



**Second Report to Court of
KSV Restructuring Inc.
as Proposal Trustee of
Claireville Property Holdings Inc.**

September 7, 2021

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COURT FILE NO.: 31-2749576

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
COMMERCIAL LIST

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL
OF CLAIREVILLE PROPERTY HOLDINGS INC.,
A CORPORATION INCORPORATED UNDER
THE ONTARIO *BUSINESS CORPORATIONS ACT*

SECOND REPORT OF KSV RESTRUCTURING INC. AS PROPOSAL TRUSTEE OF
CLAIREVILLE PROPERTY HOLDINGS INC.

SEPTEMBER 7, 2021

1.0 Introduction

1. This report ("Report") is filed by KSV Restructuring Inc. ("KSV") in its capacity as proposal trustee (in such capacity, the "Proposal Trustee") in connection with a Notice of Intention to Make a Proposal ("NOI") filed by Claireville Property Holdings Inc. (the "Company") on July 2, 2021 (the "Filing Date") pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA").
2. The principal purpose of these proceedings is to create a stabilized environment to provide the Company with an opportunity to consider its restructuring alternatives, including refinancing its principal secured obligations and/or realizing on its business and assets in order to formulate and present a restructuring plan for creditors in the context of a proposal ("Proposal").
3. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") issued on July 28, 2021 (the "July 28 Order"), the Court:
 - a) granted an extension of the deadline to file a Proposal and extended the corresponding stay of proceedings under the BIA to August 9, 2021, which was further extended to September 15, 2021 upon the filing on August 4, 2021 of a Certificate by the Proposal Trustee¹;
 - b) expanded the powers of the Proposal Trustee to oversee the Company's operations and restructuring, including controlling receipts and disbursements;

¹ The automatic extension mechanism was dependent on the closing of the DIP Facility and corresponding repayment of the secured amounts owing to DUCA Financial Services Credit Union Ltd. on or prior to August 9, 2021.

- c) granted a charge of up to \$250,000 on the Company's current and future property, assets and undertaking (collectively, the "Property") to secure the fees and disbursements of the Company's counsel, as well as the fees and disbursements of the Proposal Trustee and its counsel;
 - d) approved a debtor-in-possession loan facility (the "DIP Facility") in the amount of \$4.5 million from Cannect Mortgage Investment Corporation (the "DIP Lender") and granted a charge on the Property in favour of the DIP Lender for advances under the DIP Facility; and
 - e) approved a sale and investment solicitation process ("SISP").
4. A copy of the July 28 Order is attached as Appendix "A".

1.1 Purposes of this Report

1. The purposes of this Report are to:
- a) provide background information about the Company and these proceedings;
 - b) provide the Court with an update on the Company's and the Proposal Trustee's activities since the Proposal Trustee filed its First Report to Court dated July 26, 2021 (the "First Report");
 - c) provide an update on the SISP;
 - d) report on the Company's actual cash flow relative to the cash flow forecast appended to the First Report;
 - e) report on the Company's cash flow projection for the period September 5, 2021 to October 30, 2021 (the "Cash Flow Forecast");
 - f) discuss the request for an extension of the deadline to file a Proposal from September 15, 2021 to October 30, 2021;
 - g) summarize and seek approval of the fees and expenses of KSV, as Proposal Trustee, and the Proposal Trustee's counsel, Aird & Berlis LLP ("A&B"), from the commencement of the proceedings to July 31, 2021; and
 - h) recommend that this Court grant the relief sought.

1.2 Restrictions

1. In preparing this Report, the Proposal Trustee has relied upon unaudited financial information prepared by the Company, the Company's books and records and discussions with the Company's management, legal counsel and the Company's property manager, Prime Real Estate Group Inc. ("Prime"). The Proposal Trustee has not audited, reviewed or otherwise verified the accuracy or completeness of the information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*.

2. The Proposal Trustee expresses no opinion or other level of assurance with respect to the financial information presented in this Report or relied upon by the Proposal Trustee in preparing this Report. Any party wishing to place reliance on the Company's financial information should perform its own diligence and any reliance placed by any party on the Company's financial information presented herein shall not be considered sufficient for any purpose whatsoever.
3. An examination of the Cash Flow Forecast as outlined in the *Chartered Professional Accountants Canada Handbook* has not been performed. Future oriented financial information relied upon in this Report is based upon the Company's assumptions regarding future events; actual results achieved may vary from this information and these variations may be material.

1.3 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

1.4 Court Materials

1. Court materials filed in these proceedings are available on the Proposal Trustee's website at <https://www.ksvadvisory.com/insolvency-cases/case/claireville-property-holdings-inc>.

2.0 Background

2.1 Corporate Overview

1. The Company is privately owned and was incorporated under the *Business Corporations Act (Ontario)* in 2015. Based on a review of the corporate profile report, the sole registered director and officer of the Company is Mark Gross.
2. Mark Gross was also a director and officer of Prime, the Company's property manager. On July 29, 2021, Mark Gross resigned as a director and officer of Prime.²
3. Mark Gross and Sheldon Gross are also the sole registered directors and officers of Gross Capital Inc. ("GCI"), which is the Company's parent and a 50% shareholder of Prime. On July 25, 2021, GCI filed an assignment in bankruptcy and KSV was appointed Licensed Insolvency Trustee (in such capacity, the "Bankruptcy Trustee") of GCI's bankrupt estate, which appointment was affirmed at GCI's first meeting of creditors on July 15, 2021. GCI also owns several other real estate holding companies, certain of which are subject to separate receivership proceedings before this Court.

² In the First Report, the Proposal Trustee reported that there was ambiguity regarding whether Mark Gross was a director and officer of Prime. Since that time, counsel to Mark Gross has confirmed that he was previously a director and officer of Prime, but as noted above, he has since resigned from both positions.

2.2 Assets

1. The Company's principal asset is its leasehold interest (the "Leasehold Interest") in 13 dual tenant industrial buildings municipally addressed as 18/20/22/24/26 Huddersfield Road, 350/354/358 Humberline Drive and 93/101/123/130/160 Claireville Drive (collectively, the "Real Property").
2. The Company is the registered owner of the Leasehold Interest, which it holds as bare trustee and nominee for and on behalf of 21 co-tenants (collectively, the "Co-Tenants"). GCI is one of the Co-Tenants, with a 7.3% beneficial interest in Claireville Properties Co-Tenancy (the "Co-Tenancy").
3. The Leasehold Interest is subject to a 99-year ground lease with Kornwood Investments Ltd. ("Kornwood") dated September 1, 1973 (the "Ground Lease") which expires on August 31, 2073. Rent under the Ground Lease is based on 9% of the fair market value of the Real Property. The fair market value and the corresponding lease payments are reset periodically in accordance with the terms of the Ground Lease. The next reset date for rent under the Ground Lease is September 1, 2023.

2.3 Investigation

1. KSV, in its capacity as Bankruptcy Trustee of GCI, is currently conducting an investigation into the assets and pre-bankruptcy operations of GCI and several of its subsidiaries and related parties (collectively, the "Gross Group"). The investigation was commenced due to, *inter alia*, accusations made by investors of misappropriation of investor funds by Mark and Sheldon Gross and/or entities controlled by Mark and Sheldon Gross. In respect of these allegations, on or around June 29, 2021, certain stakeholders of the Gross Group commenced a Court application (the "Application") naming Mark Gross and other parties as respondents. The Application was originally returnable in Court on July 5, 2021, and sought various branches of relief against the respondents and in respect of the respondents' properties and businesses, including the appointment of an investigative receiver. The Application was opposed by Mark Gross and several other respondents. In accordance with the Endorsement dated July 8, 2021 of the Honourable Mr. Justice Pattillo, the Application is now scheduled to be heard on October 12, 2021.
2. A portion of the Bankruptcy Trustee's investigation is focused on the Company. The Company has historically been profitable - it has most recently generated annual income of over \$1 million in 2018 and 2019; however, notwithstanding the recurring income stream, the Company was insolvent on the Filing Date.
3. Historically, funds generated by the Leasehold Interest were advanced by the Company to other entities in the Gross Group which contributed to its insolvency. In this regard, the Co-Tenancy's financial statements as at December 31, 2020 reflect an intercompany advance owing from GCI of approximately \$3.3 million.
4. The Bankruptcy Trustee is presently in the preliminary stages of its investigation, including compiling bank statements and supporting documentation from the bank at which GCI maintained its bank accounts. When complete, the Bankruptcy Trustee's findings and possible next steps will be summarized for the inspectors of GCI's estate.

2.4 DIP Financing and Expanded Powers

1. At the commencement of the NOI proceedings, the Company's principal secured creditor was DUCA Financial Services Credit Union Ltd. ("DUCA"), which was owed approximately \$2.4 million. As a result of, *inter alia*, DUCA learning that the Company had accrued unpaid property tax arrears of approximately \$2 million, DUCA issued demand together with a Notice of Intention to Enforce Security pursuant to Section 244 of the BIA in June, 2021. The Company filed its NOI prior to the expiry of the statutory 10-day notice period in an effort to preserve value and maximize recoveries for its stakeholders.
2. In July 2021, Mark Gross obtained a commitment letter from the DIP Lender to repay DUCA and bring the outstanding property taxes current. The July 28 Order approved the DIP Facility, which funding was received late in the day on July 30, 2021. On the following business day, the Company used the \$4.5 million available under the DIP Facility to repay DUCA and the property tax arrears.
3. To address stakeholder concerns regarding the management of the Company, the Proposal Trustee advised Mark Gross that it was only prepared to support a continuation of the NOI proceedings if its powers were enhanced such that Mark Gross could no longer control the Company or make any executive decisions, including controlling receipts and disbursements and/or decisions concerning the SISP. Mark Gross consented to this relief. Pursuant to the July 28 Order, Mark Gross has no decision-making authority or control over the Company, including the SISP and the bank accounts.

3.0 Update on the Company's and the Proposal Trustee's Activities

1. The Company's and Proposal Trustee's activities since the July 28 Order include:
 - a) communicating with suppliers to secure goods and services during these proceedings and to address payment terms, including utility service providers, Prime, as property manager, and other vendors;
 - b) corresponding regularly with Prime regarding operational and tenant issues;
 - c) corresponding with the DIP Lender and various beneficial owners of the Co-Tenancy;
 - d) corresponding with Kornwood and reviewing and considering issues in connection with the Ground Lease;
 - e) controlling the Company's receipts and disbursements;
 - f) arranging for the payment of the Company's ongoing goods and services;
 - g) dealing extensively with insurance brokers in connection with an extension of the Company's insurance policy, which was set to expire on August 31, 2021;

- h) engaging with A&B, Weisz Fell Kour LLP, counsel to the Company, and Tyr LLP, counsel to Mark and Sheldon Gross, concerning various matters in these proceedings;
- i) preparing this Report; and
- j) conducting the SISP in accordance with the July 28 Order, as discussed below.

4.0 SISP

1. In accordance with the July 28 Order, the Proposal Trustee solicited listing proposals from five commercial realtors to act as listing agent for the Leasehold Interest in the Real Property.
2. The Proposal Trustee requested that each realtor provide a proposal by August 9, 2021. On August 9, 2021, four listing proposals were submitted from realtors.³
3. Following consultation with the DIP Lender, the Proposal Trustee entered into a listing agreement for the Leasehold Interest on August 25, 2021 with CB Richard Ellis Limited ("CBRE").⁴
4. It is expected that CBRE's marketing materials will be finalized on or around the return of this motion and the preliminary offer deadline will be approximately five (5) weeks following the launch of the process. As contemplated in the SISP that was approved as part of the July 28 Order, the timeline to receive offers is to be determined by the Proposal Trustee, in consultation with CBRE.

5.0 Cash Flow Forecast

1. The Company is operating in accordance with the cash flow forecast filed with the Court in support of its first extension motion heard July 28, 2021. In this regard, the Company's actual cash balance of approximately \$400,000 exceeds its projected cash balance for the week ended September 5, 2021 of approximately \$106,000. The positive variance is largely attributed to timing differences - there are no noteworthy and/or material permanent variances to report.
2. The Company's Cash Flow Forecast, together with Management's Report on the Cash-Flow Statements as required by subsection 50.4(2)(c) of the BIA, are attached hereto as Appendix "B". The Cash Flow Forecast was prepared by Prime with the assistance of the Proposal Trustee. As a result of the July 28 Order, the Proposal Trustee has executed the 50.4(2)(c) report.

³ One realtor who approached the Proposal Trustee did not submit a proposal because it did not have experience selling leasehold interests.

⁴ The July 28 Order provided that the Company would engage a realtor by August 13, 2021. Before entering into a listing agreement, the Proposal Trustee required certain clarifications regarding the Ground Lease, particularly in respect of the rent reset term, which may materially affect the value of the Leasehold Interest. Accordingly, the Proposal Trustee did not engage an agent until August 25, 2021.

3. Based on the Proposal Trustee's review of the Cash Flow Forecast, there are no material assumptions which seem unreasonable. The Proposal Trustee's Report on the Company's Cash Flow Statement as required by subsection 50.4(2)(b) of the BIA is attached as Appendix "C".

6.0 Request for an Extension

1. The Proposal Trustee, in accordance with its expanded powers granted under the July 28 Order, is seeking an extension of time on behalf of the Company to file a Proposal from September 15, 2021 to October 30, 2021.
2. The Proposal Trustee is supportive of the extension request for the following reasons:
 - a) it will provide time to advance the SISP, the outcome of which will determine next steps in these proceedings, including the filing of a Proposal;
 - b) it is more likely that the Company will be able to make a viable Proposal if the extension is granted;
 - c) the Cash Flow Forecast reflects that the Company is projected to have sufficient liquidity to fund its business during the extension period;
 - d) any concern about the Company's current principal acting in good faith and with due diligence has been addressed by the July 28 Order. In addition, it is the Proposal Trustee's view that the good faith and due diligence standard should now focus on the Proposal Trustee's conduct given the terms of the July 28 Order. In this regard, the Proposal Trustee has been discharging its duties and obligations in accordance with the July 28 Order and the BIA; and
 - e) no creditor will be materially prejudiced if the extension is granted.

7.0 Professional Fees

1. The fees and disbursements of the Proposal Trustee and its counsel from the commencement of the proceedings to and including July 31, 2021 are summarized below:

Firm	(\$)			
	Fees	Disbursements	Total	Average Hourly Rate
KSV	45,663.75	235.29	45,899.04	551.49
A&B	22,619.00	69.75	22,688.75	532.21
Total	68,282.75	305.04	68,587.79	

2. Detailed invoices are provided in exhibits to the fee affidavits filed by representatives of each of KSV and A&B, which are provided in Appendices "D" and "E" hereto, respectively.
3. The Proposal Trustee is of the view that the hourly rates charged by A&B are consistent with rates charged by law firms practicing in restructuring and insolvency in the downtown Toronto market, and that the fees charged are reasonable and appropriate in the circumstances.

8.0 Conclusion and Recommendation

1. Based on the foregoing, the Proposal Trustee respectfully recommends that this Honourable Court make an order granting the relief detailed herein.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

KSV RESTRUCTURING INC.

**SOLELY IN ITS CAPACITY AS THE TRUSTEE ACTING *IN RE* THE PROPOSAL OF
CLAIREVILLE PROPERTY HOLDINGS INC.,
AND NOT IN ANY OTHER CAPACITY**

Appendix “A”

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
(IN BANKRUPTCY AND INSOLVENCY)

THE HONOURABLE)	WEDNESDAY, THE
)	
JUSTICE PATTILLO)	28 th DAY OF JULY, 2021

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF CLAIREVILLE PROPERTY HOLDINGS INC.
A CORPORATION INCORPORATED UNDER
THE ONTARIO *BUSINESS CORPORATIONS ACT***

ORDER

(RE: STAY EXTENSION, EXPANDED POWERS OF THE PROPOSAL TRUSTEE,
SISP, DIP LOAN, AND CHARGES)

THIS MOTION, made by Claireville Property Holdings Inc. (the “**Debtor**”) pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the “**BIA**”) to, among other things, (i) extend the time for the filing of a proposal; (ii) approve the expanded powers of KSV Restructuring Inc. in its capacity as proposal trustee of the Debtor (the “**Proposal Trustee**”), (iii) approve debtor-in-possession financing advanced by Cannect Mortgage Investment Corporation (the “**DIP Loan**”); (iv) approve certain priority charges; (v) approving a sale and investment solicitation process (“**SISP**”); and approving the First Report of the Proposal Trustee dated July 26, 2021 (the “**First Report**”) and the actions and activities of the Proposal Trustee set out therein, proceeded on this day by videoconference due to the COVID-19 crisis.

ON READING the Motion Record of the Debtor and the First Report and on hearing the submissions of counsel for the Debtor, the Proposal Trustee, and any other person listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Levi Rivers, filed and the affidavit of service of Susy Moniz, filed:

SERVICE

1. **THIS COURT ORDERS** that the 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.

EXTENSION OF TIME TO FILE A PROPOSAL

2. **THIS COURT ORDERS** that pursuant to Section 50.4(9) of the BIA, the period for the Proposal Trustee to file, on behalf of the Debtor, a proposal to creditors under the BIA be and is hereby extended to and including August 9, 2021 (the “**Stay Period**”).

3. **THIS COURT ORDERS** that if the Proposal Trustee files with the court on or before the expiry of the Stay Period a closing certificate confirming that: (a) the DIP Loan has closed; and (b) DUCA Financial Services Credit Union Ltd. (“**DUCA**”) has been indefeasibly repaid from the proceeds of the DIP Loan, which repayment shall be no greater than the amount of \$2,291,500.00 (the “**Maximum DUCA Payout Amount**”), the Stay Period is automatically extended to September 15, 2021.

EXPANDED POWERS OF THE PROPOSAL TRUSTEE

4. **THIS COURT ORDERS** that, in addition to the powers afforded to the Proposal Trustee under the BIA prior to the granting of this Order (which powers, for greater certainty, shall continue after the granting of this Order), the Proposal Trustee is also hereby empowered and authorized, but not obligated to, act at once in respect of the property, assets and undertaking of the Debtor (the “**Property**”) and, without in any way limiting the generality of the foregoing, the Proposal Trustee is expressly empowered and authorized to do any of the following where the Proposal Trustee considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property, including, without limitation, any bank account of the Debtor and any accounts maintained with suppliers, vendors and service providers, and any and all rents, proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Proposal Trustee’s powers and duties, including without limitation those conferred by this Order;

- (d) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (e) to settle, extend or compromise any indebtedness owing to the Debtor;
- (f) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Proposal Trustee's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (g) to market any or all of the Property, including advertising and soliciting offers for sale or refinancing in respect of the Property and negotiating such terms and conditions of sale as the Proposal Trustee in its discretion may deem appropriate;
- (h) to conduct the SISP and steps related thereto, as set out in more detail in this Order;
- (i) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (j) to report to, meet with and discuss with such affected Persons (as defined below) as the Proposal Trustee deems appropriate on all matters relating to the Property and this proceeding, and to share information, subject to such terms of confidentiality as the Proposal Trustee deems advisable;
- (k) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (l) to exercise any co-tenancy, shareholder, partnership, joint venture or other rights which the Debtor may have in respect of the Property; and
- (m) 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 Proposal Trustee takes any such actions or steps, it shall be exclusively authorized and empowered to do so to the exclusion of all other Persons, including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE PROPOSAL TRUSTEE

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

6. **THIS COURT ORDERS** that all Persons shall forthwith advise the Proposal Trustee of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing collectively, the "**Records**") in that Person's possession or control, and shall provide to the Proposal Trustee or permit the Proposal Trustee to

make, retain and take away copies thereof and grant to the Proposal Trustee unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 6 or in paragraph 7 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 Proposal Trustee due to the privilege attaching to solicitor client communication or due to statutory provisions prohibiting such disclosure.

7. **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 Proposal Trustee for the purpose of allowing the Proposal Trustee to recover and full 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 Proposal Trustee in its discretion deems expedient, and shall not alter, erase or destroy any records without the prior written consent of the Proposal Trustee. Further, for the purposes of this paragraph all Persons shall provide the Proposal Trustee with all such assistance in gaining immediate access to the information in the Records as the Proposal Trustee may in its discretion require including providing the Proposal Trustee with instructions on the use of any computer or other system and providing the Proposal Trustee with any and all access cords, account names and account numbers that may be required to gain access to the information.

PROPOSAL TRUSTEE TO HOLD FUNDS

8. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Proposal Trustee from and after the making of this Order

from any source whatsoever, including, without limitation, the sale of all or any of the Property pursuant to the SISP and the collection of any rent amounts or 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 Proposal Trustee (the “**Proposal Trustee Accounts**”) and the monies standing to the credit of such Proposal Trustee Accounts from time to time, net of any disbursements provided for herein, shall be held by the Proposal Trustee to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

9. **THIS COURT ORDERS** that the Proposal Trustee 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 Proposal Trustee may specifically agree in writing to pay, or in respect to its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

10. **THIS COURT ORDERS** the Proposal Trustee that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Proposal Trustee shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property under the SISP and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one of more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of

the Sale, and if it does not complete a Sale, shall return all such information to the Proposal Trustee, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, shall return all other personal information to the Proposal Trustee, or ensure that all other personal information is destroyed.

LIMITATIONS ON ENVIRONMENTAL LIABILITIES

11. **THIS COURT ORDERS** that nothing herein contained shall require the Proposal Trustee 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 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 Proposal Trustee from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Proposal Trustee shall not, as a result of this Order or anything done in pursuance of the Proposal Trustee’s duties and powers under this Order, be deemed in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

ADMINISTRATION CHARGE

12. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee, and counsel to the Debtor shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed the amount of \$250,000 as security for their professional fees and disbursements incurred at the standard rates and charges of the Proposal Trustee and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraph 22 hereof.

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

14. **THIS COURT ORDERS** that prior to the passing of its accounts, the Proposal Trustee 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 Proposal Trustee or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

APPROVAL OF THE FIRST REPORT

15. **THIS COURT ORDERS** that the First Report and the conduct and activities of the Proposal Trustee described therein be and are hereby approved.

DIP FINANCING AND CHARGE

16. **THIS COURT ORDERS** that the Debtor is hereby authorized and empowered to obtain and borrow a DIP Loan from Cannect Mortgage Investment Corporation (the “**DIP Lender**”), and such DIP Loan shall not exceed \$4,500,000.00 unless permitted by further Order of this Court.

17. **THIS COURT ORDERS THAT** the DIP Loan shall be on the terms and subject to the conditions set forth in the DIP Term Sheet between the Debtor and the DIP Lender dated as of July 23, 2021 (the “**DIP Term Sheet**”), filed.

18. **THIS COURT ORDERS** that the Debtor is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Debtor is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

19. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property, which DIP Lender’s Charge shall not secure an obligation that exists before this Order is made. The DIP Lender’s Charge shall have the priority set out in paragraph 22 hereof.

20. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon five (5) days notice to the Debtor and the Proposal Trustee, may exercise any and all of its rights and remedies against the Debtor or the Property under or pursuant to the DIP Term Sheet, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Debtor and set off and/or consolidate any amounts owing by the DIP Lender to the Debtor against the obligations of the Debtor to the DIP Lender under the DIP Term Sheet, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Debtor and for the appointment of a trustee in bankruptcy of the Debtor; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Debtor or the Property.

21. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any Proposal filed by the Debtor under the BIA with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES

22. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge (together, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$250,000); and

Second- the DIP Lender's Charge (to the maximum amount of \$4,500,000.00).

23. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

24. **THIS COURT ORDERS** that the Charges shall constitute a charge on the Property and shall, subject to the priorities established in paragraph 22 herein, rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

25. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, no further Encumbrances shall be granted over any Property that rank in priority to, or *pari passu* with the Charges, unless the prior written consent of the Proposal Trustee and the DIP Lender is obtained, or by further Order of this Court.

26. **THIS COURT ORDERS** that the DIP Term Sheet, the Definitive Documents and the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (the “**Chargees**”) shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Debtor, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Debtor of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Debtor entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Debtor pursuant to this Order, the DIP Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not

constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SOLICITATION OF LISTING PROPOSALS

27. **THIS COURT ORDERS** that the Proposal Trustee is hereby authorized and empowered to obtain listing proposals from such brokers as it deems appropriate to solicit a sale and/or investment transaction in respect of the Property, and to execute and perform a listing agreement (the “**Listing Agreement**”) with such broker and on such terms as it deems appropriate.

28. **THIS COURT ORDERS** that the Proposal Trustee conduct the sale and investment solicitation process (“**SISP**”) as set out in Schedule “**A**” to this Order with respect to the solicitation of a sale and/or investment transaction in respect of the Property.

29. **THIS COURT ORDERS** that the Proposal Trustee will not execute a Listing Agreement until the earlier of: (a) repayment of Claireville’s obligations to DUCA up to the Maximum DUCA Payout Amount; and (b) August 10, 2021.

PAYMENT OF PROPERTY TAX ARREARS AND DUCA

30. **THIS COURT ORDERS** that, upon receipt by the Debtor of the net funds advanced under the DIP Loan, the Proposal Trustee shall be and is hereby authorized and directed to cause the Debtor to make distributions to (i) first, the City of Toronto on account of all property tax arrears due and owing by the Debtor; and (ii) second, DUCA Financial Services Credit Union Ltd. on account of the Debtor’s secured indebtedness owing to DUCA for principal, interest and costs, in full up to the Maximum DUCA Payout Amount and subject to the Proposal Trustee obtaining an

independent security opinion from its legal counsel confirming the validity and enforceability of DUCA's underlying security.

SEALING OF CONFIDENTIAL APPENDIX TO TRUSTEE'S REPORT

31. **THIS COURT ORDERS** that the Confidential Appendix "1" to the First Report shall be sealed, kept confidential and not form part of the public record, but shall be placed separate and apart from all other contents of the court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further order of this Court.

GENERAL

32. **THIS COURT ORDERS** that in addition to the rights and protections afforded to the Proposal Trustee under the BIA or as an officer of this Court, the Proposal Trustee shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order save and except for any gross negligence or wilful misconduct on its part and nothing in this Order shall derogate from the protections afforded to the Proposal Trustee by the BIA or any applicable legislation. For greater certainty, and without in any way limiting the generality of the foregoing, none of the Proposal Trustee and any of its affiliates, partners, directors, employees, agents and controlling persons shall have any liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to an Person in connection with any of the powers granted to the Proposal Trustee under this Order, except to the extent that such losses, claims,

damages or liabilities result from gross negligence or wilful misconduct of the Proposal Trustee in performing its obligations under this Order.

33. **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 documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/> shall be valid and effective service. Subject to Rule 17.05 of the Rules of Civil Procedure (the “**Rules**”), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and paragraph 21 of the Protocol, service 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 and shall be accessibly by selecting the Debtor’s address from the list of engagements at the following URL: <https://www.ksvadvisory.com/insolvency-cases/>.

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

35. **THIS COURT ORDERS** that nothing in this Order shall prevent the Proposal Trustee from acting as a trustee in bankruptcy of the Debtor, Gross Capital Inc. or any of their subsidiaries or related corporations.

36. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the United States, to give effect to this Order and to assist the Proposal Trustee and its respective 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 Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Proposal Trustee and its respective agents in carrying out the terms of this Order.

37. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Proposal Trustee 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.

38. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order, and this Order is enforceable without the need for entry and filing



SCHEDULE “A”**SALE AND INVESTMENT SOLICITATION PROCESS**

Step	Deadline
Proposal Trustee to select and execute a Listing Agreement (the “ Listing Agent ”)	No later than August 13, 2021
Due diligence phase, during which the Listing Agent and Proposal Trustee will perform marketing outreach and advertising in such publications as are appropriate to solicit a sale or investment offer for the Property. The Listing Agent to provide access to a data room for interested parties who have executed a confidentiality agreement.	To be commenced as soon as the Property is listed on MLS
Bid Deadlines including whether a two phased sale process is pursued	To be determined by Proposal Trustee in consultation with Listing Agent Bid Deadlines to be communicated in advance to potential bidders
Court Approval of a Successful Bid and closing of the sale or investment transaction	To be determined by Proposal Trustee in consultation with Listing Agent

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL
OF CLAIRVILLE PROPERTY HOLDINGS INC. A CORPORATION
INCORPORATED UNDER THE ONTARIO *BUSINESS CORPORATIONS ACT***

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
(IN BANKRUPTCY AND INSOLVENCY)**

Proceedings commenced at Toronto

**ORDER
(RE EXPANDED POWERS OF PROPOSAL
TRUSTEE, CHARGES AND SISP)**

WEISZ FELL KOUR LLP

Royal Bank Plaza, South Tower
200 Bay Street
Suite 2305, P.O. Box 120
Toronto, ON M5J 2J3

Sharon Kour LSO No. 58328D
skour@wfkllaw.ca
Tel: 416.613.8283

Caitlin Fell LSO No. 60091H
cfell@wfkllaw.ca
Tel: 416.613.8282
Fax: 416.613.8290

**Lawyers for Claireville Property
Holdings Inc.**

Appendix “B”

Claireville Property Holdings Inc.
Projected Cash Flow Statement
For the Period Ending October 30, 2021
(unaudited; \$)

	11-Sep	18-Sep	25-Sep	Week Ending		16-Oct	23-Oct	30-Oct	Total
				2-Oct	9-Oct				
<i>Receipts</i>									
Rent	198,495	-	-	577,455	23,285				799,235
Total Receipts	198,495	-	-	577,455	23,285	-	-	-	799,235
<i>Disbursements</i>									
<i>Operating Disbursements</i>									
Rent-Land Lease	-	-	-	-	204,618	-	-	-	204,618
Property taxes	175,162	-	-	-	-	-	-	-	175,162
Hydro Retrofit contract	94,073	-	-	-	47,036	-	-	-	141,109
Hydro recoverable expenses	-	-	-	71,000	-	-	-	75,500	146,500
SG&A	8,968	2,500	2,500	2,500	26,690	2,500	2,500	2,500	50,658
Insurance	18,000	-	-	18,000	-	-	-	-	36,000
Maintenance and repairs	-	11,417	7,289	678	-	1,243	7,289	-	27,915
HST owed (refund)	-	-	-	(10,485)	-	-	-	22,248	11,763
	296,203	13,917	9,789	81,693	278,344	3,743	9,789	100,248	793,725
<i>Other Disbursements</i>									
Professional fees	75,000	-	-	-	75,000	-	-	-	150,000
Total Disbursements	371,203	13,917	9,789	81,693	353,344	3,743	9,789	100,248	943,725
Net Cash Flow	(172,707)	(13,917)	(9,789)	495,761	(330,059)	(3,743)	(9,789)	(100,248)	(144,490)
Cash balance	399,407	226,700	212,783	202,994	698,756	368,697	364,954	355,165	399,407
Net cash flow	(172,707)	(13,917)	(9,789)	495,761	(330,059)	(3,743)	(9,789)	(100,248)	(144,490)
Cash balance	226,700	212,783	202,994	698,756	368,697	364,954	355,165	254,917	254,917

Claireville Property Holdings Inc.



c/o KSV Restructuring Inc. pursuant to July 28,
2021 Court Order
Per: Noah Goldstein

September 7, 2021
Date

KSV RESTRUCTURING INC.
IN ITS CAPACITY AS TRUSTEE UNDER THE
NOTICE OF INTENTION TO MAKE A PROPOSAL
AND NOT IN ITS PERSONAL CAPACITY



Per: Noah Goldstein

**Report on Cash Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the BIA)**

With the assistance of the property manager, the Proposal Trustee on behalf of Claireville Property Holdings Inc. (the "Company") has developed the assumptions and prepared the attached statement of projected cash flow of the Company for the period ending October 30, 2021.

The hypothetical and probable assumptions are suitably supported and consistent with the purpose of the projection and the plans of the Company and provide a reasonable basis for the projection.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared using a set of hypothetical and probable assumptions. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, this 7th day of September, 2021.

KSV Restructuring Inc., in its capacity as
Proposal Trustee, on behalf of
Claireville Property Holdings Inc.
Pursuant to a Court Order dated July 28,
2021



Per: Noah Goldstein

Appendix “C”

**Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)**

The attached statement of projected cash-flow of Claireville Property Holdings Inc., as of the 7th day of September 2021, consisting of a monthly Cash Flow Statement for the period September 5, 2021 to October 30, 2021, has been prepared by the management of the insolvent person.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the management and employees of the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

Readers are cautioned that the projection may not be appropriate for other purposes.

Dated this 7th day of September, 2021.

KSV RESTRUCTURING INC.
LICENSED INSOLVENCY TRUSTEE



Per: Noah Goldstein

Appendix “D”

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
CLAIREVILLE PROPERTY HOLDINGS INC.
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**AFFIDAVIT OF NOAH GOLDSTEIN
(SWORN SEPTEMBER 7, 2021)**

I, Noah Goldstein, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

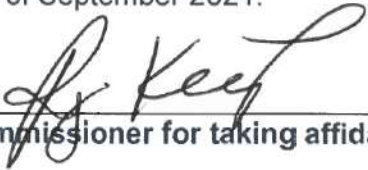
1. I am a Vice President and Managing Director of KSV Restructuring Inc. ("KSV").
2. Pursuant to subsection 50.4(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "BIA"), Claireville Property Holdings Inc. (the "Company") filed a Notice of Intention to Make a Proposal ("NOI") on July 2, 2021 (the "Filing Date"). KSV has been appointed as the proposal trustee under the NOI (the "Proposal Trustee").
3. I have been integrally involved in this mandate since the Filing Date. As such, I have knowledge of the matters to which I hereinafter depose.
4. On September 7, 2021, the Proposal Trustee finalized its Second Report to Court in which it provided a summary of the Proposal Trustee's fees for the period to July 31, 2021.
5. I hereby confirm that attached as Exhibit "A" hereto is a true copy of the accounts of KSV for the period indicated and confirm that the accounts accurately reflect the services provided by KSV in this matter and the fees and disbursements claimed by it.

6. Additionally, attached hereto as Exhibit "B" is a summary of roles, hours and rates charged by members of KSV who have worked on this matter, and I hereby confirm that the list represents an accurate account of such information.

7. I consider the accounts to be fair and reasonable considering the circumstances connected with this matter.

8. I also confirm that the Proposal Trustee has not received, nor expects to receive, nor has the Proposal Trustee been promised any remuneration or consideration other than the amounts claimed in the accounts.

SWORN BEFORE ME at the City of)
Toronto, in the Province of Ontario, this 7th)
day of September 2021.)



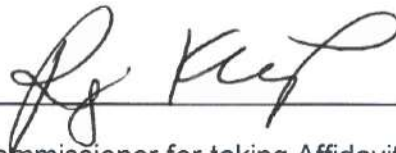
Commissioner for taking affidavits, etc.)



NOAH GOLDSTEIN

**Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires January 27, 2024.**

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF NOAH GOLDSTEIN
SWORN BEFORE ME THIS 7th DAY OF SEPTEMBER, 2021

A handwritten signature in black ink, appearing to read 'Raj Kashyap', is written over a horizontal line.

A Commissioner for taking Affidavits, etc.

**Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires January 27, 2024.**



ksv advisory inc.

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1J9

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INVOICE

Claireville Property Holdings Inc.
c/o KSV Restructuring Inc.
150 King Street West, Suite 2308
Toronto, ON M5H 1J9

August 11, 2021

Invoice No.: 2285

HST No.: 818808768RT0001

Re: Claireville Property Holdings Inc. (the "Company")

For professional services rendered as proposal trustee (the "Proposal Trustee") for the period ended July 31, 2021 in connection with the Company's Notice of Intention to Make a Proposal ("NOI") proceedings filed on July 2, 2021 under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* ("BIA"), including:

- Corresponding extensively with Weisz Fell Kour LLP ("WFK"), the Company's legal counsel, and Aird & Berlis LLP ("A&B"), the Proposal Trustee's legal counsel, regarding, *inter alia*, identifying a debtor-in-possession ("DIP") lender to refinance the Company's secured debt owing to DUCA Financial Services Credit Union Ltd. ("DUCA") and to repay the Company's property tax arrears;
- Corresponding extensively with Mark Gross, the Company's sole director and officer, regarding, *inter alia*, an appraisal of the leasehold interest required for the purposes of a DIP facility;
- Reviewing an appraisal dated July 1, 2021 issued by Cushman & Wakefield ULC;
- Corresponding extensively with Prime Real Estate Group Inc. ("Prime"), the Company's property manager, regarding, *inter alia*, ongoing services at the property and other issues;
- Corresponding extensively with Shelley Leibman, the former contracted bookkeeper, regarding, *inter alia*, the Company's financial affairs, including co-tenant distributions and cash flow projections;
- Reviewing and commenting on multiple versions of a DIP term sheet submitted by Cannect Mortgage Investment Corporation ("Cannect") before it being finalized on July 23, 2021;
- Corresponding with another potential lender regarding providing a DIP facility;
- Corresponding extensively with Lerner's LLP ("Lerner's"), DUCA's legal counsel, in connection with NOI proceedings, the proposed DIP facility and payout statements;

- Facilitating information requests submitted by Lerner on behalf of DUCA, including bank statements, lease agreements and other documentation required by DUCA before providing its consent to the DIP facility;
- Preparing materials required for the Company to file the NOI, including drafts of:
 - the engagement letter;
 - the NOI;
 - the consent to act as Proposal Trustee;
 - cash flow projections (“NOI Cash Flows”);
 - the Management’s Report on Cash Flow Statement filed with the Cash Flow Projection; and
 - the Trustee’s Report on Cash Flow Statement filed with the Cash Flow Projection.
- Filing the Company’s NOI with the Office of the Superintendent of Bankruptcy (Canada) (“OSB”) on July 2, 2021;
- Mailing statutory notices of the NOI proceedings to the Company’s creditors on July 6, 2021;
- Assisting the Company to prepare the NOI Cash Flows and reviewing multiple iterations of same;
- Filing the NOI Cash Flows with the OSB, as required under the BIA;
- Preparing a variance analysis of the NOI Cash Flows to the actual cash flows;
- Drafting the Proposal Trustee’s First Report to Court dated July 26, 2021 (the “First Report”);
- Corresponding extensively with A&B, WFK and TYR LLP, legal counsel to Mark Gross, in connection with the First Report;
- Reviewing and commenting on a letter prepared by WFK to request the return of funds sent to investors by the Company after the NOI filing;
- Assisting the Company to prepare a cash flow projection for the period from July 24, 2021 to September 17, 2021 and discussing the underlying assumptions extensively with the Company’s management and Prime;
- Preparing a letter dated July 28, 2021 to TD Bank Canada (“TD”) to restrict activity in the Company’s bank accounts and to transfer the balance to the Proposal Trustee’s account;
- Preparing a letter dated July 28, 2021 to the Company’s utility providers to notify them that automatic withdrawals from the Company’s bank account will be cancelled;
- Attending court on July 28, 2021 for the motion to approve the DIP facility, enhance the Proposal Trustee’s powers and extend the deadline for the Company to file a proposal in these proceedings;

- Reviewing the court order and endorsement dated July 28, 2021;
- Drafting interest solicitation letters for commercial realtors to be used as part of the Company's sale and investment solicitation process ("SISP");
- Drafting a confidentiality agreement to be provided to realtors participating in the SISP;
- Circulating the solicitation letter and confidentiality agreement to four realtors;
- Monitoring the Company's cash flow on a daily basis;
- Reviewing 2020 financial statements;
- Reviewing outstanding property tax statements and paying the property tax arrears with the funds advanced under the DIP facility;
- Facilitating the repayment of DUCA's loan with the funds advanced under the DIP facility and corresponding extensively with Lerner's regarding same;
- Reviewing Trustee and Beneficial Owner Agreements;
- Responding to creditor inquiries;
- To all other meetings, correspondence, etc. pertaining to this matter.

Total professional fees	\$	45,663.75
Out of pocket disbursements		235.29
HST		5,966.88
Total	\$	<u>51,865.92</u>


KSV Restructuring Inc.
Claireville Property Holdings Inc.

Time Summary

For the period from June 30, 2021 to July 31, 2021

Personnel	Hours	Rate (\$)	Amount (\$)
David Sieradzki	31.75	650	20,637.50
Noah Goldstein	28.50	650	18,525.00
Emily Klein	11.70	400	4,680.00
Other associates	10.85	-	1,821.25
Fees			45,663.75
Out of pocket disbursements			235.29
Total fees and disbursements			45,899.04

THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF NOAH GOLDSTEIN
SWORN BEFORE ME THIS 7th DAY OF SEPTEMBER, 2021


A Commissioner for taking Affidavits, etc.

**Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires January 27, 2024.**

Claireville Property Holdings Inc.

Schedule of Professionals' Time and Rates

For the Period ended July 31, 2021

Personnel	Title	Hours	Billing Rate (\$ per hour)	Amount (\$)
David Sieradzki	Managing Director	31.75	650	20,637.50
Noah Goldstein	Managing Director	28.50	650	18,525.00
Emily Klein	Associate	11.70	400	4,680.00
Other staff and administrative		10.85	-	1,821.25
Total fees				<u>45,663.75</u>
Total hours				82.80
Average hourly rate				\$ 551.49

Appendix “E”

ONTARIO
SUPERIOR COURT OF JUSTICE
[IN BANKRUPTCY AND INSOLVENCY]
(COMMERCIAL LIST)

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF CLAIREVILLE PROPERTY HOLDINGS INC.
A CORPORATION INCORPORATED UNDER
THE ONTARIO *BUSINESS CORPORATIONS ACT***

AFFIDAVIT OF KYLE PLUNKETT

(sworn September 7, 2021)

I, KYLE PLUNKETT, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY AS FOLLOWS:

1. I am a partner at Aird & Berlis LLP and, as such, I have knowledge of the matters to which I hereinafter depose. Aird & Berlis LLP is acting as counsel for KSV Restructuring Inc., in its capacity as the proposal trustee of Claireville Property Holdings Inc. in these proposal proceedings (in such capacity, the “**Proposal Trustee**”), and continues to do so.

2. Aird & Berlis LLP has prepared a Statement of Account which captures its fees and disbursements for the period to and including July 31, 2021 as follows:

(a) An account dated August 24, 2021, which captures the fees rendered for the period from July 1, 2021 to July 31, 2021 in the amount of \$25,638.29, inclusive of HST and disbursements.

3. Attached hereto and marked as **Exhibit “A”** to this affidavit is copy of the aforementioned Statement of Account.

4. Attached hereto and marked as **Exhibit “B”** to this affidavit a summary with a breakdown of timekeepers which have worked on this file for the period referenced above. The average hourly rate is \$532.21.

5. This Affidavit is made in support of a motion to, *inter alia*, approve the attached Statement of Account of Aird & Berlis LLP and the fees and disbursements detailed therein, and for no improper purpose.

SWORN before me at the City of)
 Toronto, in the Province of Ontario,)
 this 7th day of September, 2021)

 Commissioner for Taking Affidavits (or as)
 may be)



KYLE PLUNKETT

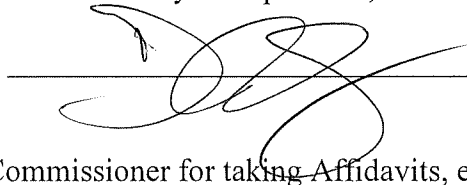
Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF KYLE PLUNKETT

Sworn before me

This 7th day of September, 2021

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, is written over a solid horizontal line.

Commissioner for taking Affidavits, etc

IN ACCOUNT WITH:

AIRD BERLIS

Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

KSV Advisory Inc.
2308-150 King Street West
Box 42
Toronto, ON
M5H 1J9

Attention: Mr. Noah Goldstein

Invoice No.: 719882

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 41611/164933
Client No.: 41611
Matter No.: 164933

August 24, 2021

Re: BIA Proposal Proceedings of Claireville Property Holdings Inc.

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended August 23, 2021:

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JTN	01/07/21	\$475.00	0.10	\$47.50	Email exchanges with K. Plunkett and client re potential filing
JTN	02/07/21	\$475.00	0.20	\$95.00	Email exchanges with client, K. Plunkett and others re potential NOI filing; Receipt and review of same
KBP	02/07/21	\$550.00	1.50	\$825.00	Review and consider various emails from client regarding filing materials; attend call with client to discuss materials; review and consider searches; review and consider debtor documents.
KBP	04/07/21	\$550.00	1.20	\$660.00	Review and consider various emails from debtor team regarding post-filing activities and discussions with DUCA counsel; attend call with N. Goldstein to discuss strategy and administrative matters.
JTN	06/07/21	\$475.00	0.10	\$47.50	Telephone call with K. Plunkett re first steps

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JTN	09/07/21	\$475.00	0.10	\$47.50	Receipt and review of status update email from client
SRM	11/07/21	\$395.00	0.10	\$39.50	Review certified PPSA search
JTN	12/07/21	\$475.00	0.10	\$47.50	Telephone call with client re status
KBP	12/07/21	\$550.00	0.40	\$220.00	Review and consider updates on refinancing and proposal plans; email exchange with client regarding creditor issues and searches.
JTN	13/07/21	\$475.00	0.50	\$237.50	Receipt and review of emails re purported refinancing transaction; Consider same; Email exchanges and telephone call with client re same
KBP	13/07/21	\$550.00	0.40	\$220.00	Review and consider additional financials; review and consider emails from client team.
JTN	14/07/21	\$475.00	0.40	\$190.00	Email exchanges and telephone calls with client re today's developments re purported take-out financier and matters related to same
KBP	15/07/21	\$550.00	1.00	\$550.00	Review and consider emails from client team on updated financials; attend calls with N. Goldstein to discuss DUCA payout and possible recovery and proposal.
JTN	16/07/21	\$475.00	0.50	\$237.50	Telephone calls with client re status and go-forward steps and considerations and attend to related tasks
JTN	17/07/21	\$475.00	0.70	\$332.50	Telephone call with N. Goldstein; Attend on conference call with client and debtor's counsel
KBP	18/07/21	\$550.00	0.80	\$440.00	Review and consider emails from client; attend call to discuss updates on call with debtor team;
JTN	19/07/21	\$475.00	0.10	\$47.50	Email exchange with client re status update
JTN	20/07/21	\$475.00	2.30	\$1,092.50	Telephone call and email exchanges with client; Engaged with review of, revisions to and further drafting of draft

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					order circulated by debtor's counsel; Telephone call with K. Plunkett re same
KBP	20/07/21	\$550.00	1.30	\$715.00	Attend call with client to team discuss extension; attend call with debtor counsel; review and consider draft order; email exchange with client team regarding report and client documents.
JTN	21/07/21	\$475.00	1.50	\$712.50	Telephone calls and email exchanges with client and working group re draft extension Order and related matters; Receipt and review of DIP term sheet; Consider same; Attend to related matters
KBP	21/07/21	\$550.00	2.00	\$1,100.00	Attend call with Debtor counsel and client to discuss draft order terms and court materials; review and provide comments on draft Order; review and consider various emails from client team regarding administrative matters and updates.
JTN	22/07/21	\$475.00	0.30	\$142.50	Receipt and review of further revised draft Order; Consider same; Email exchanges with working group re same
KBP	22/07/21	\$550.00	1.60	\$880.00	Review and respond to various emails from working group; review and provide comments on draft materials; attend calls with debtor counsel; review and consider emails from stakeholders;
CEC	23/07/21	\$315.00	0.20	\$63.00	Review of two parcel registers and request of four instruments in favour of Duca Financial Credit Union; Email thereof to J. Nemers;
SRM	23/07/21	\$395.00	0.20	\$79.00	Review email; Conduct prelim; Order, Review and report on corporate profile for Clairville Property Holdings Inc.
JTN	23/07/21	\$475.00	3.70	\$1,757.50	Engaged with review of, revisions to and further drafting of First Report; Receipt and review of updated draft Order and notice of motion; Multiple emails and telephone calls with members of working group re same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
KBP	23/07/21	\$550.00	2.20	\$1,210.00	Attend call with client team and WKF to discuss court materials; review and provide comments on draft order and NOM; review and discuss draft report with client; review and consider various administrative matters and information disclosure from stakeholders.
JTN	24/07/21	\$475.00	1.50	\$712.50	Telephone call and email exchanges with K. Plunkett re today's developments; Multiple emails with debtor's counsel; Receipt and review of letter from J. Bunting; Consider same and related matters and approach
JTN	25/07/21	\$475.00	1.00	\$475.00	Email exchanges with client and K. Plunkett re draft report and related matters; Receipt, review and consideration of revisions re same
KBP	25/07/21	\$550.00	1.20	\$660.00	Review and provide comments on draft Report; email exchanges with client team; review and consider emails from debtor counsel regarding materials;
JTN	26/07/21	\$475.00	1.30	\$617.50	Engaged with proofreading and matters re service and filing of First Report; Attend to related matters; Telephone call with D. Magisano; Email exchange with client re same and related matters
KBP	26/07/21	\$550.00	1.10	\$605.00	Review and consider emails from debtor counsel on materials; review and respond to emails from client team regarding co-tenancy issues; review and provide comments on draft emails to stakeholders.
JTN	27/07/21	\$475.00	5.30	\$2,517.50	Engaged with multiple lengthy email and telephone calls and negotiations with client, debtor's counsel, secured creditor's counsel, counsel for certain co-tenants and others re tomorrow's hearing; Receipt and review of responding motion record; Consider same; Prepare for tomorrow's hearing; Prepare security opinion re DUCA; Attend to related tasks
KBP	27/07/21	\$550.00	1.80	\$990.00	Review and provide comments on court materials for extension motion; attend

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					various calls to discuss DIP and court materials with client team and WFK; review and consider emails from Foglers regarding DIP and order terms.
JTN	28/07/21	\$475.00	3.00	\$1,425.00	Prepare for and attend at hearing; Multiple lengthy emails and telephone calls with multiple stakeholders re same and further negotiation of draft order and endorsement; Attend to related matters
KBP	28/07/21	\$550.00	1.30	\$715.00	Review and respond to various emails from client team regarding motion; review and respond to various emails from C. Fell; attend calls with client to discuss DIP and next steps re SISP.
JTN	29/07/21	\$475.00	0.50	\$237.50	Receipt and review of His Honour's issued Order and endorsement; Email exchanges with working group re next steps and tomorrow's closing; Emails to B. Taylor and E. Tawfik
KBP	29/07/21	\$550.00	1.50	\$825.00	Various email exchanges with DUCA counsel; various email exchanges with Foglers regarding DIP; review and respond to emails from client team; attend calls with C. Fell; review and consider comments from stakeholders on SISP.
JTN	30/07/21	\$475.00	0.20	\$95.00	Email exchanges with working group re DIP financing
KBP	30/07/21	\$550.00	1.20	\$660.00	Various email exchanges with client team regarding DIP; various email exchanges with Foglers; attend to DIP financing closing; attend call with J. Bunting.
JTN	31/07/21	\$475.00	0.10	\$47.50	Email exchange with K. Plunkett re closing of DIP financing
JTN	02/08/21	\$475.00	0.20	\$95.00	Receipt and review of draft email from client to CNSC; Email exchange with client re same and next steps generally
JTN	03/08/21	\$475.00	0.10	\$47.50	Email exchanges with working group re DIP closing

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
KBP	03/08/21	\$550.00	1.00	\$550.00	Review and consider emails from client regarding administrative matters and updates on secured creditor matters; effect and complete DUCA repayments; draft and complete PT certificate.
CEC	04/08/21	\$315.00	0.10	\$31.50	Receipt and review of registered discharge of charge of lease and notice of assignment of lease and review of parcel registers for two properties; Email to K. Plunkett to report on review;
SRM	04/08/21	\$395.00	0.10	\$39.50	Review email and discharge documents and confirm same
JTN	04/08/21	\$475.00	0.20	\$95.00	Email exchanges with working group and telephone call with K. Plunkett re DIP closing; Receipt and review of certificate evidencing same
KBP	04/08/21	\$550.00	1.70	\$935.00	Review and respond to various emails from client team regarding status of secured debt and other ancillary matters; review and consider correspondence from other stakeholders and concurrent proceedings.
PLW	04/08/21	\$225.00	0.40	\$90.00	Submitted Trustee's Certificate for filing
CEC	05/08/21	\$315.00	0.10	\$31.50	Request of two instruments and email to K. Plunkett;
JTN	05/08/21	\$475.00	0.30	\$142.50	Instruct E. Baltkois re preparation of lengthy service list; Email exchanges with working group re supporting security being requested by Cannect for DIP
KBP	05/08/21	\$550.00	1.10	\$605.00	Review and consider materials from other counsel; email response to WFK on various matters; attend calls with client.
KBP	09/08/21	\$550.00	1.00	\$550.00	Review and respond to emails regarding Prime; email exchange with client regarding Bassett property and trust arrangement.
CEC	10/08/21	\$315.00	0.30	\$94.50	Receipt and review of email from S. Moniz; Request of various instruments

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					per S. Moniz email; Email to S. Moniz of various requested instruments
SRM	10/08/21	\$395.00	0.10	\$39.50	Review email; Order, review and report on profile for Komwood Investments Limited
JTN	10/08/21	\$475.00	0.10	\$47.50	Email exchanges with S. Moniz re service list
CEC	11/08/21	\$315.00	0.20	\$63.00	Receipt and review of email from K. Plunkett, review of title of property and request of instruments on title related to lease to Claireville; Email to K. Plunkett thereto;
JTN	11/08/21	\$475.00	0.40	\$190.00	Attend on conference call with client re listing process and related matters; Email exchanges with DIP counsel re same; Telephone call with K. Plunkett re same
KBP	11/08/21	\$550.00	0.90	\$495.00	Various emails from V. DaRe regarding SISP and marketing materials; email exchange with client regarding same and draft DIP security documents.
CEC	12/08/21	\$315.00	0.10	\$31.50	Review of schedule to general security agreement to confirm accuracy with parcel registers and report thereof to K. Plunkett;
SRM	12/08/21	\$395.00	0.10	\$39.50	Review draft PPSA registration and report on same
KBP	12/08/21	\$550.00	1.00	\$550.00	Review and consider emails from V. DaRe regarding DIP security documents; review and respond to emails from client regarding marketing process and listing summary.
KBP	13/08/21	\$550.00	1.40	\$770.00	Review and consider listing summary; review and provide comments on draft GSA for DIP; send to client; attend calls with client.
KBP	15/08/21	\$550.00	0.20	\$110.00	Email to V. DaRe regarding changes to GSA.

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JTN	16/08/21	\$475.00	0.20	\$95.00	Email exchanges and discussion with K. Plunkett re listing agreement and matters re next court date
KBP	16/08/21	\$550.00	2.00	\$1,100.00	Attend call with DIP lender team to discuss SISP; various email exchanges with V. Dare regarding DIP security documents; provide comments on draft Acknowledgment to be signed by Prime; email exchange with client team regarding court materials.
JTN	17/08/21	\$475.00	0.10	\$47.50	Email exchange with Court re hearing date
KBP	17/08/21	\$550.00	0.70	\$385.00	Review and finalize DIP security documents; coordinate with court motion for extension.
JTN	18/08/21	\$475.00	0.10	\$47.50	Email exchange with Court and client re Court date for NOI extension hearing
KBP	18/08/21	\$550.00	0.40	\$220.00	Review and respond to emails from V. DaRe regarding DIP documents; correspond with Court regarding motion.
LN	19/08/21	\$240.00	0.10	\$24.00	Emails with T. Dolny and K. Plunkett re: creation of sync link for commercial list motion; Creation of sync link and emails to T. Dolny and K. Plunkett with said sync link
JTN	23/08/21	\$475.00	0.20	\$95.00	Telephone call with client re next steps and related matters re September 15 hearing
TOTAL:			59.40	\$30,276.00	

OUR FEE	\$30,276.00
HST at 13%	\$3,935.88

DISBURSEMENTS

Subject to HST

Teraview Search	\$57.00
Corporate Search	\$36.00
Photocopies - Local	\$39.75

Total Disbursements
HST at 13%

\$132.75
\$17.26

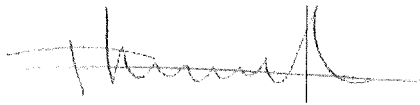
AMOUNT NOW DUE

\$34,361.89

SUMMARY

Name	Year of Call	Hours	Rate	Value
Jeremy T. Nemers (JTN)	01/07/14	25.40	\$475.00	\$12,065.00
Kyle B. Plunkett (KBP)	30/07/11	31.90	\$550.00	\$17,545.00
Shannon R. Morris (SRM)		0.60	\$395.00	\$237.00
Carlos E. Casasola (CEC)		1.00	\$315.00	\$315.00
Patrick L. Williams (PLW)		0.40	\$225.00	\$90.00
Linh Nguyen (LN)		0.10	\$240.00	\$24.00

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Kyle B. Plunkett
/ph
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.
45661018.1

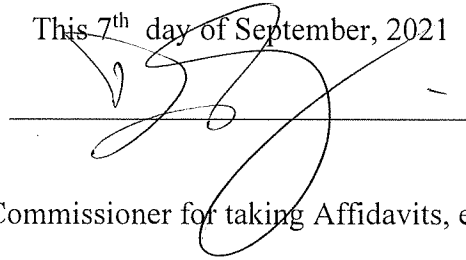
Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF KYLE PLUNKETT

Sworn before me

This 7th day of September, 2021

A handwritten signature in black ink is written over a horizontal line. The signature is stylized and appears to be the name of the Commissioner.

Commissioner for taking Affidavits, etc

ONTARIO
SUPERIOR COURT OF JUSTICE
[IN BANKRUPTCY AND INSOLVENCY]
(COMMERCIAL LIST)

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF CLAIREVILLE PROPERTY HOLDINGS INC.
A CORPORATION INCORPORATED UNDER
THE ONTARIO *BUSINESS CORPORATIONS ACT***

SUMMARY OF TIME INCURRED

LAWYER	CALL TO BAR	HOURS	RATE	VALUE
Kyle B. Plunkett	2011	20.5	550.00	\$11,275.00
Jeremy T. Nemers	2014	23.5	475.00	\$11,162.50
CLERK				
Shannon Morris		0.3	225.00	\$118.50
Carlos Casasola		0.2	315.00	\$63.00

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF CLAIREVILLE PROPERTY HOLDINGS INC.
A CORPORATION INCORPORATED UNDER THE ONTARIO *BUSINESS
CORPORATIONS ACT***

Estate/Court File No. 31-2749576

***ONTARIO*
SUPERIOR COURT OF JUSTICE
[IN BANKRUPTCY AND INSOLVENCY]
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

AFFIDAVIT OF FEES

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Lawyers for the Proposal Trustee