) des drogues, sauf sur ordonnance médicale.

DC ☑ (h) comply with any other conditions that the peace officer or the officer in charge considers necessary to ensure the safety and security of any victim of or witness to the offence, as follows:
M à me conformer à toutes autres conditions que l'agent de la paix ou le fonctionnaire responsable juge nécessaires pour assurer la sûreté et la sécurité d'une victime ou d'un témoin à l'infraction, comme suit:

Not to possess or order Controlled Substances as defined by the Controlled Drugs and Substances Act. except if taking prescription as ordered by a physician. DC.

I understand that I am not required to give an undertaking to abide by the conditions specified above, but that if I do not, I may be kept in custody and brought before a justice so that the prosecutor may be given a reasonable opportunity to show cause why I should not be released on giving an undertaking without conditions.
Je comprends que je ne suis pas obligé de remettre cette promesse, mais qu'à défaut de le faire, je peux être détenu sous garde et amené devant un juge de paix de façon à donner au poursuivant l'occasion de démontrer pourquoi je ne devrais pas être mis en liberté sur simple promesse, sans autre condition.

I understand that if I give an undertaking to abide by the conditions specified above, then I may apply, at any time before I appear, or when I appear, before a justice pursuant to (a promise to appear or a recognizance entered into before an officer in charge or another peace officer), to have this undertaking vacated or varied and that my application will be considered as if I were before a justice pursuant to section 515 of the *Criminal Code.*
Je comprends que si je promets de me conformer aux conditions énoncées plus haut, je peux, avant de comparaître ou lors de ma comparution devant un juge conformément (à une promesse de comparaître ou à un engagement contracté devant un fonctionnaire responsable ou in autre agent de la paix), demander l'annulation ou la modification de cette promesse, et que ma demande sera examinée comme si j'étais devant un juge conformément à l'article 515 du Code criminel.

I also understand that this undertaking remains in effect until it is vacated or varied.
Je comprends que cette promesse m'est opposable jusqu'à ce qu'elle soit annulée ou modifiée.

I also understand that failure without lawful excuse to abide by any of the conditions specified above is an offence under subsection 145(5.1) of the *Criminal Code.*
Je comprends que l'omission sans excuse légitime d'être présent au tribunal en conformité avec le présent engagement constitue une infraction prévue au Code criminel.

Subsection 145(5.1) of the *Criminal Code* states as follows: "(5.1) Every person who, without lawful excuse, the proof of which lies on the person, fails to comply with any condition of an undertaking entered into pursuant to subsection 499(2) or 503(2.1)
Le paragraphe 145(5.1) du Code criminel s'énonce comme suit: "(5.1) Quiconque omet, sans excuse légitime, dont la preuve lui incombe, de se conformer à une condition d'une promesse remise aux termes des paragraphes 499(2) ou 503(2.1) est coupable:

(a) is guilty of an indictable offence and is liable to imprisonment for a term not exceeding two years; or
a) soit d'un acte criminel passible d'un emprisonnement maximal de deux ans;

(b) is guilty of a offence punishable on summary conviction."
b) soit d'une infraction punissable sur déclaration de culpabilité par procédure sommaire."

DATED this 16th day of May yr. 2018
FAIT le *jour de* *an*

Umair Nasim
Signature of accused / Signature du prévenu

Cst. Daniel Carter 59716
Signature of Peace Officer or Officer in Charge
Signature du fonctionnaire responsable ou d'un autre agent de la paix

RCMP Hamilton Niagara Regional Detachment
Station, etc. Poste de police, etc.

UNDERTAKING GIVEN TO A PEACE OFFICER OR AN OFFICER IN CHARGE
PROMESSE REMISE À UN AGENT DE LA PAIX OU À UN FONCTIONNAIRE RESPONSABLE

Additional Charges - Accusations Additionnelle

1. Sections 30, 42 and 43 of the Narcotic Control Regulations;
2. Sections G.03.001 (1), G.03.012 and G.03.013 of the Food and Drug Regulations; and
3. Sections 7(1)(b) and 50 of the Benzodiazepines and Other Targeted Substances Regulations.

Appendix 6

Mukul Manchanda

From: Philip Gennis
Sent: June 4, 2018 2:14 PM
To: Mukul Manchanda
Cc: Bobby Sachdeva; Craig Mills; John Russo; Dina Milivojevic
Subject: Fwd: 1970636 Ontario Ltd., o/a Mt. Cross Pharmacy ("Mt. Cross")-RCMP

Please see email below from Crown Attorney re information in the criminal proceedings.

We should add something to our report on this issue and ensure that compelling the Crown to release this information is made part of the relief non June 14th.

Begin forwarded message:

From: sandra antoniani <sandra@smork.com>
Date: June 4, 2018 at 1:59:01 PM EDT
To: Daniel CARTER <Daniel.Carter@rcmp-grc.gc.ca>, <pgennis@spergel.ca>
Subject: Re: 1970636 Ontario Ltd., o/a Mt. Cross Pharmacy ("Mt. Cross")

Again, hopefully with the correct email for Philip.

This message contains information that is confidential and privileged. If you are not the intended recipient, please advise the sender and delete this message.

On Jun 4, 2018, at 1:20 PM, sandra antoniani <sandra@smork.com> wrote:

> Hello Daniel (and Philip),
>
> PPSC does not consent to sharing anything from the crown's file without a court order. Of course we do not bind the RCMP but I suspect that your policy is similar.
>
> Sandra
>
> This message contains information that is confidential and privileged. If you are not the intended recipient, please advise the sender and delete this message.
>
> On Jun 4, 2018, at 12:18 PM, Daniel CARTER <Daniel.Carter@rcmp-grc.gc.ca> wrote:
>
>> Hi Sandra. Wondering if you could speak with Phillip directly.
>>
>> Dan
>> Sent from my BlackBerry 10 smartphone on the Bell network.
>>
>> **From:** Philip Gennis <PGennis@spergel.ca>
>> **Sent:** Monday, June 4, 2018 12:14
>> **To:** Daniel CARTER
>> **Subject:** Re: 1970636 Ontario Ltd., o/a Mt. Cross Pharmacy ("Mt. Cross")

Daniel:

Just following up. Wondering if the Crown is willing to grant us access to the books and records (paper and/or electronic).

Thanks

Philip H. Gennis, JD.,CIRP,.LIT
Msi Spergel Inc.
416-498-4325/416-457-4773

On May 23, 2018, at 4:05 PM, Daniel CARTER <Daniel.Carter@rcmp-grc.gc.ca> wrote:

Hi Philip, sorry for the delayed response.

I have a meeting with our PPSC crown tomorrow and will be bring her your request as they now have `carriage`of the file. You may be able to find some information on the OCP website regarding NASIM`s charges and conditions.

I will let you know how things go tomorrow.

Cst. Daniel CARTER
Reg. 55710/ HRMIS. 165039
Serious and Organized Crime Section
Hamilton-Niagara Regional Detachment
phone - 905-643-5791
cell- 905-961-0162
fax - 905-643-5932
daniel.carter@rcmp-grc.gc.ca
>>> Philip Gennis <PGennis@spergel.ca> 2018/05/17 1:40 PM >>>
Daniel:

Thanks for taking the time to speak with me again this morning.

As you are aware, msi Spergel inc., was appointed Interim Receiver over Mt. Cross by Order of the Honourable Justice Dunphy of the Ontario Superior Court of Justice dated May 16, 2018.
A further copy of this court Order is attached for your reference.

In our capacity as Interim Receiver and pursuant to Paragraph 4 of the subject Order, we are hereby formally requesting the following:

1. Copies of your arrest reports relative to the arrests of Angelo Kirkopoulos and Umair Nasim respectively;
2. If, of the public domain, the information provided to the Justice of the Peace in support of your request for a search warrant;

3. A detailed list of items seized from the Mt. Cross pharmacy on May 16, 2018 pursuant to the search warrant dated May 14, 2018;
4. Full access to the all items including but not limited to books, records and electronics seized pursuant to the above-mentioned search warrant;
5. Full access to any other information in your possession relative to the operation of the Mt. Cross Pharmacy; and
6. A list of additional pharmacies/clinics with which either Mr. Kirkopoulos or Mr. Nasim are involved in any capacity.

As previously advised, our need for the above is urgent and all listed items are required on an expedited basis so as to enable us to analyze the information contained therein and include same in our report to
Court on an application to have our appointment extended to a full receivership both over Mt. Cross and any other entities deemed appropriate and ultimately ordered by the Court.

We thank you for your assistance and look forward to working with you cooperatively in connection with this matter.

Philip Gennis

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

msi Spergel inc., Licensed Insolvency Trustees
505 Consumers Road, Suite 200, Toronto, Ontario, M2J 4V8
T 416-498-4325 | **F** 416-498-4325 | **C** 416-457-4773
<mime-attachment.png> **pgennis@spergel.ca** | **www.spergel.ca**

<mime-attachment.png> <mime-attachment.png><mime-attachment.png><mime-attachment.png>

<ATT00001.png>
<ATT00002.png>
<ATT00003.png>
<ATT00004.png>
<ATT00005.png>

Appendix 7

Updated January 8, 2018
Suggest an Update

Find Similar Services
Flu Vaccines (Seasonal)
Pharmacies

Organization: **MT Cross Pharmacy**

Phone Numbers: 905-389-0249

Fax: 905-389-6568

Website: www.mountainclinic.ca

Address: 503 Concession St
Hamilton, ON
L9A 1C1

Map

Intersection: Upper Wentworth St and Concession St

Location: Hamilton

Accessibility: Wheelchair Accessible

Hours: Mon-Fri 9:30am-5pm

Service Description: General pharmacy

- medication placed in pill organizers (containers for storing scheduled doses)
- medication placed in blister packs (sealed, push-through packaging used to separate doses)
- pharmacist available for diabetes management consultations
- extensive home health care supplies
- mobility aids (walkers, scooters, wheelchairs)
- safety equipment installation (such as bathroom safety equipment, stair lifts)
- free delivery for prescriptions
- free seasonal flu vaccines

MedsCheck - Appointments to review complex prescriptions with a pharmacist

Fees: Dispensing fee plus medication costs

Languages: English

Area(s) Served: Hamilton and area

See Also: Flu Vaccines (Seasonal)
Pharmacies

This information was last completely updated on January 8, 2018

Suggest an Update

© 2018, Hamilton Niagara Haldimand Brant Local Health Integration Network

 © 2018, thehealthline.ca All rights reserved.

Appendix 8

Secure | https://web.archive.org/web/20170724002025/http://mountainclinic.ca

INTERNET ARCHIVE Wayback Machine

http://mountainclinic.ca Go

1 capture
24 Jul 2017

JUN JUL AUG
24
2016 2017 2018

About this capture

CONCESSION WENTWORTH MEDICAL CLINIC & PHARMACY

503 Concession St. Hamilton ON L9A 1C1 TEL: 905 653-5388 FAX: 905 844 5053

MON-FRI 9AM-6PM
SAT 9AM-2PM

OPENING July 31st 2017

We are always interested in seeing new faces. So whether you are a long-standing member of the community, new to the neighbourhood, new to Canada or new to the world altogether, come by and see our family practice

Call us if you are interested in knowing more about our services

7
Curt

2527

DR. MOHAMMED ALHAIDARI

ACCEPTING NEW PATIENTS !!!
CALL FOR YOUR APPOITMENT

WALK-IN EMERGENCY SERVICES

TB TEST's

IN HOUSE CALLS

WOMEN'S HEALTH CARE (including routine gynecology)

MEN's HEALTH CARE

PRE-NATAL HEALTH CARE

CHILD AND INFANT HEALTH CARE (Pediatrics)

Appendix 9

a/contact-form.html

Search...

Contact Form | MTN Medic... ×

MTN MEDICAL CLINIC AND PHARMACY

566 Concession St. Hamilton ON L8V 1B1 TEL: 905 653-5388 FAX: 905 844 5053

MON-FRI 9AM-5PM
SAT 10AM-2PM

We are always interested in seeing new faces. So whether you are a long-standing member of the community, new to the neighbourhood, new to Canada or new to the world altogether, come by and see our family practice

Call us if you are interested in knowing more about our services

1
Like

Tweet

G+

153

CONTACT FORM

Concession Wentworth Medical Clinic

Tel 905-653-5388

Fax 905-844-5053

© DOCTOR SOURCE INC. 2014

MTN MEDICAL CLINIC AND PHARMACY

566 Concession St Hamilton ON L8V 1B1 TEL: 905 653-5388 FAX: 905 844 5053

MON-FRI 9AM-5PM
SAT 10AM-2PM

We are always interested in seeing new faces. So whether you are a long-standing member of the community, new to the neighbourhood, new to Canada or new to the world altogether, come by and see our family practice

Call us if you are interested in knowing more about our services

0
Like
Tweet
G+

103

HOME VISITS

Concession Wentworth Medical Clinic is a service that arranges for a qualified medical doctor or Nurse Practitioner to come to your home. If you, your child or any member of your family is sick and needs a house call, then we can help.

Concession Wentworth Medical Clinic or MTN MEDICAL does not charge any fees. Your home visit is covered by your Health Card (OHIP Card).

Please call 905-719-5035 to book home visit

© DOCTOR SOURCE INC. 2014

www.mountainclinic.ca/index.html

Home| Concession Wenth MEDICAL CLINIC | Doctor Source Inc.

MTN MEDICAL CLINIC AND PHARMACY

566 Concession St. Hamilton ON L8V 1B1 TEL: 905 653-5388 FAX: 905 844 5053

Home Contact Form Home visits Lifelabs Pharmacy Travel Services Independentabilities

MON-FRI 9AM-5PM
SAT 10AM-2PM

We are always interested in seeing new faces. So whether you are a long-standing member of the community, new to the neighbourhood, new to Canada or new to the world altogether, come by and see our family practice

Call us if you are interested in knowing more about our services

3 Like

Tweet

G+

960

TO BOOK HOME VISIT CALL: 289-489-3517

SAME DAY HOME CALLS SERVICE

WALK-IN EMERGENCY SERVICES

TB TEST's

HOME VISITS

WOMEN'S HEALTH CARE (including routine gynecology)

MEN's HEALTH CARE

PRE-NATAL HEALTH CARE

CHILD AND INFANT HEALTH CARE (Pediatrics)

IMMUNIZATIONS

INSURANCE PHYSICALS

WSIB,DISABILITY AND MEDICO-LEGAL CLAIMS

Appendix 10

Canada GoDaddy™

Promos

Search the WHOIS Database

Enter a domain name to search Search

Private Registration Local listings

WHOIS search results

Domain name: mountainclinic.ca
Domain status: registered
Creation date: 2017/06/19
Expiry date: 2018/06/19
Updated date: 2017/06/24
DNSSEC: Unsigned

Registrar:
Name: Go Daddy Domains Canada, Inc
Number: 2316042

Name servers:
ns1.kgbinternet.com
ns8.kgbinternet.com

% WHOIS look-up made at 2018-05-14 19:15:55 (GMT)
%
% Use of CIRA's WHOIS service is governed by the Terms of Use in its Legal
% Notice, available at http://www.cira.ca/legal-notice/?lang=en
%
% (c) 2018 Canadian Internet Registration Authority, (http://www.cira.ca/)

See Underlying Registry Data | Report Invalid Whois

Want to buy this domain?

Get it with our Domain Buy Service.

Go

Is this your domain?

Add hosting, email and more.

Go

Need help? Call our award-winning support team 24/7 at 1-866-938-1119

About GoDaddy
Support
Resources
Partner Programs
Account
Shopping

Canada - English CAD

Legal | Privacy Policy | Advertising Preferences | Cookies

Copyright © 1999 – 2018 GoDaddy Operating Company, LLC. All Rights Reserved.

Appendix 11

AGREEMENT OF PURCHASE AND SALE

DATED: June , 2017

BETWEEN:

Vendor:

1919932 ONTARIO LTD.

Purchaser:

1970636 ONTARIO LTD.

FABER & OOSTDYK
o/u Sean Oostdyk Professional Corporation
Lawyers
1025 Waterdown Road
Burlington, Ontario
L7T 1N4

This Agreement effective as of the day of June, 2017

BETWEEN:

1970636 ONTARIO LTD. a corporation incorporated under the laws of the Province of Ontario and having its head office in the City of Hamilton;

(the "Purchaser")

and

1919932 ONTARIO LTD. a corporation incorporated under the laws of the Province of Ontario and having its head office in the City of Hamilton (Ancaster), operating as "Mt. Cross Pharmacy";

(the "Vendor")

ORLANDO DEN CASSAVIA (hereinafter called "Orlando") and GEORGE VLACHODIMOS (hereinafter called "George"), of the City of Hamilton (Ancaster), Province of Ontario;

(hereinafter collectively called the "Shareholders").

WHEREAS:

1. The Vendor is the owner of the assets, and wishes to sell, and the Purchaser wishes to purchase, the undertaking and all of the assets of such business on the terms and subject to the conditions hereinafter contained;

2. The Shareholders control the Vendor;

NOW THEREFORE in consideration of the premises and the mutual agreements and covenants herein contained, the parties hereto hereby covenant and agree as follows:

1. Interpretation

1.1 **Defined terms.** In this agreement and in the Schedules hereto, unless there is something in the subject-matter or context inconsistent therewith, the following terms and expressions will have the following meanings:

(a) "Affiliate" of any person means any corporation which, directly or indirectly, is controlled by, controls or is under direct or indirect common control with such person;

(b) "arm's length" will have the meaning ascribed to such term under the *Income Tax Act*, R.S.C. 1952, c. 148 (Canada);

(c) "Assumed Contracts" means all contracts, Commission Contracts,

agreements, orders, commitments and other engagements by or with third parties relating to the Business which are included in the Purchased Assets;

(d) "Business" means the business carried on by the Vendor which primarily involves the operation of a pharmacy, located at 503 Concession Street, Hamilton, Ontario;

(e) "Business Day" means any day other than a day which is a Saturday, a Sunday or a statutory holiday in Ontario;

(f) "Closing Date" means May 5, 2017, or such other date as the Vendor and Purchaser may agree upon;

(g) "Condition" of the Business means the condition of the assets, liabilities, operations, activities, earnings, prospects, affairs and financial position of the Business;

(h) "Conditional" means a contract which, on the Closing Date, is conditional by its terms and pursuant to which the parties thereto are not obligated by law to complete until the occurrence of a specified event;

(i) "Encumbrances" means mortgages, charges, pledges, security interests, liens, encumbrances, actions, claims, demands and equities of any nature whatsoever or howsoever arising and any rights or privileges capable of becoming any of the foregoing;

(j) "Excluded Assets" means those assets of the Business referred to in Section 2.3 hereof;

(k) "Firm" means a contract which is, on the Closing Date, not conditional upon its terms and pursuant to which the parties thereto are obligated by law to complete;

(l) "Person" means and includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, government, governmental agency or board or commission or authority, and any other form of entity or organization;

(m) "Purchase Price" means the sum of Five Million Four Hundred and Fifty Thousand Dollars ($5,450,000.00) plus an agreed-upon value of Inventory;

(n) "Purchased Assets" means the undertaking, goodwill and assets, (including the assets listed on Schedule "A") of the Business which are to be sold by the Vendor to the Purchaser pursuant to Section 2.1 hereof;

(o) "Warranty Claim" means a claim made by either the Purchaser or the Vendor based on or with respect to the inaccuracy or non-performance or non-fulfillment

or breach of any representation or warranty made by the other party contained in this agreement or contained in any document or certificate given in order to carry out the transactions contemplated hereby;

(0) "Deposit" shall mean the monies paid on account of the purchase price under this agreement, which shall be refundable in the case this transaction fails to close through no fault of the Purchaser;

(p) "Down Payment" shall mean the total monies paid on account of the purchase price on the closing of this agreement and shall include the deposit.

1.2 **Best of knowledge.** Any reference herein to "the best of the knowledge" of the Vendor and the Shareholders will mean the actual knowledge of the Vendor and the Shareholders or any one of them, as the case may be.

1.3 **Schedules.** The Schedules which are attached to this agreement are incorporated into this agreement by reference and are deemed to be part hereof.

1.4 **Currency.** Unless otherwise indicated, all dollar amounts referred to in this agreement are in lawful money of Canada.

1.5 **Choice of law and attornment.**

(1) This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

(2) The parties agree that the courts of that province will have exclusive jurisdiction to determine all disputes and claims arising between the parties.

1.6 **Interpretation not affected by headings or party drafting.** The division of this agreement into articles, sections, paragraphs, subparagraphs and clauses and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this agreement. The terms "this agreement", "hereof", "herein", "hereunder" and similar expressions refer to this agreement and the Schedules hereto and not to any particular article, section, paragraph, subparagraph, clause or other portion hereof and include any agreement or instrument supplementary or ancillary hereto. Each party hereto acknowledges that it and its legal counsel have reviewed and participated in settling the terms of this agreement, and the parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the interpretation of this agreement.

1.7 **Number and gender.** In this agreement, unless there is something in the subject matter or context inconsistent therewith,

(a) words in the singular number include the plural and such words shall be

2.3 **Liabilities and indemnity.** The Purchaser will not assume and will not be liable for, and the Vendor will indemnify the Purchaser from and against, all obligations, commitments and liabilities of and claims against the Vendor (whether absolute, accrued or contingent) relating to the Business, which arise from the operations of the Business prior to the closing date. Without limiting the generality of the foregoing, it is agreed that the Purchaser will have no liability for any of the following obligations or liabilities:

(a) all liabilities in respect of all indebtedness of the Vendor to all persons;

(b) all liabilities for all taxes, duties, levies, assessments and other such charges, including any penalties, interests and fines with respect thereto, payable by the Vendor to any federal, provincial, municipal or other government or governmental agency, authority, board, bureau or commission, domestic or foreign, including, without limitation, any taxes in respect of or measured by the sale, consumption or performance by the Vendor of any product or service prior to the Closing Date or any similar legislation in respect of all remuneration payable to all persons employed in the Business prior to the Closing Date;

(c) all liabilities for salary, bonus, vacation pay and other compensation and all liabilities under employee benefit plans of the Vendor relating to employment of all persons in the Business prior to the Closing Date;

(d) all severance payments, damages for wrongful dismissal and all related costs in respect of the termination by the Vendor of the employment of any employee of the Business who does not accept the Purchaser's offer of employment referred to in Section 5.2(b) hereof and in respect of any employee of the Business who is not offered employment by the Purchaser; and

(e) all liabilities for claims for injury, disability, death or worker's compensation arising from or related to employment in the Business prior to the Closing Date.

2.4 **Purchase Price.** The Purchase Price payable by the Purchaser to the Vendor for the Purchased Assets will be the sum of Five Million, Four Hundred and Fifty Thousand Dollars ($5,450,000.00), plus and agreed-upon amount for inventory, and subject to change with closing adjustments.

2.5 **Payment of Purchase Price.** The Purchase Price will be paid and satisfied as follows:

(a) The Purchaser acknowledges receipt of the Deposit, in the amount of One Million, Two Hundred and Fifty Thousand Dollars ($1,250,000.00). In the

event that this agreement fails to close as a result of the Vendor's breach, the entire deposit shall be refunded without interest or deduction.

(b) At the Closing Date, the Purchaser will pay to the Vendor, or as the Vendor directs, by certified cheque or bank draft, the sum of Four Million Two Hundred Thousand Dollars, ($4,200,000.00);

2.6 **Allocation of Purchase Price.** The Purchase Price shall be allocated among the Purchased Assets in the manner provided by Schedule "A" attached hereto. The Vendor and the Purchaser shall file their respective tax returns prepared in accordance with such allocation.

2.7 **Payment of taxes.** The Purchaser shall be liable for and shall pay all applicable federal and provincial sales taxes, goods and services taxes, excise taxes and all other taxes (other than income taxes of the Vendor), duties and other like charges properly payable on and in connection with the conveyance and transfer of the Purchased Assets to the Purchaser. The Vendor will do and cause to be done such things as are reasonably requested to enable the Purchaser to comply with such obligation in an efficient manner.

2.8 **Goods and Services Tax exemption.**

(1) The Vendor and George hereby represent and warrant to the Purchaser that:

(a) the Vendor is registered for purposes of Part IX of the *Excise Tax Act*, R.S.C. 1985, c. E-15 (Canada) (the "GST/HST Legislation");

(b) the Purchased Assets comprise all or substantially all of the property used in the Business; and

(c) the Business is a "commercial activity" for purposes of the GST/HST Legislation.

(2) The Purchaser hereby represents and warrants to the Vendor that the Purchaser is registered for purposes of the GST/HST Legislation.

(3) The Vendor and the Purchaser will jointly execute in prescribed form, and the Vendor will file within the required time, an election under s. 167(1) of the *Excise Tax Act* (Canada) that no tax be payable pursuant to the GST/HST Legislation with respect to the purchase and sale of the Purchased Assets hereunder.

3. Representations and Warranties

3.1 **Representations and warranties by the Vendor and the Shareholder.** The Vendor and George hereby jointly and severally represent and warrant to the Purchaser as follows, and confirm that the Purchaser is relying upon the accuracy of

ordinary course of the Business;

(f) entered into any transaction, contract, agreement or commitment relating to the Business, except in the ordinary course of the Business;

(g) made any material change with respect to any method of management, operation or accounting in respect of the Business;

(h) suffered any damage, destruction or loss (whether or not covered by insurance) relating to the Business which has materially adversely affected or could materially adversely affect the Condition of the Business;

(i) increased any form of compensation or other benefits payable or to become payable to any of the employees of the Business, except increases made in the ordinary course of the Business which do not exceed five percent (5%), in the aggregate, of the amount of the aggregate salary compensation payable to all of the employees of the Business prior to such increase;

(j) suffered any extraordinary loss relating to the Business;

(k) made or incurred any material change in, or become aware of any event or condition which is likely to result in a material change in, the Condition of the Business or its relationships with its customers, suppliers or employees; or

(l) authorized, agreed or otherwise become committed to do any of the foregoing.

(9) *Tax Matters.*

(a) For purposes of this agreement, the term "Governmental Charges" means and includes all taxes, customs duties, rates, levies, assessments, reassessments and other charges, together with all penalties, interest and fines with respect thereto, payable to any federal, provincial, municipal, local or other government or governmental agency, authority, board, bureau or commission, domestic or foreign.

(b) The Vendor has paid all Governmental Charges which are due and payable by it on or before the date hereof. There are no actions, suits, proceedings, investigations, enquiries or claims now pending or made or, to the best of the knowledge of the Vendor and George, threatened against the Vendor in respect of Governmental Charges. The Vendor has withheld from each amount paid or credited to any person the amount of Governmental Charges required to be withheld therefrom and has remitted such Governmental Charges to the proper tax or other receiving

authorities within the time required under applicable legislation.

(10) *Litigation*. There are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of the Vendor) pending or, to the best of the knowledge of the Vendor and George, threatened, by or against or affecting the Vendor which relate to the Business, at law or in equity, or before or by any court or any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign. There are no grounds on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success.

(11) *Title to Assets*. The Vendor is the owner of and has good and marketable title to all of the Purchased Assets, free and clear of all Encumbrances whatsoever. No other person owns any assets which are being used in the Business, except for personal property leased by the Vendor.

(12) *Affiliates*. No part of the Business and none of the Purchased Assets are owned or operated by any Affiliate of the Vendor.

(13) *Partnerships or Joint Ventures*. The Vendor is not, in relation to any part of the Business, a partner or participant in any partnership, joint venture, profit-sharing arrangement or other association of any kind and is not party to any agreement under which the Vendor agrees to carry on any part of the Business in such manner or by which the Vendor agrees to share any revenue or profit of the Business with any other person.

(14) *Customers*. The Vendor has previously delivered to the Purchaser a true and complete list of all customers and former customers of the Business as of the date hereof. The Vendor is the sole and exclusive owner of, and has the unrestricted right to use, such customer list. Neither the customer list nor any information relating to the customers of the Business have, within three years prior to the date of this agreement, been made available to any person other than the Purchaser.

(15) *Restrictions on Doing Business*. The Vendor is not a party to or bound by any agreement in relation to the Business which would restrict or limit its right to carry on any activity or to solicit business from any person or in any geographical area or otherwise to conduct the Business as the Vendor may determine. The Vendor is not subject to any judgment, order or requirement of any court or governmental authority in relation to the Business which is not of general application to persons carrying on a business similar to the Business. To the best of the knowledge of the Vendor and George, there are no facts or circumstances in relation to the Business which could materially adversely affect the ability of the Purchaser to continue to operate the Business as presently conducted following the completion of the transactions contemplated by this agreement.

(16) *Employees*. Schedule "D" attached hereto sets forth the name, job title,

duration of employment, vacation entitlement, employee benefit entitlement and rate of remuneration (including bonus and commission entitlement) of each employee of the Business. Schedule "D" also sets forth the names of all employees of the Business who are now on disability, maternity or other authorized leave or who are receiving workers' compensation or short-term or long-term disability benefits. All payments and obligations owing to such employees or sales representatives for the period up to the Closing Date have been satisfied by the Vendor in full.

(17) *Employment Agreements.* Other than as disclosed herein and as listed on Schedule "D" the Vendor is not a party to any written or oral employment, service or consulting agreement relating to any one or more persons working in the Business, except for oral employment agreements which are of indefinite term and without any special arrangements or commitments with respect to the continuation of employment or payment of any particular amount on termination of employment. There are no employees of the Business who cannot be dismissed on such period of notice as is required by law in respect of a contract of hire for an indefinite term.

(18) *Employee Benefit and Pension Plans.* The Vendor does not have, and is not subject to any present or future obligation or liability under, any pension plan, deferred compensation plan, retirement income plan, stock option or stock purchase plan, profit sharing plan, bonus plan or policy, employee group insurance plan, hospitalization plan, disability plan or other employee benefit plan, program, policy or practice, formal or informal, with respect to any of the employees of the Business, other than the Canada Pension Plan and the Ontario Health Insurance Plan and other similar health plans established pursuant to statute.

(19) *Non-Arm's Length Matters.* With respect to the Business, the Vendor is not a party to or bound by any agreement with, is not indebted to, and no amount is owing to the Vendor by, any of the Affiliates of the Vendor or any officers, former officers, directors, former directors, shareholder, former shareholder, employees (except for oral employment agreements with employees) or former employees of the Vendor or to any person not dealing at arm's length with any of the foregoing.

(20) *Compliance with Laws.* In relation to the Business, the Vendor is not in violation of any federal, provincial or other law, regulation or order of any government or governmental or regulatory authority, domestic or foreign, including, without limitation, any law, regulation or order relating to real estate brokerages.

(21) *Complete Conveyance.* Except for the Excluded Assets, the assets included in the Purchased Assets constitute all of the assets of the Vendor used in carrying on the Business. The Purchased Assets include all rights, properties, interests, assets (both tangible and intangible) and agreements necessary to enable the Purchaser to carry on the Business in the same manner and to the same extent as it has been carried on by the Vendor prior to the date hereof.

(22) *Vendor's Residency.* The Vendor is not a non-resident of Canada within the

meaning of the *Income Tax Act* (Canada).

(23) *Copies of Documents.* Complete and correct copies (including all amendments) of all contracts, leases and other documents referred to in this agreement or any Schedule hereto or required to be disclosed hereby have been delivered to the Purchaser.

(24) *Disclosure.* No representation or warranty contained in this Section 3.1, and no statement contained in any Schedule, certificate, list, summary or other disclosure document provided or to be provided to the Purchaser pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact which is necessary in order to make the statements contained therein not misleading.

(25) *Statutory Liens.*

(a) The Vendor has paid in full all amounts owing to employees under the *Labour Standards Act*, and there are no claims or potential claims against the Vendor by former employees for wrongful dismissal.

(b) The Vendor has paid all amounts owing for the supply of utilities or telephone services.

(c) The Vendor has deducted and paid to the appropriate governmental authorities all payroll source deductions as required, including workers' compensation, unemployment insurance, Canada Pension Plan, and income tax.

(d) The Vendor has collected and remitted all amounts required by all governmental authorities as provincial sales tax, education and health tax, and other taxes of similar nature.

(26) *Access to Financial Records, etc.*

The Vendor agrees to make available to the Purchaser, its employees and agents, all books of account, credit information, ledgers, journals and financial statements as may reasonably be required by the Purchaser to carry on the business and preserve the goodwill being purchased herein.

(26) *Pharmaceuticals*

Orlando represents and warrants that the pharmaceutical dispensing has been done in accordance with all rules and regulations applicable thereto.

3.2 **Representations and warranties by the Purchaser.** The Purchaser hereby represents and warrants to the Vendor and the Shareholders as follows, and confirms

that the Vendor and the Shareholders are relying on the accuracy of each of such representations and warranties in connection with the sale of the Purchased Assets and the completion of the other transactions hereunder:

(1) *Corporate Authority and Binding Obligation*. The Purchaser is a corporation duly incorporated and validly subsisting in all respects under the laws of its jurisdiction of incorporation. The Purchaser has good right, full corporate power and absolute authority to enter into this agreement and to purchase the Purchased Assets from the Vendor in the manner contemplated herein and to perform all of the Purchaser's obligations under this agreement. The Purchaser and its shareholders and board of directors have taken all necessary or desirable actions, steps and corporate and other proceedings to approve or authorize, validly and effectively, the entering into of, and the execution, delivery and performance of, this agreement and the purchase of the Purchased Assets by the Purchaser from the Vendor. This agreement is a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms subject to:

(a) bankruptcy, insolvency, moratorium, reorganization and other laws relating to or affecting the enforcement of creditors' rights generally, and

(b) the fact that equitable remedies, including the remedies of specific performance and injunction, may only be granted in the discretion of a court.

(2) *Contractual and Regulatory Approvals*. The Purchaser is not under any obligation, contractual or otherwise to request or obtain the consent of any person, and no permits, licences, certifications, authorizations or approvals of, or notifications to, any federal, provincial, municipal or local government or governmental agency, board, commission or authority are required to be obtained by the Purchaser in connection with the execution, delivery or performance by the Purchaser of this agreement or the completion of any of the transactions contemplated herein.

(3) *Compliance with Constating Documents, Agreements and Laws*. The execution, delivery and performance of this agreement and each of the other agreements contemplated or referred to herein by the Purchaser, and the completion of the transactions contemplated hereby, will not constitute or result in a violation or breach of or default under:

(a) any term or provision of any of the articles, by-laws or other constating documents of the Purchaser,

(b) subject to obtaining the contractual consents referred to in Schedule "B" hereof, the terms of any indenture, agreement (written or oral), instrument or understanding or other obligation or restriction to which the Purchaser is a party or by which it is bound, or

(c) subject to obtaining the regulatory consents referred to in Schedule "C" hereof, any term or provision of any licences, registrations or qualification of the Purchaser or any order of any court, governmental authority or regulatory body or any applicable law or regulation of any jurisdiction.

(4) *Investment Canada Act.* The Purchaser is not a "non-Canadian" for purposes of and within the meaning of the *Investment Canada Act*, R.S.C. 1985, c. 28 (1st Supp.).

(5) *Restrictions on Doing Business.* The Purchaser is not a party to or bound by any agreement in relation to the Business which would restrict or limit its right to carry on any activity or to solicit business from any person or in any geographical area or otherwise to conduct the Business as the Purchaser may determine. The Purchaser is not subject to any judgment, order or requirement of any court or governmental authority in relation to the Business which is not of general application to persons carrying on a business similar to the Business.

4. Survival and Limitations of Representations and Warranties

4.1 **Survival of warranties by the Vendor and Shareholder.** The representations and warranties made by the Vendor and the Shareholders and contained in this agreement, or contained in any document or certificate given in order to carry out the transactions contemplated hereby, will survive the closing of the purchase of the Purchased Assets provided for herein and, notwithstanding such closing or any investigation made by or on behalf of the Purchaser or any other person or any knowledge of the Purchaser or any other person, shall continue in full force and effect for the benefit of the Purchaser, provided that no Warranty Claim may be made or brought by the Purchaser after the date which is two (2) years following the Closing Date.

After the expiration of the period of time referred to in the foregoing paragraph of this section, the Vendor and the Shareholders will be released from all obligations and liabilities in respect of the representations and warranties made by the Vendor and the Shareholders and contained in this agreement or in any document or certificate given in order to carry out the transactions contemplated hereby except with respect to any claims made by the Purchaser in writing prior to the expiration of such time period.

4.2 **Survival of warranties by Purchaser.** The representations and warranties made by the Purchaser and contained in this agreement or contained in any document or certificate given in order to carry out the transactions contemplated hereby will survive the closing of the purchase and sale of the Purchased Assets provided for herein and, notwithstanding such closing or any investigation made by or on behalf of the Vendor or the Shareholders or any other person or any knowledge of the Vendor or the Shareholder or any other person, shall continue in full force and effect for the benefit of the Vendor and the Shareholders; provided that no Warranty Claim may be made or brought by the Vendor after the date which is two (2) years following the Closing Date.

5. Covenants

5.1 **Covenants by the Vendor and the Shareholder.** The Vendor and George jointly and severally covenant to the Purchaser that they will do or cause to be done the following:

(a) *Delivery of Purchased Assets.* The Vendor shall ensure that all existing insurance coverage is maintained until closing.

(b) *Transfer of Purchased Assets.* On or before the Closing Date, the Vendor and the Shareholders will cause all necessary steps and corporate proceedings to be taken in order to permit the Purchased Assets to be duly and regularly transferred to the Purchaser.

(c) *Forms of Conveyance.* On the Closing Date, the Vendor will deliver to the Purchaser good and marketable title to and exclusive possession of the Purchased Assets, free and clear of any and all Encumbrances. At the Closing Time, the Vendor will execute and deliver to the Purchaser one or more forms of general conveyance, or bills of sale, deeds, transfers and other documents reasonably requested by the Purchaser in respect of the assignment, conveyance, transfer and delivery of the Purchased Assets to the Purchaser in form which is register able and acceptable to the Purchaser.

(d) *Retail Sales Tax.* Deleted.

(e) *Bulk Sales Act Legislation.* Deleted.

(f) *Non-Competition Agreement.* On the Closing Date, the Vendor and the Shareholder will execute and deliver to the Purchaser a non-competition agreement in the form of the draft agreement attached hereto as Schedule "E". In addition, at the Closing Time the Vendor will change/cancel its trade name to a name which does not include the words "Mt. Cross Pharmacy" or any variation or abbreviation thereof or reference thereto.

(g) *Cancellation of Contracts.* The Vendor will, upon being so advised by the Purchaser, and at its own cost entirely, cancel all advertising contracts and other contracts under its control, whether in effect as at the Closing Date, or coming into effect thereafter.

(h) *Notification of customers/clients.* The Vendor and the Shareholders will use their best efforts to notify all existing clients, including but not limited to, all persons on the customer/client list which is being transferred to the Purchaser pursuant to the provisions of this agreement, to deal directly

with the Purchaser and not with the Vendor subsequent to the Closing Date.

5.2 **Covenants by the Purchaser.** The Purchaser covenants to the Vendor and the Shareholders that it will do or cause to be done the following:

(a) *Employees.*

The Vendor will remain responsible and liable for all amounts which have accrued to all employees of the Business prior to the Closing Date including, without limitation, all salary, bonus, employee benefits and vacation pay. In addition, the Vendor will be liable for all severance payments, damages for wrongful dismissal and all related costs payable in respect of the termination of the employment of the employees of the Business by the Vendor at or prior to the Closing Time.

(b) Subject to paragraph 5.2(a) directly above, the Purchaser will hire all employees of the Vendor on the same terms and conditions as their employment with the Vendor.

6. Indemnification and Set-Off.

6.1 **Indemnity by the Vendor and the Shareholder.**

(1) The Vendor and George hereby jointly and severally agree to indemnify and save the Purchaser harmless from and against any claims, demands, actions, causes of action, damage, loss, deficiency, cost, liability and expense which may be made or brought against the Purchaser or which the Purchaser may suffer or incur as a result of, in respect of or arising out of:

(a) any non-performance or non-fulfillment of any covenant or agreement on the part of the Vendor or the Shareholder contained in this agreement or in any document given in order to carry out the transactions contemplated hereby;

(b) any misrepresentation, inaccuracy, incorrectness or breach of any representation or warranty made by the Vendor or the Shareholder contained in this agreement or contained in any document or certificate given in order to carry out the transactions contemplated hereby; and

(c) all costs and expenses including, without limitation, legal fees on a solicitor and client basis, incidental to, arising from or in respect of the foregoing.

(2) The obligations of indemnification by the Vendor and George pursuant to

paragraph (1) of this section will be subject to the limitations referred to in Section 4.1 hereof with respect to the survival of the representations and warranties by the Vendor and the Shareholder.

6.2 **Limited Set-Off.** In the event only of a breach of Warranty pursuant to paragraph 4.1(b), the Purchaser shall be entitled to set-off the balance of the amount owing on account of the Purchase Price, provided that:

(a) the set-off so made shall be in lieu of any claim for damages whether actual, incurred or liquidated and no further claim shall be made by the Purchaser for such breach of Warranty.

6.3 **Mediation and Arbitration.** Except for an act or intervention by any governmental authority which has the effect of prohibiting the operation of the Business or a substantial part of the Business, the Purchaser shall not have a right of set-off and shall be obligated to continue to pay the Purchaser Price or any balance thereof. In the event of a claim of breach of any Warranty, the Parties shall mediate such claim in the following manner:

(a) (i) The parties will endeavor to resolve any disputes between them on any matter in this Agreement by negotiation between themselves personally or by their lawyers, and, unless there is an emergency, neither party will initiate any other procedure until negotiations have exhausted all reasonable possibilities of resolution.

(ii) Whether the negotiations are conducted by the parties personally or by their lawyers, they may obtain the assistance of a mediator they select jointly.

(iii) If negotiations are conducted with the assistance of a mediator, and no agreement is reached, the mediator will disclose only this fact and make no report unless otherwise directed by the parties.

(iv) No evidence of anything said or of any admission or communication made in the course of the negotiations or mediation is admissible in any legal proceeding, except with the consent of all parties.

(b) In the absence of a mediated agreement, the mediator shall have authority to make a binding decision or interpretation, and such decision shall be binding on all the parties. To the extent that the mediator requires further powers to conclude the matters in a binding manner, the *Arbitration Act* shall apply.

7. General Provisions

7.1 **Further assurances.** Each of the Vendor and the Purchaser hereby covenants and agrees that at any time and from time to time after the Closing Date it will, on the request of the others, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, assignments, transfers, conveyances and assurances as may be required for the better carrying out and performance of all the terms of this agreement.

7.2 **Conditions for Benefit of Purchaser.** This Agreement shall be subject to the following conditions which are included for the sole benefit of the Purchaser and shall be waived by the Purchaser in its sole discretion:

(a) Approval of all necessary financing from Desante Financial with approval of financing conditions by the Purchaser's accountant;

(b) Approval by building manager at Vendor's place of business to continue and/or assign the lease to the Purchaser on the same terms and conditions as contained in the current lease between the Vendor and the landlord;

(c) Approval and consent of the Vendor's equipment and inventory suppliers to continue to supply the Purchaser as the new business owner, and to assign the contracts to the Purchaser as required in the Purchaser's discretion; and,

(d) Subject to the Vendor and Purchaser agreeing on the value of the inventory to be purchased by the Purchaser.

7.3 **Conditions for Benefit of Vendor.** This Agreement shall be subject to the following conditions which are included for the sole benefit of the Vendor and shall be waived by the Vendor in its sole discretion:

(a) Release from the Vendor's obligations and those of any of the Shareholders, as applicable, under its current lease with respect to the commercial space leased, Desante Financial, the Vendor's bank, all suppliers of the Vendor's business, and all creditors of the Vendor and Shareholders.

7.4 **Notices.**

(1) Any notice, designation, communication, request, demand or other document, required or permitted to be given or sent or delivered hereunder to any party hereto shall be in writing and shall be sufficiently given or sent or delivered if it is:

(a) delivered personally to an officer or director of such party,

(b) sent to the party entitled to receive it by registered mail, postage prepaid, mailed in Canada, or

(c) sent by telecopy machine.

(2) Notices shall be sent to the following addresses:

(a) in the case of the Vendor and Shareholders,
c/o Angelo Kirkopoulos – 31 Greenwood Street, Hamilton, ON

(b) in the case of the Purchaser,
c/o Umair Nasim – 27 Spitfire Drive, Mount Hope, ON

or to such other address or telecopier number as the party entitled to or receiving such notice, designation, communication, request, demand or other document shall, by a notice given in accordance with this section, have communicated to the party giving or sending or delivering such notice, designation, communication, request, demand or other document.

7.5 **Counterparts.** This agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

7.6 **Announcements.** No announcement with respect to this agreement will be made by any party hereto without the prior approval of the other parties, and in any event, not before May 5, 2017. The foregoing will not apply to any announcement by any party required in order to comply with laws pertaining to timely disclosure, provided that such party consults with the other parties before making any such announcement.

7.7 **Assignment.** The rights of the Vendor and the Shareholders hereunder shall not be assignable without the written consent of the Purchaser. The rights of the Purchaser hereunder shall not be assignable without the written consent of the Vendor and the Shareholder.

7.8 **Successors and Assigns.** This agreement shall be binding on and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Nothing herein, express or implied, is intended to confer on any person, other than the parties hereto and their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this agreement.

7.9 **Entire Agreement.** This agreement and the Schedules referred to herein constitute the entire agreement between the parties hereto and supersede all prior agreements, representations, warranties, statements, promises, information, arrangements and understandings, whether oral or written, express or implied, with respect to the subject-matter hereof. None of the parties hereto shall be bound or charged with any oral or written agreements, representations, warranties, statements,

promises, information, arrangements or understandings not specifically set forth in this agreement or in the Schedules, documents and instruments to be delivered on or before the Closing Date pursuant to this agreement. The parties hereto further acknowledge and agree that, in entering into this agreement and in delivering the Schedules, documents and instruments to be delivered on or before the Closing Date, they have not in any way relied, and will not in any way rely, on any oral or written agreements, representations, warranties, statements, promises, information, arrangements or understandings, express or implied, not specifically set forth in this agreement or in such Schedules, documents or instruments.

7.10 **Amendments.** No modification or amendment to this agreement maybe made unless agreed to by the parties hereto in writing.

IN WITNESS WHEREOF the parties hereto have duly executed this agreement under seal this _____ day of June, 2017.

In the presence of:

1970636 ONTARIO LTD.
Per:

_____
Umair Nasim, President
"I have authority to bind the Corporation"

1919932 ONTARIO LTD.
Per:

_____
Angelo Kirkopoulos, Secretary

_____
George Vlachodimos, Treasurer
"We have authority to bind the Corporation"

_____
Orlando Den Cassavia

_____
George Vlachodimos

Schedule "A"

Equipment and Assets List

and Allocation of Purchase Price

Capital Assets	$ 1,250,000.00
Equipment and office supplies, including used equipment	200,000.00
Goodwill (including website, intellectual property, internet account, telephone numbers and yellow pages advertising, telephone fax and E-mail addresses related to the business, name – Mt. Cross Pharmacy	4,000,000.00
Total value: subject to change with closing adjustments	$ 5,450,000.00 plus inventory*

* Inventory - The sum payable for inventory will be adjusted based on the inventory in the Vendor's possession on the date of closing, which will be purchased by the Purchaser at no more than 100% of the Vendor's book cost of inventory. The Vendor will work down the inventory until the closing date. Any remaining inventory will be purchased by the Purchaser.

Schedule "B"

Contractual and Regulatory Approvals

None

Schedule "C"

Vendor's Licences, Registrations and Qualifications

Ontario College of Pharmacists (OCP)

Schedule "D"

Employees

Angela Misiti-Abrantes

Jenny Tan

Elias Khanis

Schedule "E"

Non-Competition Agreement

THIS AGREEMENT dated the ____ day of June, 2017.

BETWEEN:

1970636 ONTARIO LTD., a corporation incorporated under the laws of the Province of Ontario having its head office in the City of Hamilton;

(the "Purchaser")

and

1919932 ONTARIO LTD., a corporation incorporated under the laws of the Province of Ontario having its head office in the City of Hamilton (Ancaster);

(the "Vendor")

and

ORLANDO DEN CASSAVIA and GEORGE VLACHODIMOS of the City of Hamilton (Ancaster), Province of Ontario;

(the "Covenantor").

WHEREAS:

1. The Purchaser, the Vendor and the Covenantor are the parties to a purchase agreement relating to the purchase by the Purchaser and the sale by the Vendor of substantially all of the assets of the Vendor (the "Purchase Agreement"); and

2. The business carried on by the Vendor primarily involves the operation of a pharmacy located at 503 Concession Street, Hamilton, Ontario ("the Business); and

3. It is a condition of the closing of the transactions contemplated by the Purchase Agreement that the Vendor and the Covenantor execute and deliver this Non-Competition Agreement; and

4. All capitalized terms and expressions, not otherwise defined herein, shall have the respective meanings assigned thereto in the Purchase Agreement;

The Parties agree:

1. Non-Competition

(1) The Vendor and the Covenantor acknowledge that they have become familiar with the proprietary aspects of the Business including certain of the confidential information and trade secrets related to the Business and agree:

(a) For a period of five (5) years from the date hereof, the Vendor and the Covenantor will not, within the Territory, become licensed with any pharmacy or association, either as principal, agents or sales representatives, and the Vendor and the Covenantor, or either of them, will not establish a pharmacy of any kind, within the Territory;

(b) For a period of five (5) years from the date hereof, the Vendor and the Covenantor will not within the Territory, for themselves, or on behalf of any other person, partnership, company, corporation or other entity, contact any supplier or customer of the Vendor, directly or indirectly, or aid, abet or assist any other person or entity in contacting any supplier or customer of the Vendor, for the purpose of initiating, engaging in or furthering competition with the Business, except that the Vendor may engage in such activity with respect to a supplier or customer of the Vendor if such activity does not adversely affect the business or prospects of the Business.

(c) The Vendor and the Covenantor, for a period of FIVE (5) years from the date hereof and within the Territory:

(i) shall not accept employment with or directly or indirectly organize or participate in the organization of any firm, partnership, corporation, joint venture, sole proprietorship or other business entity if such firm, partnership, corporation, joint venture, sole proprietorship or entity is engaged or to be engaged in any business, conduct or activity in competition with that of the Business; and

(ii) shall not, directly or indirectly, either individually or as a consultant, employee, partner, owner, officer or stockholder, or in any other capacity whatsoever with respect to any person, firm, partnership, corporation, joint venture, sole proprietorship or other business entity engage in or aid, assist or abet others in engaging in any business, conduct or activity in competition with the Business.

(2) For the purposes of this Section 1 and this Agreement, "Territory" means:

(i) The City of Hamilton and the Regional Municipality of Halton, in the Province of Ontario, Canada.

(3) In the event that a court of competent jurisdiction finds any subsection or subsections dealing with the territorial restriction of this Section to be unenforceable, then the City of Hamilton shall be deemed the governing restriction.

2. Equitable Remedies

In the event of the Vendor's or a Covenantor's breach, or threatened breach, of any term or provision contained in this Agreement, the Vendor and the Covenantor agree that the Purchaser shall be entitled to both temporary and permanent injunctive relief. The right of the Purchaser to such relief shall not be construed to prevent the Purchaser from pursuing, either consecutively or concurrently, any and all other legal or equitable remedies available to it for such breach or threatened breach, specifically including without limitation the recovery of monetary damages.

3. Applicable Law and Choice of Forum

This Agreement shall be interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The parties attorn to the courts of the Province of Ontario.

4. Severability

If any term, provisions covenant or condition of this Agreement is declared invalid, illegal, unenforceable, ineffective or inoperative for any reason, such declaration shall not have the effect of invalidating or voiding the remainder of this Agreement, and the parties hereto agree that the part or parts of this Agreement so held to be invalid, illegal, unenforceable, ineffective or inoperative will be deemed to have been stricken herefrom and the remainder hereof will have the same force and effectiveness as if such part or parts had never been included herein.

5. Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and shall not be altered, modified or amended, in whole or in part, except by the express written authorization and consent of the parties. In the event of a conflict between the terms hereof and those contained in the Purchase Agreement executed contemporaneously herewith, the terms of this Agreement shall control.

6. Waivers

Any waiver by any party, whether express or implied, of any breach of any term, covenant or condition of this Agreement shall not constitute a waiver as to any subsequent breach of the same or of any other term, covenant or condition thereof. Failure of a party to declare any breach upon the occurrence thereof, or any delay by any party in taking action with respect to any breach, shall not waive any such breach.

7. Parties in Interest

This Agreement and all terms, covenants and conditions contained herein shall

enure to the benefit of and shall be binding on the undersigned parties and their respective heirs, executors, administrators, trustees, successors and assigns.

IN WITNESS WHEREOF this Agreement has been executed by all of the parties hereto.

In the presence of:

1970636 ONTARIO LTD.
Per:

Umair Nasim, President
"I have authority to bind the Corporation"

1919932 ONTARIO LTD.
Per:

Angelo Kirkopoulos, Secretary

George Vlachodimos, Treasurer
"We have authority to bind the Corporation"

Orlando Den Cassavia

George Vlachodimos