

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

ECN FINANCIAL INC.

Applicant

- and -

**2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY
HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD.,
2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC., 2527475
ONTARIO INC. and GRACE DIENA**

Respondents

**MOTION RECORD OF THE COURT-APPOINTED
RECEIVER, KSV KOFMAN INC.**
(Motion returnable September 3, 2020)

VOLUME 2 OF 2

August 27, 2020

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, ON M5K 1E7

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Lawyers for the Receiver, KSV Kofman Inc.

TO: THE SERVICE LIST

AND TO: THE PPSA REGISTRANTS SERVICE LIST

AND TO: SAAD LAW PROFESSIONAL CORPORATION
4 Robert Speck Parkway, Suite 1210
Mississauga, ON L4Z 1S1

Peter A. Saad
Email: peter.saad@saadlaw.com

Lawyers for the 2258156 Ontario Inc.

AND TO: KIRWIN PARTNERS LLP
423 Pelissier Street
Windsor, ON N9A 4L2

Paul Layfield
Email: playfield@kirwinpartners.com

Lawyers for the E/W Purchasers

AND TO: MCTAGUE LAW FIRM LLP
455 Pelissier Street
Windsor, ON N9A 6Z9

David Sundin
Email: dsundin@mctaguelaw.com

Lawyers for the E/W Landlord

AND TO: PHARMACHOICE

Calvin LeRoux
Email: c.leroux@pchcanada.ca

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Fax: 416.924.2887
Email: jerome@stanleigh.com

Lawyers for CEDV Inc. and 2139152 Ontario Inc.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

ECN FINANCIAL INC.

Applicant

- and -

**2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY
HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD.,
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Respondents

INDEX

Tab	Document	Page
VOLUME 1		
1	Notice of Motion dated August 27, 2020	1
2	Third Report of the Receiver dated August 27, 2020	14
	Appendix “A” – Receivership Order dated December 4, 2019	35
	Appendix “B” – Pre-filing Report dated December 3, 2019	55
	Appendix “C” – Second Report dated February 19, 2020	66
	Appendix “D” – Asset Purchase Agreement dated December 18, 2018, as amended January 31, 2020 and March 13, 2020	82
	Appendix “E” – Personal Property Security Act Search against CEDV dated December 15, 2019	120
	Appendix “F” – Personal Property Security Act Search against 2139 dated December 17, 2019	123
	Appendix “G” – Email Correspondence dated April 28, 2020	126
	Appendix “H” – Application Record dated March 24, 2020	128

Tab	Document	Page
VOLUME 2		
	Appendix “H” – Application Record dated March 24, 2020 (cont.)	250
	Appendix “I” – Redacted Agreement of Purchase and Sale dated July 24, 2020	397
	Appendix “J” – Proposed Minutes of Settlement	430
	Appendix “K” – Statement of Receipts and Disbursements from December 4, 2019 to August 11, 2020 for Rando	442
	Appendix “L” – Mr. Stanleigh’s letters dated March 23, 2020 and April 21, 2020	444
	Appendix “M” – Mr. Stanleigh’s letters dated June 24 and 26, 2020	449
	Appendix “N” – Receiver’s letter dated June 30, 2020	453
	Appendix “O” – Statement of Receipts and Disbursements to August 11, 2020 for Abira	458
3	Draft Order (Abira)	461
4	Draft Order (Miscellaneous Matters)	465
5	Draft Order (Approval & Vesting Order)	470
6	Blackline of Draft Approval & Vesting Order to Model Order	477

TAB 2

THIS IS EXHIBIT "L"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



Scanned.

RENEWAL LEASE

THIS LEASE made as of the 1st day of December, 2009.

BETWEEN:

**Chopra, Joshi, Karnik & Lamont
Medicine Professional Corporation**

(the "Landlord")

- and -

M. Blacher Drugs Ltd.

(the "Tenant")

WHEREAS:

- A. By a Lease dated the 5th day of November, 1991 (the "Original Lease"), Medilease Corporation ("Medilease") granted to the Tenant a lease on the premises consisting of one hundred and twenty square feet (120 sq. ft.) in the southwest corner of the first floor of the building known municipally as 1604 Tecumseh Road West, in the City of Windsor, in the Province of Ontario (the "Property") and a further room of not less than eighty square feet (80 sq. ft.) of the second floor of 1604 Tecumseh Road West, in the City of Windsor, in the Province of Ontario, more particularly defined as the "Premises" in the Original Lease.
- B. By a Renewal Lease dated the 30th day of October, 1997, Medilease granted to the Tenant a renewal lease of the Premises for a further term of six (6) years.
- C. By a Renewal Lease dated November, 2003, Medilease granted to the Tenant a renewal lease of the Premises for a further term of six (6) years.
- D. By Transfer/Deed of Land registered in the Land Registry Office on December 17, 2004, 1594138 Ontario Inc. became the Landlord and subsequently amalgamated on January 1, 2005 to become Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation.
- E. The Landlord has agreed to grant the Tenant a renewal lease (the "Renewal Lease") of the Premises for a further term of six (6) years commencing as of December 1, 2009 (the "Renewal Term") on the terms hereinafter set forth and increase the premises on the first floor by adding an area of ~~6 feet~~ ^{24 feet} by 14 feet being ~~84 square feet~~ ^{336 square feet} abutting the premises on the first floor for a total of ~~two hundred and eighty-four square feet (284 sq. ft.)~~ ^{460 square feet} on the first and second floors (the "Expanded Premises").

NOW THEREFORE:

- The recitals are true in fact and substance and form an integral part of this Agreement and are expressly incorporated into this Agreement.
- To create the Expanded Premises, the Tenant, at its sole cost and expense, shall complete the construction and relocation of the boundary wall between the pharmacy reception and the waiting area, in the locations and in accordance with the design approved by the Landlord, acting reasonably and without delay.
- The Landlord hereby leases to the Tenant the Expanded Premises for the Renewal Term subject to the payment on the same days and in like manner as provided for in the Original Lease of a monthly rent of Seven Thousand Five Hundred Dollars (\$7,500.00) from February 1, 2010 until November 30, 2012 and a monthly rent of Eight Thousand Dollars (\$8,000.00) for the last three (3) years of the Renewal Term, being from

✱

December 1, 2012 until November 30, 2015 and subject to and with the benefit of the Tenant's and Landlord's covenants by the Landlord and Tenant and the provisos and conditions contained in the Original Lease. The Tenant shall be responsible for all taxes on rents (ie. GST and HST, when applicable).

- 4. If the Tenant provides notice to the Landlord at least three (3) months prior to the last day of the Renewal Term that it wishes to renew the Lease, the Landlord hereby grants the Tenant with a right of renewal of lease for an additional six (6) years on the terms set out in the Original Lease at a Rent to be mutually agreed upon by the Landlord and Tenant or, failing agreement, determined by arbitration as provided for in paragraph 2 of Schedule "B" to the initial Original Lease.
- 5. The Landlord and Tenant hereby covenant that they shall perform and observe the covenants, provisos and stipulations in the Original Lease as if such covenants, provisos and stipulations have been repeated in this Renewal Lease in full with such modifications only as are necessary to make them applicable to this Renewal Lease.
- 6. In the event of a material change to the government reimbursement formula applicable to pharmacies for prescription drugs, or any government regulations negatively impacting the operations or profitability of the Tenant's pharmacy, ~~the parties shall meet to discuss a reduction in rent and failing agreement the~~ Tenant, at its sole option, may terminate this lease on not less than thirty (30) days notice. *KL*
- 7. This Renewal Lease shall be binding upon the parties and their successors and assigns.

IN WITNESS WHEREOF the parties have duly executed this agreement.

Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation

Becker

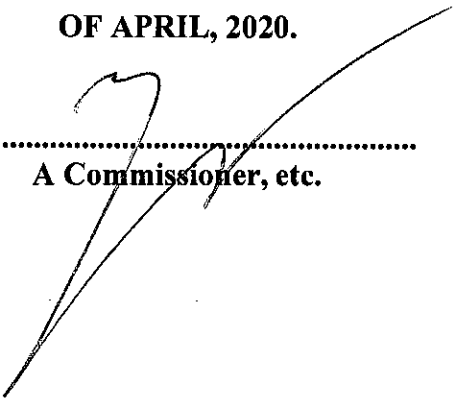
Name: _____
Position: _____
I have authority to bind the Corporation

M. Blacher Drugs Ltd.

[Signature]

Name: Michael Blacher
Position: President
I have authority to bind the Corporation

THIS IS EXHIBIT "M"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

SECOND RENEWAL LEASE

THIS SECOND RENEWAL LEASE made as of the 1st day of December, 2015.

BETWEEN:

Chopra, Joshi, Karnik & Lamont
Medicine Professional Corporation

(the "Landlord")

- and -

M. Blacher Drugs Ltd.

(the "Tenant")

WHEREAS:

- A. Medilease Corporation ("**Medilease**") entered into a Lease dated the 5th day of November, 1991, with the Tenant for the Premises (the "**Original Lease**") in the building situate at 1604-1608 Tecumseh Road West, Windsor, Ontario (the "**Property**").
- B. By Renewal Lease dated the 1st day of December, 2009 (the "**Renewal Lease**"), the Landlord as successor to Medilease, granted to the Tenant a lease on the Property consisting of one hundred and twenty square feet (120 sq. ft.) in the southwest corner of the first floor of the building and a further room of eighty square feet (80 sq. ft.) of the second floor, more particularly defined as the "**Premises**" in the Renewal Lease.
- C. The Landlord has agreed to grant the Tenant a second renewal lease (the "**Second Renewal Lease**") of the Premises for a further term of six (6) years commencing as of December 1, 2015 (the "**Second Renewal Term**") on the terms hereinafter set forth herein.

NOW THEREFORE:

Dec 1 / 2015

- 1. The recitals are true in fact and substance and form an integral part of this Agreement and are expressly incorporated into this Agreement.
- 2. The Landlord hereby leases to the Tenant the Premises for the Second Renewal Term subject to the payment during the first year of the Second Renewal Term on the same terms contained in the Original Lease which provided for a monthly rent of Eight Thousand Dollars (\$8,000.00), plus 4.4%, being the increase set by the Canadian Consumer Price Index from 2012 to 2014, for an aggregate monthly rent of Eight

3 MSF

Thousand, Three Hundred and Fifty-Two Dollars (\$8,352.00) during the first year of the Term of the Lease. For each subsequent year of the Second Renewal Term, commencing January 1, 2017, the annual rent shall be increased by the percentage increase in the Canadian Consumer Price Index as at December 31 of the prior year.

137

- 3. Any notice to be given under the terms of this Second Renewal Lease shall be sufficiently given if delivered to the party for whom it is intended or if mailed, postage prepaid, by registered mail, facsimile transmission or personal service, addressed to the party for whom it is intended:

59 301
= 59481

- (a) in the case of notice to the Landlord, addressed to the Landlord at:

1608 Tecumseh Road West
Windsor, Ontario N9B 1T2

\$113,252.00

or such other address as may be specified by the Landlord in writing;

- (b) in the case of notice to the Tenant, addressed to the Tenant at the Leased Premises, or such other address as may be specified by the Tenant in writing.

Any notice or document so given shall be deemed to have been received on the third business day following the date of mailing, if sent by registered mail, but shall be deemed to have been received on the day transmitted by telefax or delivered personally. Any party may from time to time by notice given as provided above, change their address for the purpose of this clause.

- 4. The Landlord and Tenant hereby covenant that they shall perform and observe the covenants, provisos and stipulations in the Original Lease as if such covenants, provisos and stipulations have been repeated in this Second Renewal Lease in full with such modifications only as are necessary to make them applicable to this Second Renewal Lease.
- 5. In the event of a material change to the government reimbursement formula applicable to pharmacies for prescription drugs, or any government regulations resulting in a reduction of twenty (20%) percent in gross revenue derived by the Tenant, the Tenant, at its sole option, may terminate this Second Renewal Lease on thirty (30) days notice.
- 6. This Second Renewal Lease shall be binding upon the parties and their successors and assigns.

[the remainder of this page is intentionally left blank, signature blocks follow]

IN WITNESS WHEREOF the parties have duly executed this Agreement.

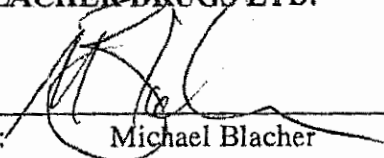
SIGNED, SEALED AND DELIVERED)
in the presence of)

CHOPRA, JOSHI, KARNIK &
LAMONT MEDICINE
PROFESSIONAL CORPORATION

 Jan 20/2016

Name: DR. R. CHOPRA
Position: PRESIDENT
I have authority to bind the Corporation

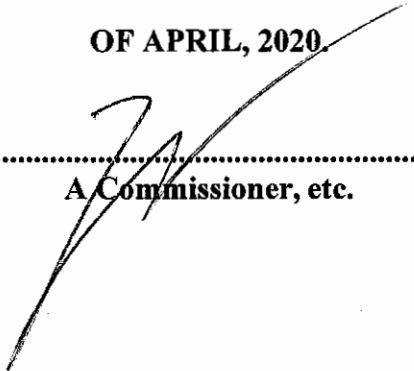
M. BLACHER DRUGS LTD.

Per: 

Name: Michael Blacher
Position: President
I have authority to bind the Corporation

THIS IS EXHIBIT "N"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



Request ID: 022937809
 Transaction ID: 71402908
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2019/04/09
 Time Report Produced: 11:15:10
 Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
679618	FAMILY HEALTH PHARMACY WEST INC.	1986/09/18
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address		Date Amalgamated
		NOT APPLICABLE
1604 TECUMSEH RD W		New Amal. Number
		NOT APPLICABLE
WINDSOR		Notice Date
ONTARIO		NOT APPLICABLE
CANADA N9B 1T8		Letter Date
Mailing Address		NOT APPLICABLE
DANI DIENA		Revival Date
1604 TECUMSEH RD W		1995/12/08
		Continuation Date
WINDSOR		NOT APPLICABLE
ONTARIO		Transferred Out Date
CANADA N9B 1T8		NOT APPLICABLE
		Cancel/Inactive Date
		NOT APPLICABLE
		EP Licence Eff.Date
		NOT APPLICABLE
		EP Licence Term.Date
		NOT APPLICABLE
	Number of Directors	Date Commenced
	Minimum Maximum	in Ontario
	UNKNOWN UNKNOWN	NOT APPLICABLE
Activity Classification		Date Ceased
NOT AVAILABLE		in Ontario
		NOT APPLICABLE

Request ID: 022937809
 Transaction ID: 71402908
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2019/04/09
 Time Report Produced: 11:15:10
 Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
679618	FAMILY HEALTH PHARMACY WEST INC.

Corporate Name History	Effective Date
FAMILY HEALTH PHARMACY WEST INC.	2016/03/14
M. BLACHER DRUGS LTD.	1986/09/18

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	YES - SEARCH REQUIRED FOR DETAILS

Administrator:
Name (Individual / Corporation)

DANI
 DIENA

Address

4256 BATHURST STREET
 Suite # 200
 TORONTO
 ONTARIO
 CANADA M3H 5Y8

Date Began	First Director	
2016/02/29	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	PRESIDENT	

Request ID: 022937809
 Transaction ID: 71402908
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2019/04/09
 Time Report Produced: 11:15:10
 Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

679618

Corporation Name

FAMILY HEALTH PHARMACY WEST INC.

**Administrator:
 Name (Individual / Corporation)**

DANI

DIENA

Address

4256 BATHURST STREET

Suite # 200
 TORONTO
 ONTARIO
 CANADA M3H 5Y8

Date Began

2016/02/29

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

SECRETARY

Resident Canadian

**Administrator:
 Name (Individual / Corporation)**

DANI

DIENA

Address

4256 BATHURST STREET

Suite # 200
 TORONTO
 ONTARIO
 CANADA M3H 5Y8

Date Began

2016/02/29

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type

Resident Canadian

Y

Request ID: 022937809
Transaction ID: 71402908
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2019/04/09
Time Report Produced: 11:15:10
Page: 4

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

679618

FAMILY HEALTH PHARMACY WEST INC.

Last Document Recorded

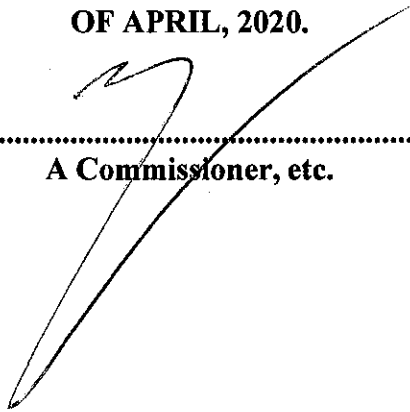
Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2016	1C	2016/04/23 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

THIS IS EXHIBIT "O"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

Ryan, Emily

From: Ryan, Emily
Sent: Wednesday, September 25, 2019 3:24 PM
To: 'ddiena@abira.ca'
Cc: MacKinnon, Jeff
Subject: Notice of Termination
Attachments: DOC092519-09252019152120.pdf

Dear Sir/Madame,

Please find enclosed a copy of correspondence from Mr. Jeffrey W. Mackinnon dated September 25, 2019 for your review.

Thank you,

Emily Ryan
Legal Assistant to Tom Serafimovski and Darwin Harasym

| 455 Pelissier Street, Windsor, Ontario, Canada N9A 6Z9
T 519-255-4386 | F 519-255-4384 | E eryan@mctaguelaw.com

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-----Original Message-----

From: TOS4505ac-FLR1 [mailto:TOS4505ac-FLR1@mctaguelaw.com]
Sent: Wednesday, September 25, 2019 6:21 PM
To: Ryan, Emily <eryan@mctaguelaw.com>
Subject: Send data from MFP11848442 09/25/2019 15:21

Scanned from MFP11848442
Date:09/25/2019 15:21
Pages:2
Resolution:200x200 DPI

MCTAGUE
LAW FIRM LLP
BARRISTERS & SOLICITORS

ROGER A. SKINNER
 JOSEPHINE STARK
 BRIAN L. CHILLMAN
 GARTH M. KIDD
 STEVEN J. SPRIGGS
 ZACHARY A. KNOX

HELEN M. McTAGUE, Q.C. (1893-1986)
 ALEXANDER R. SZALKAI, Q.C.
 TOM SERAFIMOVSKI
 DAVID M. AMYOT
 DAVID M. SUNDIN
 JOSEPH A. MALANDRUCCOLO

STEPHEN C. ROBERTS*
 MICHAEL A. WILLS
 ROBERT R. TOMEK
 M. CLAIRE BEBBINGTON
 SAMUEL M. ATKIN

MICHAEL K. COUGHLIN
 JEFFREY W. MACKINNON
 NANCY JAMMU-TAYLOR
 DARWIN E. HARASYM
 SARAH A. MILLS

COUNSEL: PAUL L. MULLINS

** Certified Specialist in Workplace Safety & Insurance Law by the Law Society of Upper Canada*

Facsimile: 519-255-4360
 www.mctaguelaw.com

455 Pelissier Street, Windsor, Ontario, N9A 6Z9 Canada
 Windsor: 519-255-4300

Direct Dial: 519-255-4363
 Email: jmackinnon@mctaguelaw.com

September 25, 2019

REGULAR MAIL AND E-MAIL

Rando Drugs Ltd.
 6720 Hawthorne Drive
 Windsor, ON N8T 1J9

Rando Drugs Ltd.
 200 - 4256 Bathurst Street
 Toronto, ON M3H 5Y8

Dear Sir/Madam:

RE: Termination of Lease between Windsor Medical Clinic, a Division of Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation (the "Landlord") and Rando Drugs Ltd. (the "Lease"), for the premises, municipally known as 6720 Hawthorne Drive, Windsor, Ontario (the "Premises")

We represent the Landlord in connection with the above-noted Lease.

Take notice that the Landlord does hereby terminate the above month to month tenancy. The Landlord is only required to provide 30 clear days' notice, but in order to allow for an orderly transition, the Landlord has agreed to provide additional time. Accordingly, the termination is to be effective on November 30, 2019.

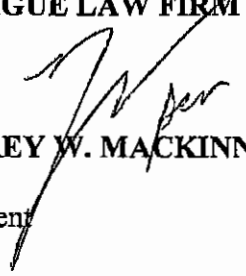
You are required to vacate and surrender the Premises on or before that date and:

1. Deliver the Premises to the Landlord;
2. Remove all of your property from the Premises; and
3. Restore the Premises to its pre- Lease condition.

Notwithstanding the termination of the Lease, be further advised that the Landlord continues to hold you responsible for all arrears of rent due under same, plus interest, plus costs.

If you require additional time our client will consider a short extension, but such an extension would need to be agreed to in writing and would be at the sole discretion of the Landlord and conditioned on your making continued good faith efforts to vacate the premises.

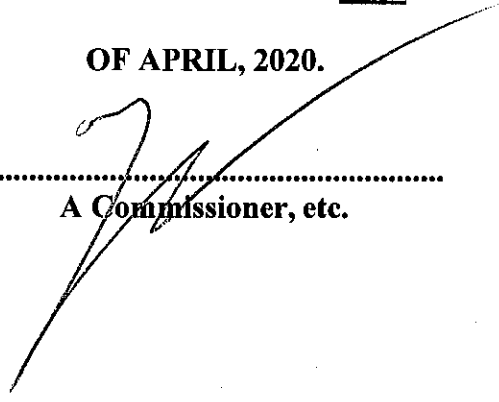
Regards,
MCTAGUE LAW FIRM LLP



JEFFREY W. MACKINNON

CC: client

THIS IS EXHIBIT "P"
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BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

Harasym, Darwin

From: Dani Diena <ddiena@abira.ca>
Sent: Wednesday, September 25, 2019 5:18 PM
To: Ryan, Emily
Cc: MacKinnon, Jeff
Subject: Re: 76188 / Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation - Termination of Lease with Rando Drugs Ltd./: Notice of Termination

CAUTION: This email originated from an email account outside of McTague Law Firm. Do not click on any links or open attachments unless you recognize the sender and know the content is safe.

Can I arrange a discussion with either lawyer in the next day or so?

Thanks

Dani Diena
 2275518 Ontario Inc
 Rando Drugs Inc
 4256 Bathurst Street
 Suite 200 M3H 5Y8
 Toronto
 416-402-2767(c)
 647-351-5300 (fax))

From: Ryan, Emily <eryan@mctaguelaw.com>
Sent: Wednesday, September 25, 2019 3:23:40 PM
To: Dani Diena <ddiena@abira.ca>
Cc: MacKinnon, Jeff <Jmackinnon@mctaguelaw.com>
Subject: Notice of Termination

Dear Sir/Madame,

Please find enclosed a copy of correspondence from Mr. Jeffrey W. Mackinnon dated September 25, 2019 for your review.

Thank you,

Emily Ryan
 Legal Assistant to Tom Serafimovski and Darwin Harasym

| 455 Pelissier Street, Windsor, Ontario, Canada N9A 6Z9
 T 519-255-4386 | F 519-255-4384 | E eryan@mctaguelaw.com

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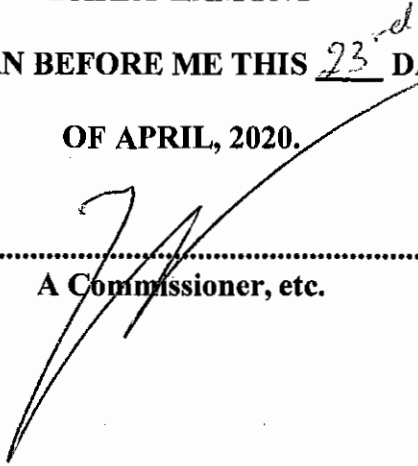
-----Original Message-----

From: TOS4505ac-FLR1 [<mailto:TOS4505ac-FLR1@mctaguelaw.com>]

Sent: Wednesday, September 25, 2019 6:21 PM
To: Ryan, Emily <eryan@mctaguelaw.com>
Subject: Send data from MFP11848442 09/25/2019 15:21

Scanned from MFP11848442
Date:09/25/2019 15:21
Pages:2
Resolution:200x200 DPI

THIS IS EXHIBIT "Q"
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BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

Harasym, Darwin

From: Dani Diena <ddiena@abira.ca>
Sent: Thursday, October 03, 2019 8:17 AM
To: Ryan, Emily
Cc: MacKinnon, Jeff
Subject: RE: 76188 / Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation - Termination of Lease with Rando Drugs Ltd./: Notice of Termination

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I sent an email to the doctors and they asked me to speak to you.

I don't know why the lease was terminated without any discussions. I have almost always paid my rent on time and I feel that I have followed any requests that came from the doctors. I have spent many thousands of dollars to the doctors accountants in order make sure that the doctors would not pay any extra taxes as we discussed many different deals with the doctors. I would have thought that a meeting would have been appropriate before anything was decided.

Is there a time tomorrow that I can call you?

thanks

Dani Diena
 2275518 Ontario Inc
 Rando Drugs Inc.
 4256 Bathurst Street
 Suite 200 M3H 5Y8
 416-402-2767 (c)
 647-351-5300 (f)

-----Original Message-----

From: Ryan, Emily <eryan@mctaguelaw.com>
Sent: Wednesday, September 25, 2019 3:24 PM
To: Dani Diena <ddiena@abira.ca>
Cc: MacKinnon, Jeff <Jmackinnon@mctaguelaw.com>
Subject: Notice of Termination

Dear Sir/Madame,

Please find enclosed a copy of correspondence from Mr. Jeffrey W. Mackinnon dated September 25, 2019 for your review.

Thank you,

Emily Ryan
 Legal Assistant to Tom Serafimovski and Darwin Harasym

| 455 Pelissier Street, Windsor, Ontario, Canada N9A 6Z9
 T 519-255-4386 | F 519-255-4384 | E eryan@mctaguelaw.com

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-----Original Message-----

From: TOS4505ac-FLR1 [mailto:TOS4505ac-FLR1@mctaguelaw.com]

Sent: Wednesday, September 25, 2019 6:21 PM

To: Ryan, Emily <eryan@mctaguelaw.com>

Subject: Send data from MFP11848442 09/25/2019 15:21

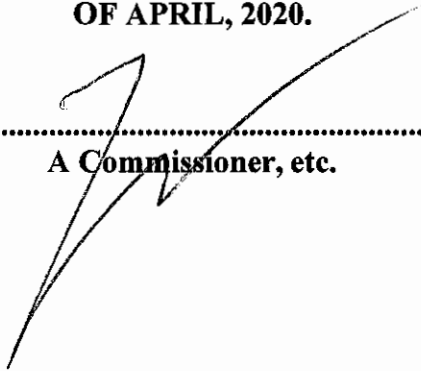
Scanned from MFP11848442

Date:09/25/2019 15:21

Pages:2

Resolution:200x200 DPI

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REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

Harasym, Darwin

From: Dani Diena <ddiena@abira.ca>
Sent: Sunday, October 06, 2019 11:37 AM
To: Ryan, Emily
Cc: MacKinnon, Jeff
Subject: RE: 76188 / Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation - Termination of Lease with Rando Drugs Ltd./: Notice of Termination

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As I still have over one million dollars left on this loan, I must deal with this asap. Is it possible that you can call me or respond to my email. I would like to know what I could have done so bad that the doctors will not speak to me.

thanks

Dani Diena
2275518 Ontario Inc
Rando Drugs Inc.
4256 Bathurst Street
Suite 200 M3H 5Y8
416-402-2767 (c)
647-351-5300 (f)

-----Original Message-----

From: Dani Diena
Sent: Thursday, October 3, 2019 8:17 AM
To: Ryan, Emily <eryan@mctaguelaw.com>
Cc: MacKinnon, Jeff <Jmackinnon@mctaguelaw.com>
Subject: RE: Notice of Termination

I sent an email to the doctors and they asked me to speak to you.

I don't know why the lease was terminated without any discussions. I have almost always paid my rent on time and I feel that I have followed any requests that came from the doctors. I have spent many thousands of dollars to the doctors accountants in order make sure that the doctors would not pay any extra taxes as we discussed many different deals with the doctors. I would have thought that a meeting would have been appropriate before anything was decided.

Is there a time tomorrow that I can call you?

thanks

Dani Diena
2275518 Ontario Inc
Rando Drugs Inc.
4256 Bathurst Street
Suite 200 M3H 5Y8
416-402-2767 (c)
647-351-5300 (f)

-----Original Message-----

From: Ryan, Emily <eryan@mctaguelaw.com>
Sent: Wednesday, September 25, 2019 3:24 PM
To: Dani Diena <ddiena@abira.ca>
Cc: MacKinnon, Jeff <Jmackinnon@mctaguelaw.com>
Subject: Notice of Termination

Dear Sir/Madame,

Please find enclosed a copy of correspondence from Mr. Jeffrey W. Mackinnon dated September 25, 2019 for your review.

Thank you,

Emily Ryan
Legal Assistant to Tom Serafimovski and Darwin Harasym

| 455 Pelissier Street, Windsor, Ontario, Canada N9A 6Z9
T 519-255-4386 | F 519-255-4384 | E eryan@mctaguelaw.com

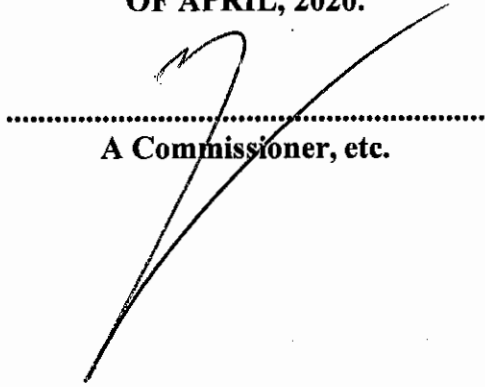
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From: TOS4505ac-FLR1 [mailto:TOS4505ac-FLR1@mctaguelaw.com]
Sent: Wednesday, September 25, 2019 6:21 PM
To: Ryan, Emily <eryan@mctaguelaw.com>
Subject: Send data from MFP11848442 09/25/2019 15:21

Scanned from MFP11848442
Date:09/25/2019 15:21
Pages:2
Resolution:200x200 DPI

THIS IS EXHIBIT "S"
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SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

Harasym, Darwin

From: Dani Diena <ddiena@abira.ca>
Sent: Wednesday, October 16, 2019 10:20 AM
To: MacKinnon, Jeff
Subject: RE: 76188 / Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation - Termination of Lease with Rando Drugs Ltd./: Notice of Termination

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I am responding to your letter dated September 25, 2019.

I have read the three points that I must fulfil. I bought the pharmacy from someone who is no longer alive. I don't know what the pre-lease condition was for that space. I will restore it as you tell me. What I would request if you would give me 30 more days, ending December 31st 2019. The reason I ask for this extra time is that I will be able to service the patients with no disruption and then we will clear everything out in between Christmas and December 31st.

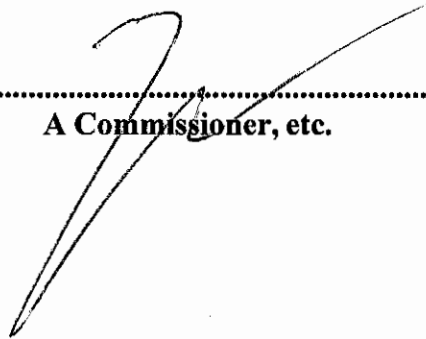
I have certain OCP requirements. If a pharmacy is taking over, there are files and patient records to be transferred over. So if they have chosen a new provider I would like to speak to them in order to facilitate a smooth transition.

Thank you

Dani Diena
2275518 Ontario Inc
Rando Drugs Inc.
4256 Bathurst Street
Suite 200 M3H 5Y8
416-402-2767 (c)
647-351-5300 (f)

THIS IS EXHIBIT "T"
REFERRED TO IN THE AFFIDAVIT OF
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SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



Ryan, Emily

From: Ryan, Emily
Sent: Tuesday, October 22, 2019 4:11 PM
To: 'ddiena@abira.ca'
Cc: MacKinnon, Jeff
Subject: Termination of Lease
Attachments: Rando Drugs Ltd, October 22, 2019.pdf

Good afternoon,

Please find enclosed a copy of correspondence from Mr. Jeffrey W. MacKinnon dated October 22, 2019 for your review.

Thank you,

Emily Ryan

Legal Assistant to Tom Serafimovski and Darwin Harasym

MCTAGUE

LAW FIRM LLP | 455 Pelissier Street, Windsor, Ontario, Canada N9A 6Z9

T 519-255-4386 | F 519-255-4384 | E eryan@mctaguelaw.com

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 BRIAN L. CHILLMAN
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 STEVEN J. SPRIGGS

ALEXANDER R. SZALKAI, Q.C.
 TOM SERAFIMOVSKI
 DAVID M. AMYOT
 DAVID M. SUNDIN
 JOSEPH A. MALANDRUCCOLO

HELEN M. McTAGUE, Q.C. (1893-1986)

STEPHEN C. ROBERTS*
 MICHAEL A. WILLS
 ROBERT R. TOMEK
 M. CLAIRE BEBBINGTON
 SAMUEL M. ATKIN

MICHAEL K. COUGHLIN
 JEFFREY W. MACKINNON
 NANCY JAMMU-TAYLOR
 DARWIN E. HARASYM
 ZACHARY A. KNOX

COUNSEL: PAUL L. MULLINS

* Certified Specialist in Workplace Safety & Insurance Law by the Law Society of Upper Canada

Facsimile: 519-255-4360
 www.mctaguelaw.com

455 Pelissier Street, Windsor, Ontario, N9A 6Z9 Canada
 Windsor: 519-255-4300

Direct Dial: 519-255-4363
 Email: jmackinnon@mctaguelaw.com

October 22, 2019

SENT VIA E-MAIL

Rando Drugs Ltd.
 6720 Hawthorne Drive
 Windsor, ON N8T 1J9

Dear Sir/Madam:

RE: Termination of Lease between Windsor Medical Clinic, a Division of Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation (the "Landlord") and Rando Drugs Ltd. (the "Lease"), for the premises, municipally known as 6720 Hawthorne Drive, Windsor, Ontario (the "Premises")

Pursuant to our letter dated September 25, 2019, the above-noted Lease was to be terminated effective November 30, 2019.

As a gesture of good-faith, and without prejudice to our client's rights under the Lease, the termination dated is extended until December 31, 2019.

By signing below, you acknowledge the extension and confirm that you will vacate and surrendered the Premises on or before December 31, 2019 and:

1. Deliver the Premises to the Landlord;
2. Remove all of your property from the Premises; and
3. Restore the Premises to its pre- Lease condition.

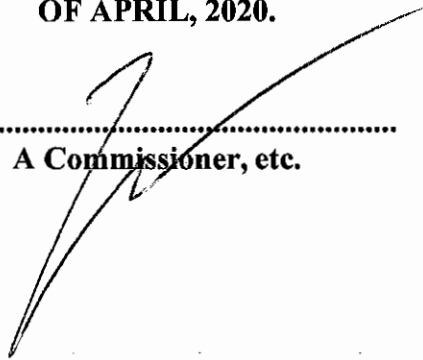
Regards,
 MCTAGUE LAW FIRM LLP


 JEFFREY W. MACKINNON

 RANDO DRUGS LTD.
 Per: Dani Diena
 Acknowledged and Agreed

THIS IS EXHIBIT "U"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



Harasym, Darwin

From: Dani Diena <ddiena@abira.ca>
Sent: Wednesday, October 23, 2019 8:55 AM
To: Ryan, Emily
Cc: MacKinnon, Jeff
Subject: RE: 76188 / Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation - Termination of Lease with Rando Drugs Ltd./: Termination of Lease
Attachments: Rando L.pdf

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Dani Diena
 2275518 Ontario Inc
 Rando Drugs Inc.
 4256 Bathurst Street
 Suite 200 M3H 5Y8
 416-402-2767 (c)
 647-351-5300 (f)

From: Ryan, Emily <eryan@mctaguelaw.com>
Sent: Tuesday, October 22, 2019 4:11 PM
To: Dani Diena <ddiena@abira.ca>
Cc: MacKinnon, Jeff <jmackinnon@mctaguelaw.com>
Subject: Termination of Lease

Good afternoon,

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Thank you,

Emily Ryan

Legal Assistant to Tom Serafimovski and Darwin Harasym

MCTAGUE

LAW FIRM LLP | 455 Pelissier Street, Windsor, Ontario, Canada N9A 6Z9

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 ZACHARY A. KNOX

COUNSEL: PAUL L. MULLINS

* Certified Specialist in Workplace Safety & Insurance Law by the Law Society of Upper Canada

Facsimile: 519-255-4360
 www.mctaguelaw.com

455 Pelissier Street, Windsor, Ontario, N9A 6Z9 Canada
 Windsor: 519-255-4300

Direct Dial: 519-255-4363
 Email: jmackinnon@mctaguelaw.com

October 22, 2019

SENT VIA E-MAIL

Rando Drugs Ltd.
 6720 Hawthorne Drive
 Windsor, ON N8T 1J9

Dear Sir/Madam:

RE: Termination of Lease between Windsor Medical Clinic, a Division of Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation (the "Landlord") and Rando Drugs Ltd. (the "Lease"), for the premises, municipally known as 6720 Hawthorne Drive, Windsor, Ontario (the "Premises")

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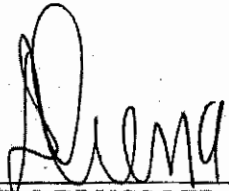
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By signing below, you acknowledge the extension and confirm that you will vacate and surrendered the Premises on or before December 31, 2019 and:

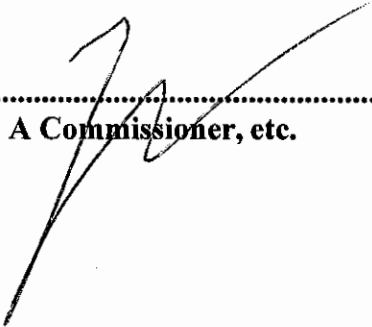
1. Deliver the Premises to the Landlord;
2. Remove all of your property from the Premises; and
3. Restore the Premises to its pre- Lease condition.

Regards,
 MCTAGUE LAW FIRM LLP


 JEFFREY W. MACKINNON


 RANDO DRUGS LTD.
 Per: Dani Diena
 Acknowledged and Agreed

THIS IS EXHIBIT "V"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

----- Original message -----

From: Jerome Stanleigh <jerome.lawoffice@stanleigh.com>
Date: 2019-12-04 1:15 p.m. (GMT-05:00)
To: "MacKinnon, Jeff" <Jmackinnon@mctaguelaw.com>
Cc: AZ <azaraineh@gmail.com>, ari5522@gmail.com
Subject: Fw: Scanned image from Jerome Stanleigh

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From: jerome.lawoffice@stanleigh.com <jhstanleigh@gmail.com>
Sent: Wednesday, December 4, 2019 2:25 PM
To: Jerome Stanleigh
Subject: Scanned image from Jerome Stanleigh



5255 Yonge Street, Ste. 800
Toronto, ON, M2N 6P4.
tel. 416-924-0151
fax. 416-924-2887
jerome@stanleigh.com

December 4, 2019

email: jmackinnon@mctaguelaw.com

Jeffrey W. MacKinnon
McTague Law Firm LLP
Barristers and Solicitors
455 Pelissier Street
Windsor, Ontario N9A 6Z9

Dear Mr. MacKinnon

**Re: Termination of Lease between Windsor Medical Clinic and Rando Drugs
6720 Hawthorne Drive, Windsor, ON**

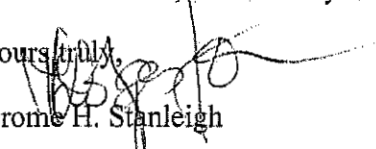
I confirm that my client has agreed to vacate the Hawthorne Pharmacy premises on or before January 31, 2020. This Agreement is in the name of 813866 Ontario Limited and Rando Drugs Ltd.

Would you be so kind as to confirm with me that the Lease was terminated on December 31, 2019 and that your client did not execute an extension to that lease to 2024? When my client purchased this pharmacy, he was given a lease extension agreement which purportedly was executed by your client allowing for a termination date of 2024.

Your letter is needed for litigation purposes as the previous owner of Hawthorne Pharmacy gave my client a lease extension which he signed which purportedly was executed by the landlord allowing for the extension to 2024. The damages are substantial.

Kindly respond as soon as possible as I have an agent in Court at 2:00 p.m. this afternoon. If not, confirm at your earliest convenience.

Yours truly,


Jerome H. Stanleigh

cc. Dani Diena

THIS IS EXHIBIT "W"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.

From: Jennifer Stam [mailto:stam@gsnh.com]
Sent: Wednesday, December 4, 2019 4:23 PM
To: MacKinnon, Jeff <Jmackinnon@mctaguelaw.com>
Cc: Bobby Kofman <bkofman@ksvadvisory.com>
Subject: Rando Drugs

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Jeffrey

Thank you for our conversation today. As I mentioned, this afternoon KSV Kofman Inc. was appointed as court-appointed receiver over the property, assets and undertaking of Rando Drugs Ltd and a number of related parties which are listed in the Court Order. I am counsel to the receiver. I have attached today's Order and Endorsement.

As I mentioned, ECN and KSV only recently became aware of the purported termination letter for the Hawthorne lease which we understand to not be a month to month lease but for a term ending at the end of 2024. You advised you had not previously seen any extension. I am attaching our copy of the lease and lease extension (it is the last few pages of the attached lease) to ensure we are working from the same set of documents.

Also as a courtesy I am attaching ECN's application record as well as our report. All Court materials will shortly be posted on KSV's website (<https://www.ksvadvisory.com/insolvency-cases/case/rando-drugs-ltd>) and you can refer there for future materials or file a notice of appearance in the proceedings.

We would appreciate hearing back from you on your client's position on the lease extension as soon as possible.

Thanks.

JENNIFER STAM

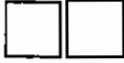


Suite 1600 | 480 University Avenue | Toronto ON | M5G 1V2

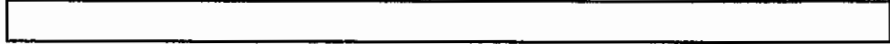
Direct 416 597 5017 | Fax 416 597 3370 | stam@gsnh.com | www.gsnh.com

Assistant | Devka Sakhrani | 416 597 9922 ext. 370 | sakhrani@gsnh.com

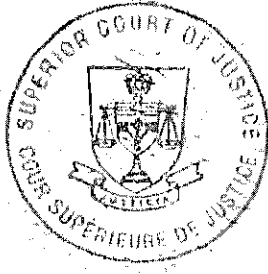
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Court File No. CV-19-00632106

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.

)

WEDNESDAY, THE 4TH

JUSTICE HAINEY

)

DAY OF DECEMBER, 2019

)

BETWEEN

ECN FINANCIAL INC.

Applicant

- and -

**2345760 ONTARIO INC., RANDO DRUGS LTD, 2275518 ONTARIO INC., FAMILY
 HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD.,
 2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC. and 2527475
 ONTARIO INC.**

Respondents

ORDER
(appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing KSV Kofman Inc. ("KSV") as receiver (in such capacity, the "Receiver") without security, of all of the assets, undertakings and properties of 2345760 Ontario Inc., ("234") Rando Drugs Ltd. ("Rando"), 2275518 Ontario Inc. ("227"), Family Health Pharmacy West Inc. Formerly known as M. Blacher Drugs Ltd. ("West Inc."), 2501380 Ontario Inc. ("250"), 2527218 Ontario Inc. ("25272"), Dumopharm Inc. ("Dumopharm") and 2527475 Ontario Inc. ("25274") (together, the



- 2 -

"Debtors") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Adam Flomen sworn December 3, 2019, the pre-filing report filed by KSV dated December 3, 2019 (the "**Report**"), and on hearing the submissions of counsel for the Applicant and the Respondent, and on reading the Consent executed by the Defendants to the appointment of a receiver, the Consent executed by KSV to act as the Receiver and the Affidavit of Service of Maureen McLaren sworn December 3, 2019,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

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

- 3 -

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage pharmacists, consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors, and to deposit such monies in a separate bank account controlled by the Receiver and pay such disbursements that are necessary for the continued operation of the business of the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;

- 4 -

- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including pursuant to the Sale Process (defined below), including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$100,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* shall not be required.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to summarily dispose of Property that is perishable or likely to depreciate rapidly in value;

- 5 -

- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the Receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any licensed insolvency trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;
- (s) to inquire into and report to the Applicant and the Court on the financial condition of the Debtors and the Property and any material adverse developments relating to the financial condition of the Debtors and/or the Property; and
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;
- (u) and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

- 6 -

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order, including, but not limited to the Ontario College of Pharmacists, the Ministry of Health and Long-Term Care, the Ontario Drug Benefit Program and any insurance company (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any client records and prescription information ("**Client Records**"), books, documents, securities, contracts, orders, billing privileges, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall, subject to Paragraph 6A herein, provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

5A. THIS COURT ORDERS that, should the Receiver deem it necessary to seek from any insurance company or its pharmacy benefits manager personal information regarding persons covered pursuant to benefit plans which might have had claims under such plans relating to the Debtors, such information shall be sought pursuant to a

motion on notice to the insurance company and its pharmacy benefits manager. Such information shall only be released by the insurance company or its pharmacy benefits manager on the agreement of such insurance company or as provided in the Order so obtained.

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

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

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased

- 8 -

premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii)

prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, claims processing services, payment processing services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post

- 10 -

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

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

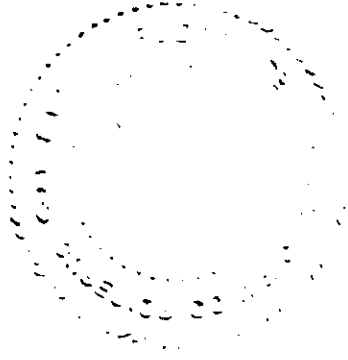
SALE PROCESS

14A. THIS COURT ORDERS that sale process as described in Section 5 of the Report (the "Sale Process") be and is hereby approved provided that the approval of the Sale Process shall not preclude the Receiver from entering into one or more sale transactions without conducting the Sale Process.

14B. THIS COURT ORDERS that Confidential Appendix E to the Report be and is hereby sealed pending further Order of this Court.

PIPEDA

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



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

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other



contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

18. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

19. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its



- 13 -

legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

21. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

25. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

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

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

following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

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

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

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

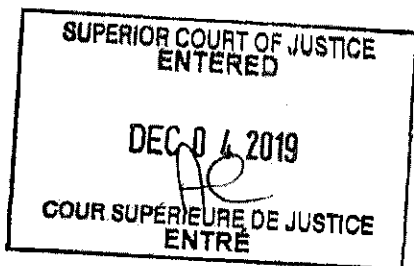
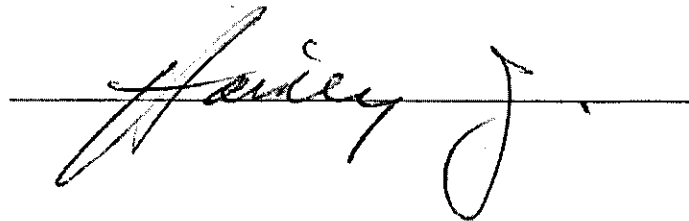
31. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized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

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

- 16 -

33. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

34. THIS COURT ORDERS that the Receiver, its counsel and counsel for the Applicant are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).



SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Kofman Inc., the Receiver (the "**Receiver**") of the assets, undertakings and properties 2345760 Ontario Inc., Rando Drugs Ltd., 2275518 Ontario Inc., Family Health Pharmacy West Inc. Formerly known as M. Blacher Drugs Ltd., 2501380 Ontario Inc., 2527218 Ontario Inc., Dumopharm Inc. and 2527475 Ontario Inc. (collectively the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 4th day of December, 2019 (the "**Order**") made in an action having Court file number CV-19-00632106, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

- 2 -

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 2019.

KSV Kofman Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per
:

Name:

Title:

ECN FINANCIAL INC.
Applicant

and

2345760 ONTARIO INC., et al.
Respondents

Court File No: CV-19-00632106

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

**ORDER
(APPOINTING RECEIVER)**

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

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

Fax: 416.595.8695

Solicitors for the Applicant

SECOND RENEWAL LEASE

THIS RENEWAL LEASE made as of the 31st day of December, 2015.

BETWEEN:

**Chopra, Joshi, Karnik & Lamont
Medicine Professional Corporation**

(the "Landlord")

- and -

Rando Drugs LTD.

(the "Tenant")

WHEREAS:

- A. Medilease Corporation ("**Medilease**") entered into a Lease dated the 1st day of January, 2007, with the Tenant for the Premises (the "**Original Lease**") in the building situated at 6720 Hawthorne Drive, Windsor, Ontario (the "**Property**").
- B. By Renewal Lease dated the 11th day of December, 2013 (the "**Renewal Lease**"), the Landlord as successor to Medilease, granted to the Tenant a lease on the Property consisting of five hundred and forty square feet (540 sq. ft.) in the building, more particularly defined as the "**Premises**" in the Renewal Lease.
- C. The Landlord has agreed to grant the Tenant a second renewal lease (the "**Second Renewal Lease**") of the Premises for a further term of six (6) years commencing as of January 1, 2019 (the "**Second Renewal Term**") on the terms hereinafter set forth herein.

NOW THEREFORE:

1. The recitals are true in fact and substance and form an integral part of this Agreement and are expressly incorporated into this Agreement.
2. Any notice to be given under the terms of this Second Renewal Lease shall be sufficiently given if delivered to the party for whom it is intended or if mailed, postage prepaid, by registered mail, facsimile transmission or personal service, addressed to the party for whom it is intended:
 - (a) in the case of notice to the Landlord, addressed to the Landlord at:

1608 Tecumseh Road West
Windsor, Ontario N9B 1T2

or such other address as may be specified by the Landlord in writing;

- (b) in the case of notice to the Tenant, addressed to the Tenant at the Leased Premises, or such other address as may be specified by the Tenant in writing.

Any notice or document so given shall be deemed to have been received on the third business day following the date of mailing, if sent by registered mail, but shall be deemed to have been received on the day transmitted by telefax or delivered personally. Any party may from time to time by notice given as provided above, change their address for the purpose of this clause.

The Landlord and Tenant hereby covenant that they shall perform and observe the covenants, provisos and stipulations in the Original Lease as if such covenants, provisos and stipulations have been repeated in this Second Renewal Lease in full with such modifications only as are necessary to make them applicable to this Second Renewal Lease.

- 3. In the event of a material change to the government reimbursement formula applicable to pharmacies for prescription drugs, or any government regulations negatively impacting the operations or profitability of the Tenant's pharmacy, the Tenant, at its sole option, may terminate this Second Renewal Lease on thirty (30) days notice.
- 4. This Second Renewal Lease shall be binding upon the parties and their successors and assigns.

IN WITNESS WHEREOF the parties have duly executed this Agreement.

SIGNED, SEALED AND DELIVERED)
in the presence of)

**CHOPRA, JOSHI, KARNIK &
LAMONT MEDICINE
PROFESSIONAL CORPORATION**



Name: Dr Raj Chopra
Position: President
I have authority to bind the Corporation

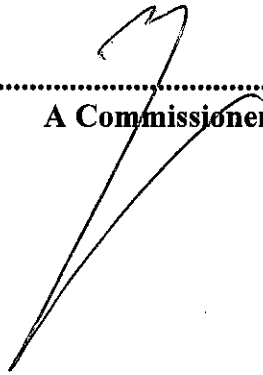
RANDO DRUGS LTD.



Per: Daniel Diena
Name: Daniel Diena
Position: President
I have authority to bind the Corporation

THIS IS EXHIBIT "X"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



From: "Laura Santarossa" <lsantarossa@bellnet.ca>
Date: January 22, 2018 at 12:37:20 PM EST
To: "B. Lamont" <lamontgava@aol.com>, "Chopra" <doctorrajchopra@yahoo.com>, "H. Joshi" <harshadpjoshi@gmail.com>, "V. Karnik" <vikas.karnik@gmail.com>
Subject: DANI requests:

Hello

Dani would like to have a copy of the original 2007 between partners and Parvez, as he does not have a copy. I can fax that to him.

He is wanting to begin negotiations for a new lease (Dec 31, 2018) ASAP – as he indicates below. I said I would discuss with partners and let him know in the near future. See below.

To his question about x-ray below, I told him it was just needing some maintenance.

Laura

From: lsantarossa@bellnet.ca [<mailto:lsantarossa@bellnet.ca>]
Sent: Monday, January 22, 2018 12:24 PM
To: lsantarossa@bellnet.ca
Subject: Fw: lease on Hawthorne.

----- Original message-----

From: Dani Diena
Date: Sun, Jan 21, 2018 9:59 AM
To: Laura Santarossa;
Subject: lease on Hawthorne.

When I bought out Parvez I met with the doctors and told them that I was borrowing money for 5 years and then would renew for another 5 years to pay Parvez. There was only a five year term left on the lease. The doctors told me that I should come back in 2018 at the beginning (as my financing expires in February and I will need a new lease) and negotiate a new lease.

I respectfully request that we begin asap the negotiations for the new lease.

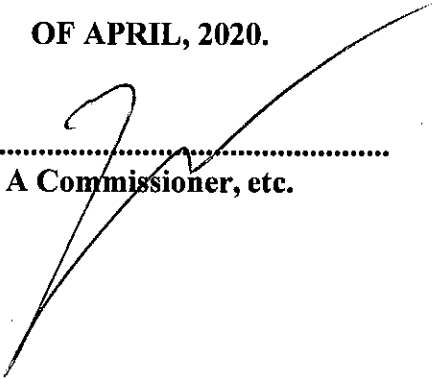
Also, is there a problem with the XRAY as it has been closed for a while?

thanks

Dani Diena
2275518 Ontario Inc
Rando Drugs Inc.
4256 Bathurst Street
Suite 200 M3H 5Y8
416-402-2767 (c)
647-351-5300 (f)

THIS IS EXHIBIT "Y"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



From: lamontgava <lamontgava@aol.com>
Sent: Saturday, December 15, 2018 4:24 PM
To: Dani Diena <ddiena@abira.ca>
Subject: Re: information

Hi Dani,

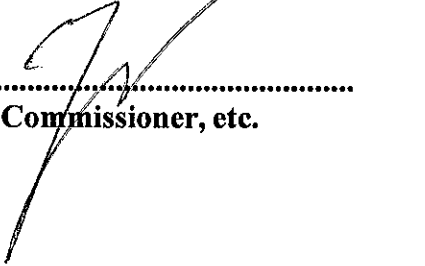
Before matters proceed further we need to meet with you. Two of the four partners are away for Christmas, so a practical meeting would have to be in early January. We realize the your East Clinic Pharmacy lease expires on December 31/2018. We will have to extend the lease on a monthly basis until we can resolve matters in possible sale of practices and buildings or a new lease.

Thanks

Barry Lamont.

Sent from my iPad

THIS IS EXHIBIT "Z"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 13rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

From: Dani Diena
Sent: Thursday, March 14, 2019 1:09 PM
To: 'lamontgava' <lamontgava@aol.com>; harshadpioshi@gmail.com; vikas.karnik@gmail.com; doctorrajchopra@yahoo.com
Subject: RE: Hawthorne

PURCHASE OF BUILDING

I am trying to present a fair and balanced approach to our discussion. Enclosed are two appraisals that I had done.

		6720		1608

Reimax		[REDACTED]		[REDACTED]
		[REDACTED]		
Manor		[REDACTED]		[REDACTED]

The highest appraisal is [REDACTED] I would be prepared to go to [REDACTED] I would sign a new lease with the doctors and give you the option to buy back your 25% if you would want. Deloitte would have to get involved as there would be recapture issues.

LEASE EXTENSION

If we would do the lease extension, I propose the following. Today I pay a different amount for East and West. I propose to raise West a little bit and raise East to match west. We would commence this April 1st, 2019. I also made a proviso at our meeting. If you want to retire and no-one would like to take over your real estate portion, I would but it from you.

	6720		1608
Present rent	\$ 6,500.00		\$ 8,396.25
Proposed rent	\$ 8,500.00		\$ 8,500.00

I hope that you think that both proposals are fair and I await your response.

Thanks

Dani Diena
 2275518 Ontario Inc
 Rando Drugs Inc.
 4256 Bathurst Street
 Suite 200 M3H 5Y8
 416-402-2767 (c)
 647-351-5300 (f)

THIS IS EXHIBIT "AA"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



From: Dani Diena <ddiena@abira.ca>
Date: April 10, 2019 at 6:02:19 PM EDT
To: lamontgava <lamontgava@aol.com>
Subject: Re:

Can we organize the lease with the new terms I gave you?

Thanks

Dani Diena
2275518 Ontario Inc
Rando Drugs Inc
4256 Bathurst Street
Suite 200 M3H 5Y8
Toronto
416-402-2767(c)
647-351-5300 (fax))

From: lamontgava <lamontgava@aol.com>
Sent: Wednesday, April 10, 2019 6:01 PM
To: Dani Diena
Subject: Re:

Yes, we are not going to sell.
Barry

Sent from my iPad

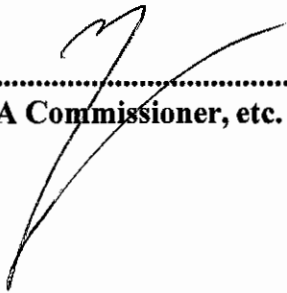
On Apr 9, 2019, at 5:10 PM, Dani Diena <ddiena@abira.ca> wrote:

Have you made a decision?

Thanks

Dani Diena
2275518 Ontario Inc
Rando Drugs Inc
4256 Bathurst Street
Suite 200 M3H 5Y8
Toronto
416-402-2767(c)
647-351-5300 (fax))

THIS IS EXHIBIT BB"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

From: Dani Diena <ddiena@abira.ca>
Date: April 15, 2019 at 8:44:58 PM EDT
To: Vikas Karnik <vikas.karnik@gmail.com>
Cc: "B. Lamont" <lamontgava@aol.com>, "H. Joshi" <harshadjoshi@gmail.com>, Chopra <doctorrajchopra@yahoo.com>
Subject: Re: Lease

Thanks for responding.

Dani Diena
2275518 Ontario Inc
Rando Drugs Inc
4256 Bathurst Street
Suite 200 M3H 5Y8
Toronto
416-402-2767(c)
647-351-5300 (fax))

From: Vikas Karnik <vikas.karnik@gmail.com>
Sent: Monday, April 15, 2019 8:43:50 PM
To: Dani Diena
Cc: B. Lamont; H. Joshi; Chopra
Subject: Re: Lease

Hello Dani,
We, the partners, have not been able to decide anything as of yet.
We will get back to you as soon as possible.
Vikas Karnik

On Mon., Apr. 15, 2019, 9:19 a.m. Dani Diena, <ddiena@abira.ca> wrote:

When we met I proposed to either buy the building or to equalize the rents higher. You informed me that you are not prepared now to sell the building. Can we sit and finalize a new lease?

thanks

Dani Diena

2275518 Ontario Inc

Rando Drugs Inc.

4256 Bathurst Street

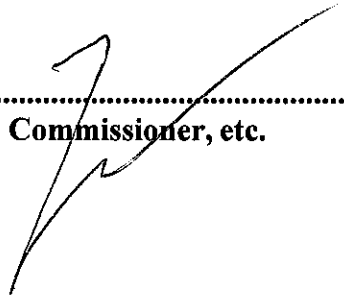
Suite 200 M3H 5Y8

416-402-2767 (c)

647-351-5300 (f)

THIS IS EXHIBIT "CC"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



From: Jennifer Stam [mailto:stam@gsnh.com]
Sent: Tuesday, February 4, 2020 2:21 PM
To: Sundin, David <dsundin@mctaguelaw.com>; MacKinnon, Jeff <Jmackinnon@mctaguelaw.com>
Cc: Bobby Kofman <bkofman@ksvadvisory.com>; Eli Brenner <ebrenner@ksvadvisory.com>
Subject: RE: 76188 / Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation - Termination of Lease with Rando Drugs Ltd./: Rando Drugs

CAUTION: This email originated from an email account outside of McTague Law Firm. Do not click on any links or open attachments unless you recognize the sender and know the content is safe.

David

Thank you for your email. We do not propose to your factual points below at this time. We appreciate the opportunity to meet and suggest an in person meeting at your offices on Tuesday. We will be traveling down in the morning on a flight which, if on time, should land about 10:40am – I would imagine we can be at your office shortly thereafter – we could say noon to be safe. Please confirm the time is acceptable asap so we can book our arrangements.

In the meantime, I also attach the lease extension for the Tecumseh property which shows the lease term.

Thanks.

JENNIFER STAM

Suite 1600 | 480 University Avenue | Toronto ON | M5G 1V2

Direct [416 597 5017](tel:4165975017) | Fax [416 597 3370](tel:4165973370) | stam@gsnh.com | www.gsnh.com

Assistant | Devka Sakhrani | [416 597 9922 ext. 370](tel:4165979922) | sakhrani@gsnh.com

SECOND RENEWAL LEASE

THIS SECOND RENEWAL LEASE made as of the 1st day of December, 2015.

BETWEEN:

**Chopra, Joshi, Karnik & Lamont
Medicine Professional Corporation**

(the "Landlord")

- and -

M. Blacher Drugs Ltd.

(the "Tenant")

WHEREAS:

- A. Medilease Corporation ("**Medilease**") entered into a Lease dated the 5th day of November, 1991, with the Tenant for the Premises (the "**Original Lease**") in the building situate at 1604 Tecumseh Road West, Windsor, Ontario (the "**Property**").
- B. By Renewal Lease dated the 1st day of December, 2009 (the "**Renewal Lease**"), the Landlord as successor to Medilease, granted to the Tenant a lease on the Property consisting of one hundred and twenty square feet (120 sq. ft.) in the southwest corner of the first floor of the building and a further room of eighty square feet (80 sq. ft.) of the second floor, more particularly defined as the "**Premises**" in the Renewal Lease.
- C. The Landlord has agreed to grant the Tenant a second renewal lease (the "**Second Renewal Lease**") of the Premises for a further term of ten (10) years commencing as of December 1, 2015 (the "**Second Renewal Term**") on the terms hereinafter set forth herein.

NOW THEREFORE:

1. The recitals are true in fact and substance and form an integral part of this Agreement and are expressly incorporated into this Agreement.
2. The Landlord hereby leases to the Tenant the Premises for the Second Renewal Term subject to the payment during the first year of the Second Renewal Term on the same terms contained in the Original Lease which provided for a monthly rent of Eight Thousand Dollars (\$8,000.00), plus 4.4%, being the increase set by the Canadian Consumer Price Index from 2012 to 2014, for an aggregate monthly rent of Eight

Thousand, Three Hundred and Fifty-Two Dollars (\$8,352.00) during the first year of the Term of the Lease. For each subsequent year of the Second Renewal Term, commencing January 1, 2017, the annual rent shall be increased by the percentage increase in the Canadian Consumer Price Index as at December 31 of the prior year.

3. Any notice to be given under the terms of this Second Renewal Lease shall be sufficiently given if delivered to the party for whom it is intended or if mailed, postage prepaid, by registered mail, facsimile transmission or personal service, addressed to the party for whom it is intended:

(a) in the case of notice to the Landlord, addressed to the Landlord at:

1608 Tecumseh Road West
Windsor, Ontario N9B 1T2

or such other address as may be specified by the Landlord in writing;

(b) in the case of notice to the Tenant, addressed to the Tenant at the Leased Premises, or such other address as may be specified by the Tenant in writing.

Any notice or document so given shall be deemed to have been received on the third business day following the date of mailing, if sent by registered mail, but shall be deemed to have been received on the day transmitted by telefax or delivered personally. Any party may from time to time by notice given as provided above, change their address for the purpose of this clause.

4. The Landlord and Tenant hereby covenant that they shall perform and observe the covenants, provisos and stipulations in the Original Lease as if such covenants, provisos and stipulations have been repeated in this Second Renewal Lease in full with such modifications only as are necessary to make them applicable to this Second Renewal Lease.

5. In the event of a material change to the government reimbursement formula applicable to pharmacies for prescription drugs, or any government regulations resulting in a reduction of twenty (20%) percent in gross revenue derived by the Tenant, the Tenant, at its sole option, may terminate this Second Renewal Lease on thirty (30) days notice.


6. This Second Renewal Lease shall be binding upon the parties and their successors and assigns.

[the remainder of this page is intentionally left blank, signature blocks follow]

IN WITNESS WHEREOF the parties have duly executed this Agreement.

SIGNED, SEALED AND DELIVERED)
in the presence of)

**CHOPRA, JOSHI, KARNIK &
LAMONT MEDICINE
PROFESSIONAL CORPORATION**

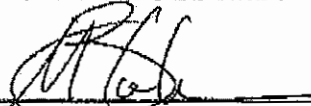
 Jan 20/2016

Name: DR. R. CHOPRA

Position: PRESIDENT

I have authority to bind the Corporation

M. BLACHER DRUGS LTD.

Per: 

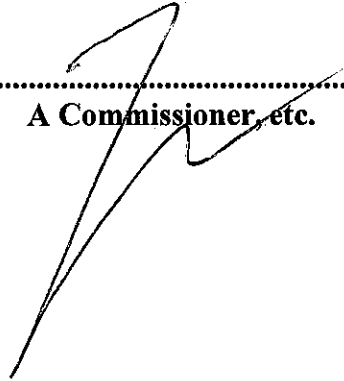
Name: Michael Blacher

Position: President

I have authority to bind the Corporation

THIS IS EXHIBIT "DD"
REFERRED TO IN THE AFFIDAVIT OF
BARRY LAMONT
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



LRO # 12 Notice Of Lease

Registered as CE433491 on 2010 07 20 at 14:41

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 3

Properties

PIN 01207 - 0181 LT
Description PT LT 4 PL 64 WINDSOR; PT LT 5 PL 64 WINDSOR AS IN R697636; WINDSOR
Address 1608 TECUMSEH BLVD W
 WINDSOR

Consideration

Consideration \$1.00

Party From(s)

Name CHOPRA, JOSHI, KARNIK & LAMONT MEDICINE PROFESSIONAL CORPORATION
Address for Service 1608 Tecumseh Road West, Windsor,
 Ontario N9B 1T2

I, BARRY LAMONT, A.S.O., have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

Party To(s)*Capacity**Share*

Name M. BLACHER DRUGS LTD.
Address for Service 1604 Tecumseh Road West, Windsor, Ontario N9B 1T8

Statements

The applicant is prepared to produce the document for inspection within fourteen (14) days of the request and the applicant consents to the cancellation of the document on presentation of proof satisfactory to the Land Registrar that the document was not produced upon request.

Term: 6 years *Expiry date:* 2015/11/30

Provision for renewal or extension, If the Tenant provides notice to the Landlord at least three (3) months prior to the last day of the Renewal Term that it wishes to renew the Lease, the Landlord hereby grants the Tenant with a right of renewal of lease for an additional six (6) years on the terms set out in the Original Lease

Signed By

Jerry Lee Goldberg 300-443 Ouellette Avenue, PO acting for Party Signed 2010 07 20
 Box 1390, Str. A From(s)
 Windsor
 N9A 6R4

Tel 519-977-1555

Fax 5199771566

I have the authority to sign and register the document on behalf of the Party From(s).

Submitted By

MILLER CANFIELD PADDOCK AND STONE LLP 300-443 Ouellette Avenue, PO 2010 07 20
 Box 1390, Str. A
 Windsor
 N9A 6R4

Tel 519-977-1555

Fax 5199771566

Fees/Taxes/Payment

<i>Statutory Registration Fee</i>	\$60.00
<i>Provincial Land Transfer Tax</i>	\$0.00
<i>Total Paid</i>	\$60.00

LRO # 12 Notice Of Lease

Registered as CE433491 on 2010 07 20 at 14:41

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 3

File Number

Party To Client File Number :

118097-4/JLG/DAW

LAND TRANSFER TAX STATEMENTS

In the matter of the conveyance of: 01207 - 0181 PT LT 4 PL 64 WINDSOR; PT LT 5 PL 64 WINDSOR AS IN R697636;
WINDSOR

BY: CHOPRA, JOSHI, KARNIK & LAMONT MEDICINE PROFESSIONAL CORPORATION

TO: M. BLACHER DRUGS LTD.

1. BLACHER, MICHAEL

I am

- (a) A person in trust for whom the land conveyed in the above-described conveyance is being conveyed;
- (b) A trustee named in the above-described conveyance to whom the land is being conveyed;
- (c) A transferee named in the above-described conveyance;
- (d) The authorized agent or solicitor acting in this transaction for _____ described in paragraph(s) () above.
- (e) The President, Vice-President, Manager, Secretary, Director, or Treasurer authorized to act for M. BLACHER DRUGS LTD. described in paragraph(s) (c) above.
- (f) A transferee described in paragraph () and am making these statements on my own behalf and on behalf of _____ who is my spouse described in paragraph () and as such, I have personal knowledge of the facts herein deposited to.

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

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

4.

Explanation for nominal considerations:

r) lease term of which including any renewals cannot exceed 50 years

5. The land is not subject to an encumbrance

PROPERTY Information Record

A. Nature of Instrument: Notice Of Lease
LRO 12 Registration No. CE433491 Date: 2010/07/20

B. Property(s): PIN 01207 - 0181 Address 1608 TECUMSEH BLVD W Assessment 3739050 - 32010000
WINDSOR Roll No

C. Address for Service: 1604 Tecumseh Road West, Windsor, Ontario N9B 1T8

D. (i) Last Conveyance(s): PIN 01207 - 0181 Registration No. CE122174
(ii) Legal Description for Property Conveyed: Same as in last conveyance? Yes No Not known

E. Tax Statements Prepared By: Jerry Lee Goldberg
300-443 Ouellette Avenue, PO Box 1390, Stn.
A
Windsor N9A 6R4

TAB 3

Court File No.: CV-20-28863

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

CHOPRA, JOSHI, KARNIK & LAMONT
 MEDICINE PROFESSIONAL CORPORATION

Applicant

- and -

KSV KOFMAN INC. as receiver for RANDO DRUGS LTD.,
 M. BLACHER DRUGS LTD. and FAMILY HEALTH PHARMACY WEST INC.

Respondent

AFFIDAVIT OF RAJ KUMAR CHOPRA

I, RAJ KUMAR CHOPRA, of the City of Windsor, in the County of Essex and Province of Ontario, MAKE OATH AND SAY:

1. I am a director and an owner of the Applicant, and as such, I have knowledge of the matters to which I hereinafter depose to, except for such information that has been received from others in which case I have stated the source to the information and believe it to be true.

2. I have read the Affidavit of Barry Lamont sworn April 23, 2020 ("**Dr. Lamont's Affidavit**") and I make this Affidavit to confirm certain information in Dr. Lamont's Affidavit. In addition to any newly defined terms, I adopt the defined terms contained Dr. Lamont's Affidavit.

3. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a true copy of the Third East Lease which is also contained at Exhibit "I" of Dr. Lamont's Affidavit. I signed the

Third East Lease on behalf of the Applicant. It is the position of the Applicant that it is the Third East Lease that is the operative and final lease, thus the Third East Lease became a month-to-month tenancy on January 1, 2019, subject to 60-days notice of termination.

4. Attached hereto and marked as **Exhibit "B"** to this my Affidavit is a true copy of the Purported Renewal of the Third East Lease which is also contained at Exhibit "W" of Dr. Lamont's Affidavit. On December 5, 2019, I reviewed Purported Renewal of the Third East Lease, which I had not seen prior to December 5, 2019. I did not agree to said document. I did not agree to extend the Third East Lease beyond December 31, 2018. I am advised by Dr. Joshi, Dr. Karnik and Dr. Lamont and verily believe that they did not agree to extend the East Lease beyond December 31, 2018 and that they had never seen the Purported Renewal of the Third East Lease before December 5, 2019. The Purported Renewal of the East Lease indicates that I signed it on behalf of the Applicant. I have reviewed the signature and it is not mine.

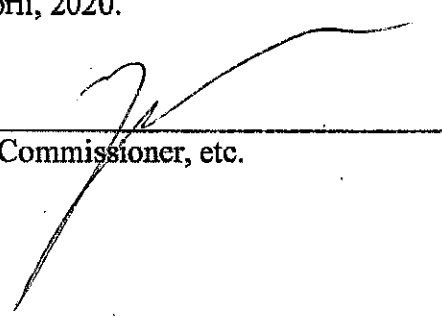
5. The purported creation date of the Purported Renewal of the Third East Lease is absurd. At the time that the Purported Renewal of the Third East Lease was purportedly created, there were still three years remaining on the Third East Lease. It is absurd to think that I would agree to an extension of the Third East Lease with so much time left remaining. I did not and would not do that.


6. The Purported Renewal of the East Lease purports to maintain the current rent levels. It is absurd to think that I would agree in 2013 to keep rent the same until the end of 2024. I did not and would not do that.

7. Attached hereto and marked as Exhibit "C" to this my Affidavit is a true copy of the Purported Renewal of the West Lease which is also contained at Exhibit "CC" of Dr. Lamont's Affidavit. I had never seen the Purported Renewal of the West Lease before February 4, 2020. I did not agree to it. I did not agree to extend the West Lease beyond December 1, 2021. I am advised by Dr. Joshi, Dr. Karnik and Dr. Lamont and verily believe that they did not agree to extend the West Lease beyond December 1, 2021, and that they had never seen the Purported Renewal of the West Lease before February 4, 2020.

8. The Purported Renewal of the West Lease indicates that I signed it on behalf of the Applicant. I have reviewed the signature and it is not mine.

9. I make this Affidavit in support of the relief sought on this Application and for no other or improper purpose.

SWORN BEFORE ME at the City of)
Windsor, in the County of Essex and)
Province of Ontario, this 23 day of)
April, 2020.)

A Commissioner, etc.)



RAJ KUMAR CHOPRA

THIS IS EXHIBIT "A"
REFERRED TO IN THE AFFIDAVIT OF
RAJ KUMAR CHOPRA
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

Dr. Lamont
copy

THIS INDENTURE made this 11th day of December, 2013.

Pursuant to the *Short Form of Leases Act*.

BETWEEN:

**WINDSOR MEDICAL CLINIC, A DIVISION OF CHOPRA, JOSHI,
KARNIK & LAMONT MEDICINE PROFESSIONAL CORPORATION,**
residing in the City of Windsor, in the County of Essex

herein called "Landlord",

OF THE FIRST PART

-AND-

RANDO DRUGS LTD., a corporation incorporated under the laws of the
Province of Ontario

herein called "Tenant",

OF THE SECOND PART

WITNESSETH:

ARTICLE 1
GRANT AND TERM

DEMISED PREMISES

1.1 In consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of Tenant to be paid, observed and performed, Landlord leases to the Tenant those certain lands and premises consisting of the ground floor of a building, upon the lands described in Schedule "A" annexed hereto consisting of approximately 540 square feet and known municipally as 6720 Hawthorne Drive, Windsor (herein called the "Demised Premises"). The boundaries and location of the Demised Premises are outlined in red on the site plan of the building which is annexed as Schedule "B" hereto. The exterior faces of the exterior walls of the building are expressly excluded from the Demised Premises.

TERM

1.2 To have and to hold the Demised Premises, unless such term shall be sooner terminated as hereinafter provided, for and during the term of five (5) years to be computed from and inclusive of the 1st day of January, 2014 and from thenceforth next ensuing and fully to be complete and ended on the 31st day of December, 2018 (herein called the "Term").

988,140/yr

ARTICLE 2
RENT

AMOUNT OF RENT

2.1 Yielding and Paying Therefor yearly and every year during the Term the sum of Seventy-Eight Thousand Dollars (\$78,000.00) of lawful money of Canada, plus HST, to be paid in advance in equal, consecutive, monthly instalments of Six Thousand Five Hundred Dollars (\$6,500.00) each plus HST on the first day of each month in each year during the Term, the first of such payments to become due and be paid in advance on the 1st day of January, 2014 and the last payment to become due and be paid in advance on the 1st day of December, 2018.

ADDITIONAL CHARGES

2.2 Tenant covenants to pay rent and to pay as additional charges all other sums of money or charges required to be paid by Tenant under this lease, whether or not the same are designated "additional charges". If such amounts or charges are not paid at the time provided in this lease they shall become due and payable with the next instalment of rent thereafter falling due hereunder as if such additional charges were rent, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder or limit any other remedy of the Landlord.

PAST DUE RENT AND ADDITIONAL CHARGES

2.3 If Tenant shall fail to pay, when the same are due and payable, any rent or any additional charges or amounts of the kind described in Section 2.2 hereof, such unpaid amounts shall bear interest from the due date thereof to the date of payment at the rate of eighteen percent (18%) per annum.

ARTICLE 3
TAXES

BUSINESS AND PERSONAL PROPERTY TAX

3.1 Tenant shall pay all taxes, rates, charges and licence fees assessed, levied or imposed in respect of the personal property, business or income of Tenant as and when the same become due and payable.

TAX ON RENTS

3.2 In the event that any Federal, Provincial, Municipal or other governmental authority shall impose or assess any tax, levy or other charge on or against all or any part of the rentals and/or charges paid or to be paid by Tenant under the terms of this lease, and Landlord is required to collect from Tenant and/or pay such tax, levy or charge to such authority, Tenant shall, within ten (10) days from

written demand therefor, pay to or reimburse Landlord (as the case may be) all such charges as may be imposed or assessed, which, for the purposes of this lease shall be deemed to be due from Tenant as additional charges; it being the intention of the parties hereto that the rents payable hereunder, shall be paid to the Landlord absolutely net, without deduction of any nature whatsoever, except as is in this lease otherwise expressly provided; provided, the Tenant shall not be required to pay any estate, inheritance, succession, transfer, income or similar taxes which may be payable by the Landlord.

LAND TAXES

3.3 Landlord shall, in the first instance, pay and discharge as the same become due and payable, all taxes including local improvement rates, rates, duties and assessments that may be levied, rated charged or assessed against the land and building of which the Demised Premises form a part including without being limited to every tax, charge, rate, assessment or payment which may become a charge or encumbrance or levied upon or collected in respect thereof, whether charged by any municipal, school, parliamentary or other body (herein collectively called "Land Taxes"). Tenant shall, forthwith upon demand therefor by Landlord, pay to Landlord that portion of the Land Taxes equal to the product obtained by multiplying the amount of the Land Taxes by a fraction, the numerator of which shall be the square foot area of the Demised Premises are situated. The tax year of any lawful authority commencing during any lease year shall be deemed to correspond to such lease year, but if the last year of the term hereof is a period of which part only is included with any such tax year any such increase for such period shall be reduced proportionately. The additional rent provided for in this Section shall be paid within twenty (20) days after demand therefor by Landlord.

ARTICLE 4

USE, WASTE, NUISANCE, GOVERNMENTAL REGULATIONS

USE OF DEMISED PREMISES

4.1 The Demised Premises shall be used solely for the purpose of a Pharmacy.

PROHIBITIONS

4.2 Tenant shall not under any circumstances whatsoever:

- (a) use or permit the Demised Premises to be used or occupied for any unlawful purpose or contrary to any Laws;
- (b) commit or allow to be committed any waste upon the Demised Premises;
- (c) do or permit to be done anything which shall be or result in a nuisance or which may disturb the quiet enjoyment of any neighbouring properties or which may give any other person, firm or corporation any lawful reason to bring an action for damages against Landlord;
- (d) discharge or spill any Contaminant or Pollutant upon the Demised Premises or into the Natural Environment that causes or is likely to cause an Adverse Effect;

- (e) use or permit anything to be done which would make void or voidable any insurance upon the Demised Premises or which would constitute a nuisance; or
- (f) use or permit the Demised Premises to be used contrary to any of the provisions of this Agreement.

COMMENCEMENT OF WORK

4.3 Tenant shall not commence any work whatsoever upon the Demised Premises at any time, except in cases of emergency, unless the following provisions have been complied with:

- (a) Tenant has complied with all Laws, Regulations and Orders respecting such work and has obtained all the Permits required to permit such work to be performed;
- (b) Tenant has given prior written notice to Landlord containing:
 - (i) a description of the work to be performed and all the plans, drawings and specifications related to such work;
 - (ii) the dates and times when all such work shall be performed;
 - (iii) Tenant's certificate that all Permits needed by Tenant to permit such work to be performed have been obtained; and
 - (iv) a list and copies of all such Permits; and
- (c) Landlord has given its consent to Tenant to commence the work described in the notice on the dates and at the times set forth therein which consent may be unilaterally and arbitrarily withheld.

COMPLIANCE WITH LAWS

4.4 Tenant shall abide by and comply with all Laws, Regulations and Orders and all applicable orders, rules and regulations of the Canadian Fire Underwriters Association, or any other body having similar functions, and the provisions of all policies of public liability, fire and other insurance now in force, or which may hereafter be in force with respect to the Demised Premises and any equipment used in connection therewith.

MECHANICS' LIENS

4.5 Tenant shall not suffer or permit any construction liens for work, labour, services or materials ordered by Tenant or for the cost of which Tenant may be in any way obligated, to attach to the building or the Demised Premises, and whenever any such lien shall attach or a claim therefor shall be registered, Tenant shall, within twenty (20) days after Tenant has notice of the claim for lien, procure the discharge thereof by payment or by giving security or in such other manner as is or may be required or permitted by law.

ARTICLE 5
UTILITIES

UTILITY CHARGES

5.1 Tenant shall be solely responsible for and pay as the same become due respectively all charges for telephone, heat, air-conditioning, water, gas, electricity or any other utility used or consumed in the Demised Premises. Landlord shall not be liable for any interruption or failure in the supply of any such utilities to the Demised Premises.

ARTICLE 6
MAINTENANCE AND REPAIRS

CONDITION OF THE DEMISED PREMISES

6.1 Tenant acknowledges that Tenant has inspected and is familiar with the physical attributes and condition of the Demised Premises at the date hereof and that Landlord has made no representations or warranties of whatsoever nature or kind with respect to the same other than those which are expressly set forth in this lease and that Landlord shall not be liable for any latent or patent defects in the building or for the existence of any other circumstance or condition not expressly represented or warranted and expressly set forth in this lease, and in particular, Landlord shall not be responsible for any want of repair of the building.

TENANT'S OBLIGATIONS TO MAINTAIN AND REPAIR

6.2 Tenant shall maintain and keep the Demised Premises and every part thereof in good, substantial repair and condition and promptly make all needed repairs and replacements of a quality and kind at least equal to the original, subject to reasonable wear and tear and damage by fire, lightning, tempest, vis major, act of the Queen's enemies, riot, mob violence, civil commotion, earthquake, structural, latent or inherent defect or by reason of any explosion, accident or other agency not the result of some negligent act or omission of Tenant, Tenant's employees, invitees or contractors only excepted; but notwithstanding the foregoing covenant to repair Tenant shall not be responsible to repair the roof, foundations, outside walls, down pipes, drains, pipes, plumbing, electrical wiring, heating or air-conditioning plant and equipment except where the want of such repairs is the result of improper use thereof by Tenants, or Tenant's employees, invitees, licensees or contractors.

SURRENDER OF DEMISED PREMISES AT END OF TERM

6.3 Upon the expiration of the Term Tenant shall surrender the Demised Premises to Landlord in the same condition in which they were delivered to Tenant at the commencement of the Term, subject to any changes made with the Landlord's prior written consent, reasonable wear and tear and damages by fire, lightning, tempest, vis major, act of the Queen's enemies, riot, mob violence, civil commotion, earthquake, structural, latent or inherent defect or by reasons of any explosion, accident or agency not the result of some negligent act or omission of Tenant, Tenant's employees, invitees or contractors only excepted.

TENANT'S FURTHER OBLIGATION TO REPAIR

6.4 Tenant, at Tenant's expense, shall keep and maintain any curbs, sidewalks and parking areas, in, on or adjoining the same clean and free of dirt, rubbish, ice and snow and at the expiration of the Term Tenant shall leave the same in a clean and tidy condition as aforesaid.

LANDLORD NOT RESPONSIBLE

6.5 Tenant, except as herein otherwise specifically provide, assumes the entire responsibility for the condition, operation, maintenance and management of the Demised Premises and the building situated thereon and Landlord shall have no responsibility whatsoever for same nor shall Landlord be responsible for damage to the Tenant's property in and upon the Demised Premises under any circumstances whatsoever except damages caused by the negligent act or omission of Landlord or Landlord's employees or contractors.

ARTICLE 7 ACCESS BY LANDLORD

RIGHT OF ENTRY

7.1 Landlord and Landlord's agents shall have the right to enter the Demised Premises at all reasonable times to inspect the same and in the event an inspection reveals any maintenance work or repairs are necessary and required by this lease to be done by Tenant, Landlord shall give Tenant notice in writing and thereupon Tenant shall within a reasonable time after receipt thereof, do such maintenance work or make the necessary repairs or replacements in a good and workmanlike manner and if Tenant shall fail to do so the Landlord, and its contractors, agents or workmen shall be allowed to take all material into and upon the Demised Premises and do such maintenance work or make such repairs or replacements and the rent reserved shall in no way abate while said maintenance work, repairs or replacements are being made and the Landlord shall not be liable for any inconvenience, disturbance, loss of business or other damage resulting therefrom and Tenant shall pay Landlord, as an additional charge, the cost of same plus twenty (20%) percent for overhead and supervision. During the three months prior to the expiration of the Term or any renewal term Landlord may exhibit the Demised Premises to prospective tenants or purchasers and place upon the Demised Premises the usual notice "To Let" or "For Sale" which notices Tenant shall permit to remain thereon without molestation. The additional charges provided for in this section shall be paid within twenty (20) days after demand therefor by Landlord.

ARTICLE 8 INSURANCE AND INDEMNITY

FIRE INSURANCE AND OTHER RISKS

8.1 Tenant shall, at Tenant's expense, keep all buildings, improvements, equipment, fixtures, motors and machinery in or upon the Demised Premises (other than Tenant's trade fixtures and

equipment) insured against loss or damage by fire and such other perils as Landlord may reasonably require to be insured against (limited to perils which similar properties are usually insured against in the Province of Ontario by prudent owners but which shall be deemed to include without being limited to windstorm, hail, explosion, riot, civil commotion, damage from air-craft and vehicles and smoke damage) in the joint names of Landlord and Tenant (and with the loss payable to Mortgagees, if any) in an amount equal to the full insurable value thereof (exclusive of the cost of foundations) so as to prevent Landlord and Tenant from becoming co-insurers under the provisions of all applicable policies of insurance. The insurance shall be in an insurance company approved by Landlord and a copy of the policy or a certificate of insurance shall be delivered to Landlord.

LIABILITY INSURANCE

8.2 Tenant shall also, at Tenant's expense, keep in full force and effect a policy of general liability insurance with respect to the Demised Premises and the business conducted by Tenant protecting against claims for personal injury, death and property damage in which the limits shall be not less than Two Million Dollars (\$2,000,000.00) in respect of injury or death to a single person, and not less than Two Million Dollars (\$2,000,000.00) in respect of property damage. The policy shall name Landlord and Tenant as insured. The insurance shall be in an insurance company approved by Landlord and a copy of the policy or a certificate of insurance shall be delivered to Landlord.

INDEMNIFICATION OF LANDLORD

8.3 Tenant will indemnify and save Landlord harmless from and against any and all:

- (a) liabilities, losses, claims, actions, damages (including, without limitation, lost profits, consequential damages, interest, penalties, fines and monetary sanctions) and costs; and
- (b) lawyers, on a solicitor and his own client basis, accountants and engineering fees and expenses, court costs and all other out-of-pocket expenses, incurred or suffered by Landlord;

by reason of, resulting from, in connection with or arising in any manner whatever out of the breach of any term, covenant or provision of this Agreement, loss of life, personal injury and/or damage to property or the Natural Environment arising from or out of any occurrence in, upon or at the Demised Premises or any adjacent lands or any part thereof, or occasioned wholly or in part by any act or omission of Tenant or Tenant's agents, contractors, employees or servants. Tenant shall also pay all costs, expenses and reasonable counsel fees that may be incurred or paid by Landlord in enforcing the covenants and agreements contained in this Agreement

ARTICLE 9 **DAMAGE AND DESTRUCTION**

TOTAL OR PARTIAL DESTRUCTION

9.1 If the Demised Premises are wholly or partly damaged or destroyed by fire or any other cause this Lease shall remain in full force and effect without abatement of rent and Tenant shall promptly repair, restore and rebuild the same as nearly as possible to the condition they were in immediately prior to such damage or destruction.

PROCEEDS OF INSURANCE

9.2 Subject to the provisions of any mortgage of the Demised Premises the proceeds of all insurance recovered on account of such damage or destruction, less the cost, if any, to Landlord of such recovery, shall be applied to payment of the cost of repairing, restoring and rebuilding (herein referred to as the "work") and shall be paid to Tenant as the work progresses upon the written request of Tenant which shall be accompanied by a certificate of the architect or engineer in charge of the work, stating:

- (a) that the sum requested is justly due to the contractors, material men, labourers, engineers, architects or other persons, rendering services or providing materials for the work, or is justly required to reimburse Tenant for expenditure made by Tenant in connection with such work, and when added to all sums previously paid out by Landlord does not exceed the value of the work done to the date of such certificate less then required hold-back, and
- (b) that the insurance money remaining in the hands of Landlord, together with the other sums or financing held by or available and secured to Tenant, will be sufficient upon the completion of the work to pay for the same in full.

INSUFFICIENCY OF INSURANCE

9.3 In case the insurance money in the hands of Landlord and said other sums or financing are insufficient to pay the entire cost of the work Tenant shall pay the deficiency. Upon completion of the work and payment in full thereof by Tenant, Landlord shall turn over to Tenant any insurance money then remaining in the hands of Landlord.

TERMINATION OF LEASE

9.4 Provided that if during the last year of the Term the Demised Premises are totally destroyed by fire or any other cause or are partially destroyed so as to render the building wholly unfit for occupancy then at the written option of Tenant exercised within ten (10) days thereafter this Lease shall cease and become null and void from the date of receipt of such notice by Landlord and in that event all proceeds from said insurance shall belong absolutely to Landlord and Tenant shall forthwith execute all necessary releases in respect of the insurance monies.

ARTICLE 10 FIXTURES

FIXTURES

10.1 Tenant may remove its fixtures so long as all rent and other sums due or to become due hereunder are fully paid and so long as Tenant does not remove or carry away from the Demised Premises any part of the building or any plumbing, heating, electrical or ventilating plant or equipment or other building services and so long as Tenant repairs any damage caused by such removal, provided however that all electric light fixtures, alterations, additions and improvements to the Demised Premises

which in any manner are or shall be attached to the walls, floors or ceilings, or any linoleum tile, carpet, or similar floor covering which may be cemented or otherwise affixed to the floor of the Demised Premises or any paneling or other covering affixed to the walls thereof shall remain upon the premises and become the property of Landlord at the expiration or other termination of this lease.

ARTICLE 11 DEFAULT OF TENANT

PROVISO FOR RE-ENTRY

11.1 Provided that in the event of non-payment of rent or non-performance of covenant, and in case, without the written consent of Landlord, the Demised Premises shall become and remain vacant or not used for a period of thirty (30) days while the same are suitable for use by Tenant or be used by any other persons than Tenant; or in case the Term or any of the goods and chattels of Tenant shall be at any time seized or taken in execution or in attachment by any creditor of the Tenant or the Tenant shall make any assignment for the benefit of creditors or become bankrupt or insolvent or take the benefit of any Act now or hereinafter in force for bankrupt or insolvent debtors or any order shall be made for the winding-up of Tenant, then in every such case the then current month's rent and the next ensuing three (3) month's rent shall immediately become due and payable and, at the option of Landlord, this lease shall cease and determine and the Term shall immediately become forfeited and void, in which event Landlord may at any time re-enter and take possession of the Demised Premises as though Tenant or any occupant or occupants of the Demised Premises was or were holding over after the expiration of the Term without any right whatever, but without prejudice to the rights of the Landlord in respect of breaches of the Tenant's covenants in this lease.

DISTRESS

11.2 Notwithstanding the benefit of any present or future statute taking away or limiting Landlord's right of distress none of the goods and chattels of Tenant on the Demised Premises at any time during the Term shall be exempt from levy by distress for rent in arrears.

TENANT'S CHATTELS

11.3 Provided that in the case of removal by Tenant of the goods and chattels of Tenant from off the Demised Premises, Landlord may follow the same and seize and sell the Tenant's goods and chattels at any place to which they may have been removed from the Premises.

RIGHT OF RE-ENTRY

11.4 On the Landlord's becoming entitled to re-enter the Demised Premises under any of the provisions of this lease, the Landlord, in addition to all other rights, may do so as the agent of the Tenant, using force if necessary, without being liable for prosecution therefor, and may relet the Demised Premises as agent of the Tenant, and receive the rent therefor, and as agent of the Tenant may take possession of furniture or other property on the Premises and sell it at public or private sale without notice and apply the proceeds of sale and rent derived from reletting the Demised Premises upon account of the rent under this lease, and the Tenant is liable to the Landlord for any deficiency.

ARTICLE 12
ASSIGNMENT AND SUBLETTING

CONSENT REQUIRED

12.1 Tenant shall not assign this lease or sublet or part with possession of the whole or any part of the Demised Premises save for the purposes herein permitted and then only with the proper written consent of Landlord in each instance, which will not be unreasonably withheld. The Tenant hereby waives his right to the benefit of any present or future Act of the Legislature of Ontario which would allow the Tenant to assign this Lease or sublet the Premises without the Landlord's consent.

IF CONSENT GRANTED

12.2 Any consent given by the Landlord to any assignment or other disposition of the Tenant's interest in this Lease or in the Demised Premises shall not relieve the Tenant from his obligations under this lease, including the obligation to pay Rent and Additional Rent as provided for herein.

ARTICLE 13
OVER-HOLDING

OVER-HOLDING

13.1 Provided that if upon the determination of this Lease or any renewal thereof for any reason whatsoever the Tenant continues to occupy the Demised Premises with or without the consent of the Landlord, a tenancy from year to year shall not be created by implication of law but the Tenant shall be deemed to be a monthly Tenant only subject in all respects to the provisions of this Lease.

ARTICLE 14
QUIET ENJOYMENT

LANDLORD'S COVENANT

14.1 Landlord covenants with Tenant that upon Tenant duly paying the rent hereby reserved together with all additional charges herein secured and duly keeping, observing and performing the covenants, agreements and conditions herein on Tenant's part to be kept, observed and performed, Tenant shall and may peaceably possess and enjoy the Demised Premises for the Term without hindrance, interruption or disturbance from Landlord.

ARTICLE 15
MISCELLANEOUS

WAIVER

15.1 The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent

breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this lease, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this lease shall be deemed to have been waived by Landlord, unless such waiver be in writing and signed by Landlord.

ENTIRE AGREEMENT

15.2 This lease sets forth all the covenants, premises, agreements, representations, warranties, conditions and understandings between Landlord and Tenant concerning the Demised Premises and there are no covenants, promises, agreements, representations, warranties, conditions and understandings, that are oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alterations, amendment, change or addition to this lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

PARTIAL INVALIDITY

15.3 If any term, covenant, or condition of this lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this lease shall be valid and be enforced to the fullest extent permitted by law.

SUCCESSORS AND ASSIGNS

15.4 This lease shall be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns; and the parties hereto agree for themselves, and their heirs, executors, administrators, successors, and assigns, to execute any instruments which may be necessary or proper to carry out the purposes and intent of this lease.

RIGHT OF FIRST REFUSAL

15.5 During the term of this Lease, if the Landlord receives a bona fide offer ("Offer") which includes an offer to purchase all the lands and buildings described in Schedule "A" (the "Entire Lands") which the Landlord is willing to accept, the Landlord shall give written notice of the Offer to the Tenant by sending to it a true copy of the Offer and the Tenant shall have the right, during the next four (4) business days after giving of such notice, by written notice to the Landlord, to elect to purchase the same items as listed in the Offer, including the Entire Lands for the price and upon the terms and conditions contained in the Offer, with a closing to take place on the later of fifteen (15) days after the date set for closing in the Offer to purchase or a date mutually convenient to the Landlord and Tenant.

If the Tenant does so elect, the notice given by it shall constitute a binding Agreement of Purchase and Sale. If the Tenant does not elect, the Landlord shall be free to sell the Entire Lands on the terms and conditions set forth in the Offer. If the Entire Lands are not sold under the terms of the Offer the Landlord shall be obliged to submit any further offer to the Tenant by giving written notice of it to the Tenant in the manner provided in this section.

SCHEDULE "A"

to Lease made between:

**WINDSOR MEDICAL CLINIC, A DIVISION OF
CHOPRA, JOSHI, KARNIK & LAMONT
MEDICINE PROFESSIONAL CORPORATION**

(LANDLORD)

- and -

RANDO DRUGS LTD.

(TENANT)

The following is a description of the demised premises:

Part of Block A, Plan 1644, as in Instrument R819440, Windsor and municipally known as:
6720 Hawthorne Drive, Windsor.

SCHEDULE "C"**RULES AND REGULATIONS**

1. All garbage and refuse shall be kept in the kind of container specified by the Landlord, and shall be placed outside of the premises prepared for collection in the manner and at the times and places specified by the Landlord. If municipal garbage and refuse removal services are not provided by the municipality and if, under such circumstances, the Landlord shall provide or designate a service for picking up garbage and refuse, the Tenant shall use the same at the Tenant's cost so long as the person provided or designated by the Landlord carries out such duties in a good and workmanlike manner and the costs thereof are competitive with those of other persons providing such service.
2. No loud speakers, televisions, phonographs, radios or other devices shall be used in a manner so as to be heard or seen outside of the premises without the prior written consent of the Landlord.
3. The Tenant shall not place or permit any obstructions or goods in outside areas.
4. The plumbing facilities shall not be used for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by the Tenant who shall, or whose employees, agents or invitees shall have caused it.
5. The Tenant shall keep the demised premises clear and free from rodents, bugs, and vermin and, if necessary, join with the Landlord and other tenants of the building and bear its part of the expense for a general extermination. The Tenant shall not be obligated to bear any expense of a general extermination if the Landlord or another Tenant has been responsible for the cause of the general extermination of which the Landlord shall be the sole judge.
6. The Tenant shall not use or permit the use of any portion of the demised premises as sleeping apartments, lodging rooms or for any unlawful purpose or purposes.

THIS IS EXHIBIT "B"
REFERRED TO IN THE AFFIDAVIT OF
RAJ KUMAR CHOPRA
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.


.....
A Commissioner, etc.

SECOND RENEWAL LEASE

THIS RENEWAL LEASE made as of the 31st day of December, 2015.

BETWEEN:

**Chopra, Joshi, Karnik & Lamont
Medicine Professional Corporation**

(the "Landlord")

- and -

Rando Drugs LTD.

(the "Tenant")

WHEREAS:

- A. Medilease Corporation ("**Medilease**") entered into a Lease dated the 1st day of January, 2007, with the Tenant for the Premises (the "**Original Lease**") in the building situated at 6720 Hawthorne Drive, Windsor, Ontario (the "**Property**").
- B. By Renewal Lease dated the 11th day of December, 2013 (the "**Renewal Lease**"), the Landlord as successor to Medilease, granted to the Tenant a lease on the Property consisting of five hundred and forty square feet (540 sq. ft.) in the building, more particularly defined as the "**Premises**" in the Renewal Lease.
- C. The Landlord has agreed to grant the Tenant a second renewal lease (the "**Second Renewal Lease**") of the Premises for a further term of six (6) years commencing as of January 1, 2019 (the "**Second Renewal Term**") on the terms hereinafter set forth herein.

NOW THEREFORE:

1. The recitals are true in fact and substance and form an integral part of this Agreement and are expressly incorporated into this Agreement.
2. Any notice to be given under the terms of this Second Renewal Lease shall be sufficiently given if delivered to the party for whom it is intended or if mailed, postage prepaid, by registered mail, facsimile transmission or personal service, addressed to the party for whom it is intended:
 - (a) in the case of notice to the Landlord, addressed to the Landlord at:

1608 Tecumseh Road West
Windsor, Ontario N9B 1T2

or such other address as may be specified by the Landlord in writing;

- (b) in the case of notice to the Tenant, addressed to the Tenant at the Leased Premises, or such other address as may be specified by the Tenant in writing.

Any notice or document so given shall be deemed to have been received on the third business day following the date of mailing, if sent by registered mail, but shall be deemed to have been received on the day transmitted by telefax or delivered personally. Any party may from time to time by notice given as provided above, change their address for the purpose of this clause.

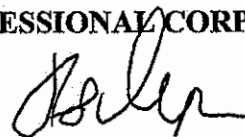
The Landlord and Tenant hereby covenant that they shall perform and observe the covenants, provisos and stipulations in the Original Lease as if such covenants, provisos and stipulations have been repeated in this Second Renewal Lease in full with such modifications only as are necessary to make them applicable to this Second Renewal Lease.

- 3. In the event of a material change to the government reimbursement formula applicable to pharmacies for prescription drugs, or any government regulations negatively impacting the operations or profitability of the Tenant's pharmacy, the Tenant, at its sole option, may terminate this Second Renewal Lease on thirty (30) days notice.
- 4. This Second Renewal Lease shall be binding upon the parties and their successors and assigns.

IN WITNESS WHEREOF the parties have duly executed this Agreement.

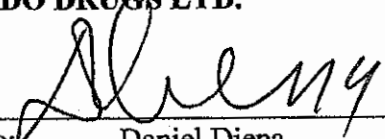
SIGNED, SEALED AND DELIVERED)
in the presence of)

**CHOPRA, JOSHI, KARNIK &
LAMONT MEDICINE
PROFESSIONAL CORPORATION**



Name: Dr Raj Chopra
Position: President
I have authority to bind the Corporation

RANDO DRUGS LTD.



Per: Daniel Diena
Name: Daniel Diena
Position: President
I have authority to bind the Corporation

THIS IS EXHIBIT "C"
REFERRED TO IN THE AFFIDAVIT OF
RAJ KUMAR CHOPRA
SWORN BEFORE ME THIS 23rd DAY
OF APRIL, 2020.

.....
A Commissioner, etc.

SECOND RENEWAL LEASE

THIS SECOND RENEWAL LEASE made as of the 1st day of December, 2015.

BETWEEN:

**Chopra, Joshi, Karnik & Lamont
Medicine Professional Corporation**

(the "Landlord")

- and -

M. Blacher Drugs Ltd.

(the "Tenant")

WHEREAS:

- A. Medilease Corporation ("Medilease") entered into a Lease dated the 5th day of November, 1991, with the Tenant for the Premises (the "Original Lease") in the building situate at 1604 Tecumseh Road West, Windsor, Ontario (the "Property").
- B. By Renewal Lease dated the 1st day of December, 2009 (the "Renewal Lease"), the Landlord as successor to Medilease, granted to the Tenant a lease on the Property consisting of one hundred and twenty square feet (120 sq. ft.) in the southwest corner of the first floor of the building and a further room of eighty square feet (80 sq. ft.) of the second floor, more particularly defined as the "Premises" in the Renewal Lease.
- C. The Landlord has agreed to grant the Tenant a second renewal lease (the "Second Renewal Lease") of the Premises for a further term of ten (10) years commencing as of December 1, 2015 (the "Second Renewal Term") on the terms hereinafter set forth herein.

NOW THEREFORE:

1. The recitals are true in fact and substance and form an integral part of this Agreement and are expressly incorporated into this Agreement.
2. The Landlord hereby leases to the Tenant the Premises for the Second Renewal Term subject to the payment during the first year of the Second Renewal Term on the same terms contained in the Original Lease which provided for a monthly rent of Eight Thousand Dollars (\$8,000.00), plus 4.4%, being the increase set by the Canadian Consumer Price Index from 2012 to 2014, for an aggregate monthly rent of Eight

- 2 -

Thousand, Three Hundred and Fifty-Two Dollars (\$8,352.00) during the first year of the Term of the Lease. For each subsequent year of the Second Renewal Term, commencing January 1, 2017, the annual rent shall be increased by the percentage increase in the Canadian Consumer Price Index as at December 31 of the prior year.

3. Any notice to be given under the terms of this Second Renewal Lease shall be sufficiently given if delivered to the party for whom it is intended or if mailed, postage prepaid, by registered mail, facsimile transmission or personal service, addressed to the party for whom it is intended:

(a) in the case of notice to the Landlord, addressed to the Landlord at:

1608 Tecumseh Road West
Windsor, Ontario N9B 1T2

or such other address as may be specified by the Landlord in writing;

- (b) in the case of notice to the Tenant, addressed to the Tenant at the Leased Premises, or such other address as may be specified by the Tenant in writing.

Any notice or document so given shall be deemed to have been received on the third business day following the date of mailing, if sent by registered mail, but shall be deemed to have been received on the day transmitted by telefax or delivered personally. Any party may from time to time by notice given as provided above, change their address for the purpose of this clause.


4. The Landlord and Tenant hereby covenant that they shall perform and observe the covenants, provisos and stipulations in the Original Lease as if such covenants, provisos and stipulations have been repeated in this Second Renewal Lease in full with such modifications only as are necessary to make them applicable to this Second Renewal Lease.
5. In the event of a material change to the government reimbursement formula applicable to pharmacies for prescription drugs, or any government regulations resulting in a reduction of twenty (20%) percent in gross revenue derived by the Tenant, the Tenant, at its sole option, may terminate this Second Renewal Lease on thirty (30) days notice.
6. This Second Renewal Lease shall be binding upon the parties and their successors and assigns.

[the remainder of this page is intentionally left blank, signature blocks follow]

IN WITNESS WHEREOF the parties have duly executed this Agreement.

SIGNED, SEALED AND DELIVERED
in the presence of

**CHOPRA, JOSHI, KARNIK &
LAMONT MEDICINE
PROFESSIONAL CORPORATION**

 Jan 20/2016

Name: DR. R. CHOPRA
Position: PRESIDENT
I have authority to bind the Corporation

M. BLACHER DRUGS LTD.

Per: 

Name: Michael Blacher
Position: President
I have authority to bind the Corporation

TAB 4

Court File No.: CV-20-28863

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

CHOPRA, JOSHI, KARNIK & LAMONT
MEDICINE PROFESSIONAL CORPORATION

Applicant

- and -

KSV KOFMAN INC. as receiver for RANDO DRUGS LTD.,
M. BLACHER DRUGS LTD. and FAMILY HEALTH PHARMACY WEST INC.

Respondent

AFFIDAVIT OF MICHAEL BLACHER

I, MICHAEL BLACHER, of the City of Windsor, in the County of Essex and Province of Ontario, MAKE OATH AND SAY:

1. I am the former owner of the Respondent, M. Blacher Drugs Ltd., who is a tenant of the Applicant, and as such, I have knowledge of the matters to which I hereinafter depose to, except for such information that has been received from others in which case I have stated the source to the information and believe it to be true.

2. I make this Affidavit to confirm certain information in the Affidavit of Barry Lamont sworn April 23, 2020 ("**Dr. Lamont's Affidavit**"). In addition to any newly defined terms, I adopt the defined terms contained in Dr. Lamont's Affidavit.

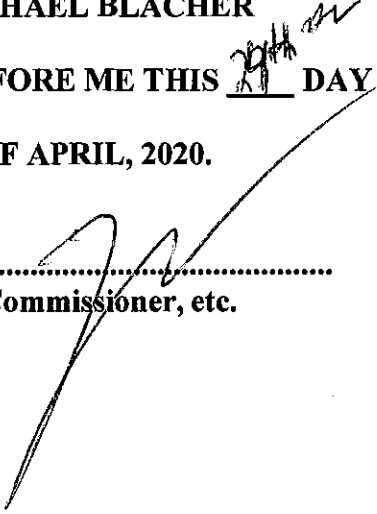
3. On the date of the Purported Renewal of the West Lease, I was the owner of M. Blacher Drugs. While that appears to be my signature on the last page of the Purported Renewal of the West Lease, I did not agree to an extension of the tenancy of the West Property until December 1, 2025, as is indicated on first page of the Purported Renewal of the West Lease. Attached hereto and marked **Exhibit "A"** to this my Affidavit is a true copy of the Purported Renewal of the West Lease.

4. In February 2016, I sold the shares of M. Blacher Drugs to Dani Diena. During the negotiations with Mr. Diena, he asked me to see if the principals of the Applicant would agree to extend the tenancy of the West Property for ten (10) years. The principals of the Applicant would not agree to a ten (10) year extension, but rather would only agree to a six (6) year extension. I recall telling Mr. Diena that perhaps the principals of the Applicant would agree to a further extension at another time if he demonstrated that he was a good tenant. The sale of the shares closed with a six (6) year extension in place for the West Property.

5. Law firm Shibley Righton LLP represented me in the transaction. I have authorized Shibley Righton to release its file (the "**Shibley File**") to McTague Law Firm LLP. In the Shibley File is a signed copy of the Second Renewal of the Original West Lease which indicates that the tenancy of the West Property was extended for (6) six years to December 1, 2021. Attached hereto and marked as **Exhibit "B"** to this my Affidavit is a true copy of the Second Renewal of the Original West Lease in the Shibley file.

THIS IS EXHIBIT "A"
REFERRED TO IN THE AFFIDAVIT OF
MICHAEL BLACHER
SWORN BEFORE ME THIS 21st DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



SECOND RENEWAL LEASE

THIS SECOND RENEWAL LEASE made as of the 1st day of December, 2015.

BETWEEN:

**Chopra, Joshi, Karnik & Lamont
Medicine Professional Corporation**

(the "Landlord")

- and -

M. Blacher Drugs Ltd.

(the "Tenant")

WHEREAS:

- A. Medilease Corporation ("**Medilease**") entered into a Lease dated the 5th day of November, 1991, with the Tenant for the Premises (the "**Original Lease**") in the building situate at 1604 Tecumseh Road West, Windsor, Ontario (the "**Property**").
- B. By Renewal Lease dated the 1st day of December, 2009 (the "**Renewal Lease**"), the Landlord as successor to Medilease, granted to the Tenant a lease on the Property consisting of one hundred and twenty square feet (120 sq. ft.) in the southwest corner of the first floor of the building and a further room of eighty square feet (80 sq. ft.) of the second floor, more particularly defined as the "**Premises**" in the Renewal Lease.
- C. The Landlord has agreed to grant the Tenant a second renewal lease (the "**Second Renewal Lease**") of the Premises for a further term of ten (10) years commencing as of December 1, 2015 (the "**Second Renewal Term**") on the terms hereinafter set forth herein.

NOW THEREFORE:

1. The recitals are true in fact and substance and form an integral part of this Agreement and are expressly incorporated into this Agreement.
2. The Landlord hereby leases to the Tenant the Premises for the Second Renewal Term subject to the payment during the first year of the Second Renewal Term on the same terms contained in the Original Lease which provided for a monthly rent of Eight Thousand Dollars (\$8,000.00), plus 4.4%, being the increase set by the Canadian Consumer Price Index from 2012 to 2014, for an aggregate monthly rent of Eight

- 2 -

Thousand, Three Hundred and Fifty-Two Dollars (\$8,352.00) during the first year of the Term of the Lease. For each subsequent year of the Second Renewal Term, commencing January 1, 2017, the annual rent shall be increased by the percentage increase in the Canadian Consumer Price Index as at December 31 of the prior year.

3. Any notice to be given under the terms of this Second Renewal Lease shall be sufficiently given if delivered to the party for whom it is intended or if mailed, postage prepaid, by registered mail, facsimile transmission or personal service, addressed to the party for whom it is intended:

(a) in the case of notice to the Landlord, addressed to the Landlord at:

1608 Tecumseh Road West
Windsor, Ontario N9B 1T2

or such other address as may be specified by the Landlord in writing;

- (b) in the case of notice to the Tenant, addressed to the Tenant at the Leased Premises, or such other address as may be specified by the Tenant in writing.

Any notice or document so given shall be deemed to have been received on the third business day following the date of mailing, if sent by registered mail, but shall be deemed to have been received on the day transmitted by telefax or delivered personally. Any party may from time to time by notice given as provided above, change their address for the purpose of this clause.


4. The Landlord and Tenant hereby covenant that they shall perform and observe the covenants, provisos and stipulations in the Original Lease as if such covenants, provisos and stipulations have been repeated in this Second Renewal Lease in full with such modifications only as are necessary to make them applicable to this Second Renewal Lease.
5. In the event of a material change to the government reimbursement formula applicable to pharmacies for prescription drugs, or any government regulations resulting in a reduction of twenty (20%) percent in gross revenue derived by the Tenant, the Tenant, at its sole option, may terminate this Second Renewal Lease on thirty (30) days notice.
6. This Second Renewal Lease shall be binding upon the parties and their successors and assigns.

[the remainder of this page is intentionally left blank, signature blocks follow]

IN WITNESS WHEREOF the parties have duly executed this Agreement.

SIGNED, SEALED AND DELIVERED
in the presence of

**CHOPRA, JOSHI, KARNIK &
LAMONT MEDICINE
PROFESSIONAL CORPORATION**

 Jan 20/2016

Name: DR. R. CHOPRA
Position: PRESIDENT
I have authority to bind the Corporation

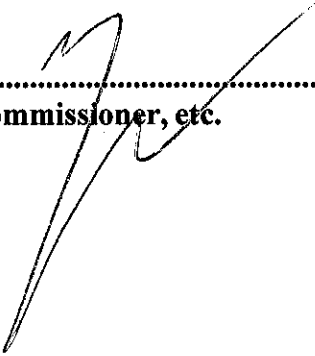
M. BLACHER DRUGS LTD.

Per: 

Name: Michael Blacher
Position: President
I have authority to bind the Corporation

THIS IS EXHIBIT "B"
REFERRED TO IN THE AFFIDAVIT OF
MICHAEL BLACHER
SWORN BEFORE ME THIS 24th DAY
OF APRIL, 2020.

.....
A Commissioner, etc.



SECOND RENEWAL LEASE

THIS SECOND RENEWAL LEASE made as of the 1st day of December, 2015.

BETWEEN:

**Chopra, Joshi, Karnik & Lamont
Medicine Professional Corporation**

(the "Landlord")

- and -

M. Blacher Drugs Ltd.

(the "Tenant")

WHEREAS:

- A. Medilease Corporation ("Medilease") entered into a Lease dated the 5th day of November, 1991, with the Tenant for the Premises (the "Original Lease") in the building situate at 1604-1608 Tecumseh Road West, Windsor, Ontario (the "Property").
- B. By Renewal Lease dated the 1st day of December, 2009 (the "Renewal Lease"), the Landlord as successor to Medilease, granted to the Tenant a lease on the Property consisting of one hundred and twenty square feet (120 sq. ft.) in the southwest corner of the first floor of the building and a further room of eighty square feet (80 sq. ft.) of the second floor, more particularly defined as the "Premises" in the Renewal Lease.
- C. The Landlord has agreed to grant the Tenant a second renewal lease (the "Second Renewal Lease") of the Premises for a further term of six (6) years commencing as of December 1, 2015 (the "Second Renewal Term") on the terms hereinafter set forth herein.

NOW THEREFORE:

- 1. The recitals are true in fact and substance and form an integral part of this Agreement and are expressly incorporated into this Agreement.
- 2. The Landlord hereby leases to the Tenant the Premises for the Second Renewal Term subject to the payment during the first year of the Second Renewal Term on the same terms contained in the Original Lease which provided for a monthly rent of Eight Thousand Dollars (\$8,000.00), plus 4.4%, being the increase set by the Canadian Consumer Price Index from 2012 to 2014, for an aggregate monthly rent of Eight

- 2 -

Thousand, Three Hundred and Fifty-Two Dollars (\$8,352.00) during the first year of the Term of the Lease. For each subsequent year of the Second Renewal Term, commencing January 1, 2017, the annual rent shall be increased by the percentage increase in the Canadian Consumer Price Index as at December 31 of the prior year.

3. Any notice to be given under the terms of this Second Renewal Lease shall be sufficiently given if delivered to the party for whom it is intended or if mailed, postage prepaid, by registered mail, facsimile transmission or personal service, addressed to the party for whom it is intended:

(a) in the case of notice to the Landlord, addressed to the Landlord at:

1608 Tecumseh Road West
Windsor, Ontario N9B 1T2

or such other address as may be specified by the Landlord in writing;

- (b) in the case of notice to the Tenant, addressed to the Tenant at the Leased Premises, or such other address as may be specified by the Tenant in writing.

Any notice or document so given shall be deemed to have been received on the third business day following the date of mailing, if sent by registered mail, but shall be deemed to have been received on the day transmitted by telefax or delivered personally. Any party may from time to time by notice given as provided above, change their address for the purpose of this clause.


4. The Landlord and Tenant hereby covenant that they shall perform and observe the covenants, provisos and stipulations in the Original Lease as if such covenants, provisos and stipulations have been repeated in this Second Renewal Lease in full with such modifications only as are necessary to make them applicable to this Second Renewal Lease.
5. In the event of a material change to the government reimbursement formula applicable to pharmacies for prescription drugs, or any government regulations resulting in a reduction of twenty (20%) percent in gross revenue derived by the Tenant, the Tenant, at its sole option, may terminate this Second Renewal Lease on thirty (30) days notice.
6. This Second Renewal Lease shall be binding upon the parties and their successors and assigns.

[the remainder of this page is intentionally left blank, signature blocks follow]

IN WITNESS WHEREOF the parties have duly executed this Agreement.


SIGNED, SEALED AND DELIVERED)
in the presence of)

**CHOPRA, JOSHI, KARNIK &
LAMONT MEDICINE
PROFESSIONAL CORPORATION**

 Jan 20/2016

Name: DR. R. CHOPRA
Position: PRESIDENT
I have authority to bind the Corporation

M. BLACHER DRUGS LTD.



Per: Michael Blacher
Name: Michael Blacher
Position: President
I have authority to bind the Corporation

TAB 5

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

CHOPRA, JOSHI, KARNIK & LAMONT
MEDICINE PROFESSIONAL CORPORATION

Applicant

- and -

KSV KOFMAN INC. as receiver for RANDO DRUGS LTD.,
M. BLACHER DRUGS LTD. and FAMILY HEALTH PHARMACY WEST INC.

Respondent

AFFIDAVIT OF ROBERT J. REYNOLDS

I, ROBERT J. REYNOLDS, of the Town of Tecumseh, in the County of Essex and Province of Ontario, MAKE OATH AND SAY:


1. I am a lawyer that prepared a certain lease document on behalf of the Applicant, and as such, I have knowledge of the matters to which I hereinafter depose to, except for such information that has been received from others in which case I have stated the source to the information and believe it to be true.

2. I make this Affidavit to confirm certain information in the Affidavit of Barry Lamont sworn April 23, 2020 ("**Dr. Lamont's Affidavit**"). In addition to any newly defined terms, I adopt the defined terms contained in Dr. Lamont's Affidavit.

3. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a true copy of the Third East Lease which is also contained at Exhibit "I" of Dr. Lamont's Affidavit. I was retained by the Applicant, Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation, to draft the Third Lease Agreement with respect to the East Property, and I did indeed do so.

4. Attached hereto and marked as **Exhibit "B"** to this my Affidavit is a true copy of the Purported Renewal of the Third East Lease which is also contained at Exhibit "W" of Dr. Lamont's Affidavit. I have reviewed my file and do not have a copy of this document. In fact, I had not seen this document prior to December 5, 2019, when this it was provided to me by lawyer Darwin Harasym of McTague Law Firm LLP. I have reviewed by file as far back as 2014 and there is no reference to any lease extension with respect to the East Property beyond the date contemplated in the Third East Lease, namely December 31, 2018.

5. I make this Affidavit in support of the relief sought on this Application and for no other or improper purpose.

SWORN BEFORE ME at the City of)
Windsor, in the County of Essex and)
Province of Ontario, this 24th day of)
April, 2020)
)
A Commissioner, etc.)

Cristina Lucier, a Commissioner, etc.,
County of Essex, for Chodola Reynolds
Binder, Barristers and Solicitors.
Expires June 28, 2022


ROBERT J. REYNOLDS

THIS IS EXHIBIT "A"
REFERRED TO IN THE AFFIDAVIT OF
ROBERT REYNOLDS
SWORN BEFORE ME THIS 24th DAY
OF APRIL, 2020.



.....
A Commissioner, etc.

Cristina Lucier, a Commissioner, etc.,
County of Essex, for Chodola Reynolds
Binder, Barristers and Solicitors.
Expires June 28, 2022

Dr Lamont
copy

THIS INDENTURE made this 11th day of December, 2013.

Pursuant to the *Short Form of Leases Act*.

BETWEEN:

**WINDSOR MEDICAL CLINIC, A DIVISION OF CHOPRA, JOSHI,
KARNIK & LAMONT MEDICINE PROFESSIONAL CORPORATION,**
residing in the City of Windsor, in the County of Essex

herein called "Landlord",

OF THE FIRST PART

-AND-

RANDO DRUGS LTD., a corporation incorporated under the laws of the
Province of Ontario

herein called "Tenant",

OF THE SECOND PART

WITNESSETH:

ARTICLE 1
GRANT AND TERM

DEMISED PREMISES

1.1 In consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of Tenant to be paid, observed and performed, Landlord leases to the Tenant those certain lands and premises consisting of the ground floor of a building, upon the lands described in Schedule "A" annexed hereto consisting of approximately 540 square feet and known municipally as 6720 Hawthorne Drive, Windsor (herein called the "Demised Premises"). The boundaries and location of the Demised Premises are outlined in red on the site plan of the building which is annexed as Schedule "B" hereto. The exterior faces of the exterior walls of the building are expressly excluded from the Demised Premises.

TERM

1.2 To have and to hold the Demised Premises, unless such term shall be sooner terminated as hereinafter provided, for and during the term of five (5) years to be computed from and inclusive of the 1st day of January, 2014 and from thenceforth next ensuing and fully to be complete and ended on the 31st day of December, 2018 (herein called the "Term").

988,140/yr

ARTICLE 2
RENT

AMOUNT OF RENT

2.1 Yielding and Paying Therefor yearly and every year during the Term the sum of Seventy-Eight Thousand Dollars (\$78,000.00) of lawful money of Canada, plus HST, to be paid in advance in equal, consecutive, monthly instalments of Six Thousand Five Hundred Dollars (\$6,500.00) each plus HST on the first day of each month in each year during the Term, the first of such payments to become due and be paid in advance on the 1st day of January, 2014 and the last payment to become due and be paid in advance on the 1st day of December, 2018.

ADDITIONAL CHARGES

2.2 Tenant covenants to pay rent and to pay as additional charges all other sums of money or charges required to be paid by Tenant under this lease, whether or not the same are designated "additional charges". If such amounts or charges are not paid at the time provided in this lease they shall become due and payable with the next instalment of rent thereafter falling due hereunder as if such additional charges were rent, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder or limit any other remedy of the Landlord.

PAST DUE RENT AND ADDITIONAL CHARGES

2.3 If Tenant shall fail to pay, when the same are due and payable, any rent or any additional charges or amounts of the kind described in Section 2.2 hereof, such unpaid amounts shall bear interest from the due date thereof to the date of payment at the rate of eighteen percent (18%) per annum.

ARTICLE 3
TAXES

BUSINESS AND PERSONAL PROPERTY TAX

3.1 Tenant shall pay all taxes, rates, charges and licence fees assessed, levied or imposed in respect of the personal property, business or income of Tenant as and when the same become due and payable.

TAX ON RENTS

3.2 In the event that any Federal, Provincial, Municipal or other governmental authority shall impose or assess any tax, levy or other charge on or against all or any part of the rentals and/or charges paid or to be paid by Tenant under the terms of this lease, and Landlord is required to collect from Tenant and/or pay such tax, levy or charge to such authority, Tenant shall, within ten (10) days from

written demand therefor, pay to or reimburse Landlord (as the case may be) all such charges as may be imposed or assessed, which, for the purposes of this lease shall be deemed to be due from Tenant as additional charges; it being the intention of the parties hereto that the rents payable hereunder shall be paid to the Landlord absolutely net, without deduction of any nature whatsoever, except as is in this lease otherwise expressly provided; provided, the Tenant shall not be required to pay any estate, inheritance, succession, transfer, income or similar taxes which may be payable by the Landlord.

LAND TAXES

3.3 Landlord shall, in the first instance, pay and discharge as the same become due and payable, all taxes including local improvement rates, rates, duties and assessments that may be levied, rated charged or assessed against the land and building of which the Demised Premises form a part including without being limited to every tax, charge, rate, assessment or payment which may become a charge or encumbrance or levied upon or collected in respect thereof, whether charged by any municipal, school, parliamentary or other body (herein collectively called "Land Taxes"). Tenant shall, forthwith upon demand therefor by Landlord, pay to Landlord that portion of the Land Taxes equal to the product obtained by multiplying the amount of the Land Taxes by a fraction, the numerator of which shall be the square foot area of the Demised Premises are situated. The tax year of any lawful authority commencing during any lease year shall be deemed to correspond to such lease year, but if the last year of the term hereof is a period of which part only is included with any such tax year any such increase for such period shall be reduced proportionately. The additional rent provided for in this Section shall be paid within twenty (20) days after demand therefor by Landlord.

ARTICLE 4

USE, WASTE, NUISANCE, GOVERNMENTAL REGULATIONS

USE OF DEMISED PREMISES

4.1 The Demised Premises shall be used solely for the purpose of a Pharmacy.

PROHIBITIONS

- 4.2 Tenant shall not under any circumstances whatsoever:
- (a) use or permit the Demised Premises to be used or occupied for any unlawful purpose or contrary to any Laws;
 - (b) commit or allow to be committed any waste upon the Demised Premises;
 - (c) do or permit to be done anything which shall be or result in a nuisance or which may disturb the quiet enjoyment of any neighbouring properties or which may give any other person, firm or corporation any lawful reason to bring an action for damages against Landlord;
 - (d) discharge or spill any Contaminant or Pollutant upon the Demised Premises or into the Natural Environment that causes or is likely to cause an Adverse Effect;

- (e) use or permit anything to be done which would make void or voidable any Insurance upon the Demised Premises or which would constitute a nuisance; or
- (f) use or permit the Demised Premises to be used contrary to any of the provisions of this Agreement.

COMMENCEMENT OF WORK

4.3 Tenant shall not commence any work whatsoever upon the Demised Premises at any time, except in cases of emergency, unless the following provisions have been complied with:

- (a) Tenant has complied with all Laws, Regulations and Orders respecting such work and has obtained all the Permits required to permit such work to be performed;
- (b) Tenant has given prior written notice to Landlord containing:
 - (i) a description of the work to be performed and all the plans, drawings and specifications related to such work;
 - (ii) the dates and times when all such work shall be performed;
 - (iii) Tenant's certificate that all Permits needed by Tenant to permit such work to be performed have been obtained; and
 - (iv) a list and copies of all such Permits; and
- (c) Landlord has given its consent to Tenant to commence the work described in the notice on the dates and at the times set forth therein which consent may be unilaterally and arbitrarily withheld.

COMPLIANCE WITH LAWS

4.4 Tenant shall abide by and comply with all Laws, Regulations and Orders and all applicable orders, rules and regulations of the Canadian Fire Underwriters Association, or any other body having similar functions, and the provisions of all policies of public liability, fire and other insurance now in force, or which may hereafter be in force with respect to the Demised Premises and any equipment used in connection therewith.

MECHANICS' LIENS

4.5 Tenant shall not suffer or permit any construction liens for work, labour, services or materials ordered by Tenant or for the cost of which Tenant may be in any way obligated, to attach to the building or the Demised Premises, and whenever any such lien shall attach or a claim therefor shall be registered, Tenant shall, within twenty (20) days after Tenant has notice of the claim for lien, procure the discharge thereof by payment or by giving security or in such other manner as is or may be required or permitted by law.

ARTICLE 5
UTILITIES

UTILITY CHARGES

5.1 Tenant shall be solely responsible for and pay as the same become due respectively all charges for telephone, heat, air-conditioning, water, gas, electricity or any other utility used or consumed in the Demised Premises. Landlord shall not be liable for any interruption or failure in the supply of any such utilities to the Demised Premises.

ARTICLE 6
MAINTENANCE AND REPAIRS

CONDITION OF THE DEMISED PREMISES

6.1 Tenant acknowledges that Tenant has inspected and is familiar with the physical attributes and condition of the Demised Premises at the date hereof and that Landlord has made no representations or warranties of whatsoever nature or kind with respect to the same other than those which are expressly set forth in this lease and that Landlord shall not be liable for any latent or patent defects in the building or for the existence of any other circumstance or condition not expressly represented or warranted and expressly set forth in this lease, and in particular, Landlord shall not be responsible for any want of repair of the building.

TENANT'S OBLIGATIONS TO MAINTAIN AND REPAIR

6.2 Tenant shall maintain and keep the Demised Premises and every part thereof in good, substantial repair and condition and promptly make all needed repairs and replacements of a quality and kind at least equal to the original, subject to reasonable wear and tear and damage by fire, lightning, tempest, vis major, act of the Queen's enemies, riot, mob violence, civil commotion, earthquake, structural, latent or inherent defect or by reason of any explosion, accident or other agency not the result of some negligent act or omission of Tenant, Tenant's employees, invitees or contractors only excepted; but notwithstanding the foregoing covenant to repair Tenant shall not be responsible to repair the roof, foundations, outside walls, down pipes, drains, pipes, plumbing, electrical wiring, heating or air-conditioning plant and equipment except where the want of such repairs is the result of improper use thereof by Tenants, or Tenant's employees, invitees, licensees or contractors.

SURRENDER OF DEMISED PREMISES AT END OF TERM

6.3 Upon the expiration of the Term Tenant shall surrender the Demised Premises to Landlord in the same condition in which they were delivered to Tenant at the commencement of the Term, subject to any changes made with the Landlord's prior written consent, reasonable wear and tear and damages by fire, lightning, tempest, vis major, act of the Queen's enemies, riot, mob violence, civil commotion, earthquake, structural, latent or inherent defect or by reasons of any explosion, accident or agency not the result of some negligent act or omission of Tenant, Tenant's employees, invitees or contractors only excepted.

TENANT'S FURTHER OBLIGATION TO REPAIR

6.4 Tenant, at Tenant's expense, shall keep and maintain any curbs, sidewalks and parking areas, in, on or adjoining the same clean and free of dirt, rubbish, ice and snow and at the expiration of the Term Tenant shall leave the same in a clean and tidy condition as aforesaid.

LANDLORD NOT RESPONSIBLE

6.5 Tenant, except as herein otherwise specifically provide, assumes the entire responsibility for the condition, operation, maintenance and management of the Demised Premises and the building situated thereon and Landlord shall have no responsibility whatsoever for same nor shall Landlord be responsible for damage to the Tenant's property in and upon the Demised Premises under any circumstances whatsoever except damages caused by the negligent act or omission of Landlord or Landlord's employees or contractors.

ARTICLE 7**ACCESS BY LANDLORD****RIGHT OF ENTRY**

7.1 Landlord and Landlord's agents shall have the right to enter the Demised Premises at all reasonable times to inspect the same and in the event an inspection reveals any maintenance work or repairs are necessary and required by this lease to be done by Tenant, Landlord shall give Tenant notice in writing and thereupon Tenant shall within a reasonable time after receipt thereof, do such maintenance work or make the necessary repairs or replacements in a good and workmanlike manner and if Tenant shall fail to do so the Landlord, and its contractors, agents or workmen shall be allowed to take all material into and upon the Demised Premises and do such maintenance work or make such repairs or replacements and the rent reserved shall in no way abate while said maintenance work, repairs or replacements are being made and the Landlord shall not be liable for any inconvenience, disturbance, loss of business or other damage resulting therefrom and Tenant shall pay Landlord, as an additional charge, the cost of same plus twenty (20%) percent for overhead and supervision. During the three months prior to the expiration of the Term or any renewal term Landlord may exhibit the Demised Premises to prospective tenants or purchasers and place upon the Demised Premises the usual notice "To Let" or "For Sale" which notices Tenant shall permit to remain thereon without molestation. The additional charges provided for in this section shall be paid within twenty (20) days after demand therefor by Landlord.

ARTICLE 8**INSURANCE AND INDEMNITY****FIRE INSURANCE AND OTHER RISKS**

8.1 Tenant shall, at Tenant's expense, keep all buildings, improvements, equipment, fixtures, motors and machinery in or upon the Demised Premises (other than Tenant's trade fixtures and

equipment) insured against loss or damage by fire and such other perils as Landlord may reasonably require to be insured against (limited to perils which similar properties are usually insured against in the Province of Ontario by prudent owners but which shall be deemed to include without being limited to windstorm, hail, explosion, riot, civil commotion, damage from air-craft and vehicles and smoke damage) in the joint names of Landlord and Tenant (and with the loss payable to Mortgagees, if any) in an amount equal to the full insurable value thereof (exclusive of the cost of foundations) so as to prevent Landlord and Tenant from becoming co-insurers under the provisions of all applicable policies of insurance. The insurance shall be in an insurance company approved by Landlord and a copy of the policy or a certificate of insurance shall be delivered to Landlord.

LIABILITY INSURANCE

8.2 Tenant shall also, at Tenant's expense, keep in full force and effect a policy of general liability insurance with respect to the Demised Premises and the business conducted by Tenant protecting against claims for personal injury, death and property damage in which the limits shall be not less than Two Million Dollars (\$2,000,000.00) in respect of injury or death to a single person, and not less than Two Million Dollars (\$2,000,000.00) in respect of property damage. The policy shall name Landlord and Tenant as insured. The insurance shall be in an insurance company approved by Landlord and a copy of the policy or a certificate of insurance shall be delivered to Landlord.

INDEMNIFICATION OF LANDLORD

8.3 Tenant will indemnify and save Landlord harmless from and against any and all:

- (a) liabilities, losses, claims, actions, damages (including, without limitation, lost profits, consequential damages, interest, penalties, fines and monetary sanctions) and costs; and
- (b) lawyers, on a solicitor and his own client basis, accountants and engineering fees and expenses, court costs and all other out-of-pocket expenses, incurred or suffered by Landlord;

by reason of, resulting from, in connection with or arising in any manner whatever out of the breach of any term, covenant or provision of this Agreement, loss of life, personal injury and/or damage to property or the Natural Environment arising from or out of any occurrence in, upon or at the Demised Premises or any adjacent lands or any part thereof, or occasioned wholly or in part by any act or omission of Tenant or Tenant's agents, contractors, employees or servants. Tenant shall also pay all costs, expenses and reasonable counsel fees that may be incurred or paid by Landlord in enforcing the covenants and agreements contained in this Agreement

ARTICLE 9 **DAMAGE AND DESTRUCTION**

TOTAL OR PARTIAL DESTRUCTION

9.1 If the Demised Premises are wholly or partly damaged or destroyed by fire or any other cause this Lease shall remain in full force and effect without abatement of rent and Tenant shall promptly repair, restore and rebuild the same as nearly as possible to the condition they were in immediately prior to such damage or destruction.

PROCEEDS OF INSURANCE

9.2 Subject to the provisions of any mortgage of the Demised Premises the proceeds of all insurance recovered on account of such damage or destruction, less the cost, if any, to Landlord of such recovery, shall be applied to payment of the cost of repairing, restoring and rebuilding (herein referred to as the "work") and shall be paid to Tenant as the work progresses upon the written request of Tenant which shall be accompanied by a certificate of the architect or engineer in charge of the work, stating:

- (a) that the sum requested is justly due to the contractors, material men, labourers, engineers, architects or other persons, rendering services or providing materials for the work, or is justly required to reimburse Tenant for expenditure made by Tenant in connection with such work, and when added to all sums previously paid out by Landlord does not exceed the value of the work done to the date of such certificate less then required hold-back; and
- (b) that the insurance money remaining in the hands of Landlord, together with the other sums or financing held by or available and secured to Tenant, will be sufficient upon the completion of the work to pay for the same in full.

INSUFFICIENCY OF INSURANCE

9.3 In case the insurance money in the hands of Landlord and said other sums or financing are insufficient to pay the entire cost of the work Tenant shall pay the deficiency. Upon completion of the work and payment in full thereof by Tenant, Landlord shall turn over to Tenant any insurance money then remaining in the hands of Landlord.

TERMINATION OF LEASE

9.4 Provided that if during the last year of the Term the Demised Premises are totally destroyed by fire or any other cause or are partially destroyed so as to render the building wholly unfit for occupancy then at the written option of Tenant exercised within ten (10) days thereafter this Lease shall cease and become null and void from the date of receipt of such notice by Landlord and in that event all proceeds from said insurance shall belong absolutely to Landlord and Tenant shall forthwith execute all necessary releases in respect of the insurance monies.

ARTICLE 10
FIXTURES**FIXTURES**

10.1 Tenant may remove its fixtures so long as all rent and other sums due or to become due hereunder are fully paid and so long as Tenant does not remove or carry away from the Demised Premises any part of the building or any plumbing, heating, electrical or ventilating plant or equipment or other building services and so long as Tenant repairs any damage caused by such removal, provided however that all electric light fixtures, alterations, additions and improvements to the Demised Premises

which in any manner are or shall be attached to the walls, floors or ceilings, or any linoleum tile, carpet, or similar floor covering which may be cemented or otherwise affixed to the floor of the Demised Premises or any paneling or other covering affixed to the walls thereof shall remain upon the premises and become the property of Landlord at the expiration or other termination of this lease.

ARTICLE 11 DEFAULT OF TENANT

PROVISO FOR RE-ENTRY

11.1 Provided that in the event of non-payment of rent or non-performance of covenant, and in case, without the written consent of Landlord, the Demised Premises shall become and remain vacant or not used for a period of thirty (30) days while the same are suitable for use by Tenant or be used by any other persons than Tenant; or in case the Term or any of the goods and chattels of Tenant shall be at any time seized or taken in execution or in attachment by any creditor of the Tenant or the Tenant shall make any assignment for the benefit of creditors or become bankrupt or insolvent or take the benefit of any Act now or hereinafter in force for bankrupt or insolvent debtors or any order shall be made for the winding-up of Tenant, then in every such case the then current month's rent and the next ensuing three (3) month's rent shall immediately become due and payable and, at the option of Landlord, this lease shall cease and determine and the Term shall immediately become forfeited and void, in which event Landlord may at any time re-enter and take possession of the Demised Premises as though Tenant or any occupant or occupants of the Demised Premises was or were holding over after the expiration of the Term without any right whatever, but without prejudice to the rights of the Landlord in respect of breaches of the Tenant's covenants in this lease.

DISTRESS

11.2 Notwithstanding the benefit of any present or future statute taking away or limiting Landlord's right of distress none of the goods and chattels of Tenant on the Demised Premises at any time during the Term shall be exempt from levy by distress for rent in arrears.

TENANT'S CHATTELS

11.3 Provided that in the case of removal by Tenant of the goods and chattels of Tenant from off the Demised Premises, Landlord may follow the same and seize and sell the Tenant's goods and chattels at any place to which they may have been removed from the Premises.

RIGHT OF RE-ENTRY

11.4 On the Landlord's becoming entitled to re-enter the Demised Premises under any of the provisions of this lease, the Landlord, in addition to all other rights, may do so as the agent of the Tenant, using force if necessary, without being liable for prosecution therefor, and may relet the Demised Premises as agent of the Tenant, and receive the rent therefor, and as agent of the Tenant may take possession of furniture or other property on the Premises and sell it at public or private sale without notice and apply the proceeds of sale and rent derived from reletting the Demised Premises upon account of the rent under this lease, and the Tenant is liable to the Landlord for any deficiency.

ARTICLE 12
ASSIGNMENT AND SUBLETTING

CONSENT REQUIRED

12.1 Tenant shall not assign this lease or sublet or part with possession of the whole or any part of the Demised Premises save for the purposes herein permitted and then only with the proper written consent of Landlord in each instance, which will not be unreasonably withheld. The Tenant hereby waives his right to the benefit of any present or future Act of the Legislature of Ontario which would allow the Tenant to assign this Lease or sublet the Premises without the Landlord's consent.

IF CONSENT GRANTED

12.2 Any consent given by the Landlord to any assignment or other disposition of the Tenant's interest in this Lease or in the Demised Premises shall not relieve the Tenant from his obligations under this lease, including the obligation to pay Rent and Additional Rent as provided for herein.

ARTICLE 13
OVER-HOLDING

OVER-HOLDING

13.1 Provided that if upon the determination of this Lease or any renewal thereof for any reason whatsoever the Tenant continues to occupy the Demised Premises with or without the consent of the Landlord, a tenancy from year to year shall not be created by implication of law but the Tenant shall be deemed to be a monthly Tenant only subject in all respects to the provisions of this Lease.

ARTICLE 14
QUIET ENJOYMENT

LANDLORD'S COVENANT

14.1 Landlord covenants with Tenant that upon Tenant duly paying the rent hereby reserved together with all additional charges herein secured and duly keeping, observing and performing the covenants, agreements and conditions herein on Tenant's part to be kept, observed and performed, Tenant shall and may peaceably possess and enjoy the Demised Premises for the Term without hindrance, interruption or disturbance from Landlord.

ARTICLE 15
MISCELLANEOUS

WAIVER

15.1 The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent

breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this lease, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this lease shall be deemed to have been waived by Landlord, unless such waiver be in writing and signed by Landlord.

ENTIRE AGREEMENT

15.2 This lease sets forth all the covenants, premises, agreements, representations, warranties, conditions and understandings between Landlord and Tenant concerning the Demised Premises and there are no covenants, promises, agreements, representations, warranties, conditions and understandings, that are oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alterations, amendment, change or addition to this lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

PARTIAL INVALIDITY

15.3 If any term, covenant, or condition of this lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this lease shall be valid and be enforced to the fullest extent permitted by law.

SUCCESSORS AND ASSIGNS

15.4 This lease shall be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns; and the parties hereto agree for themselves, and their heirs, executors, administrators, successors, and assigns, to execute any instruments which may be necessary or proper to carry out the purposes and intent of this lease.

RIGHT OF FIRST REFUSAL

15.5 During the term of this Lease, if the Landlord receives a bona fide offer ("Offer") which includes an offer to purchase all the lands and buildings described in Schedule "A" (the "Entire Lands") which the Landlord is willing to accept, the Landlord shall give written notice of the Offer to the Tenant by sending to it a true copy of the Offer and the Tenant shall have the right, during the next four (4) business days after giving of such notice, by written notice to the Landlord, to elect to purchase the same items as listed in the Offer, including the Entire Lands for the price and upon the terms and conditions contained in the Offer, with a closing to take place on the later of fifteen (15) days after the date set for closing in the Offer to purchase or a date mutually convenient to the Landlord and Tenant.

If the Tenant does so elect, the notice given by it shall constitute a binding Agreement of Purchase and Sale. If the Tenant does not elect, the Landlord shall be free to sell the Entire Lands on the terms and conditions set forth in the Offer. If the Entire Lands are not sold under the terms of the Offer the Landlord shall be obliged to submit any further offer to the Tenant by giving written notice of it to the Tenant in the manner provided in this section.

ARTICLE 16
RULES AND REGULATIONS

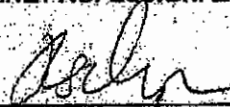
RULES AND REGULATIONS

16.1 The rules and regulations attached hereto as Schedule "C" are incorporated by reference to the within agreement and shall form part of this agreement.

IN WITNESS WHEREOF the parties have hereunto executed this agreement this 11th day of December, 2013.

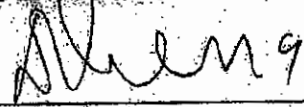
SIGNED, SEALED and DELIVERED
in the presence of:

)
) **WINDSOR MEDICAL CLINIC, A DIVISION**
) **OF CHOPRA, JOSHI, KARNIK & LAMONT**
) **MEDICINE PROFESSIONAL CORPORATION**

)
) per: 

) **DR. RAJ CHOPRA, PRESIDENT**
) I have authority to bind the Corporation.

)
) **RANDO DRUGS LTD.**

)
) per: 

) **DANI DIËNA, PRESIDENT**
) I have authority to bind the Corporation.

SCHEDULE "A"

to Lease made between:

**WINDSOR MEDICAL CLINIC, A DIVISION OF
CHOPRA, JOSHI, KARNIK & LAMONT
MEDICINE PROFESSIONAL CORPORATION**

(LANDLORD)

- and -

RANDO DRUGS LTD.

(TENANT)

The following is a description of the demised premises:

Part of Block A, Plan 1644, as in Instrument R819440, Windsor and municipally known as:
6720 Hawthorne Drive, Windsor.

SCHEDULE "C"**RULES AND REGULATIONS**

1. All garbage and refuse shall be kept in the kind of container specified by the Landlord, and shall be placed outside of the premises prepared for collection in the manner and at the times and places specified by the Landlord. If municipal garbage and refuse removal services are not provided by the municipality and if, under such circumstances, the Landlord shall provide or designate a service for picking up garbage and refuse, the Tenant shall use the same at the Tenant's cost so long as the person provided or designated by the Landlord carries out such duties in a good and workmanlike manner and the costs thereof are competitive with those of other persons providing such service.
2. No loud speakers, televisions, phonographs, radios or other devices shall be used in a manner so as to be heard or seen outside of the premises without the prior written consent of the Landlord.
3. The Tenant shall not place or permit any obstructions or goods in outside areas.
4. The plumbing facilities shall not be used for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by the Tenant who shall, or whose employees, agents or invitees shall have caused it.
5. The Tenant shall keep the demised premises clear and free from rodents, bugs, and vermin and, if necessary, join with the Landlord and other tenants of the building and bear its part of the expense for a general extermination. The Tenant shall not be obligated to bear any expense of a general extermination if the Landlord or another Tenant has been responsible for the cause of the general extermination of which the Landlord shall be the sole judge.
6. The Tenant shall not use or permit the use of any portion of the demised premises as sleeping apartments, lodging rooms or for any unlawful purpose or purposes.

THIS IS EXHIBIT "B"
REFERRED TO IN THE AFFIDAVIT OF
ROBERT REYNOLDS
SWORN BEFORE ME THIS 24th DAY
OF APRIL, 2020.



.....
A Commissioner, etc.

Cristina Lucier, a Commissioner, etc.,
County of Essex, for Chodola Reynolds
Binder, Barristers and Solicitors.
Expires June 28, 2022

SECOND RENEWAL LEASE

THIS RENEWAL LEASE made as of the 31st day of December, 2015.

BETWEEN:

**Chopra, Joshi, Karnik & Lamont
Medicine Professional Corporation**

(the "Landlord")

- and -

Rando Drugs LTD.

(the "Tenant")

WHEREAS:

- A. Medilease Corporation ("Medilease") entered into a Lease dated the 1st day of January, 2007, with the Tenant for the Premises (the "Original Lease") in the building situated at 6720 Hawthorne Drive, Windsor, Ontario (the "Property").
- B. By Renewal Lease dated the 11th day of December, 2013 (the "Renewal Lease"), the Landlord as successor to Medilease, granted to the Tenant a lease on the Property consisting of five hundred and forty square feet (540 sq. ft.) in the building, more particularly defined as the "Premises" in the Renewal Lease.
- C. The Landlord has agreed to grant the Tenant a second renewal lease (the "Second Renewal Lease") of the Premises for a further term of six (6) years commencing as of January 1, 2019 (the "Second Renewal Term") on the terms hereinafter set forth herein.

NOW THEREFORE:

1. The recitals are true in fact and substance and form an integral part of this Agreement and are expressly incorporated into this Agreement.
2. Any notice to be given under the terms of this Second Renewal Lease shall be sufficiently given if delivered to the party for whom it is intended or if mailed, postage prepaid, by registered mail, facsimile transmission or personal service, addressed to the party for whom it is intended:
 - (a) in the case of notice to the Landlord, addressed to the Landlord at:

1608 Tecumseh Road West
Windsor, Ontario N9B 1T2

or such other address as may be specified by the Landlord in writing;

- (b) in the case of notice to the Tenant, addressed to the Tenant at the Leased Premises, or such other address as may be specified by the Tenant in writing.

Any notice or document so given shall be deemed to have been received on the third business day following the date of mailing, if sent by registered mail, but shall be deemed to have been received on the day transmitted by telefax or delivered personally. Any party may from time to time by notice given as provided above, change their address for the purpose of this clause.

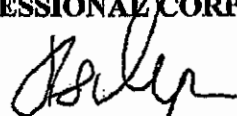
The Landlord and Tenant hereby covenant that they shall perform and observe the covenants, provisos and stipulations in the Original Lease as if such covenants, provisos and stipulations have been repeated in this Second Renewal Lease in full with such modifications only as are necessary to make them applicable to this Second Renewal Lease.

- 3. In the event of a material change to the government reimbursement formula applicable to pharmacies for prescription drugs, or any government regulations negatively impacting the operations or profitability of the Tenant's pharmacy, the Tenant, at its sole option, may terminate this Second Renewal Lease on thirty (30) days notice.
- 4. This Second Renewal Lease shall be binding upon the parties and their successors and assigns.

IN WITNESS WHEREOF the parties have duly executed this Agreement.

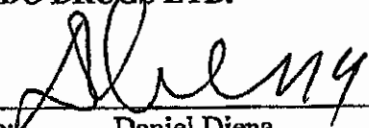
SIGNED, SEALED AND DELIVERED)
in the presence of)

**CHOPRA, JOSHI, KARNIK &
LAMONT MEDICINE
PROFESSIONAL CORPORATION**



Name: Dr Raj Chopra
Position: President
I have authority to bind the Corporation

RANDO DRUGS LTD.



Per: Daniel Diena
Name: Daniel Diena
Position: President
I have authority to bind the Corporation

CHOPRA, JOSHI, KARNIK & LAMONT MEDICINE PROFESSIONAL CORPORATION

v.

M. BLACHER DRUGS LTD. et al

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT WINDSOR

APPLICATION RECORD

DAVID M. SUNDIN

LSO # 60296N

McTAGUE LAW FIRM LLP

Barristers & Solicitors

455 Pelissier Street

Windsor, Ontario

N9A 6Z9

(T) 519-255-4344

(F) 519-255-4384

(E) dsundin@mctaguelaw.com

LAWYERS FOR THE APPLICANT

FILE NO. 76188

Appendix “I”

**AGREEMENT OF PURCHASE AND SALE
(FAMILY HEALTH EAST & FAMILY HEALTH WEST)**

BETWEEN

**KSV KOFMAN INC., solely in its capacity as
receiver of the property, assets and undertaking of
Rando Drugs Ltd. and related companies
and not in its personal capacity**

– and –

**SRI ETIKALA and JASMEET CHAWLA,
In trust for a corporation to be incorporated
as Buyer**

JULY 24, 2020

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT is dated as of July 24, 2020

B E T W E E N :

KSV KOFMAN INC., solely in its capacity as receiver of the property, assets and undertaking of Rando Drugs Ltd. and related companies and not in its personal capacity

(the “**Receiver**”)

- and -

SRI ETIKALA and JASMEET CHAWLA, In trust for a corporation to be incorporated

(the “**Buyer**”)

CONTEXT:

- A.** On December 4, 2019, the Ontario Superior Court of Justice (the “**Court**”) granted an order (the “**Appointment Order**”) appointing KSV Kofman Inc. as the Receiver of the property, assets and undertaking of the Debtor (defined below).
- B.** Pursuant to the Appointment Order, the Court approved a sale process to be conducted by the Receiver for the sale of the Purchased Assets (defined below).
- C.** The Receiver wishes to sell and the Buyer wishes to purchase the Purchased Assets (as defined below) upon and subject to the terms and conditions of this Agreement.

THEREFORE, in consideration of the promises, mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties (as defined below), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement the following terms have the following meanings:

- 1.1.1 “**Agreement**” means this agreement of purchase and sale, including all Schedules and Exhibits, as it may be supplemented, amended, restated or replaced from time to time by written agreement between the Parties.

- 1.1.2 “**Applicable Law**” means, at any time, with respect to any Person, property, transaction or event, all applicable laws, statutes, regulations, treaties, judgments and decrees and (whether or not having the force of law) all applicable official directives, rules, consents, approvals, by-laws, permits, authorizations, guidelines, order and policies of any Governmental Authority having authority over that Person, property, transaction or event.
- 1.1.3 “**Appointment Order**” has the meaning given to it in the Recitals.
- 1.1.4 “**Approval and Vesting Order**” has the meaning given in Section 5.2.1.
- 1.1.5 “**Assumed Obligations**” means all obligations and liabilities of the Debtors under the Contracts and in respect of the Transferred Employees.
- 1.1.6 “**Business**” means the business of the Debtors located at the Leased Locations.
- 1.1.7 “**Business Day**” means any day excluding a Saturday, Sunday or statutory holiday in the Province of Ontario, and also excluding any day on which the principal chartered banks located in the City of Toronto are not open for business during normal banking hours.
- 1.1.8 “**Canadian Dollars**” or “**CAD \$**” each means the currency of Canada which, as at the time of payment or determination, is legal tender in Canada for the payment or determination of public or private debts.
- 1.1.9 “**Closing**” means the successful completion of the Transaction.
- 1.1.10 “**Closing Date**” means September 15, 2020 or such earlier date as the Parties may agree in writing.
- 1.1.11 “**Closing Inventory Value**” has the meaning given to it in Section 2.8.1.
- 1.1.12 “**Communication**” means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party.
- 1.1.13 “**Confidentiality Agreement**” means the confidentiality agreement entered into between the Receiver (or its affiliate) and Sri Etikala and Jasmeet Chawla in trust for a corporation to be incorporated dated as of June 8, 2020, as the same may be amended, restated, amended and restated, modified, supplemented or replaced from time to time.
- 1.1.14 “**Contracts**” means the Family Health Lease and any other agreements and licenses related to the Leased Locations and identified by the Buyer in writing to be included as Purchased Assets within ten (10) Business Days of the date of this Agreement or such later date as the Receiver may agree to.
- 1.1.15 “**Court**” means the Ontario Superior Court of Justice (Commercial List).

- 1.1.16 “**Debtors**” means, as applicable, Rando Drugs Ltd., 2345760 Ontario Inc., 2275518 Ontario Inc., Family Health Pharmacy West Inc., formerly known as M. Blacher Drugs Ltd., 2501380 Ontario Inc., 2527218 Ontario Inc., Dumopharm Inc. and 2527475 Ontario Inc.
- 1.1.17 “**Deposit**” has the meaning given to it in Section 2.6.
- 1.1.18 “**Excluded Assets**” means any assets of the Debtor not included as part of this Transaction including, without limitation, any entitlement to the shares of the Debtors, any accounts receivable and cash or cash equivalents, intercompany receivables, deposits, HST receivables, tax refunds, claims or insurance or insurance claims under any of the Debtor’s insurance policies.
- 1.1.19 “**Family Health East**” means the Debtors’ store located at 6720 Hawthorne Drive, Windsor, ON N8T 1J9.
- 1.1.20 “**Family Health West**” means the Debtors’ store located at 1604 Tecumseh Road West, Windsor, ON N9B 1T8.
- 1.1.21 “**Fixed Assets**” means all fixed assets, machinery, equipment, computers, furniture, furnishings and currently located at the Leased Locations other than any Excluded Assets.
- 1.1.22 “**Goodwill**” means all of the patient/ customer files, patient/customer lists, and supplier lists and other intangible property of the business of the Debtors at the Leased Locations together with the right to use the name “Family Health”.
- 1.1.23 “**Governmental Authority**” means any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of the foregoing exercising or entitled or purporting to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory or taxing authority or power of any nature; or any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.
- 1.1.24 “**Information**” has the meaning given to that term in the Confidentiality Agreement.
- 1.1.25 “**Inventory**” means the inventory, including without limitation all generic and brand name prescription drugs, over the counter drugs and other sundries sold at the Leased Locations, which have been acquired from licensed providers registered under the laws of Canada.
- 1.1.26 “**Inventory Adjustment**” has the meaning given to it in Section 2.8.4.
- 1.1.27 “**Leased Locations**” means the Debtors’ leased locations for Family Health East or Family Health West or either of them.

- 1.1.28 “**Family Health West Lease**” means the second renewal lease between Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation and M. Blacher Drugs Ltd. dated as of December 1, 2015 (as the same may have been amended from time to time).
- 1.1.29 “**Purchased Assets**” has the meaning given to it in Section 2.1.
- 1.1.30 “**Parties**” means the Receiver and the Buyer, and “**Party**” means either one of them.
- 1.1.31 “**Permitted Encumbrances**” means:
- 1.1.31.1 unregistered liens for municipal taxes, assessments or similar charges incurred by the Debtor in the ordinary course of its business that are not yet due and payable or, if due and payable, are to be adjusted between the Receiver and the Buyer on Closing;
- 1.1.31.2 inchoate mechanic’s, construction and carrier’s liens and other similar liens arising by operation of law or statute in the ordinary course of the Debtors’ business for obligations which are not delinquent and will be paid or discharged in the ordinary course of the Debtors’ business.
- 1.1.32 “**Person**” means an individual, body corporate, sole proprietorship, partnership or trust or unincorporated association, unincorporated syndicate, unincorporated organization, or another entity, and a natural person, acting in his or her individual capacity or in his or her capacity as executor, trustee, administrator or legal representative, and any Governmental Authority.
- 1.1.33 “**Purchase Price**” means has the meaning given to it in Section 2.6.
- 1.1.34 “**Purchased Assets**” means the Debtors’ right, title and interest in and to the Inventory, Fixed Assets, Goodwill and Contracts located at or associated with the Leased Locations.
- 1.1.35 “**Receiver**” has the meaning given to it in the Introduction.
- 1.1.36 “**Receiver’s Certificate**” means the Receiver’s Certificate attached to the Approval and Vesting Order to be delivered as evidence of Closing.
- 1.1.37 “**Time of Closing**” means the time on which the Transaction or Transactions closes on the Closing Date or such other time on the Closing Date as the Parties may mutually agree.
- 1.1.38 “**Transaction**” means the transaction or transactions of purchase and sale contemplated by this Agreement.
- 1.1.39 “**Transferred Employees**” has the meaning given to it in Section 3.1.

1.2 Entire Agreement

This Agreement, together with the agreements and other documents to be delivered pursuant to this Agreement, constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, other than the provisions of the Confidentiality Agreement, and there are no representations, warranties or other agreements between the Parties in connection with the subject matter of this Agreement except as specifically set out in this Agreement or the other agreements and documents delivered pursuant to this Agreement. This Agreement may not be amended or modified in any respect, except by written instrument signed by the Parties.

1.3 Time of Day

Unless otherwise specified, references to time of day or date mean the local time or date in the City of Toronto, Province of Ontario.

1.4 Business Day

Whenever any payment to be made or action to be taken under this Agreement is required to be made or taken on a day other than a Business Day, the payment is to be made or action taken on the next Business Day following.

1.5 Governing Law

This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.

1.6 Certain Rules of Interpretation

- 1.6.1 In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the word “including” in this Agreement is to be construed as meaning “including, without limitation”.
- 1.6.2 The division of this Agreement into Articles and Sections, the insertion of headings and the provision of a table of contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- 1.6.3 References in this Agreement to an Article, Section, Schedule or Exhibit are to be construed as references to an Article, Section, Schedule or Exhibit of or to this Agreement unless the context requires otherwise.
- 1.6.4 Unless otherwise specified in this Agreement, time periods within which or following which any payment is to be made or act is to be done will be calculated by excluding the day on which the period commences and including the day on which the period

ends. If the last day of a time period is not a Business Day, the time period will end on the next Business Day.

- 1.6.5 Unless otherwise specified, any reference in this Agreement to any statute includes all regulations made under or in connection with that statute, and is to be construed as a reference to that statute as amended, supplemented or replaced.
- 1.6.6 Whenever an amount of money is referred to in this Agreement, that amount will, unless otherwise expressly stated, be in Canadian Dollars.

1.7 Schedules and Exhibits

The following is a list of Schedules and Exhibits:

Schedule	Subject Matter	Section Reference
A.	Employees	3.1
Exhibit 1	Approval and Vesting Order	5.2.1

ARTICLE 2 SALE AND PURCHASE AND ASSIGNMENT

2.1 Sale and Purchase of Assets

Subject to the terms and conditions of this Agreement, and relying upon the representations and warranties herein, at the Closing Time upon the Closing Date, the Receiver hereby agrees to sell, assign, convey and transfer to the Buyer and the Buyer hereby agrees to purchase all right, title and interest of the Debtors in and to all of the Purchased Assets.

The Buyer acknowledges that it is not purchasing any other assets, property or undertaking of the Debtor other than the Purchased Assets including, without limitation, the Excluded Assets.

2.2 Assignment and Assumption of Contracts

Subject to the conditions and terms of this Agreement, the Receiver will assign to the Buyer all of the Debtors' rights, benefits and interests in and to the Contracts and the Buyer will assume the Assumed Obligations. This Agreement and any document delivered under this Agreement will not constitute an assignment or an attempted assignment of any Contract contemplated to be assigned to the Buyer under this Agreement which is not assignable without the consent of a third party if that consent has not been obtained and that assignment or attempted assignment would constitute a breach of such Contract or, in the alternative, if an order of the Court authorizing and approving the assignment of the Contracts to the Buyer has not been obtained. The Receiver shall have no responsibility to assist in obtaining any necessary third party consents required in connection with the assignment of the Contracts.

2.3 Assumed Obligations

In connection with its acquisition of the Purchased Assets, the Buyer will assume the Assumed Obligations, on Closing. On Closing, to the extent necessary, the Buyer will enter into an assumption agreement in form and substance satisfactory to the Receiver. The Buyer agrees to pay all necessary costs for curing any defaults, paying any arrears, or performing any obligations under or with respect to the assignment of Contracts and Assumed Obligations.

2.4 Excluded Obligations

Other than the Assumed Obligations, the Buyer will not assume and will not be liable for any other liabilities or obligations of the Debtors.

2.5 “As is, Where is”

The Buyer acknowledges that the Receiver is selling the Purchased Assets on an “as is, where is” basis as they exist on the Closing Date, and that as of the Closing Date, the Receiver will have no further liability to the Buyer. The Buyer further acknowledges that it has entered into this Agreement on the basis that the Receiver does not guarantee title to the Purchased Assets and that the Buyer will conduct its own inspections of the condition of and title to the Purchased Assets that it deems appropriate, and will have satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality, assignability or in respect of any other matter or thing concerning the Purchased Assets or the right of the Receiver to sell them, save as expressly represented or warranted in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply to this transaction of purchase and sale and have been waived by the Buyer. The description of the Purchased Assets contained in the Schedules is for purposes of identification only. No representation, warranty or condition has or will be given by the Receiver concerning the completeness or accuracy of those descriptions.

2.6 Purchase Price

Subject to adjustments, the purchase price for the Purchased Assets shall be [REDACTED], subject to the Inventory Adjustment.

2.7 Payment of the Purchase Price

The Buyer will pay the Purchase Price to the Receiver as follows:

- 2.7.1 the sum of [REDACTED], representing 15% of the Purchase Price, the receipt of which the Receiver acknowledges, will be paid by the Buyer upon execution of this Agreement as a deposit (the “**Deposit**”) to be held by the Receiver in trust until the Closing and will be credited toward the Purchase Price upon Closing;

2.7.2 the balance of the Purchase Price will be paid on Closing.

The Receiver agrees to cause the Deposit to be placed into a non-interest bearing account or certificate of deposit. All amounts payable to the Receiver shall be by way of wire transfer (to a bank account specified by the Receiver) or such other form of deposit as is acceptable to the Receiver. The Buyer acknowledges and agrees that the Deposit is non-refundable except as provided under Section 6.8.

2.8 Inventory Adjustment

2.8.1 The Buyer agrees that the value of the Inventory at the Closing Date shall be calculated based on an inventory (the “**Closing Inventory Value**”) count as existing at one (1) Business Day before the Closing Date.

2.8.2 In arriving at the Closing Inventory Value, the Receiver agrees to use the services of a qualified independent inventory counting firm, acceptable to the Buyer acting reasonably.

2.8.3 It is expressly acknowledged and agreed that both the Receiver and the Buyer are entitled to participate in the Inventory valuation conducted by such independent inventory counting firm, provided that the cost of the firm shall be shared equally by the Receiver and the Buyer.

2.8.4 In the event that the Closing Inventory Value deviates from the Inventory value indicated on the Inventory listing provided to the Buyer in respect of Family Health East and Family Health West as of December 31, 2019 by more than 5%, the Buyer and the Receiver shall agree to adjust the Purchase Price accordingly on a dollar for dollar basis, either upwards or downwards, for any variation greater than 5% (the “**Inventory Adjustment**”). Any amount owing by either Party in respect of an Inventory Adjustment shall be paid within five (5) Business Days of the receipt of the results of the Inventory count.

2.8.5 The Parties agree that any Inventory that is ordered prior to Closing but arrives after Closing shall not be included in the Closing Inventory Value and the Buyer shall reimburse the Receiver on a dollar for dollar basis for any amounts in respect of such Inventory.

2.9 Allocation of Purchase Price

The Buyer shall prepare an allocation of Purchase Price on Closing, acting reasonably.

2.10 Taxes

2.10.1 The Buyer will pay upon Closing, in addition to the Purchase Price, all applicable federal and provincial taxes eligible in connection with the purchase and sale of the Purchased Assets, including harmonized sales tax and any other provincial sales tax, and shall provide the Receiver with proof of payment of such taxes. Alternatively,

where applicable, the Buyer will have the option to furnish the Receiver with appropriate exemption certificates.

- 2.10.2 The Buyer agrees to indemnify and save the Receiver harmless from and against all claims and demands for payment of all applicable taxes in connection with this Agreement and the Transaction, including penalties and interest and any liability or costs incurred as a result of any failure to pay those taxes when due.

ARTICLE 3 EMPLOYEES

3.1 Employees

At least two (2) Business Days prior to the scheduled date for the hearing for the Approval and Vesting Order, the Buyer will provide to the Receiver a list of employees in respect of whom it will make offers of employment. All offers of employment will be on terms and conditions that are substantially similar and no less favourable to those that they currently enjoy. The employees who accept the Buyer's offer shall be referred to as the "**Transferred Employees**".

The Buyer shall assume and be responsible for all liabilities and obligations with respect to the Transferred Employees following the Closing Date, including, but not limited to, any required notice of termination, termination or severance pay (required under Applicable Law or under any Contract), employment insurance, workplace safety and insurance/workers' compensation, Canada Pension Plan, salary or wages, vacation pay, overtime pay, payroll or employer health Taxes, commissions, bonuses or vacation entitlements and accruals. The Buyer shall also assume and be responsible for any vacation pay or wage liability with respect to the Transferred Employees, whether accruing or arising prior to or following the Closing Date.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Buyer's Representations and Warranties

The Buyer represents and warrants to the Receiver that:

- 4.1.1 the Buyer is a corporation duly incorporated, organized and subsisting under the laws of the Province of Ontario;
- 4.1.2 the Buyer has all necessary corporate power, authority and capacity to enter into this Agreement and to perform its obligations and the execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Buyer;
- 4.1.3 the Buyer is not a party to, bound or affected by or subject to any indenture, agreement, instrument, charter or by-law provision, order, judgment or decree which would be

violated, contravened or breached by the execution and delivery by it of this Agreement or the performance by it of any of the terms contained in this Agreement;

- 4.1.4 to the best of the Buyer's knowledge, no actions or proceedings are pending or have been threatened to restrain or prohibit the completion of the Transaction;
- 4.1.5 this Agreement and each of the other documents contemplated under this Agreement to which the Buyer is or will be a Party have been or will be, as at the Time of Closing, duly and validly executed and delivered by the Buyer and constitutes or will, as at the Time of Closing, constitute legal, valid and binding obligations of the Buyer, as the case may be, enforceable in accordance with their terms;
- 4.1.6 the Buyer is not a non-Canadian person as defined in the *Investment Canada Act*; and
- 4.1.7 the Buyer is or will be registered under Part IX of the *Excise Tax Act (Canada)* on or before the Time of Closing.

4.2 Receiver's Representations and Warranties

The Receiver represents and warrants to the Buyer that:

- 4.2.1 the Receiver has the right to enter into this Agreement and complete the Transaction;
- 4.2.2 the Receiver is not a non-resident of Canada within the meaning of that term as used in the *Income Tax Act (Canada)*;
- 4.2.3 the Receiver has done no act to encumber the Purchased Assets other than allowing charges created pursuant to Permitted Encumbrances to exist or be formed in the ordinary course;
- 4.2.4 the Receiver has not previously sold or done any act to encumber the Purchased Assets;
- 4.2.5 to the best of the Receiver's knowledge, no actions or proceedings are pending and none have been threatened to restrain or prohibit the completion of the Transaction; and
- 4.2.6 to the best of the Receiver's knowledge, without independent verification, Schedule A is accurate as it relates to the Transferred Employees.

ARTICLE 5 CONDITIONS

5.1 Conditions in favour of the Buyer

The obligation of the Buyer to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or prior to the Time of Closing:

- 5.1.1 all representations and warranties of the Receiver contained in this Agreement will be true as of the Closing Date with the same effect as though made on and as of that date;
- 5.1.2 no action or proceedings will be pending or threatened to restrain or prohibit the completion of the Transaction contemplated by this Agreement;
- 5.1.3 the Receiver will have performed each of its obligations under this Agreement to the extent required to be performed on or before the Closing Date;
- 5.1.4 no material loss or damage to the Purchased Assets when taken as a whole will have occurred on or before the Closing Date;
- 5.1.5 the Buyer will have obtained a new certificate of accreditation by the Ontario College of Pharmacists for the Leased Locations; and
- 5.1.6 the Buyer will have obtained new billing privileges for all Leased Locations under the Ontario Drug Benefit Plan with the Ministry of Health (Ontario) and all third party payors of the Leased Locations.

The obligation of the Buyer to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or prior to July 30, 2020:

- 5.1.7 the Buyer shall have entered into lease agreements with the landlord of the premises used by Family Health East and Family Health West for the continued use of the Leased Locations, upon terms acceptable to the Buyer.

The foregoing conditions in Sections 5.1.1 to 5.1.7 are for the exclusive benefit of the Buyer. Any condition may be waived by the Buyer in whole or in part. Any such waiver will be binding on the Buyer only if made in writing. If any of the conditions contained in Section 5.1.1 to 5.1.7 are not fulfilled or complied with by the time provided for, the Buyer may terminate this Agreement by notice in writing and in such event the Deposit shall be returned to the Buyer (without deduction or interest) and the Buyer shall be released from all obligations in this Agreement.

The obligation of the Receiver to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or prior to the Time of Closing:

- 5.1.8 all representations and warranties of the Buyer contained in this Agreement will be true as of the Closing Date with the same effect as though made on and as of that date;
- 5.1.9 no action or proceedings will be pending or threatened to restrain or prohibit the completion of the Transaction contemplated by this Agreement;
- 5.1.10 the Buyer will have performed each of its obligations under this Agreement to the extent required to be performed on or before the Closing Date; and
- 5.1.11 no material loss or damage to the Purchased Assets when taken as a whole will have occurred on or before the Closing Date.

The foregoing conditions in Sections 5.1.8 to 5.1.11 are for the exclusive benefit of the Receiver. Any condition may be waived by the Receiver in whole or in part. Any such waiver will be binding on the Receiver only if made in writing. If any of the conditions contained in Section 5.1.8 to 5.1.11 are not fulfilled or complied with by the time provided for, the Receiver may terminate this Agreement by notice in writing and in such event the Deposit shall be returned to the Buyer (without deduction or interest) and the Receiver shall be released from all obligations in this Agreement.

5.2 Conditions—Approval and Vesting Order

The obligations of the Receiver and Buyer to complete the Transaction are subject to the following conditions being fulfilled or performed at or prior to the Time of Closing:

- 5.2.1 an order will have been made by the Court on or before August 7, 2020 (subject to Court availability) approving this Agreement and the Transaction and vesting in the Buyer all the right, title and interest of the Debtors in the Purchased Assets free and clear of all liens, security interests and other encumbrances, such order to be substantially in the form of the order attached as Exhibit 1 (the “**Approval and Vesting Order**”); and
- 5.2.2 the Approval and Vesting Order will not have been stayed, varied or vacated and no order will have been issued and no action or proceeding will be pending to restrain or prohibit the completion of the Transaction.

The Parties hereto acknowledge that the foregoing conditions are for the mutual benefit of the Receiver and the Buyer. If any of the conditions contained in Section 5.2 are not fulfilled or complied with by the time provided for, either the Buyer or the Receiver may terminate this Agreement by notice in writing to the other and in such event the Deposit shall be returned to the Buyer (without deduction or interest) and the Receiver and the Buyer shall be released from all obligations in this Agreement.

5.3 Non-Satisfaction of Conditions

If any condition set out in this Article is not satisfied or performed prior to the time specified therefor, a Party for whose benefit the condition is inserted must in writing:

- 5.3.1 waive compliance with the condition in whole or in part in its sole discretion by written notice to the other Party and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or
- 5.3.2 elect on written notice to the other Party to terminate this Agreement before Closing.

ARTICLE 6 CLOSING

6.1 Closing

The completion of the Transaction will take place on the Closing Date at the Time of Closing or as otherwise determined by mutual agreement of the Parties in writing. If an in person closing is required it will take place at the offices of Goldman Sloan Nash & Haber LLP or as otherwise mutually agreed by the Parties.

6.2 Buyer's Deliveries on Closing

At or before the Time of Closing, the Buyer will execute and deliver to the Debtor the following, each of which will be in form and substance satisfactory to the Debtor, acting reasonably:

- 6.2.1 payment of the balance of the Purchase Price as contemplated in Section 2.7;
- 6.2.2 one or more bills of sale;
- 6.2.3 an assignment and assumption agreement;
- 6.2.4 a certificate dated the Closing Date, confirming that all of the representations and warranties of the Buyer contained in this Agreement are true as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- 6.2.5 a certificate dated the Closing Date, confirming that each of the conditions precedent in Section 5.1 of this Agreement have been fulfilled, performed or waived as of the Closing Date and all other confirmations required by the Receiver's Certificate;
- 6.2.6 if necessary, payment or evidence of payment of applicable taxes or, if applicable, appropriate tax exemption certificates in accordance with Section 2.10;
- 6.2.7 any other documentation as is referred in this Agreement or as the Receiver may reasonably require to give effect to this Agreement or required by Applicable Law or any Governmental Authority.

6.3 Receiver's Deliveries on Closing

At or before the Time of Closing, the Receiver will execute and deliver to the Buyer the following, each of which will be in form and substance satisfactory to the Buyer, acting reasonably:

- 6.3.1 One or more bills of sale;
- 6.3.2 the Approval and Vesting Order;
- 6.3.3 an assignment and assumption agreement;

- 6.3.4 a certificate dated the Closing Date confirming that all of the representations and warranties of the Receiver contained in this Agreement are true as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- 6.3.5 a certificate dated the Closing Date confirming that each of the conditions precedent in Section 0 of this Agreement have been fulfilled, performed or waived as of the Closing Date; and
- 6.3.6 any other documentation as is referred in this Agreement or as the Receiver may reasonably require to give effect to this Agreement or required by Applicable Law or any Governmental Authority.

6.4 No Survival of Representations or Warranties

For greater certainty, no representations or warranties made by either Party shall survive Closing.

6.5 Possession of Assets

The Receiver and/or the Debtors will remain in possession of the Purchased Assets until the Time of Closing. On Closing of one or more of the Leased Locations, the Buyer will take possession of the Purchased Assets (or portion thereof it is purchasing) where situate at the Time of Closing. The Buyer acknowledges that the Receiver has no obligation to deliver physical possession of the Purchased Assets to the Buyer. In no event will the Purchased Assets be sold, assigned, transferred or set over to the Buyer until the Buyer has satisfied all delivery requirements outlined in Section 6.2.

6.6 Access to Assets

- 6.6.1 Subject to the restrictions imposed by Applicable Law including with respect to the COVID-19 pandemic, the Buyer may have reasonable access to the Purchased Assets during normal business hours prior to the Time of Closing for the purpose of enabling the Buyer to conduct any inspections of the Purchased Assets as it deems appropriate. Those inspections will only be conducted in the presence of a representative of the Receiver if so required at the discretion of the Receiver. For greater certainty, all communications and approvals to obtain access shall go through the Receiver, in advance.
- 6.6.2 The Buyer agrees to indemnify and save the Receiver harmless from and against all claims, demands, losses, damages, actions and costs incurred or arising from or in any way directly related to the inspection of the Purchased Assets or the attendance of the Buyer, its employees contractors or agents.

6.7 Risk

The Purchased Assets will be and remain at the risk of the Receiver until Closing and at the risk of the Buyer from and after Closing. If, prior to Closing, the Purchased Assets are substantially

damaged or destroyed by fire or other casualty, then, at its option, the Buyer may decline to complete the Transaction. This option will be exercised by way of written notification, in accordance with Section 7.6, within 10 days after notification to the Buyer by the Receiver of the occurrence of damage or destruction (or prior to the Closing Date if such occurrence takes place within 15 days of the Closing Date) in which event this Agreement will be terminated automatically and the Buyer will be entitled only to a return of the Deposit paid under Section 2.7.1 but without any other compensation. If the Buyer does not exercise this option, it will complete the Transaction and will be entitled to an assignment of the proceeds of insurance referable to such damage or destruction. Where any damage or destruction is not substantial, as determined by the Receiver in its sole opinion, acting reasonably, the Buyer will complete the Transaction and will be entitled to an assignment of the proceeds of insurance referable to such damage or destruction provided that such damage or destruction is insured or, otherwise, to an agreed abatement.

6.8 Termination

If either the Receiver or the Buyer validly terminates this Agreement under the provisions of Sections 5.3 or 6.7:

- 6.8.1 all the obligations of both the Receiver and Buyer under this Agreement will be at an end; and
- 6.8.2 neither Party will have any right to specific performance or other remedy against, or any right to recover damages or expenses from, the other.

The Deposit will be forfeited to the Receiver unless termination results from the Buyer not waiving the conditions set out in Section 5.1 in which case the Deposit shall be refunded to the Buyer upon termination of the Agreement.

6.9 Breach by Buyer

If the Buyer fails to comply with its obligations under this Agreement, the Receiver may by notice to the Buyer elect to treat this Agreement as having been repudiated by the Buyer. In that event, other than as provided for in Section 6.8, the Deposit and any other payments made by the Buyer will be forfeited to the Receiver on account of its liquidated damages and the Buyer shall have no further obligations to the Receiver, and the Purchased Assets may thereafter be sold by the Receiver to any other party.

ARTICLE 7 GENERAL

7.1 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered by the Receiver in connection with this Transaction or this Agreement, the provisions of this Agreement will prevail to the extent of that conflict or inconsistency.

7.2 Commission

The Buyer acknowledges that it has not entered into any agreement with any party resulting in an obligation by the Receiver to pay agent fees, broker fees, commissions or other amount payable on the Purchase Price or otherwise in connection with the Transaction, and the Buyer agrees to indemnify the Receiver against any claim for compensation or commission by any third party or agent retained by the Buyer in connection with, or in contemplation of, the Transaction.

7.3 Confidentiality

All information exchanged between the Receiver and the Buyer in connection with the Transaction will be considered Information. For certainty, the Confidentiality Agreement will continue to be in effect until Closing. Any publicity relating to the Transaction and the manner of releasing any information regarding the Transaction will be mutually agreed upon by the Receiver and the Buyer, both Parties acting reasonably provided that the Receiver shall be entitled to disclose information regarding the Transaction for the purpose of seeking the Approval and Vesting Order.

7.4 Costs and Expenses

Except as otherwise specified in this Agreement, all costs and expenses (including the fees and disbursements of accountants, legal counsel and other professional advisers) incurred in connection with this Agreement and the completion of the Transaction are to be paid by the Party incurring those costs and expenses.

7.5 Time of Essence

Time is of the essence in all respects of this Agreement.

7.6 Notices

Any Communication must be in writing and either:

- 7.6.1 personally delivered;
- 7.6.2 sent by prepaid registered mail; or
- 7.6.3 sent by email or functionally equivalent electronic means of communication, charges (if any) prepaid.

Any Communication must be sent to the intended recipient at its address as follows:

to the Receiver at:

KSV Kofman Inc. in its capacity as receiver of
the property, assets and undertaking of
Rando Drugs Ltd., et. al.
150 King Street West

Suite 2308, Box 42
Toronto, Ontario, M5H 1J9

Attention: Bobby Kofman/ Mitch Vininsky
Email: bkofman@ksvadvisory.com/ mvininsky@ksvadvisory.com

with a copy to:

Goldman Sloan Nash & Haber LLP
480 University Ave., Suite 1600
Toronto, ON M5G 1V2

Attention: Jennifer Stam
Email: stam@gsnh.com

to the Buyer at:

SRI ETIKALA and JASMEET CHAWLA,
In trust for a corporation to be incorporated

c/o Kirwin Partners LLP
423 Pelissier St.
Windsor, ON N9A 4L2

Attention: Sri Etikala / Jasmeet Chawla

Email: srietikala@gmail.com / jdc.pharmacies@bell.net

with a copy to:

Kirwin Partners LLP
423 Pelissier St.
Windsor, ON N9A 4L2

Attention: R. Paul Layfield
Email: playfield@kirwinpartners.com

or at any other address that any Party may from time to time advise the other by Communication given in accordance with this Section 7.6. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given and received on the day it is delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be deemed to have been given and received on the next Business Day. Any Communication transmitted by PDF or other form of electronic communication will be deemed to have been given and received on the day on which it was transmitted (but if the Communication is transmitted on a day which is not a Business Day or after 3:00 p.m. (local time in the City of Toronto, Province of Ontario), the Communication will be deemed to have been received on the next Business Day). Any Communication given by registered mail will be deemed to have been received on the fifth

(5th) Business Day after which it is so mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be effected by personal delivery or by PDF or other form of electronic communication.

7.7 Further Assurances

Each Party will, at the requesting Party's cost, execute and deliver all further agreements and documents and provide all further assurances as may be reasonably required by the other Party to give effect to this Agreement and, without limiting the generality of the foregoing, will do or cause to be done all acts and things, execute and deliver or cause to be executed and delivered all agreements and documents and provide all assurances, undertakings and information as may be required from time to time by all regulatory or governmental bodies.

7.8 Amendment and Waiver

No supplement, modification, amendment, waiver, discharge or termination of this Agreement is binding unless it is executed in writing by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any provision of this Agreement constitutes a waiver of any other provision (whether or not similar) nor does such waiver constitute a continuing waiver unless otherwise expressly provided.

7.9 Submission to Jurisdiction

Without prejudice to the ability of any Party to enforce this Agreement in any other proper jurisdiction, each of the Parties irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario to determine all issues, whether at law or in equity arising from this Agreement. To the extent permitted by applicable law, each of the Parties irrevocably waives any objection (including any claim of inconvenient forum) that it may now or hereafter have to the venue of any legal proceeding arising out of or relating to this Agreement in the courts of that Province or that the subject matter of this Agreement may not be enforced in the courts and irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called upon to enforce the judgment of the courts referred to in this Section 7.9, of the substantive merits of any such suit, action or proceeding. To the extent a Party has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, that Party irrevocably waives that immunity in respect of its obligations under this Agreement.

7.10 Capacity of Receiver

The Buyer acknowledges and agrees that the Receiver is entering into this Agreement solely in its capacity as court-appointed receiver pursuant to the Appointment Order and not in its personal capacity and in no circumstance shall have any personal liability hereunder.

7.11 Assignment and Enurement

Neither this Agreement nor any right or obligation under this Agreement may be assigned by either Party without the prior consent of the other Party. This Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns. The Buyer may create two corporations in order to acquire the Purchased Assets and Contracts respectively of Family Health East and at Family Health West, in which event the provisions of this Agreement shall apply to both such Corporations on a *mutatis mutandis* basis with each such Corporations becoming the Buyer of the respective Purchased Assets and the assignee of the Contracts.

7.12 Severability

Each provision of this Agreement is distinct and severable. If any provision of this Agreement, in whole or in part, is or becomes illegal, invalid or unenforceable in any jurisdiction by a court of competent jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect: the legality, validity or enforceability of the remaining provisions of this Agreement; or the legality, validity or enforceability of that provision in any other jurisdiction.

7.13 Counterparts

This Agreement may be executed and delivered by the Parties in one or more counterparts, each of which will be an original, and each of which may be delivered by facsimile, e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Each of the Parties has executed and delivered this Agreement, as of the date noted at the beginning of the Agreement.

**KSV KOFMAN INC., solely in its capacity as
Receiver of the property, assets and undertaking
of RANDO DRUGS LTD. and related companies
and not in its personal capacity**

Per _____

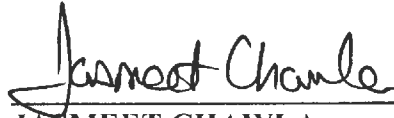
Name: Mitch Vininsky

Title: Vice-President

**SRI ETIKALA AND JASMEET CHAWLA, in
trust for a corporation to be incorporated**



SRI ETIKALA



JASMEET CHAWLA

SCHEDULE A – EMPLOYEES

SCHEDULE A - EMPLOYEES

Employee Information - East

Name	Position	Hire Date	Wage Per Hour	Hours per Week	Vacation Entitlement	Benefits
						

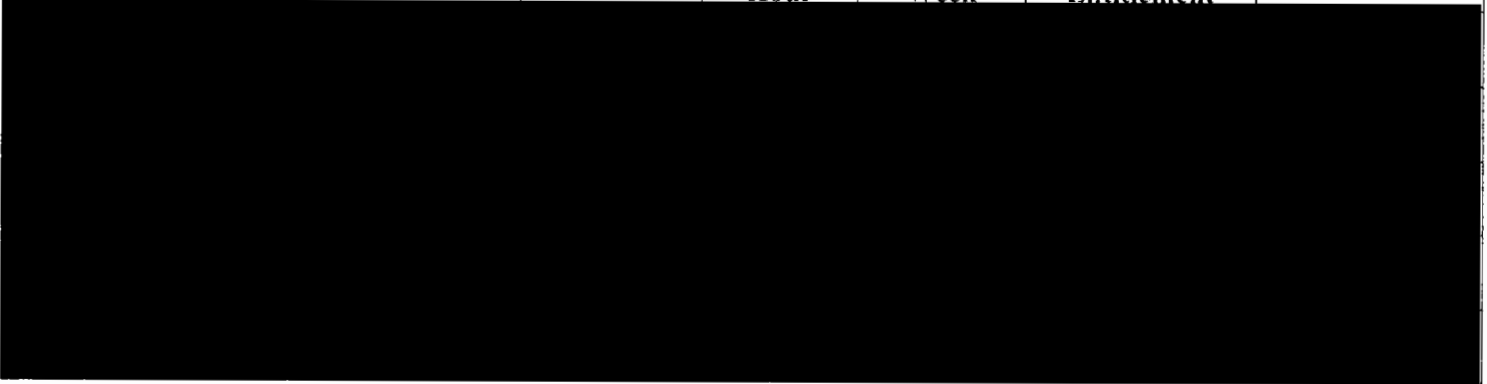
There are no employees currently claiming WSIB.

WSIB filings are paid quarterly and are current.



SCHEDULE A - EMPLOYEES

Employee Information - West

Name	Position	Hire Date	Wage Per Hour	Hours per Week	Vacation Entitlement	Benefits
						

There are no employees currently claiming WSIB.

WSIB filings are paid quarterly and are current.

Vacation accrues and is reduced when used.

EXHIBIT 1 – APPROVAL AND VESTING ORDER

Attached.

Court File No. CV-19-00632106-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)	• DAY, THE • TH
)	
JUSTICE HAINEY)	DAY OF • , 2020

BETWEEN:

ECN FINANCIAL INC.

Applicant

- and -

2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD., 2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC. and 2527475 ONTARIO INC. and GRACE DIENA

Respondents

APPROVAL AND VESTING ORDER
(Family Health East & Family Health West)

THIS MOTION, made by KSV Kofman Inc. (“**KSV**”) in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of the property, assets and undertaking of Rando Drugs Ltd. and the other respondents listed above (collectively, the “**Debtors**”) for an order approving the sale transaction for the sale of Family Health East and Family Health West (the “**Transaction**”) contemplated by an agreement of purchase and sale dated July [24], 2020 (the “**Sale Agreement**”) between the Receiver and Sri Etikala and Jasmect Chawla, in trust for a corporation to be incorporated (with a right to use two corporations) as Buyer (the “**Purchaser**”), and appended to the Third Report of the Receiver dated [DATE] (the “**Third Report**”), and

vesting in the Purchaser the Debtors' right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report and on hearing the submissions of counsel for the Receiver and those other parties present no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of • sworn • , 2020, filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), any and all of the Debtors' right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Mr. Justice Hainey dated December 4, 2019; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; (all of which are collectively referred to as the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims

and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

5. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtors' records pertaining to the Debtors' past and current employees, including personal information of those employees listed on Schedule "A" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtors.

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or

provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **THIS COURT 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.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-19-00632106

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ECN FINANCIAL INC.

Applicant

- and -

2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD., 2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC. and 2527475 ONTARIO INC. and GRACE DIENA

Respondents

**RECEIVER’S CERTIFICATE
(Family Health East & Family Health West)**

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (the “**Court**”) dated December 4, 2019, KSV Kofman Inc. was appointed as the receiver (in such capacity, the “**Receiver**”) of the property, assets and undertaking of Rando Drugs Ltd. and the other Respondents listed above (the “**Debtors**”).

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of July [24], 2020 (the “**Sale Agreement**”) between the Receiver and Sri Etikala and Jasmeet Chawla, in trust for a corporation to be incorporated (with a right to use two corporations) as Buyer (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtors’ right, title and interest in and to the Purchased Assets, which vesting is to be effective

with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 5.2 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 5.2 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**KSV KOFMAN INC., in its capacity as
Receiver, of the property, assets and
undertaking of Rando Drugs Ltd. and not in
its personal capacity**

Per: _____
Name:
Title:

ECN FINANCIAL INC. and
Applicant

2345760 ONTARIO INC., et al.
Respondents

Court File No.: CV-19-00632106-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced TORONTO

APPROVAL OF VESTING ORDER
(Family Health East & Family Health West)

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto ON M5G 1V2
Fax: 416-597-3370

Jennifer Stam (LSO #46735J)
Tel: 416-597-5017
Email: stam@gsnh.com

Lawyers for the Receiver, KSV Kofman Inc.

Appendix “J”

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

CHOPRA, JOSHI, KARNIK & LAMONT
MEDICINE PROFESSIONAL CORPORATION

Applicant

- and -

KSV KOFMAN INC. as receiver for RANDO DRUGS LTD.,
M. BLACHER DRUGS LTD. and FAMILY HEALTH PHARMACY WEST INC.

Respondent

MINUTES OF SETTLEMENT

WHEREAS:

1. The Applicant, Chopra, Joshi, Karnik & Lamont Professional Corporation (the "**Landlord**") is the owner of the property known municipally as 6720 Hawthorne Drive, Windsor, Ontario (the "**East Property**") and 1604 Tecumseh Road West, Windsor, Ontario (the "**West Property**");
2. Rando Drugs Ltd. ("**Rando Drugs**") occupies the East Property and operates a pharmacy pursuant to a lease agreement between the Landlord and Rando Drugs, dated December 11, 2013 (the "**East Lease**"). As of January 1, 2019, the East Lease was a month-to-month tenancy, subject to termination on 60 days' notice;
3. The principal of Rando Drugs is Mr. Dani Diena;
4. M. Blacher Drugs Ltd. ("**M. Blacher Drugs**") / Family Health Pharmacy West Inc. ("**Family West**") occupies the West Property and operates a pharmacy pursuant to a lease agreement between the Landlord and M. Blacher Drugs, dated December 1, 2015 (the "**West Lease**"). According to the Landlord, the term of the West Lease expires on December 1, 2021;
5. The principal of M. Blacher Drugs and Family West is also Mr. Dani Diena;
6. On September 25, 2019, the Landlord sent a notice of termination of the East Lease, effective November 30, 2019;
7. On October 23, 2018, the effective date of the termination of the East Lease was extended to December 31, 2019;

8. The effective date of the termination of the East Lease was further extended to January 31, 2020;

9. On December 4, 2019, a creditor of Rando Drugs made an application for an Order in Court File No. CV-19-00632106-00CL of the Commercial List of the Superior Court of Justice at Toronto (the "**Receiver's Application**") to appoint KSV Kofman Inc. as receiver (the "**Receiver**", and together with the Landlord, Rando Drugs, M. Blacher Drugs, and Family West, the "**Parties**") over Rando Drugs, M. Blacher Drugs, and Family West. The Receiver was appointed on that day;

10. There has been a dispute between the Landlord and the Receiver as to which date the terms for the East Lease and the West Lease expire, which resulted in the Landlord commencing the Application in the Superior Court of Justice, at Windsor, in Court File No. CV-20-28863 (the "**Application**"); and

11. The Parties have agreed to negotiate a settlement of all matters in dispute between them, and without limiting the generality of the foregoing, in relation to their respective obligations required by the terms of the East Lease and the West Lease.

NOW THEREFORE IT IS AGREED AS FOLLOWS:

1. The Parties shall resolve all matters between themselves, subject to approval of the terms by a Judge of the Commercial List in the Receiver's Application, on the following terms:

- (a) The Receiver shall provide vacant possession of the East Location and the West Location on the closing date of the sale of the East Location and the West Location to the Landlord immediately upon the closing of an agreement of purchase and sale dated July 24, 2020 (as the same may be amended from time to time) between the Receiver and Sri Etikala and Jasmeet Chawla in trust for a corporation to be incorporated (the "**East/West APA**");
- (b) As soon as possible after vacant possession of the East Property and the West Property is provided by the Receiver, the Landlord shall have its Application dismissed without costs and shall promptly provide the Receiver with evidence of same;
- (c) The Receiver shall, at its sole expense, seek the approval of the Commercial List through the Receiver's Application to enter into these Minutes of Settlement, the related documents annexed hereto, and any related document that may be required to give effect to these Minutes of Settlement;
- (d) The Receiver shall not seek costs as against the Landlord within the Receiver's Application, or otherwise;
- (e) The Parties shall execute a Determination and Surrender of Lease substantially in the form annexed hereto as **Schedule "A"**; and
- (f) The Parties shall execute a Full and Final Mutual Release in the form annexed hereto as **Schedule "B"** to these Minutes of Settlement, which shall release the Parties from their respective obligations to one another, except as otherwise provided for herein;

2. These Minutes of Settlement are to be construed as if the Landlord and the Receiver were joint authors and shall not be construed against one party as if that party or that party's lawyer were the sole or majority author of the Minutes of Settlement;

3. The Parties hereto acknowledge that each of them have received independent legal advice prior to the execution and delivery of these Minutes of Settlement, or have waived their right to same.

4. These Minutes of Settlement and each of its provisions shall enure to the benefit of and shall be binding on the personal representatives of each of the Parties hereto and their respective heirs, beneficiaries, successors, and assigns.

5. These Minutes of Settlement constitute the entire agreement and understanding between the Parties hereto and no variation or addition to it and no waiver of any provision will be valid unless in writing and signed by or on behalf of the Parties.

6. The terms of these Minutes of Settlement shall be construed exclusively in accordance with the laws of the Province of Ontario.

IN WITNESS WHEREOF, the Parties hereto have executed these Minutes of Settlement by the hands of their duly appointed signing officers, as of the [__] day of September, 2020.

**CHOPRA, JOSHI, KARNIK & LAMONT
MEDICINE PROFESSIONAL CORPORATION**

Per: Dr. Raj Chopra

I have the authority to bind the corporation listed above.

KSV KOFMAN INC. solely in its capacity as receiver of the property, assets and undertaking of RANDO DRUGS LTD., M. BLACHER DRUGS LTD., FAMILY HEALTH PHARMACY WEST and related companies and not in its personal capacity

Per: Mitch Vininsky

I have the authority to bind the corporation listed above.

SCHEDULE "A"

DETERMINATION AND SURRENDER OF LEASE

THIS DETERMINATION AND SURRENDER OF LEASE is dated as of the [__] day of September, 2020.

BETWEEN:

CHORPA, JOSHI, KARNIK & LAMONT MEDICINE PROFESSIONAL CORPORATION
(the "**Lessor**")

- and -

RANDO DRUGS LTD., M. BLACHER DRUGS LTD., and FAMILY HEALTH PHARMACY WEST INC.
(the "**Lessees**")

WHEREAS:

- A.** Rando Drugs Ltd. ("**Rando Drugs**") leased the lands and premises consisting of approximately 540 square feet of space at the building located at municipal address 6720 Hawthorne Drive (the "**East Location**");
- B.** M. Blacher Drugs Ltd. ("**M. Blacher Drugs**") and/or Family Health Pharmacy West Inc. ("**Family West**") leased the lands and premises consisting of approximately 200 square feet of space at the building located at municipal address 1604 Tecumseh Road West, Windsor, Ontario (the "**West Location**");
- C.** On December 4, 2019, a creditor of Rando Drugs made an application for an Order in Court File No. CV-19-00632106-00CL of the Commercial List of the Superior Court of Justice at Toronto to appoint KSV Kofman Inc. as receiver (the "**Receiver**", and together with the Lessor and the Lessees, the "**Parties**") over the assets, property and undertaking of, among others, Rando Drugs, M. Blacher Drugs, and Family West;
- D.** It is expressly agreed and understood by the Parties that the Receiver is acting solely in its capacity as Receiver for the Lessees, and not in its personal capacity;
- E.** The Receiver has entered into an agreement on behalf of the Lessees, dated July 24, 2020, with Sri Etikala and Jasmeet Chawla in trust for a corporation to be incorporated to sell certain assets from the East Location and the West Location (the "**East/West APA**");
- F.** The Receiver on behalf of the Lessees has agreed to vacate the lands and premises of the East Location and the West Location (the "**Leases**"), with the Leases to be surrendered immediately on closing of the East Location and the West Location, being September [__], 2020 (the "**Surrender Date**").

NOW THEREFORE THIS INSTRUMENT WITNESSES that in consideration of the premises and other good and valuable consideration and the sum of One Dollar (\$1.00) of lawful money of Canada now paid by each of the Parties to one another, (the receipt and adequacy whereof is hereby acknowledged by the Lessor and the Receiver for the Lessees) the Parties hereby covenant and agree that:

1. The Lessees, by its Receiver, assigns, surrenders, gives and yields up to the Lessor, its successors and assigns, the Leases and all of the lands and premises of the East Location and the West Location to the extent of any unexpired residue of the term created by the Leases and all other estate and interests of the Lessees in the lands and premises of the East Location and the West Location may be merged and extinguished in the reversion of the lands and premises of the East Location and the West Location.
2. The Leases and all other existing or future tenancies, rights of use, or occupation of, or license granted by the Lessor to the Lessees in respect of the whole or any portion of the lands and premises of the East Location and the West Location are hereby wholly and forever terminated as of the Surrender Date.
3. The Lessor hereby remises, releases, and forever discharges the Lessees, the Receiver, its successors and assigns, of and from all manner of actions, causes of action, suits, debts, duties, accounts, covenants, contracts, claims, and demands whatsoever, which the Lessor now has, or can, shall, or may hereinafter have against the Lessees, its successors and assigns, arising out of or under or by virtue of the Leases and the Lessor accepts the termination and surrender of the Leases as aforesaid.
4. The Lessees, by the Receiver, hereby remise, release, and forever discharge the Lessor, its successors and assigns, of and from all manner of actions, causes of action, suits, debts, duties, accounts, covenants, contracts, claims, and demands whatsoever, which the Lessees now have, or can, shall, or may hereinafter have against the Lessor, its successors and assigns, arising out of or under or by virtue of the Leases and the Lessees accept the termination and surrender of the Lease as aforesaid.
5. The Lessor agrees to accept the Lands and Premises "as is" and confirms that the Lessees shall have no restoration obligations with respect to the Lands and Premises.
6. The Lessor represents and warrants that it has the right, full power, and authority to enter into this Agreement and to perform its obligations hereunder, that is has not assigned or encumbered its interest in the Lease and that no consent from a mortgagee or other party is required for the Lessor to enter into this Agreement.
7. The Receiver on behalf of the Lessees represents and warrants that it has the right, full power, and authority to enter into this Agreement and perform its obligations hereunder.
8. Each of the Lessor and the Receiver on behalf of the Lessees shall promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents, and things in connection with this Determination and Surrender of Release that the other Parties

hereto may reasonably require for the purpose of giving effect to this Determination and Surrender of Release and carrying out its provisions.

9. Unless the context otherwise requires, words importing the singular in number only shall include the plural and *vice versa*, words importing the use of gender shall include the masculine, feminine and neuter genders, and words importing persons shall include individuals, corporations, partnerships, associations, trusts, unincorporated organizations, governmental bodies, and other legal or business entities.
10. This Determination and Surrender of Release may be executed by the parties hereto in separate counterparts, and each of which so executed shall be deemed to be an original. Such counterparts together shall constitute one and the same instrument, and, notwithstanding the date of execution, shall be deemed to bear the effective date set forth above.
11. Delivery of an executed copy of the signature page of this Determination and Surrender of Release by facsimile or email transmission shall be effective as delivery of an original executed copy of this Determination and Surrender of Release, and each party hereto undertakes to provide the other party with a copy of the Determination and Surrender of Release bearing original signatures forthwith upon demand.
12. The rights and liabilities of the parties hereto shall enure to the benefit of their respective legal representatives, heirs, executors, administrators, successors, and assigns, as the case may be.

IN WITNESS WHEREOF the Lessor and the Receiver on behalf of the Lessees have hereunder executed this Determination and Surrender of Lease as of the year and date above written.

**CHOPRA, JOSHI, KARNIK
& LAMONTMEDICINE
PROFESSIONAL CORPORATION**

Per: Dr. Raj Chopra
I have the authority to bind the
corporation listed above.

**KSV KOFMAN INC. solely in its
capacity as receiver of the property,
assets and undertaking of RANDO
DRUGS LTD., M. BLACHER DRUGS
LTD., FAMILY HEALTH PHARMACY
WEST and related companies and not in
its personal capacity**

Per: Mitch Vininsky
I have authority to bind the corporations
listed above.

SCHEDULE "B"

Court File No.: CV-20-28863

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

CHOPRA, JOSHI, KARNIK & LAMONT
MEDICINE PROFESSIONAL CORPORATION

Applicant

- and -

KSV KOFMAN INC. as receiver for RANDO DRUGS LTD.,
M. BLACHER DRUGS LTD. and FAMILY HEALTH PHARMACY WEST INC.

Respondent

FULL AND FINAL MUTUAL RELEASE

WHEREAS THE PARTIES HERETO have agreed to terminate a lease for the premises located at municipal address 6720 Hawthorne Drive Windsor, Ontario (the "**East Lease**") and a lease for the premises located at municipal address 1604 Tecumseh Road West, Windsor, Ontario (the "**West Lease**") pursuant to the terms contained in Minutes of Settlement, dated September [__], 2020 (the "**Settlement**"), **CHOPRA, JOSHI, KARNIK & LAMONT MEDICINE PROFESSIONAL CORPORATION** (the "**Landlord**"), and **RANDO DRUGS LTD., M. BLACHER DRUGS LTD., and FAMILY HEALTH PHARMACY WEST INC.** (the "**Tenants**") by the Tenants' Court appointed receiver, **KSV KOFMAN INC.** (the "**Receiver**") and together with the Landlord and the Tenants, the "**Parties**") hereby acknowledge and agree that in consideration of:

- (i) the Receiver on behalf of the Tenants providing vacant possession of the lands and premises leased by the Tenants pursuant to the East Lease and the West Lease;
- (ii) the execution of a Determination and Surrender of Lease by the Parties;
- (iii) the Landlord having the Application in Court File No. CV-20-28863 commenced in the Superior Court of Justice at Windsor (the "**Application**") dismissed without costs;
- (iv) the Receiver, at its sole expense, seeking the approval of the Commercial List in Court File No. CV-19-00632106-00CL of the Commercial List of the Superior Court of Justice at Toronto (the "**Receiver's Application**") to enter into the Settlement;
- (v) the Receiver not seeking costs against the Landlord either in the Application or the Receiver's Application, or otherwise;

AND OTHER GOOD AND VALUABLE CONSIDERATION the receipt and adequacy of which is hereby acknowledged by each of the Parties hereto, the Parties do hereby fully and forever remise and release, acquit and forever discharge the other and their respective successors, executors, heirs, predecessors, administrators, assigns, subsidiaries and servants, present and former directors and employees, of and from all manner of actions, causes of actions, suits, debts, dues, accounts, bonds, covenants, contracts, claims, demands, damage, loss, and judgments of any manner whatsoever which either may have ever had or now have or may hereafter have against the other for or by reason of any act, omission, matter, causes, or things whatsoever existing up to the present time which is or could have been the subject matter of a claim: (i) related to the Parties respective obligations under the East Lease and/or the West Lease (ii) in relation to or pertaining to the lands and premises leased pursuant to the East Lease and/or the West Lease or the termination thereof, and/or (iii) any matter raised, or that could have been raised, in the Application and/or the Receiver's Application related to the East Lease and/or the West Lease.

AND FOR THE SAID CONSIDERATION the Parties agree not to make any claim or take any proceedings against one another, or against any person or corporation who might claim contribution and/or indemnity from either of the Parties hereto.

AND FOR THE SAID CONSIDERATION the Parties represent and warrant that they have not assigned to any person or corporation the claims released above, and with respect to which the Parties agree not to make any claims or take any proceedings.

IT IS UNDERSTOOD AND AGREED that the Parties do not admit any liability to the other Parties, and that such liability is in fact denied.

AND IT IS FURTHER UNDERSTOOD AND AGREED that this Full and Final Mutual Release may be executed in separate counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute one and the same instrument.

AND IT IS COVENANTED AND AGREED that each of the Parties shall execute and deliver all such further documents and do such further acts and things as may be reasonably required from time to time to give effect to this Full and Final Mutual Release.

AND FOR THE SAID CONSIDERATION the Parties hereby acknowledge, declare and agree that they execute this Full and Final Mutual Release voluntarily with full knowledge and understanding of all of its terms and conditions and the Parties confirm that they have obtained independent legal advice, or have waived same, with respect to these terms and conditions and the Parties confirm that they voluntarily accept all of the terms and conditions herein.

IN WITNESS WHEREOF, the Parties hereto have executed this Full and Final Mutual Release by the hands of their duly appointed signing officers, as of the [__] day of September, 2020.

**CHOPRA, JOSHI, KARNIK & LAMONT
MEDICINE PROFESSIONAL CORPORATION**

Per: Dr. Raj Chopra

I have the authority to bind the corporation listed above.

**KSV KOFMAN INC. solely in its capacity as receiver of
the property, assets and undertaking of RANDO
DRUGS LTD., M. BLACHER DRUGS LTD., FAMILY
HEALTH PHARMACY WEST and related companies
and not in its personal capacity**

Per: Mitch Vininsky

I have the authority to bind the corporations listed above.

Appendix “K”

Rando Drugs Ltd.

Statement of Receipts and Disbursements

From December 4, 2019 to August 11, 2020

(\$; unaudited)

Receipts

Sale of Novacare and Walpole	1,815,089
Transfers from operating accounts and cash deposits	249,488
Funding from ECN	150,000
HST	75,597
Almas settlement	22,600
License fee - Humber Pharmacy	6,000
Interest	3,856
	<u>2,322,630</u>

Disbursements

Receiver's fees	256,929
Operating costs	237,646
Legal fees and disbursements	151,599
Payroll/contractors	115,640
HST	65,741
Walpole/Three Fires settlement	40,000
Rent	21,381
Accounting and tax	4,650
Bank charges	2,433
Filing fees	835
	<u>896,855</u>
Balance in Receiver's account, before accrued liabilities	<u><u>1,425,775</u></u>

Appendix “L”

JEROME H. STANLEIGH

BARRISTER & SOLICITOR

5255 Yonge Street, Ste. 800
Toronto, ON, M2N 6P4
tel. 416-924-0151
fax. 416-924-2887
jerome@stanleigh.com

March 23, 2020

Mitch Vininsky
KSV Advisory Inc.
150 King Street West, Suite 2308
Toronto, ON
M5H 1J9

email: mvininsky@ksvadvisory.com
fax: 416-932-6266

RE: Grace Diena (Receivership)

Further to your request for disclosure from Grace Diena and particulars concerning the Grace Family Trust, the writer has been instructed to attach the following documentation:

1. Trust Indenture Agreement dated September 15, 2013.
2. Email from solicitor who drafted Trust Indenture Agreement concerning the issue of tax returns and financial statements. Mr. Marciano's email is self-explanatory.
3. Valuation of Rando Drugs as of September 25, 2013 from John Ford Management Services.
4. Transfer from Grace Diena to Eliyahu Pinchas Diena on March 1, 2013.
5. Deed of Gift dated June 12, 2015 between Eliyahu Pinchas Diena and Grace Diena.
6. Member Trust Agreement dated June 1, 2015 between Eliyahu Pinchas Diena and Grace Diena.
7. Affidavit of Grace Diena sworn October 31, 2015 re Land Transfer Tax on 14 Northmount Avenue.
8. Letter to Grace Diena and Eliyahu Pinchas Diena dated September 1, 2015 outlining disbursement of new mortgage from Scotiabank to discharge previous mortgages.
9. Disclosure Statement from Scotiabank re new first mortgage in amount of \$270,000.
10. Visa Statements dated January 2019 to February 2020.
11. Account activity TD Account in name of Grace Diena from March 1, 2019 through to March 17, 2020.

Grace Family Trust

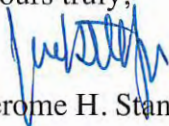
Grace Family Trust has no minute book, no share registry, and no resolutions. My clients were advised that these were not necessary. Grace Family Trust holds shares in Rando Drugs as of 2013, Premier Canadian Pharmacy since 2015, Dedicated National Pharmacy since 2013, 2139152 Ontario Inc. since 2014, and CEDB Inc since 2014. My clients are searching for the legal documents that confirms these transactions, which they are confident are in one of two storage areas. The Grace Family Trust has no liabilities and has no active business interests other than its shareholdings in the companies previously referred to.

14 Northmount Avenue

This property was gifted from Grace Diena to her son, Eliyahu Pinchas Diena. This was done in 2013, well before any engagement with Elements Financial. It was done for the sole purpose of ensuring that their challenged son would always have a source where he could ensure for himself funds which he would need in the future if and when his parents were no longer able to provide such financial support. In 2015, the mortgages, which had been assumed at the time of the gifting, needed to be renewed and the Bank of Nova Scotia insisted that the properties be transferred back to Grace Diena for the purposes of placing this mortgage on title and then the property could revert back to Eliyahu Pinchas Diena.

I do hope that these documents and explanation fulfills the inquiries made by you.

Yours truly,



Jerome H. Stanleigh

Cc: Grace and Dani Diena

JEROME H. STANLEIGH

BARRISTER & SOLICITOR

5255 Yonge Street, Suite 800
 Toronto, ON, M2N 6P4
 tel. 416-924-0151
 fax. 416-924-2887
jerome.lawoffice@stanleigh.com

April 21, 2020

Jennifer Stam

Goldman Sloan Nash & Haber LLP
 480 University Avenue, Suite 1600
 Toronto, ON
 M5G 1V2

e-mail: stam@gsnh.com

fax: 416 597 3370

VIA PUROLATOR

Dear Ms. Stam,

Re: Grace Family Trust

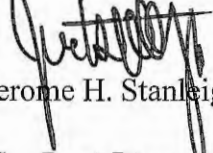
Further to your request, my client has given over to me the following documentation:

1. Rando Drugs was incorporated in 1951 and its minute book does not exist. The Dianas retained counsel to create a minute book for Rando Drugs last year. The particulars are attached.
2. I am attaching, in an accordion file, the Articles of Incorporation for Dedicated National Pharmacy Inc. (DNPI). This company was incorporated in 1953. The minute books were created and spanned 3 separate parts or documents. The first 2 sections have been found, but the 3rd part has been lost. The Dianas are attempting to contact previous counsel to see whether or not it can be found.
3. Premium Canadian Pharmacy was incorporated in 2012. Problems with the FDA forced Dani Diena and his partner to shut down operations. The Grace Family Trust (GFT) became the new owners in 2015. The Premium Canadian Pharmacy business, because of COVID-19, is no longer viable and will be shut down shortly. Mr. Diena thinks that there was never a minute book created. Mr. Diena is contacting Mr. Barry Lerner, the incorporator, to see whether or not he retained the minute book.
4. The corporations CEDV In.c and 2139152 Ontario Inc. were incorporated for the sole purpose of borrowing money from TD Bank. These 2 corporations were named on the leases for Walpole and NovaCare. These companies have no business as separate corporate entities except for the loans from TD Bank. There are no minute books existing for these 2 corporations.

The GFT now has recently incorporated three (3) Ontario numbered corporations, namely 2728778 Ontario Inc., 2673520 Ontario Inc., and 2729124 Ontario Ltd. These corporate entities do not carry on any business activities at the present time.

I would appreciate the return of the original DNPI documentation enclosed once you have satisfied your needs concerning the same and taken photocopies.

Yours truly,



Jerome H. Stanleigh

Cc: Dani Diena

Appendix “M”

JEROME H. STANLEIGH

BARRISTER & SOLICITOR

5255 Yonge Street, Suite 800
 Toronto, ON, M2N 6P4
 tel. 416-924-0151
 fax. 416-924-2887
jerome.lawoffice@stanleigh.com

June 24, 2020

Shakaira John
 Brookfield Place
 181 Bay Street, Suite 1800
 Toronto, ON
 M5J 2T9

e-mail: sjohn@airdberlis.com

Dear Mr. John,

Re: The Toronto-Dominion Bank ("TD Bank") loans to 2275518 Ontario Inc. (the "Debtor"), as guaranteed by each of 1344228 Ontario Inc. ("1344"), 1135578 Ontario Inc. ("1135") and Grace Diena ("Grace")

Dani Diena has asked that I write to you concerning a number of matters that concern him as it relates to the ongoing operations of Abira during the bankruptcy proceedings. These concerns are as follows:

1. It seems there is an outstanding invoice to Bench and Donath of some \$6,000. Mr. Diena would ask that this invoice be honoured so that Abira's accountants will complete their task in applying for a Scientific Research and Educational Development (SRED) grant. The grant has been given yearly to Abira in the approximate amount of \$130,00-140,000, and it would seem rather impractical from everyone's point of view that these monies not be paid to Abira so that the TD indebtedness can be reduced accordingly.
2. A contract between the government and Abira, dated April 1, 2020, has not been signed but should be executed by Dani Diena so that the license can be renewed which would allow Abira to fulfill its legal obligation to discharge the 100 active patients of Abira and receive from the government approximately \$150,000. There should be no reason why this contract cannot be renewed, as it has been since 2012, and any benefit to Abira will obviously assist in reducing its debt to TD Bank. Dani Diena clearly wants TD Bank's indebtedness honoured.
3. It seems that the Receivers have been in receipt of approximately \$12,000-13,000 per month from the Abira account. Mr. Diena is suggesting that you contact the Receivers and negotiate with them a release of those funds to TD Bank.

4. Mr. Diena is awaiting receipt of the DNPI minute book from the Receiver's counsel so that he can pursue sale of the pharmacy license, being the main asset of DNPI. Hopefully this issue will resolve in the next few days.

I do hope that these issues can be dealt with, which will benefit both TD Bank and of course my client. I would appreciate a response and trust that this letter finds you well.

Yours truly,



Jerome H. Stanleigh

Cc: Dani Diena

JEROME H. STANLEIGH

BARRISTER & SOLICITOR

5255 Yonge Street, Suite 800
 Toronto, ON, M2N 6P4
 tel. 416-924-0151
 fax. 416-924-2887
jerome.lawoffice@stanleigh.com

June 26, 2020

Shakaira John
 Brookfield Place
 181 Bay Street, Suite 1800
 Toronto, ON
 M5J 2T9

e-mail: sjohn@airdberlis.com

Dear Mr. John,

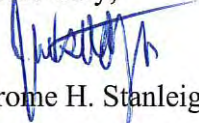
Re: The Toronto-Dominion Bank ("TD Bank") loans to 2275518 Ontario Inc. (the "Debtor"), as guaranteed by each of 1344228 Ontario Inc. ("1344"), 1135578 Ontario Inc. ("1135") and Grace Diena ("Grace")

The writer acknowledges receipt of your letter dated June 26. I had hoped that you would attempt to prevent the substantial losses to Abira that is taking place with the lack of interest and commitment to extract government financial support which Abira can take advantage of in accordance with prior years contracts and the SHRED program. I find it quite frankly incomprehensible that TD Bank would not want to protect its interests by communicating its concern to the Receiver and encourage the Receiver to take immediate action to ensure that the appropriate signatures required on the various applications previously referred to have been obtained. This would be clearly be in the best interests of all of the parties, including the Receiver, TD Bank, and of course the principles of Abira.

I might also add, since we're talking about hundreds of thousands of dollars, that clearly inaction will cause my client damages. This can be prevented if the Receiver does not cooperate with you by way of appropriate directions from the court. How can any inaction under these circumstances be acceptable? It seems impractical.

I trust that you will understand this letter is meant to encourage all parties to work together so that the Receivership wi and TD Bank will be made whole. However, doing nothing is not a responsible position.

Yours truly,



Jerome H. Stanleigh

Cc: Dani Diena – CEO, Abira

Cc: Jennifer Stam – Counsel for the Receiver, KSV

Appendix “N”



June 30, 2020

DELIVERED BY EMAIL

Jerome Stanleigh
 5255 Yonge St., Suite 800
 Toronto, Ontario M2N 6P4

Dear Mr Stanleigh,

Re: 2275518 Ontario Inc. o/a Abira Healthcare (“Abira”)

This letter responds to your letters dated June 24 and 26, 2020. Your client is aware of the facts concerning Abira and has been kept apprised of the situation concerning its business.

The following responds to the issues you raised:

1. Abira’s business has not operated since mid-March following guidance by the Ontario Physiotherapy Association related to Covid-19 which recommended that “physiotherapists and physiotherapist assistants providing services in the community only do so to address patients with emergency needs where that care can be provided safely in keeping with guidelines for care during the pandemic” and “Those patients whose care and services can be postponed, or can be provided virtually, we strongly recommend doing so until further notice in compliance with the directives of the Government of Ontario”.
2. Abira’s business was operating at a loss prior to being shut down. Abira’s monthly revenue and expenses, before professional costs associated with the receivership, was approximately as follows:

	(\$000)
Revenue (Ministry of Health)	12
Rent ¹	(8)
Payroll/contractors	(12)
Insurance	(.5)
Accounting and other	(1)
Monthly loss	(9.5)

3. Abira has no liquidity to continue to operate. Toronto-Dominion Bank (the “Bank”) is the senior ranking creditor of Abira. It has not provided funding to operate the business. ECN Financial Inc., the senior lender to the other entities subject to the receivership, has a subordinate ranking security interest in Abira and no funding will be provided by it for Abira.

¹ Represents payments made to the tenant associated with Abira’s premises, which the Receiver understands is a company owned or controlled by your client.

4. Abira's bookkeeper, Paul Joseph, prepared draft financial statements for 2019. A copy of the financial statements is attached. Mr. Joseph could not provide support for the amounts reflected on the balance sheet or the income statement, including, for example, the \$1.1 million of accounts receivable reflected on the balance sheet as at December 31, 2019. He referred us to your client to explain the amounts. Your client provided no explanation, so we followed up again on June 29, 2020. Mr. Diena's response suggests that the \$1.1 million receivable has no value due to the insolvency of the debtor.
5. We understand that Bench & Donath ("Bench"), Abira's accountants, is owed \$7,000. Bench refused to perform any services for fiscal 2019 until the balance is paid. We asked Bench if it would prepare Abira's tax return and its SRED claim and deduct the outstanding balance from SRED refunds. Bench refused. If your client wishes to fund these costs, please let us know and we will arrange to have Bench prepare the returns. Your client will also need to pay any future fees of Bench.
6. As it relates to the SRED claim, your client estimated that the claim for fiscal 2019 could be in the range of \$50,000 to \$60,000, not \$140,000 as referenced in your letter. That said, your client has not provided support for claim nor the technical basis of such claim, which is required to submit an application. The cost of Bench and Mr. Joseph to prepare the return and SRED claim is estimated to be \$10,000 to \$15,000, in addition to the \$7,000 referenced in #5 above. The Receiver is prepared to advance completion of the SRED claim if these costs are funded in advance by either your client or another party. Your client may wish to discuss this with the Bank.
7. As to the suggestion that the Bank "negotiate" with the Receiver for the release of the \$12,000 in monthly receipts, Abira is operating at a loss and there is no cash flow available for distribution to any creditor.
8. GSNH has advised us that you picked up the DNPI records from GSNH's offices on June 23, 2020.
9. Finally, as it relates to the contract with the Ministry of Health, the Receiver authorizes your client to execute and submit it. The Receiver will not authorize a resumption of Abira's operations unless the Receiver has been pre-funded for operating costs. We would be pleased to discuss appropriate arrangements with your client if it wishes to proceed on this basis.

Yours very truly,

**KSV KOFMAN INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
THE ASSETS, PROPERTY AND UNDERTAKING OF 2270518 ONTARIO INC.
AND NOT IN ITS PERSONAL CAPACITY**



Per: Mitch Vininsky

MV:rk

cc. Jennifer Stam, Goldman Sloan Nash & Haber LLP
Shakaira John, Aird & Berlis LLP

**2275518 Ontario Inc.
O/A ABIRA HEALTHCARE
STATEMENT OF OPERATIONS**

YEAR ENDED DECEMBER 31,2019

	<u>31-Dec-19</u>	<u>31-Dec-18</u>
	\$	\$
Revenues		
Fees for service Income	<u>3,176,752</u>	<u>\$3,610,362</u>
Cost of sales		
Sub Contractors	2,633,909	3,246,780
Salary and wages	56,187	104,057
Employee benefits	<u>4,681</u>	<u>4,329</u>
	<u>2,694,776</u>	3,355,166
Gross profit	<u>481,976</u>	<u>255,196</u>
Expenses		
Bank Service Charges	1,202	1,631
Loan Fees	3,800	4,300
Interest Expense	68,271	69,150
Interest Paid	0	16,966
Office Supplies & Services	3,785	1,032
HST Expense	0	47,541
Medical Records & Supplies	1,680	1,896
Legal Fees	1,268	3,405
Accounting Fees	537	3,900
Professional Fees	9,710	13,016
Rent Expense	79,836	81,900
Repairs and Maintenance	298	-
General Insurance	12,339	13,205
Health & Life Insurance	8,635	8,635
Automobile Expense	0	300
Management Fees	3,000	-
Depreciation Expense	<u>61,424</u>	77,179
	<u>255,785</u>	<u>344,055</u>
Income (loss) before income taxes	226,191	(88,859)
Future income taxes recovery		<u>9,463</u>
Net income (loss) for the year	<u>226,191</u>	<u>(98,322)</u>

**2275518 Ontario Inc.
O/A ABIRA HEALTHCARE
BALANCE SHEET**

	<u>31-Dec-19</u>	<u>31-Dec-18</u>
	\$	\$
ASSETS		
Current Assets		
Bank	<u>2,995</u>	<u>3,859</u>
Accounts receivable		
Fees for Service	1,124,999	1,298,192
Income Taxes Receivable	9,097	9,097
HST Receivable	<u>11,809</u>	-
Total Accounts Receivable	<u>1,145,905</u>	<u>1,307,289</u>
Other Current Assets		
Funds held by solicitor	250,000	250,000
Government Assistance Receivable	102,170	102,170
Deposits	<u>29,473</u>	<u>29,473</u>
Total Other Current Assets	<u>381,643</u>	<u>381,643</u>
Total Current Assets	<u>1,530,542</u>	<u>1,692,791</u>
Long-Term Assets		
Assets under Capital Lease	49,649	62,061
Computer Hardware	2,423	1,731
Computer Software	1,844	2,634
Furniture and Equipment	4,419	5,524
Medical Equipment	175,864	219,830
Motor Vehicle	<u>5,643</u>	<u>8,061</u>
Total Long-Term Assets	<u>239,841</u>	<u>299,841</u>
Other Assets		
Goodwill and Licences	<u>1,050,001</u>	<u>1,050,001</u>
TOTAL ASSETS	<u>2,820,384</u>	<u>3,042,633</u>
LIABILITIES & EQUITY		
Current Liabilities		
Bank Operating Account	925,000	975,000
Accounts Payable & Accruals	489,224	491,466
Current portion – long term debt	<u>54,454</u>	<u>179,121</u>
Total Current Liabilities	<u>1,468,678</u>	<u>1,645,587</u>
Long Term Liabilities		
Shareholders Loans	1,681,697	1,897,530
Long term debt	<u>0</u>	<u>55,693</u>
Total Long Term Liabilities	<u>1,681,697</u>	<u>1,953,223</u>
Equity		
Capital Stock	100	100
Retained earnings	(556,281)	(457,955)
Net income/(Deficit)	<u>226,191</u>	<u>(98,322)</u>
Total Equity	<u>(329,991)</u>	<u>(556,177)</u>
TOTAL LIABILITIES & EQUITY	<u>2,820,384</u>	<u>3,042,633</u>

Appendix “O”

2275518 Ontario Inc. o/a Abira Healthcare
Statement of Receipts and Disbursements
 From January 13, 2020 to August 11, 2020
 (\$; unaudited)

Receipts	<u>Note</u>	
Ministry of Health and Long-Term Care		97,968
Funding from Premium Canada Pharmacy Ltd./Dani Diena	1	26,270
Other		432
Interest		86
		<u>124,757</u>
Disbursements		
Payroll		53,257
Rent		7,144
Legal fees		2,638
HST		1,272
Other		204
		<u>64,515</u>
Balance in Receiver's account		<u>60,242</u>

Note:

1. Funding was provided on an unsecured basis as agreed with Dani Diena.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**THIRD REPORT OF KSV KOFMAN INC. AS
RECEIVER OF THE ASSETS, UNDERTAKINGS
AND PROPERTIES OF RANDO DRUGS LTD.
AND RELATED COMPANIES**

August 27, 2020

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, ON M5K 1E7

Jennifer Stam (LSO# 46735J)

Tel: 416-202-6707

Fax: 416-216-3930

Email: Jennifer.stam@nortonrosefulbright.com

Lawyers for the Receiver, KSV Kofman Inc.

TAB 3

Court File No. CV-19-632106-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.)

THURSDAY, THE 3rd

JUSTICE HAINEY)

DAY OF SEPTEMBER, 2020

B E T W E E N:

ECN FINANCIAL INC.

Applicant

- and -

**2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY
HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD.,
2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC. and 2527475
ONTARIO INC. and GRACE DIENA**

Respondents

**ORDER
(2275518 Ontario Inc.)**

THIS MOTION, made by KSV Kofman Inc. (“KSV”) in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of the property, assets and undertaking of Rando Drugs Ltd. (“**Rando**”), 2275518 Ontario Inc. (“**2275**”) and the other Respondents listed above (collectively, the “**Debtors**”) for orders, among other things amending certain provisions of the Receivership Order (defined below) as it relates to 2275518 Ontario Inc.

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

ON READING the Receiver’s Motion Record, including the Notice of Motion and the Third Report of the Receiver dated August 27, 2020 (the “**Third Report**”), and on hearing the submissions of counsel for the Receiver, Toronto-Dominion Bank (“**TD**”) and those other parties

present no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that the time for service of the Motion Record in respect of this motion and the Third Report is hereby abridged and validated so that the motion is properly returnable today, and that further service thereof is hereby dispensed with.

AMENDMENT OF RECEIVERSHIP ORDER

2. **THIS COURT ORDERS** that the order of this Court made on December 4, 2019 (as amended, the “**Receivership Order**”), solely as it relates to 2275, be and is hereby amended such that the Receiver’s powers set out in paragraph 3 of the Receivership Order shall be limited to (i) the preparation and filing of the 2019 tax return and application for Scientific Research and Experimental Development (“**SR&ED**”) tax credits and (ii) the powers set out in paragraph 3 below. For greater certainty, the Receiver shall have no obligation to take possession or control of, dispense of or otherwise deal with any of 2275’s patient records or any other books and records of Abira containing patient or personal data.

3. **THIS COURT ORDERS** that in addition to the powers set out in paragraph 2 above, the Receiver shall be and is hereby authorized and empowered but not obligated to file an assignment in bankruptcy on behalf of 2275.

4. **THIS COURT ORDERS** that for greater certainty the Receiver shall continue to enjoy all of the protections afforded to it as set out in the Receivership Order and nothing shall impact or impair the application of the stay of proceedings as set out in the Receivership Order.

MISCELLANEOUS

5. **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.

ECN FINANCIAL INC. and 2345760 ONTARIO INC., et al.
Applicant Respondents

Court File No.: CV-19-632106-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**ORDER
(2275518 Ontario Inc.)**

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, ON M5K 1E7

Jennifer Stam (LSO# 46735J)

Tel: 416-202-6707

Fax: 416-216-3930

Email: Jennifer.stam@nortonrosefulbright.com

Lawyers for the Receiver, KSV Kofman Inc.

TAB 4

Court File No. CV-19-632106-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.)	THURSDAY, THE 3 rd
)	
JUSTICE HAINEY)	DAY OF SEPTEMBER, 2020

B E T W E E N:

ECN FINANCIAL INC.

Applicant

- and -

**2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY
HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD.,
2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC. and 2527475
ONTARIO INC. and GRACE DIENA**

Respondents

**ORDER
(Miscellaneous Matters)**

THIS MOTION, made by KSV Kofman Inc. (“**KSV**”) in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of the property, assets and undertaking of Rando Drugs Ltd. (“**Rando**”), 2275518 Ontario Inc. (“**2275518**”) and the other Respondents listed above (collectively, the “**Debtors**”) for orders, among other things,:

- a) authorizing and directing the Receiver, on behalf of the Debtors, to make one or more distributions to ECN Financial Inc. (“**ECN**”);

- b) approving the minutes of settlement (the “**Minutes of Settlement**”) between Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation and the Receiver substantially in the form attached to the Third Report (defined below);
- c) approving the Receiver’s activities as described in the Third Report of the Receiver dated August 27, 2020 (the “**Third Report**”); and
- d) sealing the confidential appendix to the Third Report pending further order of the Court,

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

ON READING the Receiver’s Motion Record, including the Notice of Motion, the Third Report, and on hearing the submissions of counsel for the Receiver and those other parties present no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that the time for service of the Motion Record in respect of this motion and the Third Report is hereby abridged and validated so that the motion is properly returnable today, and that further service thereof is hereby dispensed with.

DISTRIBUTION

2. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed, on behalf of the Debtors, to make one or more distributions (each a “**Distribution**”) to ECN , in respect of its respective secured claims against the Debtors other than 2275518.
3. **THIS COURT ORDERS** that, notwithstanding:
 - (a) the pendency of these proceedings;
 - (b) the assignment in bankruptcy or any application for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) or other applicable legislation in respect of the Debtors and any order issued pursuant to any such application; and

(c) any provisions of any federal or provincial legislation,

each Distribution shall be made free and clear of all encumbrances (including charges) and shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

MINUTES OF SETTLEMENT

4. **THIS COURT ORDERS** that the Minutes of Settlement are hereby approved, and the execution of the Minutes of Settlement, substantially in the form attached to the Third Report, by the Receiver is hereby authorized approved, with such minor amendments as the Receiver may deem necessary.

APPROVAL OF RECEIVER'S REPORT AND ACTIVITIES

5. **THIS COURT ORDERS** that the Third Report and the activities and conduct of the Receiver described therein be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approvals.

SEALING

6. **THIS COURT ORDERS** the confidential appendices to the Third Report be and are hereby sealed pending further Order of the Court.

MISCELLANEOUS

7. **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

- 4 -

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.

ECN FINANCIAL INC. and 2345760 ONTARIO INC., et al.
Applicant Respondents

Court File No.: CV-19-632106-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**ORDER
(Miscellaneous Matters)**

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, ON M5K 1E7

Jennifer Stam (LSO# 46735J)

Tel: 416-202-6707

Fax: 416-216-3930

Email: Jennifer.stam@nortonrosefulbright.com

Lawyers for the Receiver, KSV Kofman Inc.

TAB 5

Court File No. CV-19-632106-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.)	THURSDAY, THE 3 rd
)	
JUSTICE HAINEY)	DAY OF SEPTEMBER, 2020

B E T W E E N:

ECN FINANCIAL INC.

Applicant

- and -

**2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY
HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD.,
2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC. and 2527475
ONTARIO INC. and GRACE DIENA**

Respondents

**APPROVAL AND VESTING ORDER
(Family Health East & Family Health West)**

THIS MOTION, made by KSV Kofman Inc. (“**KSV**”) in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of the property, assets and undertaking of Rando Drugs Ltd. and the other respondents listed above (collectively, the “**Debtors**”) for an order approving the sale transaction for the sale of Family Health East and Family Health West (the “**Transaction**”) contemplated by an agreement of purchase and sale dated July 24, 2020 (the “**Sale Agreement**”) between the Receiver and Sri Etikala and Jasmeet Chawla, in trust for a corporation to be incorporated (with a right to use two corporations) as Buyer, and appended to the Third Report of the Receiver dated August 27, 2020 (the “**Third Report**”), and vesting in the Purchaser the Debtors’ right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report and on hearing the submissions of counsel for the Receiver and those other parties present no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of • sworn • , 2020, filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchasers (defined below).

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificates to (a) in the case of the Purchased Assets located at Family Health East, 2769630 Ontario Limited (the "**East Designated Purchaser**"); and (b) in the case of the Purchased Assets located at Family Health West, 2769637 Ontario Limited (the "**West Designated Purchaser**" and together with the East Designated Purchaser, the "**Purchasers**"), both substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), any and all of the Debtors' right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the respective Purchasers, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Mr. Justice Hainey dated December 4, 2019; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; (all of which are collectively referred to as the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead

of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

5. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchasers all human resources and payroll information in the Debtors' records pertaining to the Debtors' past and current employees, including personal information of those employees listed on Schedule "A" to the Sale Agreement. The Purchasers shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtors.

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors;

the vesting of the Purchased Assets in the Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or

provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **THIS COURT 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.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-19-632106

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ECN FINANCIAL INC.

Applicant

- and –

**2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY
HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD.,
2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC. and 2527475
ONTARIO INC. and GRACE DIENA**

Respondents

**RECEIVER’S CERTIFICATE
(Family Health East & Family Health West)**

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (the “**Court**”) dated December 4, 2019, KSV Kofman Inc. was appointed as the receiver (in such capacity, the “**Receiver**”) of the property, assets and undertaking of Rando Drugs Ltd. and the other Respondents listed above (the “**Debtors**”).

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of July [24], 2020 (the “**Sale Agreement**”) between the Receiver and Sri Etikala and Jasmeet Chawla, in trust for a corporation to be incorporated (with a right to use two corporations) as Buyer (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtors’ right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased

Assets; (ii) that the conditions to Closing as set out in section 5.2 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 5.2 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**KSV KOFMAN INC., in its capacity as
Receiver, of the property, assets and
undertaking of Rando Drugs Ltd. and not in
its personal capacity**

Per: _____

Name:

Title:

ECN FINANCIAL INC. and 2345760 ONTARIO INC., et al.
Applicant Respondents

Court File No.: CV-19-632106-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**APPROVAL AND VESTING ORDER
(Family Health East & Family Health West)**

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, ON M5K 1E7

Jennifer Stam (LSO# 46735J)

Tel: 416-202-6707

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Email: Jennifer.stam@nortonrosefulbright.com

Lawyers for the Receiver, KSV Kofman Inc.

TAB 6

Court File No. ~~_____~~ CV-19-00632106-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE ~~_____~~ MR.) ~~WEEKDAY~~ THURSDAY, THE #3rd
)
 JUSTICE ~~_____~~ HAINES) DAY OF ~~MONTH~~ SEPTEMBER, 20YR20

B E T W E E N:

~~**PLAINTIFF**~~

~~Plaintiff~~

ECN FINANCIAL INC.

Applicant

- and -==

~~**DEFENDANT**~~

~~Defendant~~

2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY
 HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD.,
 2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC. and 2527475
 ONTARIO INC. and GRACE DIENA

Respondents

APPROVAL AND VESTING ORDER
(Family Health East & Family Health West)

THIS MOTION, made by ~~[RECEIVER'S NAME]~~ KSV Kofman Inc. ("KSV") in its capacity as the Court-appointed receiver (in such capacity, the "Receiver") of the ~~undertaking,~~ property ~~and assets of [DEBTOR] (the "Debtor",~~ assets and undertaking of Rando Drugs Ltd.

and the other respondents listed above (collectively, the “Debtors”) for an order approving the sale transaction ~~(the “for the sale of Family Health East and Family Health West (the “Transaction”)~~) contemplated by an agreement of purchase and sale dated July 24, 2020 (the ~~“Sale Agreement”~~) between the Receiver and ~~[NAME OF PURCHASER] (the “Purchaser”)~~ dated [DATE] Sri Etikala and Jasmeet Chawla, in trust for a corporation to be incorporated (with a right to use two corporations) as Buyer, and appended to the Third Report of the Receiver dated ~~[DATE] August 27, 2020~~ (the ~~“Third Report”~~), and vesting in the Purchaser the ~~Debtor’s~~ Debtors’ right, title and interest in and to the assets described in the Sale Agreement (the ~~“Purchased Assets”~~), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report and on hearing the submissions of counsel for the Receiver, ~~[NAMES OF OTHER PARTIES APPEARING], and those other parties present~~ no one appearing for any other person on the service list, although properly served as appears from the affidavit of ~~[NAME] service of~~ sworn [DATE], 2020, filed¹:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved,² and the execution of the Sale Agreement by the Receiver³ is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the ~~Purchaser~~ Purchasers (defined below).

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver’s ~~certificate to the Purchaser~~ certificates to (a) in the case of the Purchased Assets located at Family Health East, 2769630 Ontario Limited (the “East Designated Purchaser”); and (b) in the case of the Purchased Assets located at Family Health West, 2769637 Ontario Limited (the “West Designated Purchaser” and together with the East Designated Purchaser, the

¹ ~~This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.~~

² ~~In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court’s endorsement.~~

³ ~~In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.~~

“Purchasers”), both substantially in the form attached as Schedule A hereto (the “Receiver’s Certificate”), any and all of the Debtors’s’ right, title and interest in and to the Purchased Assets described in the Sale Agreement [~~and listed on Schedule B hereto~~]⁴ shall vest absolutely in the ~~Purchaser~~respective Purchasers, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “Claims”⁵) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Mr. Justice [NAME]Hainey dated [~~DATE~~];December 4, 2019; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; ~~and (iii) those Claims listed on Schedule C hereto~~ (all of which are collectively referred to as the “Encumbrances”, ~~which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D~~) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

~~3. — THIS COURT ORDERS that upon the registration in the Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver][Land Titles Division of {LOCATION}] of an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the Land Registration Reform Act~~⁶, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the “Real Property”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

⁴ To allow this Order to be free standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.

⁵ The “Claims” being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee’s view that a non-specific vesting out of “rights, titles and interests” is vague and therefore undesirable.

⁶ Elect the language appropriate to the land registry system (Registry vs. Land Titles).

3. ~~4.~~ **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale⁸, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

5. ~~6.~~ **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the ~~Purchaser~~Purchasers all human resources and payroll information in the ~~Company's~~Debtors' records pertaining to the Debtors~~s~~s' past and current employees, including personal information of those employees listed on Schedule ~~"A"~~"A" to the Sale Agreement. The ~~Purchaser~~Purchasers shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtors~~s~~s.

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors~~s~~s and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors~~s~~s;

⁷~~The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".~~

⁸~~This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.~~

the vesting of the Purchased Assets in the Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

7. ~~9.~~ **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.

Schedule A ~~—~~ Form of Receiver's CertificateCourt File No. ~~_____~~ CV-19-00632106

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

B E T W E E N:

~~PLAINTIFF~~

Plaintiff

ECN FINANCIAL INC.Applicant- and ~~—~~~~DEFENDANT~~

Defendant

2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD., 2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC. and 2527475 ONTARIO INC. and GRACE DIENA

Respondents

RECEIVER'S CERTIFICATE

(Family Health East & Family Health West)

RECITALS

A. Pursuant to an Order of the Honourable ~~[NAME OF JUDGE]~~ Mr. Justice Hainey of the Ontario Superior Court of Justice (the ~~"Court"~~) dated ~~[DATE OF ORDER]~~, ~~[NAME OF RECEIVER]~~ December 4, 2019, KSV Kofman Inc. was appointed as the receiver (in such capacity, the ~~"Receiver"~~) of the ~~undertaking~~, property ~~and assets of [DEBTOR]~~ (the ~~"Debtor"~~).

assets and undertaking of Rando Drugs Ltd. and the other Respondents listed above (the “Debtors”).

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of ~~[DATE OF AGREEMENT]~~ July [24], 2020 (the ~~“Sale Agreement”~~) between the Receiver ~~[Debtor] and [NAME OF PURCHASER] (the “Purchaser”~~ and Sri Etikala and Jasmeet Chawla, in trust for a corporation to be incorporated (with a right to use two corporations) as Buyer (the “Purchaser”) and provided for the vesting in the Purchaser of the ~~Debtor’s~~ Debtors’ right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section ~~5.2~~ of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section ~~5.2~~ of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

~~{NAME OF RECEIVER}~~ KSV KOEMAN
INC., in its capacity as Receiver, of the
~~undertaking, property and, assets of~~
~~{DEBTOR}~~, and undertaking of Rando Drugs
Ltd. and not in its personal capacity

Per: _____

Name:

Title:

~~Schedule B—Purchased Assets~~

~~Schedule C - Claims to be deleted and expunged from title to Real Property~~

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

(unaffected by the Vesting Order)

<p><u>ECN FINANCIAL INC.</u> <u>and</u></p> <p><u>Applicant</u></p>	<p><u>2345760 ONTARIO INC., et al.</u></p> <p><u>Respondents</u></p>
<p><u>Court File No.: CV-19-00632106-00CL</u></p>	
<p><u>ONTARIO</u></p> <p><u>SUPERIOR COURT OF JUSTICE</u></p> <p><u>COMMERCIAL LIST</u></p> <p><u>Proceeding commenced TORONTO</u></p>	
<p><u>APPROVAL OF VESTING ORDER</u></p> <p><u>(Family Health East & Family Health West)</u></p>	
<p><u>NORTON ROSE FULBRIGHT CANADA LLP</u></p> <p><u>222 Bay Street, Suite 3000</u></p> <p><u>Toronto ON M5K 1E7</u></p> <p><u>Fax: 416-216-3930</u></p> <p><u>Jennifer Stam (LSO #467351)</u></p> <p><u>Tel: 416-202-6707</u></p> <p><u>Email: Jennifer.stam@nortonrosefulbright.com</u></p>	

ECN FINANCIAL INC. and 2345760 ONTARIO INC., et al.
Applicant Respondents

Court File No.: CV-19-632106-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**MOTION RECORD OF THE COURT-
APPOINTED RECEIVER, KSV KOFMAN INC.**
(Motion returnable September 3, 2020)

VOLUME 2 OF 2

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Lawyers for the Receiver, KSV Kofman Inc.