

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEDNESDAY, THE 14TH DAY
)
JUSTICE MORAWETZ) OF JULY, 2010



BETWEEN :

SA CAPITAL GROWTH CORP.

Applicant

- and -

CHRISTINE BROOKS AS EXECUTOR OF THE ESTATE OF ROBERT MANDER,
DECEASED AND E.M.B. ASSET GROUP INC.

Respondents

APPLICATION UNDER Rule 14.05(3)(g) of the *Rules of Civil Procedure* and section 101 of the *Courts of Justice Act*, R.S.O. 1990. c. C.43, as amended

ORDER

THIS MOTION made by RSM Richter Inc. (the "Receiver"), in its capacity as Receiver of all of the assets, undertakings and properties of the estate of Robert Mander, E.M.B. Asset Group Inc. and Related Entities (as defined in the Fresh as Amended Receivership Order dated March 31st, 2010) (the "Debtors") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fourth Report of the Receiver dated July 2, 2010 (the "Fourth Report"), the Supplement to the Fourth Report dated July 9, 2010 (the

"Supplement") and the Affidavit of Peter Sbaraglia sworn July 12, 2010 and on hearing the submissions of counsel for the Receiver and others.

CO CAPITAL GROWTH CORP.

1. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to investigate the business and affairs of C.O. Capital Growth Corp. ("CO"), Peter Sbaraglia and Mandy Sbaraglia (the "Sbaraglias") and any corporations or entities associated with, related to or controlled by the Sbaraglias or CO (collectively, all of the above, the "CO Group") and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties in this Order;
- (b) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the CO Group and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable, and
- (c) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations

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

2. **THIS COURT ORDERS** that (i) the CO Group, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel (excluding Davis Moldaver LLP) and shareholders, and all other persons acting on their

instructions or behalf, and (iii) all other individuals, firms, financial institutions, brokerage firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any assets, undertakings or properties of the CO Group (the "Property") in such Person's possession or control.

3. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the CO Group, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 3 or the next paragraph shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

4. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient and appropriate, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any

computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

5. **THIS COURT ORDERS** that the CO Group provide 7 days written notice to counsel to the Receiver before any sale or encumbrance of any Property.

INTERACTIVE BROKERS CANADA INC.

6. **THIS COURT ORDERS** that Interactive Brokers Canada Inc. ("Interactive Brokers"): (i) transfer the cash in the accounts of the Debtors or Pero Assets Inc. held by Interactive Brokers, bearing account numbers U432984, U385758, U443599, U482109, U468692, U388022 and U424033 (collectively, the "IB Accounts") to the Receiver within seven business days of the date of this Order, and (ii) sell any securities in the IB Accounts upon receiving such written directions from the Receiver at any time within seven business days of receiving such written direction from the Receiver and thereafter forward the funds realized from the sale of such securities to the Receiver by way of cheque payable to the Receiver.

7. **THIS COURT ORDERS** that Interactive Brokers be and is hereby authorized, *nunc pro tunc*, to disclose to the Receiver the names and identities of any and all parties with an interest in the IB Accounts as recorded in the records of Interactive Brokers.

LEXUS

8. **THIS COURT ORDERS** that the Receiver's motion for an order authorizing it to take possession of the Lexus automobile purchased by Stonebury Inc. and ancillary relief is adjourned so as to allow Ms. Zurini to retain counsel.

TONIN & CO. LLP

9. **THIS COURT ORDERS** that Tonin & Co. LLP ("Tonin") shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts,

orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors including, but not limited to, Robert Mander, E.M.B. Asset Group Inc., Mand Assets Inc., Dunn Street Gallery Inc., Trafalgar Capital Growth Inc., Stonebury Inc., Mander Group Inc., Pero Assets Inc. and/or the CO Group, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in Tonin's possession or control, and shall provide to the Receiver copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 9 or paragraph 10 shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure. With respect to Pero Assets Inc. this paragraph shall apply only to Records created on or before December 4, 2008.

10. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

PETER WELSH

11. **THIS COURT ORDERS** that Peter Welsh shall forthwith deliver to the Receiver any and all files, books, documents, securities, contracts, orders, corporate and records, and any other papers, records and information of any kind related to the business or affairs of the Debtors including, but not limited to, Robert Mander, E.M.B. Asset Group Inc., Mand Assets Inc., Dunn Street Gallery Inc., Trafalgar Capital Growth Inc., Stonebury Inc. and Mander Group Inc, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Welsh Records") in Welsh's possession or control.

12. **THIS COURT ORDERS** that if any Welsh 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 Welsh Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Welsh Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Welsh Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

APPROVAL OF REPORTS AND ACTIVITIES


13. **THIS COURT ORDERS** that the Fourth Report, the Supplement and the activities of the Receiver referred to therein and since the date of the Receiver's First Report dated March 29, 2010, be and are hereby approved.

GENERAL

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

15. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

16. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.



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JUL 16 2010

SA CAPITAL GROWTH CORP. and CHRISTINE BROOKS AS EXECUTOR OF THE ESTATE OF ROBERT
Applicant MANDER, DECEASED AND E.M.B. ASSET GROUP INC.
Respondents

Court File No: 10-8619-00CL

**APPLICATION UNDER Rule 14.05(3)(g) of the Rules of Civil Procedure and section 101 of the Courts of Justice
Act, R.S.O. 1990. c. C.43, as amended**

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**FRESH AS AMENDED
RECEIVERSHIP ORDER
(RETURNABLE July 14, 2010)**

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