Court File No.: CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 129 OF THE SECURITIES ACT R.S.O. 1990, c. S.5, AS AMENDED

B E T W E E N:

ONTARIO SECURITIES COMMISSION

Applicant

\- and -

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

FIFTH REPORT TO THE COURT OF GRANT THORNTON LIMITED IN ITS CAPACITY AS RECEIVER OF THE RESPONDENTS

October 29, 2020

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario
M5H 3T4

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APPENDICES

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MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

Application under Section 129 of the *Securities Act,* R.S.O. 1990, C.S.5, as amended

FIFTH REPORT TO THE COURT OF GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER OF THE RESPONDENT

October 29, 2020

INTRODUCTION

1. This Report (the "**Fifth Report**") is filed by Grant Thornton Limited ("**GTL**") in its capacity as the receiver (the "**Receiver**") over the property, assets and undertakings of Money Gate Mortgage Investment Corporation ("**MGMIC**"). GTL was appointed Receiver on November 6, 2018 on an application of the Ontario Securities Commission (the "**OSC**") pursuant to an order of the Honourable Mr. Justice Hainey, as amended (collectively, the "**Appointment Order**"). A copy of the Appointment Order is attached to this Report as **Appendix "1".**

PURPOSE OF THIS FIFTH REPORT

2. The purpose of this Fifth Report is to:

(a) provide an update on the status of MGMIC's receivership since the Receiver's last update contained in its Fourth Report dated April 30, 2020, (the "**Fourth Report**"), a copy of which (without appendices) is attached as **Appendix "2"**;

(b) provide the Court with information in support of the Receiver's request for an order:

(i) approving this Fifth Report, and the conduct and activities of the Receiver as described herein;

(ii) authorizing the Receiver to make distributions to creditors of MGMIC, as described further in this Fifth Report;

(iii) authorizing the Receiver to make an interim distribution to the investors of MGMIC in the amounts described in this Fifth Report;

(iv) authorizing the Receiver to make further distributions to the investors of MGMIC without a further order of the Court;

(v) approving the Receiver's interim statement of receipts and disbursements dated October 28, 2020 (the "**Interim R&D**");

(vi) approving the fees and disbursements of the Receiver up to and including October 15, 2020 and Chaitons LLP ("**Chaitons**"), legal counsel to the Receiver up to and including September 30, 2020, as described herein; and

(vii) approving the final fees and disbursements of the Euclid Receiver (as defined below) for the time period commencing March 23, 2020 and ending September 30,2020; and its legal counsel, Chaitons, for the time period commencing May 14, 2020 and ending September 30,2020;

(viii) further approving the final fees and disbursements of Dentons LLP for their work completed on the Euclid property as described below during the time period commencing February 24, 2020 to March 25, 2020;

(ix) approving the Euclid Receiver's Revised Final Statement of Receipts and Disbursements ("**Revised Final R&D**").

RESTRICTIONS AND TERMS OF REFERENCE

3. In preparing this Fifth Report, the Receiver has relied upon unaudited financial information, MGMIC's books and records, certain financial information, discussions with Morteza Katebian (a.k.a. Ben Katebian "**Ben**") and his son Payam Katebian ("**Payam**", and together with Ben, the "**Principals**"), their counsel and discussions with other parties. Except as described in this Fifth Report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.

4. This Fifth Report has been prepared for the use of this Court to provide general information and an update relating to this proceeding for the purpose of assisting the Court in making a determination as to whether to approve the relief sought. This Fifth Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this Fifth Report contrary to the provisions of this paragraph.

5. All references to dollars are in Canadian currency unless otherwise noted.

6. Copies of materials filed in these Receivership Proceedings are available on the Receiver's Case Website at: www.GrantThornton.ca/MoneyGate.

BACKGROUND

7. MGMIC carried on business as a mortgage investment corporation. Between August 2014 and April 2017, MGMIC raised approximately $11 million from approximately 155 investors through the sale of preferred shares of MGMIC. Those investments were subsequently pooled and used to make loans to borrowers secured by mortgages registered against the borrowers' properties or were used to acquire an interest in existing mortgages.

8. Ben and Payam were the sole directors and officers of MGMIC.

9. At the time of the Receiver's appointment, MGMIC's mortgage portfolio consisted of eight mortgages (the "**Mortgages**") registered against seven properties located across the province of Ontario summarized below[1]:

Property	Municipal Address	First Mortgage	Second Mortgage	Third Mortgage
"**Timiskaming Property**"	1107 Lakeshore Rd S. Timiskaming Shores	$ 435,000	$ 3,475,000	$ -
"**Timmins Property**"	5355 Highway 101 W. Timmins	2,372,500	-	-
"**Birchmount Property**"	4 Birchmount Rd Toronto	-	-	1,600,000
"**Palace Pier Property"**	2045 Lakeshore Blvd W. Toronto	765,326	665,000	-
"**Dovercourt Property**"	558 Dovercourt Rd Toronto	-	611,000	-
"Steeles Property"	4342 Steeles Ave West Vaughan	-	320,000	-
"**Euclid Property**"	293 Euclid Ave Toronto	-	282,500	-

THE STATUS OF MGMIC'S MORTGAGES

General Update

10. In the Fourth Report to the Court, the Receiver provided a detailed update on the status of each of the Mortgages. As described in the Fourth Report, as at April 2020, the Receiver completed realization on the mortgages registered against the Birchmount Property, the Euclid Property (through the appointment of GTL as receiver over the Euclid Property) and the first mortgage registered against the Palace Pier Property. The Receiver had also entered into a settlement agreement with respect to the second mortgage registered against the Palace Pier Property which has a closing date of October 31, 2020.

[1] MGMIC's mortgages registered against the Steeles Property and the Dovercourt Property were discharged either through a power of sale proceeding by the first mortgagee in respect of Steeles or by registration of a vesting order by a receiver appointed to sell the Dovercourt Property. As described in greater detail in the Receiver's Fourth Report, GTL in its capacity as the Receiver of MGMIC asserted a security interest in the proceeds from the sale of the Dovercourt Property and the Steeles Property. The amounts set out in the chart above represent the principal amount of the loan made by MGMIC or the amount paid by MGMIC to acquire the mortgage (excluding interest earned by MGMIC on these loans).

11. As described in greater detail in the Fourth Report, the Receiver obtained an order of this Court directing that the net proceeds from the sale of the Dovercourt Property be paid to the Receiver. The order was appealed by the respondent on the motion. The hearing of the appeal is scheduled for November 26, 2020.

12. For the reasons described in the Fourth Report, the Receiver did not undertake any enforcement steps with respect to the mortgage registered against the Timiskaming Property nor the Timmins Property.

13. The purpose of this Report is to provide an update regarding the Receiver's activities with respect to MGMIC's mortgages against the Steeles Property. The Receiver will provide further updates to the Court with respect to the remaining properties as they arise.

<u>The Steeles Property</u>

14. As described in the Fourth Report, the Steeles Property is a commercial property located in Vaughan, Ontario. MGMIC, 2381439 Ontario Inc. ("**238**") and 2399021 Ontario Inc. ("**239**")[2] each held a portion of the second mortgage registered against the Steeles Property (the "**Second Steeles Mortgage**") in the following proportions:

(a) 25.8% was held by MGMIC;

(b) 60.6% was held by 238; and

(c) 13.4% was held by 239.

Missaghi's relationship with Ben and Payam and involvement with the Mortgages is set out in greater detail in the Fourth Report.

15. Prior to the acquisition of their portions of the Second Steeles Mortgage by MGMIC and 238, the mortgage was held in full by 239. 239 also holds the first mortgage registered against the Steeles Property (the "**First Steeles Mortgage**") and the fifth mortgage. Another company owned and/or

[2] A company owned and/or controlled, directly or indirectly by Arash Missaghi, his wife and/or their business associate Troy Wilson ("**Troy**").

controlled by Missaghi, his wife or Troy also held the third mortgage registered against the Steeles Property.

16. In the spring of 2018, MGMIC learned that 239 was trying to sell the Steeles Property under power of sale. In April 2018, MGMIC commenced an enforcement proceeding under its portion of the Second Steeles Mortgage (the "**Steeles Enforcement Proceeding**"). Pursuant to orders of this Court made in that proceeding, $375,000, representing the full amount owing to MGMIC under its portion of the Second Steeles Mortgage was paid into Court by 239 (the "**Steeles Proceeds**"). Shortly thereafter 239 sold the Steeles Property under power of sale to a Skymark Properties IV Inc. ("**Skymark**"), a party related to 239.

17. On October 2, 2019, the Receiver attended at a Chambers Appointment before the Court in the Steeles Enforcement Proceeding, on notice to all parties claiming an interest in the Steeles Proceeds, for the purpose of scheduling a motion for an order releasing the Steeles Proceeds to the Receiver (the "**Steeles Motion**"). The Steeles Motion was originally scheduled to be heard on December 16, 2019 and was adjourned several times with the final hearing date scheduled for August 20, 2020.

18. The relief sought by the Receiver on the Steeles Motion was opposed by 239 which alleged, among other things, that: (i) the assignment of the Second Steeles Mortgage from 239 to MGMIC, among others, was fraudulent; (ii) that there weren't sufficient proceeds from the sale of the Steeles Property to satisfy the amounts owing under the First Steeles Mortgage; and (iii) that the amount claimed as owing to MGMIC under the Second Steeles Mortgage was overstated.

19. Immediately prior to the hearing of the Steeles Motion on August 20, 2020, at the recommendation of Madam Justice Conway, the hearing of the Steeles Motion was converted into a judicial mediation before the Honourable Madam Justice Conway.

20. At the judicial mediation, the Receiver and 239 agreed to settle the Steeles Motion by distributing the Steeles Proceeds as follows (the "**Steeles Settlement**"):

(d) $270,000 paid to the Receiver; and

(e) the balance, including any accrued interest paid to 239.

21. Attached as **Appendix "3"** is a copy of the Order of Justice Conway dated August 20, 2020 reflecting the Settlement (the "**Settlement Order**"). Pursuant to the terms of the Settlement Order, further approval of the Settlement by the Court in this proceeding is not required.

22. On September 21, 2020, $270,000 was received by the Receiver.

23. As at the date of the Settlement Order, approximately $468,172 was owing to MGMIC under its portion of the Second Steeles Mortgage. The settlement proceeds were not sufficient to satisfy the amounts owing to MGMIC under the Second Steeles Mortgage in full.

24. The Settlement Order provides that nothing in the Order shall be construed as, among other things, a finding of fact or a determination of any legal issues.

25. On or around October 9, 2018, 238 commenced a proceeding against, among others, 239 and Skymark for an order, among other things, setting aside the power of sale of the Steeles Property to Skymark as a fraudulent conveyance (the "**238 Proceeding**").

26. 238 brought an injunction motion in the 238 Proceeding for an order, among other things, restricting Skymark from selling, dissipating or further encumbering the Steeles Property. MGMIC was not a party to the 238 Proceeding, although it did deliver motion materials in the 238 Proceeding (prior to the appointment of the Receiver). As a consequence of the injunction motion, approximately $1 million was paid into Court to protect 238's interest in the Second Steeles Mortgage.

27. If 238 is successful in setting aside the power of sale transfer, the Second Steeles Mortgage will be reinstated. 238 and the responding parties are in the process of setting a time-table for the delivery of materials in the 238 Proceeding. The Receiver will continue to monitor that proceeding and report to the Court on any further developments.

CLAIMS PROCESS RESULTS

28. Pursuant to a Claims Procedure Order of the Honourable Justice Hainey dated June 16th, 2020, (the "**Claims Order**") the Receiver commenced a claims procedure as further described in the Fourth Report. Capitalized terms not otherwise defined in this section of the Report, shall have the

meaning ascribed to such terms in the Claims Order.

29. In accordance with the Claims Order, the Receiver:

(f) on June 22, 2020, posted a copy of the Claims Order (together with all Schedules) on the Receiver's Website;

(g) by June 23, 2020, sent to each of the Known Creditors, (in each case, for which it has an address) a copy of the Creditor Claims Package;

(h) by June 23, 2020, sent to each of the Known Investors, (in each case, for which it has an address) a copy of the Investors Claims Package;

(i) on June 25, 2020, caused to be published the Notice to Claimants in the National Post, a copy of which is attached hereto, as **Appendix "4"**.

30. The Claims Order established a Claims Bar Date of 5:00 p.m. on August 15, 2020.

31. Pursuant to the Claims Order, the Receiver conducted a reversed claims process for identifying preferred shareholder claims pursuant to which the Receiver prepared and delivered an Acknowledgement of Claim to all the investors. Any investor that wished to dispute the information set out in the Acknowledgment of Claim was required to deliver a Request for Amendment to the Receiver by the Claims Bar Date.

32. The Receiver received only one Request for Amendment. The investor incorrectly made an excess claim of $451.08 beyond the Acknowledgement of Claim sent by the Receiver. The Request for Amendment was denied and was not appealed by the investor.

33. Regarding creditor claims, the Receiver received a total of three (3) claims, amounting to $66,284.18. A copy of the creditors claim register is attached as **Appendix "5".** The Receiver is of the view that these claims are proper and legitimate and should be paid ahead of the claims of MGMIC's preferred shareholders.

34. The Receiver respectfully requests the Court issue an order authorizing and directing the Receiver to make a distribution in respect of the creditor claims referenced above.

35. The Receiver proposes a distribution of approximately of $857,000 which represents a 7.50% distribution of the Known Investors' claims. In the calculation, the Receiver has accounted for a holdback for professional fees to continue with the MGMIC proceedings and a further holdback of the Dovercourt funds which are subject to litigation as described in the Fourth Report.

36. Further, the Receiver respectfully requests an order authorizing the Receiver to make future periodic distributions to investors holding Proven Claims, up to the amount of their claim, on a pro-rata basis without a further order of the Court.

OTHER ACTIVITIES OF THE RECEIVER SINCE THE APPOINTMENT ORDER

37. Since the date of its Fourth Report, the activities of the Receiver and its counsel have included:

(j) corresponding with legal counsel regarding various litigation matters;

(k) corresponding with counsel for MGMIC;

(l) corresponding with Payam to obtain an electronic backup of all company documents;

(m) engaging in various settlement negotiations with various counterparties with respect to the MGMIC Mortgages;

(n) corresponding with the OSC;

(o) advancing enforcement or recovery proceedings for mortgages registered against the Steeles Property;

(p) liaising with consultants regarding the properties subject to the MGMIC Mortgages;

(q) responding to numerous email and phone inquiries and requests for general updates or information from investors and other stakeholders of MGMIC;

(r) conducting settlement discussions with other mortgagees and stakeholders;

(s) maintaining a public website for these Receivership Proceedings in accordance with the Commercial List E-Service Procedures including, copies of motion materials, reports, orders, and notices; and,

(t) preparing this Fifth Report.

PROFESSIONAL FEES

38. Pursuant to paragraph 19 of the Appointment Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges, incurred both before and after the making of the Appointment Order. Pursuant to paragraph 20 of the Appointment Order, the Receiver and its counsel shall pass their accounts.

39. The Receiver seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court for the period beginning April 25, 2020 and ending October 15, 2020. The Receiver and its counsel have maintained detailed records of their professional time and costs.

40. The total fees for the Receiver for the period April 25, 2020 and ending October 15, 2020, amount to $41,640.91, and HST of $5,413.32, for a total of $47,054.23. The time spent by the Receiver is more particularly described in the Affidavit of Jonathan Krieger sworn October 29, 2020 (the "**Krieger MGMIC Affidavit**"), which is attached hereto as **Appendix "6"** and contains copies of invoices that set out the services provided during this time period.

41. The total fees of Chaitons, as counsel to the Receiver, for the period of April 26, 2020 and ending September 30, 2020, amount to $36,018.00, plus disbursements of $287.38 and HST of $4,706.27 for a total of $41,011.65. The time spent by Chaitons is more particularly described in the Affidavit of Sam Rappos sworn October 20, 2020 (the "**Rappos MGMIC Affidavit**"), which is attached hereto as **Appendix "7"** and contains, among other things, copies of invoices that set out the services provided during this period of time.

42. It is the Receiver's opinion that the fees and disbursements of the Receiver and Chaitons accurately reflect the work done by the Receiver and on behalf of the Receiver by Chaitons in connection with

the receivership and the administration of the Property of MGMIC from April 26, 2020 and ending September 30, 2020.

PROFESSIONAL FEES – EUCLID PROPERTY

43. On an application by the Receiver, pursuant to the terms of an Order of this Court dated November 25, 2019, GTL was appointed receiver (the "**Euclid Receiver**") over the Euclid (the "**Euclid Receivership**").

44. Materials related to the Euclid Receivership, including all of the Receiver's reports filed in this proceeding, can be found on the case website maintained by the Receiver at www.GrantThornton.ca/Euclid. Materials in respect of the Euclid Receivership are filed under Court file number #CV-19-00628085-00CL.

45. MGMIC held a second mortgage registered against the Euclid Property in the principal amount of $282,500 (the "**Euclid Mortgage**"). The first mortgage was held by Home Trust Company.

46. The fees and disbursements of GTL in its capacity as the Euclid Receiver have been separately docketed and approved by the Court pursuant to the Discharge Order of the Honourable Justice Hainey dated April 6, 2020 in the Euclid Receivership. A copy of the Discharge Order is attached hereto, as **Appendix "8"**.

47. The mandate of the Euclid Receiver is now complete, and the Euclid Receiver was discharged on September 22, 2020.

48. As set out in the materials filed in the Euclid Receivership, the balance of the proceeds from the Euclid sale, after payment of the Euclid Receiver's fees and satisfaction of the first mortgage on the Euclid Property, are to be paid to MGMIC. In the Receiver's Fourth Report, the Receiver estimated that MGMIC would recover approximately $250,000 in respect of the Euclid Mortgage. Pursuant to the Euclid Receiver's First Report to Court dated April 1, 2020 (the "**Euclid Report**"), the Euclid Receiver requested a holdback of $40,000 to facilitate the finalization of the Receivership Proceedings. Due to unforeseen circumstances involving issues with title registrations that had to be corrected before the Euclid Property could be conveyed, prolonged negotiations with the Land

Registrar and Payam's opposition to the Receiver's relief which required the preparation a supplemental report, the Receiver's disbursements were higher than anticipated. The issues encountered by the Euclid Receiver are set out in the Euclid Report and Supplement to First Report dated April 1, 2020 (the "**Euclid Supplement**"). Copies of the Euclid Report and the Euclid Supplement, without appendices, are collectively attached as **Appendix "9"**.

49. In addition to the issues identified in the Euclid Report and the Supplement to the First Report, despite having an order of the Court directing the Land Registrar to correct title issues, the Land Registrar took the position that the corrections cannot be made. This position resulted in protracted communications and negotiations between the Receiver's counsel and the Land Registrar.

50. As a consequence of the issues encountered by the Euclid Receiver, the actual amount of the Euclid Receiver's fees and disbursements exceeded the holdback amount by $34,445.39. Such amount would be a reduction in the amount of proceeds available to be paid towards MGMIC's mortgage in respect of the Euclid sale. However, even taking into account the higher fees of the Euclid Receiver, the net recovery to MGMIC on the Euclid Mortgage is $246,644.46, which is close to the Receiver's estimated recovery of $250,000.

51. Given the amount in question, the Receiver believes it is uneconomical to bring a separate motion before the Court in the Euclid Receivership to seek an amendment to the Euclid Discharge Order since the Receiver and the MGMIC investors are the only parties impacted by the cost overrun. Accordingly, the Receiver is seeking to have the fees of the Euclid Receiver and its legal counsel approved in this proceeding.

52. The total fees for the Euclid Receiver for the period March 24, 2020 and ending September 30, 2020, amount to $28,976.34 and HST of $3,766.92, for a total of $32,743.26. The time spent by the Receiver is more particularly described in the Affidavit of Jonathan Krieger sworn October 29, 2020 (the "**Krieger Euclid Affidavit**"), which is attached hereto as **Appendix "10"** and contains copies of invoices that set out the services provided during this time period.

53. The total fees of Chaitons, as counsel to the Euclid Receiver, for the period of March 23, 2020 and ending May 14, 2020, amount to $28,040.00, plus disbursements of $496.74 and HST of $3,665.40

for a total of $32,202.14. The time spent by Chaitons is more particularly described in the Affidavit of Sam Rappos sworn October 28, 2020 (the "**Rappos Euclid Affidavit**"), which is attached hereto as **Appendix "11"** and contains, among other things, copies of invoices that set out the services provided during this period of time.

54. The total fees of Dentons LLP, independent counsel for the Euclid Receiver, for the period of February 24, 2020 and ending March 25, 2020, amount to $8,357.87, plus disbursements of $49.20 and HST of $1,092.92 for a total of $9,499.99. The time spent by Dentons is more particularly described in the Affidavit of Renée Brosseau, sworn October 27, 2020 (the "**Brosseau Affidavit**"), which is attached hereto as **Appendix "12"** and contains, among other things, copies of invoices that set out the services provided during this time period.

RECEIPTS AND DISBURSEMENTS IN THIS PROCEEDING

55. Attached hereto as **Appendix "13"** is the Interim R&D from November 6, 2018 to October 28, 2020. As at October 28, 2020, the balance in the receivership account was $1,954,811**.** The balance includes, amongst others, amounts held in trust from the proceeds of the Palace Pier Property, the Birchmount Property, Euclid Property and the Dovercourt Property, as described in the Fourth Report

56. The Receiver respectfully request that the Court approve the Interim R&D.

RECEIPTS AND DISBURSEMENTS OF THE EUCLID RECEIVERSHIP

57. Attached hereto as **Appendix "14"** is the Revised Final R&D relating to the Euclid Receivership which accounts for the additional expenditures described further in paragraph 15 to 21 As at September 22, 2020, the balance in the receivership account was $0**,** as noted in the Final R&D the excess balance was transferred to the MGMIC general trust account.

58. The Receiver respectfully request that the Court approve the Revised Final R&D.

CONCLUSION AND RECOMMENDATION

59. The Receiver is of the view that the relief requested is reasonable and appropriate in the circumstances and respectfully recommends that this Court make the order granting the Receiver's requested relief.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 29th day of October 2020.

GRANT THORNTON LIMITED,
solely in its capacity as the Court-appointed receiver and manager of Money Gate Mortgage Investment Corporation and not in its personal or corporate capacity

Per: ______________________________
Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 1

Court File No. CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	TUESDAY, THE 6TH
	)	
JUSTICE HAINEY	)	DAY OF NOVEMBER, 2018

ONTARIO SECURITIES COMMISSION

Applicant

- and -

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

APPLICATION UNDER
Sections 126 and 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended

ORDER

(Appointing Receiver)

THIS APPLICATION made by the Ontario Securities Commission (the "**Commission**") for an Order pursuant to section 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "***Securities Act***") appointing Grant Thornton Limited ("**GTL**") as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of Money Gate Mortgage Investment Corporation (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Louisa Fiorini sworn November 1, 2018 and the Exhibits thereto and on hearing the submissions of counsel for the Commission and counsel for the Debtor, and on reading the consent of GTL to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 129 of the *Securities Act*, GTL is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**"), which for greater certainty includes any and all real property charges in favour of the Debtor (the "**Real Property Charges**"), and any and all monies held by any Persons for interest reserves or prepaid interest in connection with the Real Property Charges.

RECEIVER'S POWERS

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

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

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

(c) to manage, operate, and carry on the business of the Debtor, 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 Debtor, including, without limitation, the Lender Servicing Agreement dated August 16, 2014 between the Debtor and Money Gate Corp. (the "**Lender Servicing Agreement**");

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, 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 Debtor or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor, including without limitation, the Real Property Charges;

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

(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 Debtor, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

   (i) without the approval of this Court in respect of any transaction not exceeding $250,000, provided that the aggregate consideration for all such transactions does not exceed $1,000,000; 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*, or section 31 of the Ontario *Mortgages Act*, as the case may be, 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 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;

(n) without limiting the generality of clause 3(m) above, to share information (including personal information of identifiable individuals), meet with an discuss with any regulatory bodies and their advisors, including without limitation the Commission and any other regulatory authorities as the Receiver deems appropriate, on all matters relating to the Property, the affairs of the Debtor, and the receivership of the Debtor, subject to such terms as to confidentiality as the Receiver deems advisable.

(o) To administer the Real Property Charges notwithstanding the Lender Servicing Agreement;

(p) To register a copy of this Order and any other Orders in respect of the Property against title to any of the Property and to discharge any Order registered by the Receiver in respect of the Property against title to any of the Property;

(q) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

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

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

(t) to examine under oath any person the Receiver reasonably considers to have knowledge of the Property and affairs of the Debtor, including, without limitation, any present or former director, officer, employee or person registered or previously registered with the Commission or Financial Services Commission of Ontario ("**FSCO**") or subject to or formerly subject to the jurisdiction of the Commission, FSCO or any other regulatory body, respecting the Property and the affairs of the Debtor;

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

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

4. ~~**THIS COURT ORDERS** that the Receiver may engage as its legal counsel Chaitons LLP, notwithstanding that Chaitons LLP has had an advisory role for the Commission in connection with this proceeding.~~

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (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.

6. **THIS COURT ORDERS** that, pursuant to and without limiting the generality of paragraph 5 of this Order, all Persons shall, unless otherwise instructed by the Receiver: (i) deliver to the Receiver all monies held in trust for or on behalf of any of the Debtor or in relation to its business (collectively, the "**Trust Funds**"), which for greater certainty include any and all monies that are purported to be held in trust for pooled or syndicated mortgage investors in or beneficiaries under any of the Real Property Charges, including, without limitation, all monies held by way of interest reserves or prepaid interest in connection with the Real Property Charges, which Trust Funds are to be held or used by the Receiver in accordance with the terms of this Order and any further Order of this Court; and (ii) upon the Receiver's request, to provide an accounting of all funds received from or on behalf of the Debtor or its associated businesses.

7. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data

storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the 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 7 or in paragraph 8 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. For greater certainty, law firm trust ledgers requested by the Receiver pursuant to this Order are not subject to solicitor-client privilege and shall be produced to the Receiver.

8. **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.

NO PROCEEDINGS AGAINST THE RECEIVER

9. **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 DEBTOR OR THE PROPERTY

10. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court, provided that nothing herein shall prevent the commencement or continuation of any investigation or proceedings against the Debtor by or before any regulatory body including, without limitation, the Commission or the Enforcement Staff of the Commission.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **THIS COURT ORDERS** that all rights and remedies against the Debtor, 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 *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

14. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

15. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

16. **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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

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. 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.

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

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

FUNDING OF THE RECEIVERSHIP

22. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $200,000 (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.

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.

FREEZE DIRECTION

26. **THIS COURT ORDERS** that all institutions holding funds on deposit to the credit of the Debtor which are subject to the Freeze Direction issued by the Commission with respect to the Debtor on October 29, 2018 are directed to pay all such funds to the Receiver or as the Receiver may otherwise direct in writing. Upon receipt of the funds, the Freeze Direction shall

be vacated pursuant to section 126(1.1) of the *Securities Act* without the need to take any further steps.

SERVICE AND NOTICE

27. **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 of the Rules of Civil Procedure (the "**Rules**") this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and paragraph 21 of the Protocol, service 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.granthornton.ca/moneygate.

28. **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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

29. **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.

30. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor or as an officer of the Court in any other capacity.

31. **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.

32. **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.

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.

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

NOV 0 6 2018

PER / PAR:

Havey J.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. ____________

AMOUNT $__________________

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of ______, 20__ (the "Order") made in an action having Court file number __-CL-_______, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of $__________, being part of the total principal sum of $__________ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____________, 20__.

[RECEIVER'S NAME], solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: ______________________________

Name:

Title:

ONTARIO SECURITIES COMMISSION
Applicant

- AND -

MONEY GATE MORTGAGE INVESTMENT CORPORATION
Respondent

Court File No. CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

ORDER
(Application under Sections 126 and 129 of the *Securities Act*)

Ontario Securities Commission
20 Queen Street West
22nd Floor
Toronto, ON M5H 3S8

Jamie Gibson (LSO 62858O)
Tel: 416-263-3783

Dihim Emami (LSO 57402S)
Tel: 416-596-4253
Fax: 416-593-2319

Counsel for the Ontario Securities Commission

APPENDIX 2

Court File No.: CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 129 OF THE SECURITIES ACT R.S.O. 1990, c. S.5, AS AMENDED

B E T W E E N:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

FOURTH REPORT TO THE COURT OF GRANT THORNTON LIMITED IN ITS CAPACITY AS RECEIVER OF THE RESPONDENT

April 30, 2020

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario
M5H 3T4

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Court File No.: CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 129 OF THE SECURITIES ACT R.S.O. 1990, c. S.5, AS AMENDED

B E T W E E N:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

Application under Section 129 of the *Securities Act,* R.S.O. 1990, C.S.5, as amended

FOURTH REPORT TO THE COURT OF GRANT THORNTON LIMITED IN ITS CAPACITY AS RECEIVER OF THE RESPONDENT

April 30, 2020

INTRODUCTION

1. This Report (the "**Fourth Report**") is filed by Grant Thornton Limited ("**GTL**") in its capacity as the receiver (the "**Receiver**") over the property, assets and undertakings of Money Gate Mortgage Investment Corporation ("**MGMIC**"). GTL was appointed Receiver on November 6, 2018 on an application of the Ontario Securities Commission (the "**OSC**") pursuant to an order of the Honourable Mr. Justice Hainey, as amended (collectively, the "**Appointment Order**"). A copy of the Appointment Order is attached to this Report as **Appendix "1"**.

PURPOSE OF THIS FOURTH REPORT

2. The purpose of this Fourth Report is to:

   (a) provide an update on the status of this Receivership Proceeding from the Receiver's last update contained in its Second Report dated May 9, 2019, (the "**Second Report**")[1];

   (b) provide the Court with information in support of the Receiver's request for an order:

      (i) approving the Third Report dated October 18, 2019 ("**Third Report**"), a copy of which without appendices is attached as **Appendix "3"**, the Supplement to the Third Report dated January 23, 2020, a copy of which without appendices is attached as **Appendix "4"** (the "**Supplement to the Third Report**"), this Fourth Report, and the conduct and activities of the Receiver as described therein and herein;

      (ii) authorizing the Receiver to conduct a procedure to identify and value creditors' and investors' claims against MGMIC;

      (iii) approving the Receiver's interim statement of receipts and disbursements dated April 24, 2020 (the "**Interim R&D**");

      (iv) approving the fees and disbursements of the Receiver and Chaitons LLP ("**Chaitons**"), legal counsel to the Receiver up to and including April 24, 2020, as described herein; and

      (v) sealing Confidential Appendices 1 to 3 until a further order of the Court.

[1] Relevant sections of the Second Report (without appendices) are attached hereto as **Appendix "2"**

RESTRICTIONS AND TERMS OF REFERENCE

3. In preparing this Fourth Report, the Receiver has relied upon unaudited financial information, MGMIC's books and records, certain financial information, discussions with Morteza Katebian (a.k.a. Ben Katebian "**Ben**") and his son Payam Katebian ("**Payam**", and together with Ben, the "**Principals**"), their counsel and discussions with other parties. The Receiver's work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.

4. This Fourth Report has been prepared for the purpose set out in paragraph 2 of this Report. The reader is cautioned that this Report may not be appropriate for any other purpose.

5. All references to dollars are in Canadian currency unless otherwise noted.

BACKGROUND

6. MGMIC carried on business as a mortgage investment corporation that lent money to borrowers, which loans were secured by mortgages against the borrowers' properties, and/or acquired mortgages registered against commercial and residential properties. At the time of the Receiver's appointment, MGMIC's mortgage portfolio consisted of seven mortgages registered against properties located across the province of Ontario.[2]

[2] Certain of these mortgages have been discharged either through a power of sale proceeding or by registration of a vesting order by a receiver appointed to sell these properties. As described in greater detail in the Receiver's Second Report (defined herein), GTL in its capacity as the Receiver of MGMIC asserted a security interest in the proceeds from the sale of those properties.

7. Between August 2014 and April 2017, MGMIC raised approximately $11 million from approximately 155 investors through the sale of preferred shares of MGMIC. Those investments were subsequently pooled and used to make loans to borrowers on a secured basis or were used to acquire an interest in existing mortgages.

8. According to MGMIC's books and records, Payam, Ben and Bita Ghaffari each hold 100 common shares of MGMIC (the "**Common Shares**").

9. Materials related to this receivership proceeding, including all of the Receiver's reports filed in this proceeding, can be found on the case website maintained by the Receiver at www.GrantThornton.ca/MGMIC.

THE STATUS OF MGMIC'S MORTGAGES

10. On the date of the Appointment Order, MGMIC's mortgage portfolio consisted of the following mortgages (the "**MGMIC Mortgages**") registered against the following seven properties (the **"Properties**")[3]:

Property	Municipal Address	First Mortgage	Second Mortgage	Third Mortgage
"**Timiskaming Property**"	1107 Lakeshore Rd S. Timiskaming Shores	$ 435,000	$ 3,475,000	$ -
"**Timmins Property**"	5355 Highway 101 W. Timmins	2,372,500	-	-
"**Birchmount Property**"	4 Birchmount Rd Toronto	-	-	1,600,000
"**Palace Pier Property**"	2045 Lakeshore Blvd W. Toronto	765,326	665,000	-
"**Dovercourt Property**"	558 Dovercourt Rd Toronto	-	611,000	-
"Steeles Property"	4342 Steeles Ave West Vaughan	-	320,000	-
"**Euclid Property**"	293 Euclid Ave Toronto	-	282,500	-
Total		**$ 3,572,826**	**$ 5,353,500**	**$ 1,600,000**

[3] The amounts set out in the chart above represent the principal amount of the loan made by MGMIC or the amount paid by MGMIC to acquire the mortgage (excluding interest earned by MGMIC on these loans).

11. As of the date of this Fourth Report all MGMIC Mortgages on the Properties have matured and are in default.

12. At all relevant times, the MGMIC Mortgages were granted by or acquired from companies owned and/or controlled, directly or indirectly, by Arash Missaghi ("**Missaghi**"), Sai Mohammed (also known as Mo Jiwani) ("**Sai**"), Jonathane Ricci ("**Ricci**") or Payam.

13. The Receiver understands that during the time period when the majority of the MGMIC Mortgages were registered, Ricci, Sai, Missaghi and the Principals among others, carried on business from the same office location and were business partners on a number of transactions involving MGMIC and the Principals.

14. On December 17, 2019, the OSC issued Reasons and Decision in its proceeding against the Principals wherein it found, among other things, that Ben and Payam effected illegal distributions of MGMIC's securities and improperly put investors' funds at risk and ultimately caused investor losses. The OSC also found that Missaghi and Sai were undisclosed principals of MGMIC. A copy of the OSC's Reasons and Decision is attached as **Appendix "5"**.

15. In the Second Report to the Court, the Receiver provided a detailed update on the status of each of the Mortgages as at May 2019. The purpose of this Report is to provide a further update to the Court and MGMIC's stakeholders on the Receiver's enforcement and collection efforts for each of the Mortgages since May 2019. The information provided below is a general status update for each of the Properties and should be read in conjunction with the Second Report.

The Timiskaming Property

16. The Timiskaming Property consists of a 38-hectare commercial site including a vacant wood panel manufacturing plant and a historic wood waste landfill.

17. Since its appointment, the Receiver has engaged in discussions with the Ministry of Environment and Climate Change of Ontario, Uniboard Canada, and an independent environmental engineer to determine the extent of environmental remediation requirements.

18. MGMIC holds the first mortgage which was acquired by MGMIC for $435,000[4] and the second mortgage in the principal amount of $3,475,000 against the Timiskaming Property.

19. As described in greater detail in the Second Report, on June 19, 2012, the owner of the Timiskaming Property, Mansteel New LIskaeard Inc. ("**Mansteel**"), a company owned and/or controlled, directly or indirectly, by Missaghi, purchased the Timiskaming Property from Uniboard Canada Inc. ("**Uniboard**") for $1. Pursuant to the sale agreement between Uniboard and Mansteel, Mansteel agreed to, among other things, assume all environmental obligations relating to the Timiskaming Property and perform certain environmental work (the "**Environmental Work**"). Pursuant to the sale agreement, Uniboard agreed to pay to Mansteel the sum of $6 million plus applicable taxes (the "**Environmental Fee**") for performing the Environmental Work. The Environmental Fee was comprised of a lump sum of $3.5 million paid on closing and a sum of $2.5 million (the "**Escrow Funds**") deposited with an escrow agent. Uniboard takes the position that Mansteel is only entitled to access the Escrowed Funds if the Environmental Work was actually performed.

[4] The first mortgage is registered against title to the Timiskaming Property in the principal amount of $300,000.

20. In July 2013, Ministry of Environment and Climate Change of Ontario ("**MOECC**") conducted an inspection of the landfill on the Timiskaming Property. On October 23, 2013, the MOECC issued a Provincial Officer's Order requiring Mansteel to perform certain environmental remediation actions and to submit certain written action plans to the MOECC. On June 23, 2016, the Ontario Court of Justice issued an order finding Mansteel guilty of the offence and ordered Mansteel to complete remediation work by November 15, 2016. The Receiver is advised by the MOECC that this work was not completed and that contamination of the Mansteel Property was continuing.

21. On December 8, 2017, on a motion made by Mansteel, this Court made an order requiring the escrow agent to pay the sum of $1,343,054 to the Accountant of the Superior Court of Justice of Ontario. The Receiver has confirmed with the escrow agent that the Escrow Funds were paid into Court on December 15, 2017.

22. MGMIC's mortgages have matured.

23. Before commencing any enforcement steps in respect of the mortgages, in August 2019, the Receiver commissioned an independent appraisal of the Timiskaming Property in order to determine whether it will be commercial reasonable to undertake further environmental review.

24. A copy of the independent appraisal was provided to the Receiver on July 24, 2019 and is attached as **Confidential Appendix "1"**.

25. Considering the valuation of the Timiskaming Property and the environmental liability attained to the property, the Receiver does not intend to take any enforcement steps in with respect to property at this time.

The Timmins Property

26. The Timmins Property consists of six (6) parcels of vacant land, totaling approximately 195 acres, located south-west of Timmins, Ontario. The Timmins Property is owned, by a company that is owned and/or controlled, directly or indirectly, by Missaghi. MGMIC holds a first ranking mortgage against the Timmins Property in the principal amount of $2,375,500.

27. The Timmins Mortgage matured on March 4, 2018. To determine what enforcement steps should be taken, the Receiver sought an independent appraisal of the Timmins Property in order to determine whether it will be commercially reasonable to undertake a further environmental review.

28. A copy of the independent appraisal was provided to the Receiver on July 24, 2019 and is attached as **Confidential Appendix "2"**.

29. Considering the valuation of the Timmins Property, the Receiver at this time does not intend to take any enforcement steps with respect to this property.

The Birchmount Property

30. The Birchmount Property is a 1.93-acre residential property located in Scarborough overlooking Lake Ontario and has a partially completed 12,900 sq. ft. two-story residential home located on it. The Birchmount Property was under the control of a receiver, Rosen Goldberg Inc. (the "**Birchmount Receiver**") at the time of the Receiver's appointment.

31. As described in greater detail in the Second Report, MGMIC held a 30.1% interest in the third mortgage registered against title to the Birchmount Property. World Finance Corporation ("**WFC**"), a company owned and/or controlled directly or indirectly by Missaghi and his associates held the balance of the third mortgage.

32. As described in the Second Report, the Birchmount Receiver brought a Motion (the "**Distribution Motion**") for advice and directions regarding the distribution of the balance of approximately $1.4 million in net proceeds from the sale of the Birchmount Property (the "**Birchmount Proceeds"**). MGMIC, WFC and the fourth mortgagee (the "**Birchmount Claimants**") each made a claim to the Birchmount Proceeds.

33. The Distribution Motion was settled by the Birchmount Claimants pursuant to the terms of the Endorsement of Justice Hainey dated September 20, 2019 and the Distribution Order of Justice Hainey dated October 15, 2019, copies of which are collectively attached as **Appendix "6".** (the "**Distribution Order and Endorsement**")

34. Pursuant to the terms of the Distribution Order, the Birchmount Proceeds were distributed as follows:

a) First to Dewart Gleason LLP in trust for Loraine and Gilbert Barlow in the amount of $365,000 on account of the fourth mortgage against the Birchmount Property; and

b) The balance to be paid to Miller Thomson LLP in trust for WFC and Chaitons in trust for the Receiver on a 50/50 basis.

35. On October 17, 2019, the Receiver received MGMIC's portion of the Birchmount Proceeds in the amount of $467,500. The Receiver's realization on MGMIC's mortgage against the Birchmount Property is now complete.

<u>The Palace Pier Property</u>

36. The Palace Pier Property is a residential condominium located in Toronto, Ontario. The property is owned by Atlas Capital Corporation ("**Atlas**"), which is owned directly or indirectly by Sai. The Palace Pier Property is also occupied by Sai.

37. As described in the Second Report, MGMIC held two mortgages registered against the Dovercourt Property:

a) a first ranking mortgage in the principal amount of $725,000 (the "**Palace Pier First Mortgage**"); and

b) a second ranking mortgage in the principal amount of $665,000 (the "**Palace Pier Second Mortgage**") (collectively, the "**Palace Pier Mortgages**")

The Second Palace Pier Mortgage is subject to a litigation dispute between MGMIC and Atlas, which disputes the validity of the Second Palace Pier Mortgage (the "**Second Mortgage Proceeding**").

38. On October 17, 2019, MGMIC brought an application to appoint a receiver over the Palace Pier Property. On December 23, 2019, the Palace Pier First Mortgage was repaid in full (together with interest and cost of enforcement). Proceeds in the amount of $894,122.30 were received by the Receiver settling Atlas's obligations to MGMIC in respect of the Palace Pier First Mortgage.

39. On January 17, 2020, pursuant to an Order and Endorsement of Justice Hainey, the Second Mortgage Proceeding was transferred to this Court and a summary judgment motion was scheduled to be heard before this Court on March 17, 2020. Attached hereto collectively as **Appendix "7"** are copies of Justice Hainey's Order and Endorsement each dated January 17, 2020.

40. In January 2020, Atlas indicated to the Receiver that they would like to settle the Second Mortgage Proceeding. In anticipation of a potential settlement, the Receiver obtained an appraisal of the Palace Pier Property dated January 17, 2020, a copy of which is attached hereto as **Confidential Appendix "3"**.

41. On March 2, 2020, Atlas and the Receiver agreed to settle the Second Mortgage Proceeding on the following terms (the "**Atlas Settlement**"):

(a) Atlas agrees to pay to the Receiver in full satisfaction of the Palace Pier Second Mortgage the sum of $365,000 by May 1, 2020, or, if payment is not received by May 1, 2020, the sum of $370,000 by June 1, 2020;

(b) If payment is not made as required, Atlas and Ricci[5] consent to judgment (the "**Consent to Judgment**") in the full amount owing under the Palace Pier Second Mortgage and Atlas will consent and will allow the Receiver possession of the Palace Pier Property to enforce the Palace Pier Second Mortgage.

42. As a consequence of the Atlas Settlement, the Receiver and counsel for Atlas, Eli Karp, vacated the date scheduled for the summary judgment motion. Attached hereto as **Appendix "8"** is the email correspondence between the Court, counsel for the Receiver and counsel for Atlas.

43. On April 27, 2020, Mr. Karp on behalf of Atlas requested an extension to the date by which payment is to be made by Atlas and has agreed to pay interest on the settlement amount on a monthly basis at a rate of 8% per annum.

44. On April 28, 2020, the Receiver agreed to amend the Atlas Settlement on, among other things, the following terms:

(a) Atlas shall pay to the Receiver in full satisfaction of the Palace Pier Second Mortgage the sum of $370,000 on the earlier of: (i) the day that is 90 days following the date on which the State of Emergency for the City of Toronto is lifted; or (ii) October 31, 2020;

[5] Ricci guaranteed Atlas's obligations to MGMIC under the Palace Pier Second Mortgage.

(b) Atlas shall pay to the Receiver interest on a monthly basis in the amount of $2,466.67;

(c) If Atlas defaults on its payment obligations under the Atlas Settlement, the Receiver can act on the Consent to Judgment within the timelines prescribed in the Atlas Settlement.

45. A copy of the revised draft Minutes of Settlement substantially in the form to be executed by the parties is attached as **Appendix "9"**.

46. The Receiver is of the opinion that the Atlas Settlement is reasonable in the circumstances and is in the best interests of all of MGMIC's stakeholders. The settlement amount is consistent with the appraised value of the Palace Property, particularly talking into account the uncertainty of litigation, the unreliability of the evidence of the Principals, which the Receiver has to rely on in support of its motion, the costs of the Second Mortgage Proceeding and the costs of enforcement, in the event that the Receiver is successful in the Second Mortgage Proceeding.

47. Accordingly, the Receiver recommends that the Court grant an order approving the Atlas Settlement.

<u>The Dovercourt Property</u>

48. The Dovercourt Property includes a multi-residential building located in Toronto, Ontario, which was under the control of a receiver, Ira Smith and Associates (the "**Dovercourt Receiver**") at the time of the Receivership Order. The Receiver received net proceeds from the sale of the Dovercourt Property from the Dovercourt Receiver in the amount of $556,078.73 (the "**Dovercourt Proceeds**").

49. Prior to the sale of the Dovercourt Property by the Dovercourt Receiver, the Dovercourt Property was owned by 2546456 Ontario Inc. a company that is owned 50% by Payam

and 50% by 2496050 Ontario Inc. ("**249**"), a company owned and/or controlled by Ricci for the benefit of certain investors.

50. As the Receiver advised in its Second Report and Third Report to the Court, a number of parties asserted claims to the Dovercourt Proceeds. On October 2, 2019, consistent with the Orders of this Court made in this proceeding, the Receiver scheduled a 9:30 Chambers Appointment on notice to all parties who have asserted claims to the Dovercourt Proceeds, including 249 for the purpose of scheduling the hearing of a motion for advice and directions for the distribution of the Dovercourt Proceeds (the "**Dovercourt Claims Hearing**").

51. The Dovercourt Claims Hearing was scheduled for January 30, 2020. Attached to this Report as **Appendix "10"** is a copy of Justice Penny's Endorsement dated October 2, 2019, scheduling the Dovercourt Claims Hearing and setting a timetable for the delivery of materials.

52. 249 and the MGMIC Receiver were ultimately the only parties that advanced a claim to the Dovercourt Proceeds. In support of the Dovercourt Claims Hearing the Receiver filed its Third Report and the Supplement to the Third Report.

53. The Dovercourt Claims Hearing was heard on January 30, 2020. On February 5, 2020, Madam Justice Gilmore, issued Reasons, a copy of which is attached as **Appendix "11"**. Her Honour held, among other things, that MGMIC had a valid and enforceable mortgage against the Dovercourt Property.

54. On February 12, 2020, 249 and Ricci (the "**Palace Pier Respondents**") served a Notice of Appeal in respect of Justice Gilmore's findings. A copy of the Notice of Appeal is attached as **Appendix "12"**.

55. The Dovercourt Funds will continue to be held in trust by the Receiver until such time as the Dovercourt Claims Proceeding is finally resolved.

<u>The Steeles Property</u>

56. As described in the Second Report, the Steeles Property is a commercial property located in Vaughan, Ontario. MGMIC, 2381439 Ontario Inc. ("**238**") and 2399021 Ontario Inc. ("**239**"), a company owned and/or controlled, directly or indirectly by Missaghi, his wife and/or their business associate Troy Wilson ("**Troy**") each held a portion of the second mortgage registered against the Steeles Property (the "**Second Steeles Mortgage**") in the following proportions:

(a) 25.8% was held by MGMIC;

(b) 60.6% was held by 238; and

(c) 13.4% was held by 239.

57. Prior to the acquisition of their portions of thr Second Steeles Mortgage by MGMIC and 238, the mortgage was held by 239. 239 also held the first mortgage registered against the Steeles Property (the "**First Steeles Mortgage**") and the fifth mortgage. Another company owned and/or controlled by Missaghi, his wife or Troy also held the third mortgage registered against the Steeles Property.

58. In the spring of 2018, MGMIC learned that 239 was trying to sell the Steeles Property under power of sale. In April 2018, MGMIC commenced an enforcement proceeding under its portion of the Second Steeles Mortgage (the "**Steeles Enforcement Proceeding**"). Pursuant to orders of this Court made in that proceeding, $375,000, representing the full amount owing to MGMIC under its portion of the Second Steeles Mortgage at that time was paid into Court by 239 (the "**Steeles Proceeds**"). Shortly thereafter 239 sold the Steeles Property under power of sale to a related party.

59. On October 2, 2019, the Receiver attended at a Chambers Appointment before the Court in the Steeles Enforcement Proceeding, on notice to all parties claiming an interest in the Steeles Proceeds, for the purpose of scheduling a motion for an order releasing the Steeles Proceeds to the Receiver (the "**Steeles Motion**"). Attached as **Appendix "13"** is a copy of Justice Penny's Endorsement scheduling the Steeles Motion to be heard on December 16, 2019 and setting a time-table for delivery of materials and cross-examinations. The Steeles Motion was adjourned on consent of parties to April 7, 2020.

60. As a consequence of the COVID-19 pandemic and in accordance with the Notice to the Profession dated March 15, 2020, all commercial matters from March 17, 2020 (including the Steeles Motion) onward are suspended until further notice and will be rescheduled after June 1, 2020.

61. The Receiver will reschedule the Steeles Motion to the next available date once the Court reopens.

The Euclid Property

62. On November 25, 2019, the GTL was appointed as receiver over the Euclid Property pursuant to an Order and Endorsement of Justice Penny (the "**Euclid Receiver**").

63. Information on the receivership of the Euclid Property can be found at www.GrantThornton.ca/Euclid.

64. On April 3, 2020, the Court granted an order approving, among other things, the sale of the Euclid Property and the distribution of proceeds from the Euclid Property. A copy of the sale approval order is attached as **Appendix "14"**.

65. The sale of the Euclid Property is scheduled to close on May 5, 2020, which will largely bring the administration of the Euclid Receiver to a close. The Receiver estimates that after payment of the first mortgage and the fees and disbursements of the Euclid Receiver,

that the Receiver will receive proceeds in the approximate amount of $250,000 from the sale of the Euclid Property.

CLAIMS PROCEDURE

66. The Receiver anticipates that after the completion of the administration of this estate, there will be sufficient funds to make a distribution to creditors and investors of MGMIC.

67. The Receiver proposes to conduct a claims procedure to identify and quantify creditor and investor claims against MGMIC (the "**Claims Procedure**") pursuant to the terms of the "**Claims Procedure Order**", a draft of which is attached at Tab 3 to the Receiver's Motion Record.

68. A summary of the proposed Claims Procedure is set out below. Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Claims Procedure Order.

<u>Creditor Claims</u>

69. Under the Claims Procedure, within 5 business days from the date of the Claims Procedure Order, the Receiver will provide a claims package to known creditors of MGMIC and such creditors who request such a mailing prior to the "**Claims Bar Date**" (which shall be 60 days from the date of the Claims Procedure Order), which shall include an instruction letter and Proof of Claim.

70. Creditors wishing to submit a Proof of Claim shall provide all particulars of the Claim and supporting documentation that the Creditor wishes to rely upon.

71. As soon as reasonably practicable upon receiving a request from a potential creditor (provided such request is made prior to the Claims Bar Date), the Receiver will send such

creditor a claims package by ordinary mail, courier, facsimile or electronic mail.

72. In addition, the Receiver will cause notice of the Claims Procedure to be published for one day in the Globe and Mail and will make the claims package available on its website at www.GrantThornton.ca/MoneyGate.

Investor Claims

73. MGMIC's books and records disclose the number of preferred shares purchased by each investor in MGMIC. To simplify the Claims Procedure, the Receiver has prepared a reversed claims process for investor claim pursuant to which the Receiver will prepare and deliver an acknowledgement of claim to the investors (the "**Acknowledgement of Claim**"), which will include the following information:

(a) an acknowledgement number to allow the Receiver to identify each investor claim;

(b) the investor's legal name and contact information; and

(c) the dollar amount of the investor's outstanding principal investment as reflected in MGMIC's books and records. The Receiver will calculate the interest owing on each investor claim, once such claim is deemed accepted.

74. The investors who agree with the information provided in their Acknowledgements of Claim need not take any further action for such information to be accepted by the Receiver for the purposes of the Claims Procedure.

75. It is the position of the Receiver that an Acknowledgement of Claim is the most appropriate method of identifying the claims of MGMIC's investors for the following reasons:

(a) MGMIC generally kept accurate and up to date books and records of the amounts invested;

(b) the Receiver has access to such books and records; and

(c) the majority of the investors are individuals who are not familiar with a claims process.

76. If an investor has a claim against MGMIC in addition to and independent of the claim contained the Acknowledgement of Claim, such investor will be required to file a separate Proof of Claim by the Claims Bar Date.

77. The Receiver does not anticipate that there will be sufficient funds in the estate to pay out the claims of investors, as preferred shareholders, in full. Accordingly, at this time, the Receiver does not propose to open the Claims Procedure to the holders of the Common Shares.

Claims Bar Date

78. The Claims Procedure provides that the Claims Bar Date for all claims will be 5:00 p.m. (Toronto time) on the day that is 60 days from the date of the Claims Procedure Order as specified in the Claims Procedure Order.

79. A creditor will be required to file a Proof of Claim by the Claims Bar Date. Failure to submit a Proof of Claim by the Claims Bar Date will result in such creditor's claim being forever barred and extinguished, released and discharged.

80. If an investor, after receiving its Acknowledgment of Claim, disputes the information set out in the Acknowledgment of Claim, that investor will be required to deliver a Request for Amendment by the Claims Bar Date. Unless, an investor delivers a Request for Amendment to the Receiver by the Claims Bar Date, the investor's claim will be accepted at the value set out in the Acknowledgement of Claim (the "**Investor Accepted Claim**"). Investors who do not deliver a Request for Amendment by the Claims Bar Date, shall be forever barred from disputing or challenging the value of their Investor Accepted Claim and from making or enforcing any other claim against MGMIC.

81. For clarity, any investor that received an Acknowledgment of Claim but believes that he/she has an additional claim independent of or other than one based on the claim set out in the Acknowledgement of Claim will also be barred from asserting such a claim unless a Proof of Claim is filed with the Receiver on or before the Claims Bar Date.

<u>Review of Proofs of Claim</u>

82. Pursuant to the terms of the Claims Procedure Order, the Receiver will review all Requests for Amendment and Proofs of Claim that are received on or before the Claims Bar Date.

83. Pursuant to the terms of the Claims Procedure Order, the Receiver will accept or, by way of Notice of Revision or Disallowance (as defined in the proposed Claims Procedure Order), revise or disallow, in whole or in part any Request for Amendment or the classification and amount of a creditor's claim set out in the Proof of Claim.

84. At any time, the Receiver may request additional information with respect to any claim (including in respect of any Acknowledgment of Claim) and may request that a revised Request for Amendment or a revised Proof of Claim, as the case may be, is filed.

Appealing a Notice of Revision or Disallowance

85. Pursuant to the Claims Procedure, any person that intends to dispute a Notice of Revision or Disallowance shall, by no later than 5:00 p.m. on the day that is the 30th day from the date of the Notice of Revision or Disallowance:

  (a) serve the Receiver with the Notice of Appeal in the form prescribed in the Claims Procedure Order setting out the grounds for the appeal; and

  (b) schedule a 9:30 Chambers Appointment, for a date mutually agreed to as between the disputing claimant and the Receiver, for the purpose of scheduling the appeal, which appointment shall be heard by no later than 15 days from the date the Notice of Appeal, or on such date as mutually agreed between the Receiver and the disputing claimant.

86. Pursuant to the Claims Procedure, the appeal of a Notice of Revision or Disallowance shall constitute a true appeal and not a trial de novo. The disputing party shall not be permitted to file any evidence in addition to the documents contained in the Proof of Claim without the consent of the Receiver or leave of the Court.

87. If a claimant does not appeal the Notice of Revision or Disallowance in the manner described at paragraph 85 of this Report, then the classification and quantum of the claim as set out in the Notice of Revision or Disallowance will constitute such claimant's Proven Claim.

Distributions

88. The Claims Procedure addresses only the identification and quantification of claims. It does not address entitlement to a distribution, or the priority of such claims. After the

conclusion of the Claim Procedure, the Receiver will report to the Court in respect of a proposed interim distribution to creditors and investors with accepted claims and will seek Court approval of such distribution.

RECEIPTS AND DISBURSEMENTS OF THE RECEIVERSHIP

89. Attached hereto as **Appendix "15"** is the Interim R&D from November 6, 2018 to April 24, 2020. As at April 24, 2020, the balance in the receivership account was $1,515,316**.** The balance includes, amongst others, amounts held in trust from the proceeds of the Palace Pier Property, the Birchmount Property and the Dovercourt Property, as described in this Fourth Report.

90. The Receiver respectfully request that the Court approve the Interim R&D.

OTHER ACTIVITIES OF THE RECEIVER SINCE THE APPOINTMENT ORDER

91. Since the date of its Second Report, the activities of the Receiver and its counsel have included:

    (a) corresponding with the Birchmount Receiver and Dovercourt Receiver regarding these properties;

    (b) corresponding with legal counsel regarding various litigation matters;

    (c) corresponding with counsel for MGMIC, Ben and Payam to obtain an electronic backup of all company documents, and review information related to MGMIC Mortgages;

    (d) completing various analysis on the source and use of funds with respect to the Properties;

    (e) engaging in various settlement negotiations with various counterparties with respect to the MGMIC Mortgages;

(f) corresponding with the OSC in respect of these Receivership Proceedings;

(g) corresponding with MGMIC's former counsel to obtain documents related to enforcement litigation;

(h) advancing enforcement or recovery proceedings for mortgages registered against the Steeles Property, the Dovercourt Property, the Birchmount Property, the Palace Pier Property and the Euclid Property;

(i) liaising with consultants regarding environmental remediation orders;

(j) responding to numerous email and phone inquiries and requests for general updates or information from investors and other stakeholders of MGMIC;

(k) conducting settlement discussions with other mortgagees and stakeholders;

(l) maintaining a public website for these Receivership Proceedings in accordance with the Commercial List E-Service Protocol including, copies of motion materials, reports, orders, and notices; and,

(m) preparing the Third Report, the Supplement to the Third Report and this Fourth Report.

PROFESSIONAL FEES

92. Pursuant to paragraph 19 of the Appointment Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges, incurred both before and after the making of the Appointment Order. Pursuant to paragraph 20 of the Appointment Order, the Receiver and its counsel shall pass their accounts.

93. The Receiver seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court for the period beginning April 1, 2019 and ending April 24,

2020. The Receiver and its counsel have maintained detailed records of their professional time and costs.

94. The total fees for the Receiver for the period April 1, 2019 and ending April 24, 2020 amount to $118,295.12, plus disbursements of $42.36, and HST of $15,383.88, for a total of $133,721.36. The time spent by the Receiver is more particularly described in the Affidavit of Jonathan Krieger sworn April 29, 2020 (the "**Krieger Affidavit**"), which is attached hereto as **Appendix "16"** and contains copies of invoices that set out the services provided during this time period.

95. The total fees of Chaitons, as counsel to the Receiver, for the period of April 1, 2019 and ending April 24, 2020 amount to $220,964.50, plus disbursements of $8,119.35 and HST of $29,449.15 for a total of $258,533.00. The time spent by Chaitons is more particularly described in the Affidavit of Maya Poliak sworn April 29, 2020 (the "**Poliak Affidavit**"), which is attached hereto as **Appendix "17"** and contains, among other things, copies of invoices that set out the services provided during this period of time.

96. The fees and disbursements of GTL in its capacity as the Euclid Receiver have been separately docketed and approved by the Court pursuant to the aforementioned Order dated April 6, 2020 in the Euclid Receivership.

97. It is the Receiver's opinion that the fees and disbursements of the Receiver and Chaitons accurately reflect the work done by the Receiver and on behalf of the Receiver by Chaitons in connection with the receivership and the administration of the Property of MGMIC from April 1, 2019 and ending April 24, 2020.

CONCLUSION AND RECOMMENDATION

98. In light of their being proceeds available for distribution to creditors, and in particular, investors, the Receiver is seeking certain of the relief as set out in this Fourth Report as a key step to facilitate a distribution at a later date. The Receiver is of the view that the relief requested is reasonable and appropriate in the circumstances and respectfully recommends that this Court make the order granting the Receiver's requested relief.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 30th day of April 2020.

GRANT THORNTON LIMITED,
solely in its capacity as the Court-appointed receiver and manager of Money Gate Mortgage Investment Corporation and not in its personal or corporate capacity

Per: ________________________________
Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 3

Court File No. CV- 18-596922-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	THURSDAY, THE 20TH
	)	
JUSTICE CONWAY	)	DAY OF AUGUST, 2020

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Applicant

- and -

ENIGMA LAND LTD., 2399021 ONTARIO INC., 2381438 ONTARIO CORPORATION, CROWN CAPITAL CORPORATION and YORK REGION CONDOMINIUM CORPORATION NO. 595

Respondents

ORDER

THIS MOTION, made by Grant Thornton Ltd., in its capacity as Court-appointed receiver of Money Gate Mortgage Investment Corporation (the "**Receiver**"), and the **CROSS-MOTION**, made by 2399021 Ontario Inc. ("**2399**"), both of which were converted into a judicial mediation on August 20, 2020 at 330 University Avenue, Toronto, Ontario.

ON READING the affidavits of Jonathan Krieger sworn October 29, 2019 and December 3, 2019 and the Affidavits of Troy Wilson sworn November 21, 2019, December 2, 2019 and December 6, 2019 and the consents of counsel for the Receiver and counsel for 2399, no one appearing for 2381438 Ontario Corporation although properly served,

1. **THIS COURT ORDERS AND DIRECTS** that the funds posted with the Court (the "**Posted Funds**") pursuant to the Order of Justice Wilton-Siegel dated May 8, 2018, the Order of Justice Hainey dated August 20, 2018 and the Endorsement of Justice Penny dated September 28, 2018 shall be paid by the Accountant of the Superior Court of Justice as follows:

   (a) the sum of $270,000 shall be paid to Chaitons LLP, in trust, for the sole benefit of Grant Thornton Limited in its capacity as the court-appointed Receiver of Money Gate Mortgage Investment Corporation ("**MGMIC**") in connection with MGMIC's interest, which is contested by 2399, in the charge/mortgage previously registered against the property municipally known as 4342 Steeles Avenue West, Vaughan, Ontario as Instrument Number YR829113 (the "**Second Mortgage**"); and

   (b) the balance of the Posted Funds, along with any and all accrued interest on the Posted Funds, shall be paid to Miller Thomson LLP, in trust, for the sole benefit of 2399021 Ontario Inc.

For clarity, the above-noted payments of the Posted Funds in subparagraphs (a) and (b) are the result of a judicial mediation and nothing in this Order shall be construed as: (i) an admission that MGMIC has any interest or entitlement in respect to the Second Mortgage; (ii) an admission of liability by any of the parties; and (iii) a finding of fact or a determination of any legal issues.

2. **THIS COURT ORDERS** that the payments to be made under Paragraph 1 of this Order shall be made as a full and final resolution of the within proceeding, without the requirement of any form of direction from Money Gate Mortgage Investment Corporation, 2399021 Ontario Inc., Enigma Land Ltd., 2381438 Ontario Corporation, Crown Capital Corporation and York Region Condominium Corporation.

3. **THIS COURT ORDERS** that the approval of the settlement reached in the judicial mediation and the payment of the Posted Funds pursuant to Paragraph 1 of this Order is not required in the receivership proceedings of Money Gate Mortgage Investment Corporation (Court File No. CV-18-00608086-00CL).

4. This Court Orders that, upon the payments being made as provided in Paragraph 1 of this Order, this proceeding shall be dismissed, without costs.

Conway J.

MONEY GATE MORTGAGE INVESTMENT CORPORATION Applicant	and	ENIGMA LAND LTD. et al. Respondents	Court File No.: CV-18-596922-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at TORONTO

ORDER

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Lawyers for the Respondent, 2399021 Ontario Inc.

APPENDIX 4

TECHNOLOGY

BLACKBERRY MISSES QUARTERLY REVENUE ESTIMATES

BlackBerry Ltd. reported quarterly revenue below Wall Street estimates on Wednesday, as weakness in the auto industry due to the COVID-19 crisis squeezed demand for its QNX software for cars. Significant job losses and shuttered dealerships due to the health crisis have led to a sharp decline in sales of cars, which use the software platform for infotainment and other services. "BlackBerry

QNX was impacted by macro headwinds in the auto and other embedded sectors but we are starting to see signs of a recovery," chief executive John Chen said. Total revenue for the first quarter ended May 31 fell 16.6 per cent to US$206 million from a year earlier. Analyst had expected revenue of US$214.1 million, according IBES data from Refinitiv. *Reuters*

ALLEN MCINNIS / POSTMEDIA NEWS

Quebec has a history of rescuing homegrown firms and could do so for Aldo, which has been forced into restructuring.

ECONOMY

Quebec seeks to speed recovery by buying local

EQUITY STAKES

Preferred shares purchased in private firms

SANDRINE RASTELLO

Quebec, which has suffered more coronavirus deaths than any other province and more than 43 U.S. states, has emerged from the first stage of the pandemic with a new plan: less lockdown, more investment.

The province has a long history of jumping to the rescue of its homegrown firms. In the COVID-19 era, that commitment means the government will become a shareholder of more companies, Quebec Economy Minister Pierre Fitzgibbon said in an interview.

"Governments in general in the world will be more interventionist in the economy because of the requirements to inject some capital," Fitzgibbon said. "In some instances, we're going to need to own some equity."

Potential future equity investments include Aldo Group Inc., a global footwear retailer based in Montreal forced into court restructuring by the crisis.

Quebec's approach puts it closer to some European countries than to its own federal government; Prime Minister Justin Trudeau has resisted calls to bail out firms such as airlines. Still, the province has no intention of managing the companies it invests in.

The government has recently acquired preferred shares in private companies, Fitzgibbon said, declining to name them. "We'd be minority for sure and hopefully at one point we can be replaced by other equity holders," he said.

The pandemic ravaged greater Montreal, killing more than 4,000 people in the region as it tore through care homes for the elderly. That forced the government of Premier François Legault to take stricter lockdown measures than most other regions in North America. The government estimates that 40 per cent of the economy had to shut down and unemployment spiked to 17 per cent in April, the highest of any province.

While the virus now appears under control in Quebec — on Monday it reported no new deaths for the first time in three months — the lingering effects of the shutdown are a threat to many downtown businesses in Montreal, Canada's second-largest corporate centre after Toronto. The government sees the provincial economy shrinking 6.5 per cent this year and has projected a $15 billion deficit. That includes a $4 billion provision to address a second COVID-19 wave, after $6 billion of virus-related costs so far.

Fitzgibbon's view is that businesses could adapt to another virus spike, having changed their sanitation practices and their work environments.

"One would conclude — maybe I'm naive or too optimistic — that under a second kind of wave, we could allow people to work," though perhaps at a lower rate than normal, he said.

As devastating as the crisis has been, it has created favourable terrain for Legault to apply his nationalist agenda. Nurturing and protecting local companies is part of the provincial political culture, with the powerful pension fund playing a key investor role. The health threat has tightened social unity in a province that cherishes its distinctiveness from the rest of Canada.

Last month, Fitzgibbon agreed to a US$200 million loan to help relaunch debt-laden Cirque du Soleil

> IN SOME CASES, WE'RE GOING TO NEED TO OWN SOME EQUITY.

Entertainment Group, with a clause allowing the government to buy the stakes owned by non-Quebec shareholders at some point. The province also embarked on an uphill battle to chip away at Amazon.com Inc.'s position with a campaign to encourage Quebecers to buy online from local firms instead.

A lack of innovation hurt the province's retail sector when the pandemic hit. Only one in five Quebec retailers offers online transactions and Fitzgibbon says getting them ready for e-commerce is a priority. Online sales in Canada jumped 120 per cent from a year ago in April as retail stores closed for the pandemic.

"I want to make sure we got the programs to move them into the digital world," possibly through loans, Fitzgibbon said. "We need to have our retailers being able to electronically transact — otherwise we'll lose to companies I don't need to name."

In an era if rising protectionism, Fitzgibbon is paying particular attention to maintaining good relations with Canada's closest trade partners. Tensions flared with the Trump administration in recent years, including over steel tariffs and a trade spat over Bombardier Inc.

"My focus is the U.S.," which is the magnet for 72 per cent of Quebec trade, he said. "We want to make sure we stay in very, very, very, good terms."

Bloomberg

Rebound projected to be more gradual than thought

IMF

Continued from FP1

Avery Shenfeld, chief economist at CIBC World Markets, said Fitch downgraded Canada's measure of risk of default "from essentially a perfect score to one that still has Canadian debt rated as very safe."

"This should not result in a material increase in the government's borrowing costs, as its debt position is still in better shape than most G20 countries," he said.

But David Rosenberg, president and chief economist of Rosenberg Research & Associates Inc., has been predicting a downgrade on Canada's sovereign debt since late April and thinks this won't be the last.

"The real question is: What took so long?' " Rosenberg said Wednesday, adding that "Canada's excessively leveraged national balance sheet has looked a lot like China, Italy and Greece for quite a while."

While Ottawa may appear to be in "solid" financial shape to some, this has "masked bloated debt ratios" in households, business sectors, and most of the provinces, he said.

"This won't be the last ratings cut, I can assure you," said Rosenberg.

Gord Nixon, former chief executive of Royal Bank of Canada who steered Canada's biggest bank through the 2008 financial crisis, said he expects "little real impact in the short term" from the ratings downgrade.

Any immediate effects are likely to be "more reputational," he said, recalling "little impact" from a U.S. sovereign debt downgrade by Standard & Poor's during the crisis more than a decade ago.

"The long term trend is much more important and whether our debt levels become an issue in future," Nixon said.

Fitch said its downgrade on Canada's sovereign debt Wednesday resulted in a "stable" trend.

But as the novel coronavirus continues to spread at varying rates around the world amid fears of a possible second wave in the fall, the road for many economies is expected to get bumpier.

In a report Wednesday, the International Monetary Fund said the economic impact is expected to be deeper and longer for world economies than previously forecast, revising its own projections from just a couple of months ago.

The new economic outlook in Wednesday's IMF report projects global growth of negative 4.9 per cent in 2020, just shy of two percentage points below the April forecast.

"The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast," the IMF said in its report, which came the same day the United States recorded its second-largest rise in virus cases since the pandemic was declared in March.

In 2021, global gross domestic product is expected to be some 6.5 percentage points lower than pre-COVID-19 projections in January.

"The IMF view is somewhat more gloomy than our forecast for both the U.S. and Canada," said CIBC's Shenfeld, adding that the global monetary cooperation organization's forecast for this year's decline in gross domestic output is more than a full percentage point steeper than the bank's.

Still, he said, the overall story "is one we share, in that we went through a massive plunge in the first half of 2020 and it will be a long time before we can return to full employment."

Shenfeld noted, however, that Canada did not fare badly in the IMF's review of fiscal stimulus to counter the effects of the pandemic and economic shutdowns taken to try to slow and manage the spread of the virus.

Financial Post

APPENDIX 5

Grant Thornton Limited

Claims Register

Insolvency Date: 06-Nov-2018
Estate Number:

	Creditor Name	*Proof of Claim?*	*Claim Status*	*Rank / Class*	*SOA Amount*	*Amount Filed*	*Admitted for Dividend*
Unsecured creditors							
1.	A.T Services Accounting & Taxation Attn: Tom Tang April 30 2018; Oct 30 2018	Yes	Admitted			1,412.50	1,412.50
2.	Canada Revenue Agency Attn: Mike Vice 814259370 RC0001	Yes	Admitted			14,634.14	14,634.14
3.	Crowe Soberman LLP Attn: Eli Palachi 10081807; 10083278; 10084298; 10	Yes	Admitted			50,237.54	50,237.54
	Total :	Unsecured creditors				66,284.18	66,284.18
				Grand Total:		66,284.18	66,284.18

APPENDIX 6

Court File No. CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

AFFIDAVIT OF JONATHAN KRIEGER

I, JONATHAN KRIEGER, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Senior Vice President of Grant Thornton Limited ("**GTL**"), Court-appointed Receiver of Money Gate Mortgage Investment Corporation (the "**Company**") and as such, have knowledge of the matters hereinafter deposed except where stated to be upon information in which case I do verily believe such information to be true. This affidavit is made in support of the Receiver's motion, among other things, to approve its accounts.

2. Attached and marked as **Exhibit "A"** to this my affidavit is a detailed billings setting out the fees and disbursements of GTL incurred in its role as Receiver of the Company from April 25, 2020 to October 15, 2020, in the total amount of $47,054.23, with HST of $5,413.32 and such is summarized on Exhibit "**B**" to this my affidavit. The average hourly rate is $362.09.

3. Given the complexity of this insolvency matter, I believe the hourly rates and the total amount of fees are reasonable and comparable for insolvency services of this nature rendered by other firms in the City of Toronto.

4. This affidavit is sworn in connection with the approval of the fees and disbursements of GTL and for no improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, this 29th day of October 2020

Commissioner for Taking Affidavits, etc.

Daniel Kenneth Wootton, a Commissioner, etc.
Province of Ontario
for Grant Thornton Limited
Expires April 06, 2022

JONATHAN KRIEGER

Exhibit "A" to the Affidavit of Jonathan Krieger,
sworn before me this 20th day of October 2020

A Commissioner, etc.

Daniel Kenneth Wootton, a Commissioner, etc.
Province of Ontario
for Grant Thornton Limited
Expires April 06, 2022

Court File No. CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

APPLICATION UNDER SECTION 126 and 129 OF THE SECURITIES ACT R.S.O. 1990, c. S.5, AS AMENDED

BILL OF COSTS

BN 12738 4717 RT0001
Client #254817
Invoice#LSON-6604

To professional services rendered as Receiver for the period from April 25, 2020 to July 31, 2020.

Date	Full Name	Hours	Detail
April 26, 2020	Jason Kanji	0.50	Correspond with legal counsel re: Report to Court.
April 27, 2020	Jason Kanji	3.70	Review and finalize fourth report to Court.
April 28, 2020	Jason Kanji	2.10	Review fourth report to Court, Fee affidavit and R&D
April 28, 2020	Jonathan Krieger	1.80	Review of draft Fourth report; Correspondence with team; Comments thereto; Correspondence with counsel re: Palace Pier settlement revisions and comments thereto.
April 28, 2020	Rania Erian	1.00	Prepare the affidavit of fees and summary of billings; Combine all bills as appendix A and send to J. Kanji.
April 29, 2020	Jason Kanji	3.20	Draft amendments to Court Report; Finalize and issue report for service.
April 29, 2020	Jonathan Krieger	1.60	Review of further amendments to report; Call with team; Correspondence with counsel; Finalize report.
April 30, 2020	Jason Kanji	0.50	Update call with investors.

Date	Full Name	Hours	Detail
April 30, 2020	Jonathan Krieger	0.50	Correspondence and inquiries re: matters related to Court report.
April 30, 2020	Rosa Wilford	0.50	Review account ledger for maturing GIC's; Correspondence with Bank to provide copy of investment certificate; Review document; Prepare receipt and disbursement requisitions forms for matured GIC's principal and interest; Post entries; Update schedule. Email; General banking administration.
May 1, 2020	Jason Kanji	0.50	Review Minutes of Settlement - Palace Pier
May 1, 2020	Jonathan Krieger	0.30	Correspondence re: matters related to settlement agreement on Palace Pier; Correspondence with counsel; Correspondence with team re: required documents.
May 4, 2020	Rosa Wilford	0.20	Review account; Update GIC Schedule; General banking administration.
May 5, 2020	Rosa Wilford	0.50	Review internal instructions from team re Banking; On-line banking; Review print screens for expecting wire; Prepare receipt and disbursement requisition forms; Post entries; Email team notification of wire. General banking administration.
May 7, 2020	Valerie Naccarato	0.10	General banking administration.
May 8, 2020	Jason Kanji	0.50	Respond to investor inquiries.
May 8, 2020	Rosa Wilford	0.20	On-line banking; Review estate bank account; Post EFT entries; and reconcile April statement.
May 11, 2020	Valerie Naccarato	0.10	General banking administration.
May 12, 2020	Rosa Wilford	0.40	Review and reconcile April GIC term deposit and approve estate balances.
May 12, 2020	Valerie Naccarato	0.10	General banking administration.
May 20, 2020	Jonathan Krieger	0.70	Correspondence re: matters related to mortgage recovery.
May 20, 2020	Valerie Naccarato	0.10	General banking administration.
May 21, 2020	Jonathan Krieger	0.50	Review of matters related to Euclid recoveries, mortgage considerations.
May 22, 2020	Rania Erian	0.30	Administration matters.
May 28, 2020	Valerie Naccarato	0.10	General administration.
June 2, 2020	Jason Kanji	0.70	Review and amend Draft Claims Order.

Date	Full Name	Hours	Detail
June 3, 2020	Jason Kanji	1.00	Finalize draft claims process order.
June 3, 2020	Jonathan Krieger	1.00	Review of draft claims procedure order and comments thereto; Discussions with team thereon.
June 3, 2020	Valerie Naccarato	0.10	General administration.
June 4, 2020	Jason Kanji	0.40	Review add and Application record.
June 4, 2020	Jonathan Krieger	0.60	Correspondence re: matters related to Notice, draft order.
June 4, 2020	Valerie Naccarato	0.10	General banking administration.
June 8, 2020	Jason Kanji	0.30	Review served application record and coordinate uploading to website.
June 8, 2020	Rania Erian	0.10	Case website maintenance.
June 8, 2020	Valerie Naccarato	0.10	Review internal instructions from team; Assist with preparing payment requests; General administration.
June 9, 2020	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Notify authorized signing officers for approval; Provide supporting documentation; Email; Post payment entries; Issue cheque; General banking administration.
June 12, 2020	Valerie Naccarato	0.20	General banking administration.
June 15, 2020	Jonathan Krieger	0.20	Correspondence with team re: matters related to Court session;
June 15, 2020	Rosa Wilford	0.30	On-line banking; Review estate bank account; Post EFT entries; and reconcile May statement.
June 16, 2020	Jonathan Krieger	0.50	Preparation for Court Motion; Attendance on Court motion; Correspondence with team re: matters related to relief.
June 17, 2020	Jonathan Krieger	0.40	Review of materials re: Court relief; Correspondence with team thereto re: claims process.
June 19, 2020	Jason Kanji	1.00	Prepare materials for claim process.
June 20, 2020	Jason Kanji	0.20	Update packages for investors.
June 21, 2020	Jonathan Krieger	1.20	Review of draft materials re: matters related to Claims Procedure; Correspondence and communications with team.
June 22, 2020	Jason Kanji	1.20	Coordinate mailing of notices and review draft acknowledgements to investors.

Date	Full Name	Hours	Detail
June 22, 2020	Valerie Naccarato	2.70	Merge Acknowledgement letters, reformat; Rename the PDF investors; General administration.
June 23, 2020	Jason Kanji	0.50	Review and amend notice to investors; Calls with investors re: Claims.
June 23, 2020	Rania Erian	2.50	Send by email to the creditors the claim process information; Prepare affidavit of mailing.
June 23, 2020	Rosa Wilford	0.30	Review and reconcile May GIC term deposit and approve estate balances.
June 23, 2020	Valerie Naccarato	1.00	Mailing to creditors; General administration.
June 24, 2020	Jason Kanji	1.00	Calls with investors re: submission of claims.
June 24, 2020	Rosa Wilford	0.50	Correspondence with Bank re Maturing GIC Investment; Review general ledger account; Prepare receipt and disbursement requisitions forms for matured GIC's principal and interest; Post entries; Update schedule. Notify team; General banking administration.
June 25, 2020	Jonathan Krieger	0.50	Review of matters re: proposed settlement.
June 25, 2020	Valerie Naccarato	0.10	General banking administration.
June 26, 2020	Jason Kanji	0.50	Review matters re: Steeles settlement
June 26, 2020	Jonathan Krieger	0.60	Review of correspondence from counsel; Call with counsel.
June 30, 2020	Jason Kanji	1.10	Correspond with investors; Calls with interested party in MGMIC property; Review Steeles matters
June 30, 2020	Jonathan Krieger	0.40	Correspondence with team re: matters related to Timmins property; Correspondence re: matters related to settlement discussions.
July 7, 2020	Jason Kanji	1.80	Manage investor inquiries regarding claims process; Correspond with interested party in Timmins property; Review materials relating to the Steeles motion.
July 7, 2020	Jonathan Krieger	0.50	Review of correspondence from counsel re: Court; Correspondence with team re: Timmins property.
July 8, 2020	Jonathan Krieger	0.60	Preparation for and attendance on court call; Call with team re: comments related to Timmins property.
July 8, 2020	Valerie Naccarato	0.20	General administration.
July 9, 2020	Rania Erian	0.10	Case website maintenance.
July 10, 2020	Valerie Naccarato	0.10	Enter proof of claim to Ascend; Save to server.

Date	Full Name	Hours	Detail
July 13, 2020	Jason Kanji	1.10	Review realization projections for hearing; Call with Payam re: the same; Attend to investor inquiries.
July 14, 2020	Jason Kanji	0.60	Respond to inquiries from the OSC re: Sanctions Hearing.
July 14, 2020	Jonathan Krieger	0.60	Correspondence from counsel; Correspondence and call with team re: clarifications re: matters related to Timmins; Correspondence with team re: matters related to Palace Peir payments.
July 14, 2020	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Post payment entries; Issue cheque; General banking administration.
July 14, 2020	Valerie Naccarato	0.10	Follow internal email instructions, prepared cheque requisition form; general administration.
July 15, 2020	Jason Kanji	0.50	Calls with investor re: RDSP movement.
July 15, 2020	Rania Erian	0.10	Received a complaint that the toll-free number on the case webpage is not working; Follow up and finalized.
July 19, 2020	Rosa Wilford	0.40	Review and reconcile June GIC term deposits and approve estate balances.
July 20, 2020	Jason Kanji	0.50	Review offer for Timmins property.
July 20, 2020	Jonathan Krieger	0.50	Review of matters re: Timmins property; Correspondence with team thereto.
July 21, 2020	Jason Kanji	0.50	Update website with reports and language.
July 22, 2020	Rania Erian	0.10	Case website maintenance.
July 23, 2020	Jason Kanji	0.80	Correspond with interested party on Timmins property; Review matters with Timiskaming property to respond to interested party.
July 23, 2020	Jonathan Krieger	1.10	Evaluation of information on property, draft Correspondence thereto; Correspondence re: matters related to other property and interest thereto.
July 27, 2020	Jason Kanji	0.30	Respond to investor inquiries.
July 28, 2020	Jason Kanji	0.50	Call with P. Katebian re: Court proceedings on properties; Call with interested party in Timiskaming Property.
July 28, 2020	Valerie Naccarato	0.20	On-line banking; Print screens; Review estate bank account and reconcile June statement.
July 29, 2020	Jonathan Krieger	0.40	Review of correspondence re: Northern properties; Correspondence with team thereto.

Date	Full Name	Hours	Detail
July 29, 2020	Valerie Naccarato	0.20	General banking administration.
July 30, 2020	Jason Kanji	0.20	Respond to investor inquiries re: Claims process.
July 31, 2020	Valerie Naccarato	0.20	General banking administration.

Time Summary

J. Krieger, Sr. Vice President	14.50	hours @	$595.00 per hour	$ 8,627.50
J. Kanji, Manager	25.70	hours @	$295.00 per hour	$ 7,581.50
R. Wilford, Manager	3.90	hours @	$275.00 per hour	$ 1,072.50
V. Naccarato, Analyst	5.80	hours @	$145.00 per hour	$ 841.00
R. Erian, Analyst	4.20	hours @	$145.00 per hour	$ 609.00
	54.10			$ 18,731.50
5% Administration and Technology fees				$ 936.58
				$ 19,668.08
HST @13%				$ 2,556.85
Total Due				**$ 22,224.93**

Court File No. CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

APPLICATION UNDER SECTION 126 and 129 OF THE SECURITIES ACT R.S.O. 1990, c. S.5, AS AMENDED

BILL OF COSTS

BN 12738 4717 RT0001
Client #254817
Invoice#LSON-6717

To professional services rendered as Receiver for the period from August 1, 2020 to August 31, 2020.

Date	Full Name	Hours	Detail
August 4, 2020	Jason Kanji	0.50	Call with interested party in Timiskaming Property.
August 4, 2020	Jonathan Krieger	0.60	Call with team and review of materials re: interest in North property mortgages.
August 5, 2020	Valerie Naccarato	0.40	Enter claim to Ascend, scan to server and notify team; General banking administration.
August 6, 2020	Jason Kanji	0.20	Respond to creditor inquiries.
August 7, 2020	Valerie Naccarato	0.10	General banking administration.
August 10, 2020	Jason Kanji	1.10	Draft confidentiality agreement; Correspond with interested party in Timiskaming Property; Correspond with investors.
August 11, 2020	Jason Kanji	0.80	Respond to creditor inquiries; Calls with interested party in Tmiskaming property; Calls with Ministry of Environment for release of reporting on Timiskaming property.

Date	Full Name	Hours	Detail
August 11, 2020	Rosa Wilford	0.60	On-line banking; Review estate bank account for expecting wires; Prepare receipt requisition forms; Post EFT wire entries; Notify team; Email; General banking administration.
August 13, 2020	Rosa Wilford	0.40	Review estate bank account; Post accrued interest; Reconcile July statement. Review and reconcile July GIC term deposits and approve estate balances.
August 13, 2020	Valerie Naccarato	0.10	General banking administration.
August 14, 2020	Rania Erian	0.60	Administration matters.
August 16, 2020	Rosa Wilford	0.20	On-line banking; Review estate bank account; Post EFT entries; Reconcile July statement; Review banking reports and approve monthly estate balances.
August 18, 2020	Jonathan Krieger	0.50	Correspondence with team re: Steeles motion; Correspondence re: matters related to case.
August 19, 2020	Jason Kanji	0.50	Respond to creditor inquiries.
August 19, 2020	Jonathan Krieger	0.40	Correspondence with team re: court motion; Correspondence re: considerations thereto.
August 20, 2020	Jason Kanji	6.80	Prepare for and attend court hearing re: Steeles.
August 20, 2020	Jonathan Krieger	1.30	Calls with team re: Court attendance on Steeles; Communications and calls with counsel; Mediation discussions with Court re: comments; Correspondence with team re: completion of matters.
August 21, 2020	Valerie Naccarato	0.20	General banking administration.
August 25, 2020	Jason Kanji	2.60	Prepare draft report for distribution; Correspond with interested parties on Timmins and Timiskaming property; Update statutory reporting.
August 25, 2020	Jonathan Krieger	0.80	Meeting with team re: review of framework for report, considerations re: matters related to Timmins property; Review and comment on correspondence thereto; Matters related to statutory reporting.
August 25, 2020	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Prepare disbursement requisition form: Post payment entries; Issue cheque; General banking administration.
August 26, 2020	Jason Kanji	4.50	Prepare fifth draft report to Court; Correspond with interested parties in Timiskaming and Timmins property; Correspond with Creditors.

Date	Full Name	Hours	Detail
August 26, 2020	Rosa Wilford	0.80	Review internal email instructions from team re Banking; Review payment requests; Notify authorized signing officers for approval; Provide supporting documentation; Prepare disbursement requisition form; Setup accrual payment; Bank letters; Emails; General banking administration.
August 27, 2020	Jason Kanji	4.50	Draft report to court; Numerous correspondence re: sale of Timmins and Timiskaming property with Ministry of Environment, OSC, Chaitons and interested parties; Respond to investors
August 27, 2020	Rania Erian	0.10	Website maintenance.
August 27, 2020	Rosa Wilford	0.60	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and receipt entries; On-line banking: Review accounts/print screens; Provide team with wire confirmation; General banking administration.

Time Summary

J. Krieger, Sr. Vice President	3.60	hours @	$595.00 per hour	$ 2,142.00
J. Kanji, Manager	21.50	hours @	$295.00 per hour	$ 6,342.50
R. Wilford, Manager	2.90	hours @	$275.00 per hour	$ 797.50
V. Naccarato, Analyst	0.80	hours @	$145.00 per hour	$ 116.00
R. Erian, Analyst	0.70	hours @	$145.00 per hour	$ 101.50
	29.50			$ 9,499.50
5% Administration and Technology fees				$ 474.98
				$ 9,974.48
HST @13%				$ 1,296.68
Total Due				**$ 11,271.16**

Court File No. CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

APPLICATION UNDER SECTION 126 and 129 OF THE SECURITIES ACT R.S.O. 1990, c. S.5, AS AMENDED

BILL OF COSTS

BN 12738 4717 RT0001
Client #254817
Invoice#LSON-6799

To professional services rendered as Receiver for the period from September 1, 2020 to October 15, 2020.

Date	Full Name	Hours	Detail
September 2, 2020	Jason Kanji	4.30	Prepare draft fifth report to Court; Correspond with investors re: distributions.
September 2, 2020	Valerie Naccarato	0.30	Enter proof of claim to Ascend; Scan and save to server; General banking administration.
September 3, 2020	Jason Kanji	2.10	Draft fifth report to Court.
September 3, 2020	Valerie Naccarato	0.10	General banking administration.
September 4, 2020	Jonathan Krieger	1.30	Review and comments on draft report.
September 9, 2020	Jason Kanji	1.00	Prepare for and attend call with MOE and Interested Party re: Timiskaming Property; Review and amend draft report to court.
September 9, 2020	Valerie Naccarato	0.10	General banking administration.

Date	Full Name	Hours	Detail
September 10, 2020	Jason Kanji	0.50	General estate matters re: funding of Steeles Proceedings
September 10, 2020	Rosa Wilford	0.30	On-line banking; Review estate bank account; Post EFT entries; and reconcile August statement.
September 14, 2020	Jason Kanji	0.80	Draft letter to MT re: request for information on Mansteel property, Correspond with interested party regarding potential assignment of mortgage.
September 15, 2020	Jason Kanji	0.50	Discuss internally Fifth Report and distribution matters.
September 15, 2020	Jonathan Krieger	0.80	Review of report with team; Comments re: considerations on properties.
September 16, 2020	Jason Kanji	2.10	Finalize the discharge for the Euclid property, Amend fifth Report to Court; Deal with Website issues; Calls with investors re: distribution.
September 16, 2020	Jonathan Krieger	1.40	Review of draft reporting; Comment and sign off; Correspondence and review of receiver's certificate.
September 16, 2020	Rosa Wilford	0.60	Review and reconcile August GIC term deposits and approve estate balances.
September 21, 2020	Jason Kanji	0.50	Correspond with investors.
September 21, 2020	Rania Erian	0.60	Administration matters.
September 22, 2020	Jason Kanji	0.80	Call with interested party re: Timmins Property; Correspond with legal counsel re: Timiskaming Property
September 22, 2020	Jonathan Krieger	0.70	Correspondence re: banking matters; Correspondence re: matters related to draft report; Correspondence and review of materials from counsel re: Mansteel mortgage.
September 22, 2020	Rosa Wilford	1.00	Review internal email instructions from team re Banking; On-line banking; Review estate bank account for expecting wires; Prepare receipt requisition forms; Post deposit and EFT wire entries; Notify team; Email; General banking administration.
September 23, 2020	Jason Kanji	0.50	Discussions with legal counsel re: interested party matters in Timmins and Timiskaming; Correspond with interested parties in Timiskaming property.

Date	Full Name	Hours	Detail
September 28, 2020	Jason Kanji	1.00	Review Timmins assignment agreement and forward to interested party; Deal with case website matters
September 29, 2020	Jason Kanji	0.50	Call with investors; Call with Legal Counsel re: Report
September 29, 2020	Jonathan Krieger	0.50	Discussions re: matters related to report, considerations re: proposed sale.
September 30, 2020	Rosa Wilford	0.30	Review internal instructions from team re Banking; Review payment requests: Prepare disbursement requisition form: Issue cheque; General banking administration.
September 30, 2020	Valerie Naccarato	0.10	Follow internal email instructions, prepared cheque requisition form; general administration.
October 1, 2020	Jason Kanji	1.20	Closing of Euclid file; Correspond with Interested party in Timmins and Payam; Correspond with investors re: distributions.
October 2, 2020	Jason Kanji	0.50	Internal call re: Timmins offer and Report; Follow up with interested party.
October 2, 2020	Jonathan Krieger	1.70	Review of report; Correspondence with team thereto; Call with counsel; Review of status of Palace Pier.
October 2, 2020	Valerie Naccarato	0.20	General banking administration.
October 5, 2020	Jason Kanji	0.50	Call with Legal Counsel re: court dates for order and matters involving interested party.
October 6, 2020	Jonathan Krieger	0.50	Call with team re: matters related to completion of report.
October 7, 2020	Jason Kanji	0.50	Update call with investors.
October 9, 2020	Jason Kanji	0.50	Calls with several investors; Follow up with interested party in Timmins.
October 12, 2020	Jason Kanji	0.50	Call with investors re: proceedings update
October 13, 2020	Rosa Wilford	0.30	On-line banking; Review estate bank account for expecting wire; Prepare receipt requisition forms; Post deposit and EFT wire entries; Notify team; General banking administration.
October 15, 2020	Jason Kanji	0.80	Update draft report to court.

Date	Full Name	Hours	Detail
October 15, 2020	Jonathan Krieger	1.20	Correspondence with team re: report; Review of correspondence with counsel.
October 15, 2020	Rosa Wilford	0.30	On-line banking; Review estate bank account; Post EFT entries; and reconcile September statement.

Time Summary

J. Krieger, Sr. Vice President	8.10	hours @	$595.00	per hour	$	4,819.50
J. Kanji, Manager	19.10	hours @	$295.00	per hour	$	5,634.50
R. Wilford, Manager	2.80	hours @	$275.00	per hour	$	770.00
V. Naccarato, Analyst	0.80	hours @	$145.00	per hour	$	116.00
R. Erian, Analyst	0.60	hours @	$145.00	per hour	$	87.00
	31.40				$	11,427.00
5% Administration and Technology fees					$	571.35
					$	11,998.35
HST @13%					$	1,559.79
Total Due					**$**	**13,558.14**

Exhibit "**B**" to the Affidavit of Jonathan Krieger,
sworn before me this 24th day of October 2020

A Commissioner, etc.

Daniel Kenneth Wootton, a Commissioner, etc.
Province of Ontario
for Grant Thornton Limited
Expires April 06, 2022

Exhibit "B"

Money Gate Mortgage Investment Corporation
Summary of Billings
April 25, 2020 to October 15, 2020

Date	Hours		Fees	Disbursements		Subtotal		HST		Total
April 25, 2020 to July 31, 2020	54.10	$	19,668.08	$	-	$	19,668.08	$ 2,556.85	$	22,224.93
August 1 - 31, 2020	29.50	$	9,974.48	$	-	$	9,974.48	$ 1,296.68	$	11,271.16
September 1, 2020 to October 15, 2020	31.40	$	11,998.35	$	-	$	11,998.35	$ 1,559.79	$	13,558.14
	115.00	**$**	**41,640.91**	**$**	**-**	**$**	**41,640.91**	**$ 5,413.32**	**$**	**47,054.23**

Average Hourly Rate: 362.09

Court File No. CV-18-00608086-00CL

ONTARIO SECURITIES COMMISSION - and - **MONEY GATE MORTGAGE INVESTMENT CORPORATION**

Applicant Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

AFFIDAVIT OF JONATHAN KRIEGER

CHAITONS LLP
5000 Yonge Street
10th Floor
Toronto, ON M2N 7E9

Maya Poliak
Tel: 416-218-1161
Fax: 416-218-1837
maya@chaitons.com

Lawyers for the Court-appointed Receiver, Grant Thornton Limited

APPENDIX 7

Court File No. CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 129 OF THE SECURITIES ACT R.S.O. 1990, c. S.5, AS AMENDED

BETWEEN:

ONTARIO SECURITIES COMMISSION

Applicant

and

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

AFFIDAVIT OF SAM RAPPOS
(sworn October 20, 2020)

I, SAM RAPPOS, of the City of Markham, in the Province of Ontario **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a partner with the law firm of Chaitons LLP ("**Chaitons**"), lawyers for Grant Thornton Limited in its capacity as receiver (the "**Receiver**") without security, of all the properties, assets and undertakings of Money Gate Mortgage Investment Corporation, and as such have knowledge of the matters to which I hereinafter depose.

2. Attached hereto as the following exhibits are copies of the accounts issued by Chaitons to the Receiver for the time period commencing on April 26, 2020 and ending on September 30, 2020 totalling $41,011.65 (comprised of fees of $36,018.00, disbursements of $287.38 and HST of $4,706.27) with respect to this proceeding:

(a) **Exhibit "A"** – account dated June 30, 2020, for the period from April 26, 2020 up to and including June 26, 2020;

(b) **Exhibit "B"** – account dated August 11, 2020, for the period from July 6, 2020 up to and including July 14, 2020; and

(c) **Exhibit "C"** – account dated September 30, 2020, for the period from September 2, 2020 up to and including September 30, 2020;

3. Attached hereto as **Exhibit "D"** is a summary of additional information with respect to the accounts referred to in paragraph 2 above, indicating all members of Chaitons who have worked on this matter, their year of call to the bar, total time charged and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

4. I confirm that the accounts described in paragraph 2 above accurately reflect the services provided by Chaitons in this matter and the fees and disbursements claimed by it from April 26, 2020 to September 30, 2020.

SWORN before me at the City of Toronto, in the Province of Ontario, this 20th day of October, 2020 A Commissioner, etc. Maya Poliak	)))))	**SAM RAPPOS**

THIS IS EXHIBIT "A" TO
THE AFFIDAVIT OF SAM RAPPOS
SWORN BEFORE ME THIS 20TH
DAY OF OCTOBER, 2020

A Commissioner Etc.

Chaitons LLP

INVOICE NUMBER: 276913

June 30, 2020

GRANT THORNTON LIMITED
200 KING STREET WEST
11TH FLOOR
TORONTO, ON M5H 3T4

Re: MONEY GATE MORTGAGE INVESTMENT CORPORATION ET AL
Our file: 006588-31761

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including June 30, 2020:

PROFESSIONAL FEES		
SUBJECT TO HST	$25,787.00	
SUB-TOTAL		$25,787.00
DISBURSEMENTS		
SUBJECT TO HST	$42.89	
SUB-TOTAL		$42.89
HST at 13.00%		$3,357.89
GRAND TOTAL		**$29,187.78**

Amount payable on the current invoice	$29,187.78
Plus outstanding invoices on this matter	$9,757.25
Amount Due	**$38,945.03**
Trust Balance	

PROFESSIONAL FEES:

Apr 26, 20	MP	Review and revise draft 4th report; draft claims procedure order; calls with E. Karp regarding Dovercourt and Palace Pier;	3.50	$1,890.00
Apr 27, 20	MP	Revise draft Fourth Report and draft claims procedure order;	4.00	$2,160.00
Apr 28, 20	MP	Email correspondence with E. Karp and J. Krieger regarding Palace Pier settlement; revise minutes of settlement; review revised fourth report and provide comments on same;	5.00	$2,700.00
Apr 29, 20	HGC	Review draft Claims Procedure Order; telephone call with M. Poliak to discuss;	1.80	$1,305.00
Apr 29, 20	MP	Finalize Fourth Report and appendices; email correspondence with E. Karp regarding Dovercourt Settlement; revise Minutes of Settlement; conference call with J. Kanji regarding the fourth report;	7.20	$3,888.00
Apr 30, 20	HGC	Telephone call with M. Poliak re legal opinion of Dentons;	0.40	$290.00
Apr 30, 20	MP	Revise draft claims procedure order;	0.50	$270.00
May 1, 20	MP	Call with E. Karp regarding Palace Pier settlement; email correspondence with client regarding same;	0.50	$270.00
May 5, 20	MP	Email correspondence with D. Emami, J. Kanji, C. Mills and E. Karp regarding various outstanding issues;	0.50	$270.00
May 12, 20	MP	Call with D. Emami regarding OSC's sanction hearing;	0.40	$216.00
May 21, 20	MP	Letter to Commercial Court regarding claims procedure motion; draft letter to Commercial Court; draft letter to Court regarding Steeles Motion;	2.80	$1,512.00
May 26, 20	MP	Draft claims procedure order;	1.50	$810.00
May 27, 20	MP	Revise draft claims procedure order;	1.00	$540.00

May 28, 20	MP	Call with C. Mills regarding Steeles and other properties; draft notice of motion;	1.30	$702.00
Jun 1, 20	MP	Review and revise draft claims procedure order; email correspondence with J. Kanji regarding same;	1.70	$918.00
Jun 3, 20	MP	Draft general order in support of the motion returnable June 16, 2020; draft Notice of Motion; finalize claims procedure order; review and revise service list; email correspondence with the Court; call with E. Karp regarding Steeles Motion;	3.80	$2,052.00
Jun 4, 20	MP	Finalize and serve motion materials in support of the motion returnable June 16, 2020;	5.60	$3,024.00
Jun 8, 20	MP	Email correspondence with the City of Timmins regarding the motion returnable June 16, 2020;	0.30	$162.00
Jun 10, 20	MP	Revise letter to the Court regarding Steeles; email correspondence with C. Mills regarding same; correspondence with the Court regarding the Claims Procedure Motion;	0.70	$378.00
Jun 15, 20	MP	Email correspondence with the Court and the Service List regarding upcoming motion;	0.20	$108.00
Jun 16, 20	MP	Call and email correspondence with C. Mills regarding settlement of Steeles and scheduling of motion; prepared for and attended at the motion to approve the claims procedure order and other order; correspondence with Director of Appraisal Institute; email correspondence regarding signed orders with the Court;	2.30	$1,242.00
Jun 17, 20	MP	Call with D. Emami regarding evidence of P. Katebian at the OSC enforcement hearing;	0.80	$432.00
Jun 18, 20	MP	Email correspondence with A. Anissimova regarding case conference on Steeles;	0.30	$162.00

Jun 23, 20	MP	Email correspondence with the Commercial Court regarding Steeles; email correspondence with J. Krieger regarding settlement of same;	0.40	$216.00
Jun 25, 20	MP	Email correspondence with C. Mills and E. Karp regarding Steeles; review documents in connection with this proceeding; email correspondence with the Commercial Court regarding scheduling;	0.30	$162.00
Jun 26, 20	MP	Call with J. Krieger regarding Steeles Settlement;	0.20	$108.00
		TOTAL HOURS	47.00	$25,787.00

TOTAL PROFESSIONAL FEES	**$25,787.00**
HST at 13.00%	3,352.31

DISBURSEMENTS:

Subject to HST:	Courier and Taxi Charges Taxable	$42.89	
			$42.89

TOTAL DISBURSEMENTS	**$42.89**
HST at 13.00%	5.58
GRAND TOTAL	**$29,187.78**

HST No R124110933

INVOICE NUMBER: 276913

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

CHAITONS LLP

per: ______________________
Harvey Chaiton

LAWYERS' SUMMARY:

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
HARVEY G. CHAITON	$725.00	2.20	$1,595.00
MAYA POLIAK	$540.00	44.80	$24,192.00
Total:		47.00	$25,787.00

THIS IS EXHIBIT "B" TO
THE AFFIDAVIT OF SAM RAPPOS
SWORN BEFORE ME THIS 20TH
DAY OF OCTOBER, 2020

A Commissioner Etc.

Chaitons LLP

INVOICE NUMBER: 277393 **August 11, 2020**

GRANT THORNTON LIMITED
200 KING STREET WEST
11TH FLOOR
TORONTO, ON M5H 3T4

Re: MONEY GATE MORTGAGE INVESTMENT CORPORATION ET AL
Our file: 006588-31761

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including August 31, 2020:

PROFESSIONAL FEES		
SUBJECT TO HST	$3,456.00	
SUB-TOTAL		$3,456.00
DISBURSEMENTS		
SUBJECT TO HST	$16.89	
SUB-TOTAL		$16.89
HST at 13.00%		$451.48
GRAND TOTAL		**$3,924.37**

Amount payable on the current invoice	$3,924.37
Plus outstanding invoices on this matter	$38,945.03
Amount Due	**$42,869.40**
Trust Balance	

HST No R124110933

INVOICE NUMBER: 277393

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

PROFESSIONAL FEES:

Jul 6, 20	MP	Review draft compendium;	1.40	$756.00
Jul 7, 20	MP	Prepare compendium for case conference for the Steeles Motion; correspondence with the Court;	2.80	$1,512.00
Jul 8, 20	MP	Attend at a case conference to schedule the Steeles Motion; email counsel slip; serve endorsement;	0.50	$270.00
Jul 9, 20	MP	Prepared for and attended the case conference to schedule the Steeeles Motion;	0.50	$270.00
Jul 13, 20	MP	Review email from J. Camp regarding Receiver's recoveries; call with J. Camp regarding same;	0.80	$432.00
Jul 14, 20	MP	Email correspondence with D. Emami and J. Kanji regarding OSC proceeding;	0.40	$216.00
		TOTAL HOURS	6.40	$3,456.00

TOTAL PROFESSIONAL FEES	**$3,456.00**
HST at 13.00%	449.28

DISBURSEMENTS:

Subject to HST:

Postage Charges Taxable	$0.89	
Photocopying Charges Taxable	$16.00	
		$16.89

TOTAL DISBURSEMENTS	**$16.89**
HST at 13.00%	2.20

HST No R124110933

INVOICE NUMBER: 277393

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

GRAND TOTAL **$3,924.37**

CHAITONS LLP

per: ______________________
Maya Poliak

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

LAWYERS' SUMMARY:

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
MAYA POLIAK	$540.00	6.40	$3,456.00
Total:		6.40	$3,456.00

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

THIS IS EXHIBIT "C" TO
THE AFFIDAVIT OF SAM RAPPOS
SWORN BEFORE ME THIS 20TH
DAY OF OCTOBER, 2020

A Commissioner Etc.

Chaitons LLP

INVOICE NUMBER: 278099

September 30, 2020

GRANT THORNTON LIMITED
200 KING STREET WEST
11TH FLOOR
TORONTO, ON M5H 3T4

Re: **MONEY GATE MORTGAGE INVESTMENT CORPORATION ET AL**
Our file: 006588-31761

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including September 30, 2020:

PROFESSIONAL FEES		
SUBJECT TO HST	$6,775.00	
SUB-TOTAL		$6,775.00
DISBURSEMENTS		
NON TAXABLE	$103.40	
SUBJECT TO HST	$124.20	
SUB-TOTAL		$227.60
HST at 13.00%		$896.90
GRAND TOTAL		**$7,899.50**

Amount payable on the current invoice	$7,899.50
Plus outstanding invoices on this matter	$71,348.96
Amount Due	**$79,248.46**
Trust Balance	

PROFESSIONAL FEES:

Sep 2, 20	MP	Review draft materials to be sent to the Accountant's office regarding the Steeles Proceeds;	0.20	$108.00
Sep 3, 20	MP	Email correspondence with J. Zibarras regarding proceeding by L. Alizadeh;	0.20	$108.00
Sep 3, 20	AZ	Reviewed file and drafted statement of claim on guarantee against T Wilson;	2.50	$862.50
Sep 8, 20	AZ	Revisions to statement of claim;	0.80	$276.00
Sep 21, 20	MP	Email to parties in L. Alizadeh's case regarding service; review draft letter to counsel for Mansteel;	0.30	$162.00
Sep 22, 20	MP	Email correspondence with J. Zibarras regarding A. Missaghi and Mansteel; review and revise draft Fifth Report;	1.10	$594.00
Sep 23, 20	MP	Draft assignment agreement for Timmins; review and revise draft Fifth Report;	4.40	$2,376.00
Sep 23, 20	JG	To review and revise assignment of charge agreement;	1.10	$324.50
Sep 24, 20	MP	Review and revise draft Fifth Report and assignment agreement on Timmins;	2.90	$1,566.00
Sep 24, 20	JG	To finalize assignment of charge;	0.80	$236.00
Sep 29, 20	MP	Call with E. Karp regarding Steeles;	0.30	$162.00
			14.60	$6,775.00
		TOTAL HOURS		

TOTAL PROFESSIONAL FEES	**$6,775.00**
HST at 13.00%	880.75

DISBURSEMENTS:

INVOICE NUMBER: 278099

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Subject to HST:	Teraview Charges Taxable	$122.50	
	Long Distance Telephone Taxable	$1.70	
			$124.20
Non-Taxable:	Teraview Charges Non-taxable	$53.40	
	Bank Service Charges Non-taxable	$50.00	
			$103.40

TOTAL DISBURSEMENTS	**$227.60**
HST at 13.00%	16.15
GRAND TOTAL	**$7,899.50**

CHAITONS LLP

per: ______________________

Maya Poliak

INVOICE NUMBER: 278099

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

LAWYERS' SUMMARY:

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
MAYA POLIAK	$540.00	9.40	$5,076.00
ARYAN ZIAIE	$345.00	3.30	$1,138.50
JESSIE GREEN	$295.00	1.90	$560.50
Total:		14.60	$6,775.00

THIS IS EXHIBIT "D" TO THE AFFIDAVIT OF SAM RAPPOS SWORN BEFORE ME THIS 20TH DAY OF OCTOBER, 2020

A Commissioner Etc.

SUMMARY

Lawyer	Year of Call	Hours Billed	Hourly Rate	Amount Billed
Harvey Chaiton	1982	2.20	$725.00	$1,595.00
Maya Poliak	2007	60.6	$540.00	$32,724.00
Aryan Ziaie	2016	3.30	$345.00	$1,138.50
Jessie Green	2018	1.90	$295.00	$560.50
Total Hours and Amounts Billed		**68.0**		**$36,018.00**
Average Hourly Rate			**$529.68**	
Total Disbursements				**$287.38**
Total Taxes (HST)				**$4,706.27**
TOTAL				**$41,011.65**

ONTARIO SECURITIES COMMISSION Applicant	-and-	MONEY GATE MORTGAGES Respondent

Court File No. CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

AFFIDAVIT OF SAM RAPPOS

CHAITONS LLP
Barristers & Solicitors
5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9

Maya Poliak (54100A)
Tel : (416) 218-1161
Fax: (416) 218-1844

Lawyers for Receiver, Grant Thornton Limited

Doc#4900281v1

APPENDIX 8

Court File No. CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR.	)	THURSDAY, THE ~~2ND~~ 3RD
	)	
JUSTICE HAINEY	)	DAY OF APRIL, 2020

B E T W E E N:

GRANT THORNTON LIMITED in its capacity as Court-appointed Receiver of MONEY GATE INVESTEMENT CORPORATION

Applicant

-and-

2450531 ONTARIO LIMITED

Respondent

DISCHARGE ORDER

THIS MOTION, made by **GRANT THORNTON LIMITED ("GTL")** in its capacity as the Court-appointed receiver (the "**Receiver**") over the property municipally known as 293 Euclid Avenue, Toronto, Ontario (the "**Property**") for an order, *inter alia*:

1. approving certain corrections to instruments registered against title to the Property;
2. approving the sale of the Property and distributions of net sale proceeds;
3. approving the fees and disbursements of the Receiver and its legal counsel as described in the First Report of the Receiver dated March 25, 2020 (the "**Report**"), the Affidavit of Jonathan Krieger sworn on March 24, 2020 and appended as Appendix 14 to the Report and the Affidavit of Christopher Staples sworn March 24, 2020 and appendix as Appendix 15 to the Report (collectively, the "**Fee Affidavits**");
4. approving the Report and the activities of the Receiver as described therein;
5. discharging GTL as Receiver of the Euclid Property; and

6. releasing GTL from liability as set out in paragraph 6 of this Order,

was heard this day via telephone conference.

ON READING the Report and the Fee Affidavits and on hearing the submissions of counsel for the Receiver and such other counsel as participating in the telephone conference hearing and as reflected in the Endorsement of the Honourable Mr. Justice Hainey:

1. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its legal counsel as described in the Report and the Fee Affidavits be and hereby are approved.

2. **THIS COURT ORDERS** that the Final Fees, as defined and described at paragraph 61 of the Report be and hereby are approved.

3. **THIS COURT ORDERS** that the Report and the activities of the Receiver as described therein be and hereby are approved.

4. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements as described in paragraph 56 of the Report and Appendix 13 to the Report be and is hereby approved.

5. **THIS COURT ORDERS** that upon the Receiver filing a certificate certifying that it has completed the remaining activities described in paragraphs 64-67 of the Report, the Receiver shall be discharged as Receiver over the Property, provided however that notwithstanding its discharge herein: (i) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (ii) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stay of proceedings in favour of GTL in its capacity as Receiver.

6. **THIS COURT ORDERS** that GTL is hereby released and discharged from any and all liability that GTL now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of GTL while acting in its capacity as Receiver herein, save and except for any gross negligence or willful misconduct on the Receiver's part. Without limiting the generality of the foregoing, GTL is hereby forever released and discharged form any and all liability relating to matters that were raised or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or willful misconduct on the Receiver's part.

SUPERIOR COURT OF JUSTICE
ENTERED
APR 06 2020 JC
COUR SUPÉRIEURE DE JUSTICE
ENTRÉ

Hainey J

GRANT THORNTON LIMITED -and- 2450531 ONTARIO LIMITED
Applicant Respondent

Court File No. CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

ORDER

CHAITONS LLP
Barristers & Solicitors
5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9

Maya Poliak (54100A)
Tel : (416) 218-1161
Fax: (416) 218-1844

Lawyers for the Applicant

APPENDIX 9

Court File No. CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

GRANT THORNTON LIMITED in its capacity as Court-appointed Receiver of MONEY GATE INVESTEMENT CORPORATION

Applicant

-and-

2450531 ONTARIO LTD.

Respondent

SUPPLEMENT TO THE FIRST REPORT TO THE COURT OF GRANT THORNTON LIMITED IN ITS CAPACITY AS RECEIVER OF THE PROPERTY MUNICIPALLY KNOWN AS 293 EUCLID AVENUE, TORONTO, ONTARIO

April 1, 2020

Grant Thornton Limited
200 King Street, 11th Floor
Toronto, Ontario
M5H 3T4

TABLE OF CONTENTS

APPENDICES

Appendix 1 – Email dated April 1, 2020 from Adam Wygodny

Appendix 2 – Affidavit of Payam Katebian affirmed November 22, 2019

Appendix 3 – Email dated April 1, 2020, Maya Poliak's Response

Appendix 4 – New Version of Renewal Letter dated October 31, 2018

Appendix 5 – Ontario Securities Commission's Endorsement dated December 17, 2019

Appendix 6 – Order of the Honorable Justice Penny dated March 29, 2019

Court File No. CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

GRANT THORNTON LIMITED in its capacity as Court-appointed Receiver of MONEY GATE INVESTEMENT CORPORATION

Applicant

-and-

2450531 ONTARIO LIMITED

Respondent

SUPPLEMENT TO THE FIRST REPORT TO THE COURT OF GRANT THORNTON LIMITED IN ITS CAPACITY AS RECEIVER OF THE PROPERTY MUNICIPALLY KNOWN AS 293 EUCLID AVENUE, TORONTO, ONTARIO

April 1, 2020

INTRODUCTION

1. The purpose of this supplement (the "**Supplemental Report**") is to provide the Court with evidence in response to an email received from Adam Wygodny ("**Wygodny**") of Berkow Youd Lev-Farrell Das LLP, legal counsel to Payam Katebian ("**Payam**") principal of 245, regarding the proposed distribution outlined in the First Report of the Receiver dated March 26, 2020 (the "**First Report**"). All capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the First Report.

RESTRICTIONS

2. In preparing this Supplemental Report, the Receiver has relied upon unaudited financial information, MGMIC's books and records, books and records of the Euclid Owner and discussions with other parties. The Receiver's work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.

3. This Supplemental Report has been prepared for the use of this Court in support of the matters described herein. This Supplemental Report should not be relied on for any other purpose.

DISTRIBUTION

4. On April 1, 2020, counsel for the Receiver received an email from Wygodny wherein Wygodny, on behalf of Payam, stated that the Receiver failed to account for four payments totalling $68,874.64 allegedly made by the Euclid Owner to MGMIC in the payout statement attached as Appendix 12 to the First Report. In support of this allegation Wygodny referenced the Affidavit of Payam Katebian affirmed on November 22, 2019 ("**Payam's Affidavit**").

5. A copy of Wygodny's email is attached to this Report as **Appendix "1".** An excerpt from Payam's Affidavit with the relevant exhibit is attached to this Report as **Appendix "2"**. A copy of Payam's Affidavit without exhibits is attached as Appendix 3 to the First Report.

6. In support of Payam's allegation that 245 made principal payments to MGMIC, Payam's affidavit attached bank account statements of 245 for the time period commencing December 30, 2016 and ending January 31, 2017 (the "**Statements**"). The Statements disclose that payments totalling $68,874.64 were made in January 2017 by 245 to "Money Gate Corp. Mtg.", not MGMIC.

7. The Receiver reviewed MGMIC's books and records and notes that there is nothing in the books and records that supports Payam's position that the

payments were intended to reduce the principal amount of MGMIC's mortgage to 245.

8. Shortly after GTL was appointed as MGMIC Receiver, Payam provided the MGMIC Receiver with MGMIC's books and records, which included the loan renewal for MGMIC's loan to the Euclid Owner dated October 30, 2018, a copy of which was attached as Appendix 8 to the First Report (the "**Loan Renewal**"). In the Loan Renewal, MGMIC confirms that as at October 30, 2018, the entire principal balance of $282,500 was owing by 245 to MGMIC.

9. Following the appointment of GTL as MGMIC Receiver, 245 made interest payments in the amount of $2,825.00 per month, as required by the Loan Renewal between December 2018 and April 2019.

10. At 12:25 p.m. on April 1, 2020, Maya Poliak, counsel for the Receiver replied to Wygodny's email and brought to his attention the Renewal Letter. Attached hereto as **Appendix "3"** is Ms. Poliak's email.

11. At 3:48 p.m. on April 1, 2020, Wygodny replied to Ms. Poliak on behalf of Payam. In his email, amongst other things, Wygodny advised Ms. Poliak that apparently the Receiver had the wrong executed version of the Renewal Letter and that another version of the Renewal Letter which had a different loan amount was to be applied to MGMIC's loan to 245. Wygodny's email was "Without Prejudice" however, he has allowed the Receiver to attach the new version of the Renewal Letter provided to the Receiver this afternoon, which has been attached as **Appendix "4"**.

12. The Renewal Letter relied on by the Receiver was provided by Payam himself. The Renewal Letter was attached to the MGMIC Receiver's Application Record and the First Report both of which were served on Payam. It wasn't until 3:48 p.m. on April 1, 2020, that Payam for the first time provided to the Receiver a copy of this new Renewal Letter.

13. Based on the evidence presented, the Receiver believes that Payam's claims that the MGMIC Mortgage was paid down by 245 are unsubstantiated and no

amendment should be made to the MGMIC Claim as presented in the First Report.

14. Based on the Receiver's calculation, there is a shortfall of approximately $55,000 on the MGMIC Mortgage. If the Receiver's evidence is incomplete and the paydown as set out by Payam did in fact occur, there would be a surplus of approximately $11,000 available after satisfaction of the MGMIC Mortgage.

15. On December 17, 2019, the Ontario Securities Commission issued an Endorsement, wherein it made a number of findings of fraud as against, among others Payam. A copy of the Commission's Endorsement is attached as **Appendix "5"**. Pursuant to an Order of the Honourable Justice Penny dated March 29, 2019 made on a motion by the Commission, any surplus net proceeds should be deposited into Court and not be released without an order of this Court, or alternatively to be held, in-trust, by the Receiver and not be released without an Order. A copy of the Order is attached as **Appendix "6"**. In the event there is a Court order determining that there is a surplus of proceeds, any excess funds will be held by the Receiver pending the further direction of this Court.

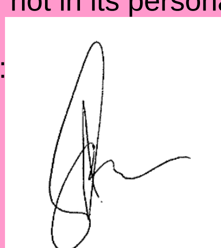
RECOMMENDATION

16. Based on the foregoing, the Receiver respectfully requests that the Court grant the relief requested in the First Report.

Respectfully submitted,

GRANT THORNTON LIMITED
In its capacity as court-appointed receiver of the Property municipally known as 293 Euclid Avenue, Toronto, Ontario and not in its personal or corporate capacity.

Per:



Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice President

APPENDIX 10

Court File No. CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

GRANT THORNTON LIMITED in its capacity as Court-appointed Receiver of MONEY GATE INVESTEMENT CORPORATION

Applicant

-and-

2450531 ONTARIO LTD.

Respondent

AFFIDAVIT OF JONATHAN KRIEGER

I, JONATHAN KRIEGER, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Senior Vice President of Grant Thornton Limited ("**GTL**"), Court-appointed Receiver of over the property municipally known as 293 Euclid Avenue, Toronto, Ontario (the "**Euclid Property**") owned by 2450531 Ontario Ltd. ("**245**", or the "**Euclid Owner**") and as such, have knowledge of the matters hereinafter deposed except where stated to be upon information in which case I do verily believe such information to be true. This affidavit is made in support of the Receiver's motion, among other things, to approve its accounts.

2. Attached and marked as **Exhibit "A"** to this my affidavit is a detailed billings setting out the fees and disbursements of GTL incurred in its role as Receiver of the Company from March

23, 2020 to September 30, 2020, in the total amount of $32,743.26, including HST of $3,766.92 and such is summarized on Exhibit "**B**" to this my affidavit. The average hourly rate is $372.93.

3. Given the complexity of this insolvency matter, I believe the hourly rates and the total amount of fees are reasonable and comparable for insolvency services of this nature rendered by other firms in the City of Toronto.

4. This affidavit is sworn in connection with the approval of the fees and disbursements of GTL and for no improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, this 29 day of October 2020.

Commissioner for Taking Affidavits, etc.

Daniel Kenneth Wootton, a Commissioner, etc.
Province of Ontario
for Grant Thornton Limited
Expires April 06, 2022

JONATHAN KRIEGER

Exhibit "**A**" to the Affidavit of Jonathan Krieger,
sworn before me this 29th day of October 2020.

A Commissioner, etc.

Daniel Kenneth Wootton, a Commissioner, etc.
Province of Ontario
for Grant Thornton Limited
Expires April 06, 2022

Court File No. CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

GRANT THORNTON LIMITED
In its capacity as court-appointed Receiver of
MONEY GATE MORTGAGE INVESTMENT CORPORATION

Applicant

- and -

2450531 ONTARIO LIMITED

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY AST,* R.S.C. 1985, c.B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT,* R.S.O. 1990, c.c.43, AS AMENDED

BILL OF COSTS

BN 12738 4717 RT0001
Client #254817
Invoice#LSON-6319

To professional services rendered as Receiver for the period from March 23, 2020 to May 13, 2020.

Date	Full Name	Hours	Detail
March 23, 2020	Jason Kanji	1.20	Calls with Counsel and Dentons re: Security Opinion; Calls with Counsel re: Report; General billing matters.
March 23, 2020	Jonathan Krieger	0.50	Correspondence re: Court report; Correspondence with counsel; Correspondence with team.
March 24, 2020	Jonathan Krieger	1.30	Correspondence with team re: matters related to Court report; Correspondence with counsel re: additional information required; Completion of material re: appendices.
March 24, 2020	Jason Kanji	2.60	Review and finalize report to court; Correspond with tenants re: April rent and utility bill.
March 25, 2020	Jason Kanji	3.70	Review and prepare final first report to court; Correspond with Dentons on security review; Review security opinion from Dentons; Calls with legal counsel re: finalizing report and calls with Dentons

Date	Full Name	Hours	Detail
March 25, 2020	Jonathan Krieger	2.50	Review and comment on Court report; Correspondence with counsel re: legal opinion; Correspondence with team thereto; Call with team re: amendments to report, considerations on closing proceeds.
March 26, 2020	Jonathan Krieger	2.70	Review of materials; Amendments to report; Correspondence with team and counsel re: matters related to clarification; Comments on draft order, motion record; Review of legal documents; Call with Agent re: status.
March 26, 2020	Jason Kanji	4.80	Amend and finalize report to court; Calls with legal counsel and matters regarding the estate; Calls with Real Estate agent advising of court date; Correspondence with Gowlings re: Home Trust mortgage.
March 27, 2020	Jonathan Krieger	0.40	Correspondence re: matters related to Home Trust payout; Correspondence re: matters related to Court date.
March 30, 2020	Rania Erian	0.10	Upload legal document to the case website.
April 1, 2020	Jonathan Krieger	2.20	Review of draft materials; Correspondence with counsel; Correspondence from OSC: Call with team and counsel; Review of amendments to report; Review of material from counsel to Payam; Finalize report.
April 1, 2020	Jason Kanji	9.70	Prepare and draft Supplemental Report; Review correspondence from OSC, Payam and Counsel re: Distribution matters; Internal and Legal Counsel calls re: Supplemental Report, Settlement offer, Review of Fees and Distribution matters
April 2, 2020	Jason Kanji	1.40	Prepare for and attend court; Correspond with tenants re: collection of rent and office closures
April 2, 2020	Jonathan Krieger	0.80	Correspondence with team; Review of materials; Discussion re: court motion and feedback.
April 2, 2020	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Prepare receipt requisition forms; Post deposit entries; General banking administration.
April 3, 2020	Jonathan Krieger	0.50	Correspondence re: matters related to closing, vesting order.
April 3, 2020	Valerie Naccarato	0.20	Deposit at bank.
April 3, 2020	Jason Kanji	0.50	Review endorsement; Correspond with Real Estate agent and counsel re: proceeding with closing.
April 6, 2020	Jonathan Krieger	0.30	Correspondence re: Order; Correspondence re: closing date; Correspondence to agent.

Date	Full Name	Hours	Detail
April 6, 2020	Jonathan Krieger	0.50	Correspondence re: Order; Correspondence re: closing date; Correspondence to agent.
April 7, 2020	Valerie Naccarato	0.20	Follow internal email instructions, prepared deposit requisition form.
April 7, 2020	Rosa Wilford	1.00	Review internal instructions from team re Banking; Review payment requests: Prepare disbursement requisition forms: Issue cheques; Prepare receipt requisition forms; Post deposit entries; General banking administration.
April 8, 2020	Jason Kanji	0.80	Calls with Toronto Hydro re: mis-billing, terminations of services and transfer of service to new owner.
April 8, 2020	Rosa Wilford	0.20	On-line banking; Print statement; Review estate bank account; Post eft entries and reconcile March statement.
April 9, 2020	Valerie Naccarato	0.30	General banking administration; Deposit at bank.
April 9, 2020	Jonathan Krieger	1.20	Correspondence re: matters related to legal opinion; Correspondence re: matters related to closing.
April 13, 2020	Rosa Wilford	0.30	Review internal instructions from team re Banking; Review payment requests: Review account ledger; Prepare disbursement requisition forms; Prepare transfer; Bank letter; Setup accrual payment; General banking administration.
April 13, 2020	Jonathan Krieger	0.50	Correspondence re: matters related to purchaser's request for extension; Call with team; Correspondence from counsel.
April 13, 2020	Jason Kanji	0.50	Correspond with Agent re: Approval and Vesting order; Correspond with legal counsel re: closing extension.
April 13, 2020	Valerie Naccarato	0.20	General banking administration.
April 14, 2020	Rosa Wilford	0.30	Review internal instructions from team re Banking; Prepare receipt requisition forms; Post deposit entries; General banking administration.
April 14, 2020	Jonathan Krieger	0.40	Correspondence re: matters related to closing, SOA;
April 15, 2020	Rosa Wilford	0.30	Review estate bank accounts: Post accrued interest: Review and reconcile March GIC term deposit and approve estate balances.
April 16, 2020	Jason Kanji	0.70	Review amendment agreement for closing extension; Correspond with tenant re: hydro meter change.
April 17, 2020	Valerie Naccarato	0.40	Deposit at bank; General banking administration.

Date	Full Name	Hours	Detail
April 20, 2020	Jonathan Krieger	0.50	Correspondence re: matters related to closing; Review of correspondence from counsel.
April 20, 2020	Rosa Wilford	0.50	Review payment requests for the Money Gate General account: Prepare disbursement requisition forms and wire transfer; Posting entries; General banking administration.
April 21, 2020	Rosa Wilford	0.30	Review internal instructions from team re Banking; Review account ledger; Provide supporting documentation.
April 23, 2020	Jonathan Krieger	0.60	Correspondence with broker re: closing, considerations thereto; Correspondence re: documentation.
April 23, 2020	Rosa Wilford	0.10	General banking administration.
April 27, 2020	Jason Kanji	1.00	Review correspondence with Dentons and Counsel re: legal opinion; Call with Counsel re: legal opinion; Prepare Rent Roll for closing and follow up with tenants re: May rent.
April 27, 2020	Jonathan Krieger	0.50	Review of matters related to distribution, Correspondence re: matters related to closing.
April 28, 2020	Rania Erian	0.30	Create a new case website; Upload documents and request for a redirection of URL.
April 28, 2020	Jonathan Krieger	0.30	Correspondence re: matters related to registration; Correspondence from counsel.
April 28, 2020	Jason Kanji	1.20	Correspond with Tenants re: closing and rent; Review closing materials.
April 29, 2020	Jonathan Krieger	0.50	Correspondence with team; Call with counsel re: considerations re: distribution.
April 29, 2020	Jason Kanji	1.00	Correspond with tenants re: closing; Review of Realtors invoice and call about the same; Review closing materials.
April 29, 2020	Valerie Naccarato	0.30	General filing administration.
April 30, 2020	Jason Kanji	0.50	Review of finalization of Security Opinion.
April 30, 2020	Jonathan Krieger	1.00	Correspondence re: matters related to Registry issues; Review and execution of closing documents.
May 1, 2020	Jonathan Krieger	1.00	Review of statement of adjustments; Correspondence with team re: review of closing documents; Correspondence re: matters related to sale completion.

Date	Full Name	Hours	Detail
May 1, 2020	Jason Kanji	0.50	Review flow of funds; Coordinate signing on return of closing documents.
May 4, 2020	Jason Kanji	0.80	Review and finalize closing matters.
May 5, 2020	Rosa Wilford	0.20	Review internal instructions; Provide wire instructions to team; General banking administration.
May 5, 2020	Valerie Naccarato	0.30	Follow internal email instructions, prepared deposit requisition form.
May 5, 2020	Jason Kanji	3.10	General closing matters; Correspond with Real Estate agent re: FinTrac matters
May 6, 2020	Valerie Naccarato	0.60	General banking administration; Deposit at bank.
May 6, 2020	Rosa Wilford	1.00	Review internal email instructions from team re Banking: On-line banking; Review account for expecting wire: Review mail; Prepare receipt and disbursement requisition forms; Post deposit and eft entries; Email team notification of wire. General banking administration.
May 6, 2020	Jason Kanji	1.00	Call with legal counsel and locksmith to discuss garage access; General banking matters.
May 7, 2020	Jason Kanji	1.00	Coordinate and finalize the transfer of keys over to owner along with finalizing locksmith arrangements to open garage door. Correspond with legal counsel re: the same.
May 8, 2020	Valerie Naccarato	0.60	General banking administration; Deposit at bank.
May 11, 2020	Valerie Naccarato	0.20	General banking administration.
May 11, 2020	Rosa Wilford	0.70	Review mail re Banking; Prepare requisition forms; Post deposit entries; General banking administration.
May 12, 2020	Jason Kanji	0.50	Correspond with Gowlings and Chaitons on payout statements, General banking matters.
May 13, 2020	Rosa Wilford	0.60	Review internal email instructions from team re Banking: Review payment request; Review account ledger; Prepare disbursement requisition forms; Setup accrual; Email team for approval of wire payment; General banking administration.
May 13, 2020	Jason Kanji	0.20	Correspond with Gowlings and arrange for payment of mortgage
May 13, 2020	Rania Erian	0.50	Matters related to case website.

Time Summary

J. Krieger, Sr. Vice President	18.20	hours @	$595.00	per hour	$	10,829.00
J. Kanji, Manager	36.70	hours @	$295.00	per hour	$	10,826.50
R. Wilford, Manager	5.80	hours @	$275.00	per hour	$	1,595.00
R. Erian, Analyst	0.90	hours @	$145.00	per hour	$	130.50
V. Naccarato, Analyst	3.30	hours @	$145.00	per hour	$	478.50
	64.90				$	23,859.50
5% Administration and Technology fees					$	1,192.98
					$	25,052.48
HST @13%					$	3,256.82
Total Due					**$**	**28,309.30**

Court File No. CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

GRANT THORNTON LIMITED
In its capacity as court-appointed Receiver of
MONEY GATE MORTGAGE INVESTMENT CORPORATION

Applicant

- and -

2450531 ONTARIO LIMITED

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY AST,* R.S.C. 1985, c.B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT,* R.S.O. 1990, c.c.43, AS AMENDED

BILL OF COSTS

BN 12738 4717 RT0001
Client #254817
Invoice#LSON-6600

To professional services rendered as Receiver for the period from May 14, 2020 to July 31, 2020.

Date	Full Name	Hours	Detail
May 14, 2020	Jonathan Krieger	0.80	Correspondence with accounting re: Euclid matters; Correspondence from counsel.
May 14, 2020	Rosa Wilford	0.60	Email correspondences to and from Bank for authorization of transfer; Fax; Posting entries; Email wire confirmation to team. General banking administration.
May 15, 2020	Valerie Naccarato	0.20	General banking administration.
May 19, 2020	Jonathan Krieger	0.30	Matters related to reconciliation re: Euclid.
May 20, 2020	Jason Kanji	0.50	General banking matters.

Date	Full Name	Hours	Detail
May 20, 2020	Rosa Wilford	2.50	Review internal email instructions from team re Banking; Review various payment requests: Review account ledger; Prepare disbursement requisition forms; Post invoice entries; Issue cheques; Prepare wires; Bank letters; Setup accrual payments; Notify authorized signing officers for approvals; Respond to emails; General banking administration.
May 20, 2020	Valerie Naccarato	0.10	General banking administration.
May 21, 2020	Rosa Wilford	0.50	Prepare bank letters; Setup accrual payments; Notify authorized signing officers for approvals; Respond to emails; General banking administration.
May 22, 2020	Rosa Wilford	1.00	Multiple correspondences to and from Bank for authorization of various wire transfers/confirmations; Faxes; Emails; Post disbursement and payment entries; Provide team with wire confirmations; General banking administration.
May 22, 2020	Valerie Naccarato	0.20	General banking administration.
May 25, 2020	Jason Kanji	0.50	Calls with investors on update of file; Call with legal counsel re: Court date and update on Steeles property.
June 4, 2020	Valerie Naccarato	0.70	General banking administration.
June 5, 2020	Jason Kanji	0.50	Calls with Toronto Hydro and Payam re: Toronto Hydro Billing.
June 8, 2020	Valerie Naccarato	0.10	Review internal instructions from team; Assist with preparing payment requests; General administration.
June 9, 2020	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Notify authorized signing officers for approval; Provide supporting documentation; Email; Post payment entries; Issue cheque; General banking administration.
June 12, 2020	Valerie Naccarato	0.20	General banking administration.
June 15, 2020	Rosa Wilford	0.30	On-line banking; Review estate bank account; Post EFT entries; and reconcile May statement.
June 21, 2020	Rosa Wilford	0.10	Review banking reports and approve monthly estate balances.
July 10, 2020	Jonathan Krieger	0.60	Correspondence with team re: matters related to file completion, outstanding utilities, matters related to final reporting.

Date	Full Name	Hours	Detail
July 19, 2020	Rosa Wilford	0.10	Review banking reports and approve monthly estate balances.
July 22, 2020	Jason Kanji	1.00	Prepare final R&D, 246(2)s and 246(3) reports; Closing matters with file.
July 28, 2020	Valerie Naccarato	0.20	On-line banking; Print screens; Review estate bank account and reconcile June statement.
July 29, 2020	Valerie Naccarato	0.20	General banking administration.

Time Summary

J. Krieger, Sr. Vice President	1.70	hours @	$595.00 per hour	$	1,011.50
J. Kanji, Manager	2.50	hours @	$295.00 per hour	$	737.50
R. Wilford, Manager	5.40	hours @	$275.00 per hour	$	1,485.00
V. Naccarato, Analyst	1.90	hours @	$145.00 per hour	$	275.50
	11.50			$	3,509.50
5% Administration and Technology fees				$	175.48
				$	3,684.98
HST @13%				$	479.05
Total Due				**$**	**4,164.03**

Court File No. CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

GRANT THORNTON LIMITED
In its capacity as court-appointed Receiver of
MONEY GATE MORTGAGE INVESTMENT CORPORATION

Applicant

- and -

2450531 ONTARIO LIMITED

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY AST,* R.S.C. 1985, c.B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT,* R.S.O. 1990, c.c.43, AS AMENDED

BILL OF COSTS

BN 12738 4717 RT0001
Client #254817
Invoice#LSON-6824

To professional services rendered as Receiver for the period from August 1, 2020 to September 30, 2020.

Date	Full Name	Hours	Detail
September 3, 2020	Valerie Naccarato	0.10	General banking administration.
September 9, 2020	Valerie Naccarato	0.10	General banking administration.
September 10, 2020	Rosa Wilford	0.30	On-line banking; Review estate bank account; Post EFT entries; and reconcile August statement.
September 21, 2020	Rania Erian	0.80	File 246(2) notices with the OSB and administration matters.

Time Summary

R. Wilford, Manager	0.30	hours @	$275.00 per hour	$	82.50
R. Erian, Analyst	0.80	hours @	$145.00 per hour	$	116.00
V. Naccarato, Analyst	0.20	hours @	$145.00 per hour	$	29.00
	1.30			$	227.50
5% Administration and Technology fees				$	11.38
				$	238.88
HST @13%				$	31.05
Total Due				**$**	**269.93**

Exhibit "**B**" to the Affidavit of Jonathan Krieger, sworn before me this 29th day of October 2020.

A Commissioner, etc.

Daniel Kenneth Wootton, a Commissioner, etc.
Province of Ontario
for Grant Thornton Limited
Expires April 06, 2022

Exhibit "B"

293 Euclid Avenue, Toronto, Ontario
Summary of Billings
March 23, 2020 to September 30, 2020

Date	Hours		Fees	Disbursements		Subtotal		HST		Total
March 23, 2020 to May 13, 2020	64.90	$	25,052.48	$	-	$ 25,052.48	$	3,256.82	$	28,309.30
May 14, 2020 to July 31, 2020	11.50	$	3,684.98	$	-	$ 3,684.98	$	479.05	$	4,164.03
August 1, 2020 to September 30, 2020	1.30	$	238.88	$	-	$ 238.88	$	31.05	$	269.93
	77.70	**$**	**28,976.34**	**$**	**-**	**$ 28,976.34**	**$**	**3,766.92**	**$**	**32,743.26**

Average Hourly Rate: 372.93

Court File No. CV-19-00628085-00CL

GRANT THORNTON LIMITED in its capacity as Court-appointed Receiver of MONEY GATE INVESTEMENT CORPORATION

Applicant

- and -

2450531 ONTARIO LTD.

Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

AFFIDAVIT OF JONATHAN KRIEGER

CHAITONS LLP
5000 Yonge Street
10th Floor
Toronto, ON M2N 7E9

Maya Pollak (LSO#54100A)
Tel: 416-218-1161
Fax: 416-218-1844
maya@chaitons.com

Lawyers for the Court-appointed Receiver, Grant Thornton Limited

APPENDIX 11

Court File No. CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N

GRANT THORNTON LIMITED,
in its capacity as Court-Appointed Receiver of
MONEY GATE MORTGAGE INVESTMENT CORPORATION

Applicant

- and -

2450531 ONTARIO LIMITED

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c.B-3 AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c.C.43, AS AMENDED

AFFIDAVIT OF SAM RAPPOS
(sworn October 28, 2020)

I, SAM RAPPOS, of the City of Markham, in the Province of Ontario **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a partner with the law firm of Chaitons LLP (“**Chaitons**”), lawyers for Grant Thornton Limited in its capacity as court-appointed receiver (the “**Receiver**”) of the property municipally known as 293 Euclid Avenue, Toronto, Ontario, and as such have knowledge of the matters to which I hereinafter depose

2. Attached hereto as the following exhibits are copies of the following accounts issued by Chaitons to the Receiver for the time period commencing March 23,2020 and ending May 14, 2020, totalling $32,202.14 (comprised of fees of $28,040.00, disbursements of $496.74 and HST of $3,665.40) with respect to this proceeding:

(a) **Exhibit "A"** – account for the period from March 23, 2020 up to and including March 31, 2020;

(b) **Exhibit "B"** – account for the period from April 1, 2020 up to and including April 30, 2020;

(c) **Exhibit "C"** – account for the period from April 27, 2020 up to and including May 14, 2020;

3. Attached hereto as **Exhibit "D"** is a summary of additional information with respect to the accounts referred to in paragraph 2 above, indicating all members of Chaitons who have worked on this matter, their year of call to the bar, total time charged and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

4. I confirm that the accounts described in paragraph 2 above accurately reflect the services provided by Chaitons in this matter and the fees and disbursements claimed by it from March 23, 2020 to May 14, 2020.

SWORN before me at the City of Toronto, in the Province of Ontario, this 28th day of October, 2020	)))))	
A Commissioner, etc.		**SAM RAPPOS**

THIS IS EXHIBIT "A" TO
THE AFFIDAVIT OF
SAM RAPPOS
SWORN BEFORE ME THIS 28TH
DAY OF OCTOBER, 2020

A Commissioner Etc.

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9
www.chaitons.com

Chaitons LLP

INVOICE NUMBER: 275892

March 31, 2020

GRANT THORNTON LIMITED
200 KING STREET WEST
11TH FLOOR, BOX 11
TORONTO, ONTARIO, M5H 3T4

Re: **2450531 ONTARIO LIMITED (EUCLID PROPERTY)**
Our file: 006588-64902

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including March 31, 2020:

PROFESSIONAL FEES		
SUBJECT TO HST	$12,063.00	
SUB-TOTAL		$12,063.00
DISBURSEMENTS		
NON TAXABLE	$22.90	
SUBJECT TO HST	$48.90	
SUB-TOTAL		$71.80
HST at 13.00%		$1,574.55
GRAND TOTAL		**$13,709.35**

Amount payable on the current invoice	$13,709.35
Plus outstanding invoices on this matter	$5,407.61
Amount Due	**$19,116.96**
Trust Balance	$75,000.00

HST No R124110933

INVOICE NUMBER: 275892

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#4750417v1

PROFESSIONAL FEES:

Mar 23, 20	MP	Review and revise draft report; conference calls with A. Krancevic, R. Brosseau and J. Kanji regarding security opinion;
Mar 23, 20	DT	Transcription of the endorsement by Justice Penny dated November 25, 2019;
Mar 24, 20	MP	Review and revise draft report; revise security opinion; draft form of order; draft notice of motion; email correspondence with E. Lake regarding LRO;
Mar 24, 20	AMK	Review of draft order prepared by M. Poliak in connection with the correction of the legal name of the registered title holder;
Mar 25, 20	MP	Review and revise draft report; revise security opinion; draft orders; finalize notice of motion and prepare materials for service; conference calls and email correspondence regarding correcting title;
Mar 25, 20	DT	Attempted phone calls and phone conversation with Julie from the York Region Land Registry Office regarding proposed language for the Order correcting issues on title;
Mar 26, 20	MP	Review and revise draft report; finalize materials for service; email correspondence with counsel for the purchaser;
Mar 27, 20	MP	Email correspondence with counsel for the purchaser regarding closing; email correspondence and calls regarding materials;
Mar 30, 20	MP	Review and finalize orders; email to Commercial Court regarding filing of materials; email correspondence with J. Hainey;
Mar 31, 20	MP	Finalize orders;

TOTAL PROFESSIONAL FEES	**$12,063.00**
HST at 13.00%	1,568.19

HST No R124110933

INVOICE NUMBER: 275892

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

DISBURSEMENTS:

Subject to HST:	Teraview Charges Taxable	$48.90	
			$48.90
Non-Taxable:	Teraview Charges Non-taxable	$22.90	
			$22.90

TOTAL DISBURSEMENTS	**$71.80**
HST at 13.00%	6.36
GRAND TOTAL	**$13,709.35**

CHAITONS LLP

per: ______________________
Maya Poliak

HST No R124110933

INVOICE NUMBER: 275892

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, Interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

LAWYERS' SUMMARY:

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
MAYA POLIAK	$540.00	21.70	$11,718.00
ALEXANDRA KRANCEVIC	$325.00	0.20	$65.00
DANA TALUCCI	$200.00	1.40	$280.00
Total:		23.30	$12,063.00

THIS IS EXHIBIT "B" TO
THE AFFIDAVIT OF
SAM RAPPOS
SWORN BEFORE ME THIS 28TH
DAY OF OCTOBER, 2020

A Commissioner Etc.

Chaitons LLP

INVOICE NUMBER: 276183

April 30, 2020

GRANT THORNTON LIMITED
200 KING STREET WEST
11TH FLOOR, BOX 11
TORONTO, ONTARIO, M5H 3T4

Re: 2450531 ONTARIO LIMITED (EUCLID PROPERTY)
Our file: 006588-64902

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including April 30, 2020:

PROFESSIONAL FEES		
SUBJECT TO HST	$9,854.50	
SUB-TOTAL		$9,854.50
DISBURSEMENTS		
NON TAXABLE	$135.84	
SUB-TOTAL		$135.84
HST at 13.00%		$1,281.09
GRAND TOTAL		**$11,271.43**

Amount payable on the current invoice	$11,271.43
Plus outstanding invoices on this matter	$19,116.96
Amount Due	**$30,388.39**
Trust Balance	$75,000.00

HST No R124110933

INVOICE NUMBER: 276183

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

PROFESSIONAL FEES:

Apr 1, 20	MP	Email correspondence with service list regarding upcoming motion; email correspondence and calls with A. Wygodny regarding distributions to MGMIC; conference call with J. Kanji regarding draft supplement; call with D. Emami; review and revise draft supplemental report;
Apr 3, 20	MP	Review Endorsement of J. Hainey; email correspondence with client regarding same; email correspondence and calls with E. Lake and A. Kracevic regarding correcting title issues;
Apr 3, 20	AMK	Various e-mail communication in respect of the proposed application to amend name - owner;
Apr 6, 20	MP	Email correspondence with commercial court regarding entering of orders; email to service list;
Apr 6, 20	DT	Transcription of Justice Hainey's April 3, 2020 endorsement;
Apr 7, 20	MP	Email to Service List with entered orders; call with R. Brosseau regarding security opinion;
Apr 8, 20	MP	Email correspondence with J. Krieger regarding security opinion;
Apr 13, 20	MP	Email correspondence with counsel for the purchaser regarding closing;
Apr 14, 20	MP	Email correspondence with A. Krancevic, D. Marr and counsel for the purchaser regarding closing;
Apr 14, 20	AMK	E-mail communication with D. Marr and M. Poliak in respect of the preparation of an amendment to the agreement of purchase and sale;
Apr 15, 20	AMK	Review of and revisions to the amendment to the purchase agreement; various communications with D. Marr in connection therewith; review of PIN in light of the recent application to amend; e-mail communication with E. Lake in connection therewith;
Apr 16, 20	AMK	Preparation of the draft closing documents; various e-mail communication with D. Marr in respect of the receipt of the amendment to the agreement of purchase and sale;

Apr 16, 20	AMK	E-mail communication to the LRO in respect of the correction to the name of the registered owner on title to the property;
Apr 16, 20	PCS	To receipt of instructions of A. Krancevic; to requesting for online tax and water certificates;
Apr 20, 20	AMK	Telephone communication with the Land Registry Office in respect of the application to change name - owner; e-mail communication with M. Poliak in respect thereof; e-mail communication with the Land Registry office in respect thereof;
Apr 24, 20	AMK	Review of and further revision to the draft closing documents; e-mail communication to J. Kwan requesting certain information in respect of the residential tenants, including information relating to rental arrears; e-mail communication to D. Marr instructing him to review the draft documents aforesaid;
Apr 24, 20	AMK	Review of the application for vesting order; review of and revisions to the statement of adjustments;
Apr 24, 20	PCS	To receipt of instructions from A. Krancevic; to preparation of the draft Statement of Adjustments and the Application for Vesting Order; to e-mail communication to A. Krancevic for the review of the same;
Apr 27, 20	MP	Conference calls and email correspondence with J. Krieger, J. Kanji, R. Brosseau, K. Ho and H. Chaiton regarding security opinion;
Apr 27, 20	AMK	Telephone communication with M. Poliak in respect of the issuance of the security opinion subject to the typographical error in the name of the borrower; e-mail communication with J. Kwan in respect of the rent roll provided;
Apr 27, 20	AMK	E-mail communication to D. Bourassa enclosing various e-mails summarizing the PIN correction matter;
Apr 27, 20	PCS	To receipt of rent roll information and to updating Statement of Adjustments reflecting the tenancies; to preparation of the Flow of Funds;
Apr 27, 20	PCS	To preparation of the change of ownership/final meter reading letters;
Apr 28, 20	MP	Calls with Gowlings and Dentons regarding security opinion; conference with D. Bourassa regarding letter to director of titles;

Apr 28, 20	AMK	Further revisions o the documents; e-mail communication to the purchaser's solicitors enclosing same; telephone communication with M. Poliak in respect of the correction to title; review of letter correspondence from M. Poliak to J. Lem in respect thereof; review of the draft statement of adjustments;
Apr 28, 20	PCS	To receipt of instructions from A. Krancevic with the pre-paid rental amounts; to e-mail to J. Kanji requesting confirmation of interest being paid on pre-paid rents to the purchaser and advising to contact utilities for final meter readings; to receipt of e-mail from J. Kanji; to updating Statement of Adjustments and to e-mail communication with A. Krancevic for review; to messaging Application for Vesting Order to D. Sobeih;
Apr 29, 20	AMK	Review of the Approval and Vesting Order in respect of the pay out of Home Trust;
Apr 30, 20	AMK	E-mail communication to J. Kanji enclosing the documents for execution by J. Krieger; communication with J. Kanji in respect thereof; telephone communication with D. Bourassa in respect of the correction to title; preparation of the draft application to amend based on court order in connection therewith;
Apr 30, 20	AMK	To review of the flow of funds; to e-mail communication to J. Kanji enclosing same;
Apr 30, 20	PCS	To e-mail to Re/Max Hallmark requesting their accounting information for wire transfer of commission fees;
Apr 30, 20	PCS	To receipt of the Commission Invoice and to updating the Flow of Funds with the fee amount; to e-mail communication to A. Krancevic for the review of the same;

TOTAL PROFESSIONAL FEES	**$9,854.50**
HST at 13.00%	1,281.09

DISBURSEMENTS:

Non-Taxable:

	Tax Certificate(s) Non-taxable	$70.02	
	General Non-taxable	$53.87	
	Teraview Charges Non-taxable	$11.95	
			$135.84

TOTAL DISBURSEMENTS **$135.84**

GRAND TOTAL **$11,271.43**

CHAITONS LLP

per: ____________________
Maya Poliak

LAWYERS' SUMMARY:

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
MAYA POLIAK	$540.00	11.30	$6,102.00
ALEXANDRA KRANCEVIC	$325.00	7.90	$2,567.50
DANA TALUCCI	$200.00	0.70	$140.00
CAMELIA SINGH	$190.00	5.50	$1,045.00
Total:		25.40	$9,854.50

**THIS IS EXHIBIT "C" TO
THE AFFIDAVIT OF
SAM RAPPOS
SWORN BEFORE ME THIS 28TH
DAY OF OCTOBER, 2020**

A Commissioner Etc.

Chaitons LLP

INVOICE NUMBER: 276339

May 14, 2020

GRANT THORNTON LIMITED
200 KING STREET WEST
11TH FLOOR, BOX 11
TORONTO, ONTARIO, M5H 3T4

Re: **2450531 ONTARIO LIMITED (EUCLID PROPERTY)**
Our file: 006588-64902

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including May 14, 2020:

PROFESSIONAL FEES		
SUBJECT TO HST	$6,122.50	
SUB-TOTAL		$6,122.50
DISBURSEMENTS		
NON TAXABLE	$182.65	
SUBJECT TO HST	$106.45	
SUB-TOTAL		$289.10
HST at 13.00%		$809.76
GRAND TOTAL		**$7,221.36**

Amount payable on the current invoice	$7,221.36
Plus outstanding invoices on this matter	$30,388.39
Amount Due	**$37,609.75**

PROFESSIONAL FEES:

Apr 27, 20	DB	Discussions with M. Poliak re: LRO issues and inability to obtain security opinion; Contact LRO to address issue; Review documents; Telephone call with A. Krancevic re: LRO contacts;
Apr 28, 20	DB	Discussions with M. Poliak re: letter to Director of Titles; Review and review draft correspondence;
Apr 28, 20	DM	To review closing documents and provided editing comments about potential revisions
Apr 29, 20	DB	Discussions with M. Poliak re: status of Dentons opinion and alternatives in the event the LRO cannot assist;
Apr 30, 20	DB	E-mails to and from LRO re: potential solution to change in charge; Discussions with M. Poliak and A. Krancevic re: application to amend; Review draft application; E-mail to W. Griffin at LRO re: draft application to amend;
May 1, 20	DB	E-mails to and from real estate solicitors re: registration of application to amend names; E-mail to LRO re: agreed-upon terms of registration concluded;
May 1, 20	MP	Email correspondence regarding security opinion, LRO and corrections to title;

May 1, 20	RA	Receipt and review of e-mail from R. Miller; review of e-mail exchange amongst D. Bourassa and W. Griffin (Deputy Director of Titles); receipt and review of e-mail from A. Krancevic; review of Teraview Application to Amend Court Order; review of Order issued by Justice Hainey dated April 3, 2020; review and revision of law statements in accordance with Order of Justice Hainey dated April 3, 2020; preparation of e-mail circulating Application to Amend Court Order for review and approval; receipt of e-mail providing confirmation to proceed with registration of Application to Amend Court Order; preparation of e-mail circulating Registered Application to Amend Court Order; receipt and review of message from Land Registry Office; receipt and review of e-mail from D. Bourassa; review and revision of Registered Application to Amend Court Order; preparation of e-mail to D. Bourassa circulating revised Application to Amend Court Order;
May 4, 20	DB	Coordinate with LRO re: certification of instrument re: name of mortgagor on Euclid property;
May 4, 20	AMK	Review of and e-mail communication with the purchaser's solicitors in connection with the statement of adjustment; telephone communication with J. Kanji in respect thereof; e-mail communication to the purchaser's solicitors enclosing the draft closing documents of the vendor; further review of the revised statement of adjustment and revised flow of funds; e-mail communication to J. Kanji enclosing same; e-mail communication to M. Poliak in respect of the discharge of the recently registered order;
May 4, 20	AMK	E-mail communication to M. Poliak in respect of the court order registered on May 1, 2020;
May 4, 20	DM	To conduct research of residential tenancies act and requirements for landlords to pay interest on pre-paid rental deposits;
May 4, 20	PCS	To telephone call to City of Toronto Tax and Water Department but unable to obtain updated arrears amounts; to updating Flow of Funds with tax and water arrears including penalties for May and to e-mail communication with A. Krancevic informing of the same;

May 4, 20	PCS	To receipt of instructions from A. Krancevic; to e-mail to J. Kanji with regards to confirmation of prepaid rental amount for the Whitney tenancy; to amending Statement of Adjustments changing tenancy adjustments from 4 days to 5 days; to review of the interest on pre-paid rental amounts and to making an adjustment for the same on the Statement of Adjustments; to updating the Flow of Funds; to e-mail communication to A. Krancevic for the review of the same;
May 5, 20	AMK	Various e-mail communication with J. Kanji and the purchaser's solicitors in respect of closing; review of the receipted closing documents circulated by the purchaser's solicitors; preparation of the Receiver's Certificate for circulation in connection with closing; review of various wire confirmations following closing;
May 5, 20	PCS	To e-mail communication to accounting with regards to the expected funds from vendor's solicitor; to preparation of the file for funding to net sale proceeds, commission fee and tax and water arrears payments; to e-mail communication to A. Krancevic for the review of the same; to receipt of Grant Thornton's accounting information and to updating wire requisition form with the same; to e-mail communication to R. Miller and P. Taylor for signatures; to e-mail communication to accounting for the wiring of funds and preparation of trust cheques; to confirming vendor's HST registration number; to obtaining updated PIN abstract; to e-mail to J. Kanji enclosing confirmation of the wire transfer of sale proceeds and e-mail to Re/Max Hallmark with wire transfer of commission fees;
May 6, 20	AMK	Reporting on the file; e-mail communication between the Purchaser's solicitors and J. Kanji in respect of the location of the keys to the garage door;
May 6, 20	PCS	To email of the City of Toronto change of ownership/final meter reading letters;
May 7, 20	AMK	E-mail communication to the purchaser's solicitors in respect of the status of the garage door;

May 7, 20	PCS	To preparation of the cover letter for the City of Toronto Tax and Water arrears payments;
May 11, 20	PCS	To e-mail communication with A. Krancevic and C. Wilson with regards to the City of Toronto not taking any in-person delivery nor courier; to updating cover letter for the Tax & Water payments being sent via ordinary mail;

TOTAL PROFESSIONAL FEES	**$6,122.50**
HST at 13.00%	795.93

DISBURSEMENTS:

Subject to HST:	Teraview Charges Taxable	$30.60	
	Teranet Fee Taxable	$10.85	
	Teranet Electronic Registration Fee Taxable	$65.00	
			$106.45
Non-Taxable:	Registration/Filing Fee(s) Non-taxable	$65.05	
	Teraview Charges Non-taxable	$17.60	
	Bank Service Charges Non-taxable	$100.00	
			$182.65

TOTAL DISBURSEMENTS	**$289.10**
HST at 13.00%	13.84
GRAND TOTAL	**$7,221.36**

HST No R124110933

INVOICE NUMBER: 276339

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

CHAITONS LLP

per: ______________________
Maya Poliak

LAWYERS' SUMMARY:

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
DOUG BOURASSA	$550.00	6.00	$3,300.00
MAYA POLIAK	$540.00	0.30	$162.00
ALEXANDRA KRANCEVIC	$325.00	3.50	$1,137.50
RYAN ALVES	$295.00	1.00	$295.00
DARREN MARR	$200.00	1.20	$240.00
CAMELIA SINGH	$190.00	5.20	$988.00
Total:		17.20	$6,122.50

THIS IS EXHIBIT "D" TO
THE AFFIDAVIT OF
SAM RAPPOS
SWORN BEFORE ME THIS 28TH
DAY OF OCTOBER, 2020

A Commissioner Etc.

SUMMARY

Lawyer	Year of Call	Hours Billed	Hourly Rate	Amount Billed
Maya Poliak	2007	33.3	$540.00	$17,982.00
Doug Bourassa	2005	6.00	$550.00	$3,300.00
Alexandra Krancevic	2017	11.60	$325.00	$3,770.00
Ryan Alves	2018	1.00	$295.00	$295.00
Darren Marr	Articling Student	1.20	$200.00	$240.00
Dana Talucci	Articling Student	2.10	$200.00	$420.00
Camelia Singh	Law Clerk	10.70	$190.00	$2,033.00
Total Hours and Amounts Billed		**65.90**		**$28,040.00**
Average Hourly Rate			**$425.49**	
Total Disbursements				**$496.74**
Total Taxes (HST)				**$3,665.40**
TOTAL				**$32,202.14**

GRANT THORNTON LIMITED
Applicant

-and-

2450531 ONTARIO LIMITED
Respondent

Court File No. CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

AFFIDAVIT OF SAM RAPPOS

CHAITONS LLP
Barristers & Solicitors
5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9

Maya Poliak (54100A)
Tel : (416) 218-1161
Fax: (416) 218-1844

Lawyers for the Applicant

APPENDIX 12

Court File No.: CV-19-00628085-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

GRANT THORNTON LIMITED in its capacity as Court-appointed Receiver of MONEY GATE MORTGAGE INVESTMENT CORPORATION

Applicant

-and-

2450531 ONTARIO LIMITED

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

AFFIDAVIT OF RENÉE BROSSEAU
(Affirmed October 27, 2020)

I, **RENÉE BROSSEAU**, of the City of Toronto, in the Province of Ontario, **SOLEMNLY AFFIRM AND SAY AS FOLLOWS:**

1. I am a Partner with Dentons Canada LLP ("**Dentons**"), as such, I have knowledge of the matters to which I hereinafter depose.

2. On November 25, 2019 Grant Thornton Limited was appointed as receiver over the property known municipally as 293 Euclid Avenue, Toronto (the "**Receiver**").

3. The Receiver retained Dentons as counsel to advise it with regard to the matters related to its appointment and the exercise of its powers and performance of its duties.

4. The Dentons fees and disbursements for the period of February 24, 2020 to March 25, 2020, (the "**Fee Period**"), are summarized in the invoice rendered to the Receiver (the "**Invoice**"). The Invoice is a fair and accurate description of the services provided, the disbursements incurred and the amounts charged by Dentons. I am advised by the Receiver that it has reviewed the Invoice and that it considers the fees and disbursements as fair and reasonable. Attached and marked as **Exhibit "A"** is the Invoice.

5. Attached and marked as **Exhibit "B"** is a schedule summarizing the Invoice, the total billable hours charged, the total fees charged along with the average hourly rate charged.

6. Attached and marked as **Exhibit "C"** is a schedule summarizing the respective years of call and standard billing rates of each of the solicitors at Dentons who acted for the Receiver during the Fee Period.

7. The Dentons rates and disbursements are consistent with those in the market for these types of matters and have been previously approved by this Honourable Court in similar proceedings.

8. I make this affidavit in support of the motion for, among other things, approval of the fees and disbursements of Dentons and for no other or improper purpose.

AFFIRMED before me in the City of Toronto in the Province of Ontario, on the 27th day of October, 2020.

J. Steven Brude

A Commissioner for Taking Affidavits, etc.

RENÉE BROSSEAU

THIS IS EXHIBIT "A" REFERRED TO IN THE AFFIDAVIT OF RENÉE BROSSEAU AFFIRMED BEFORE ME THIS [illegible] DAY OF OCTOBER, 2020

A Commissioner for Taking Affidavits, etc.

大成 DENTONS

Dentons Canada LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON, Canada M5K 0A1

T 416 863 4511
F 416 863 4592

大成Salans FMC SNR Denton McKenna Long
dentons.com

Grant Thornton LLP
19th Floor, Royal Bank Plaza South Tower
200 Bay Street, Box 55
Toronto, ON M5J 2P9
Attention: Jonathan Krieger
Senior Vice President

INVOICE # 3499875

GST/HST # R121996078
QST # 1086862448 TQ 0001

Date	**Matter Number**	**Lawyer**
April 9, 2020	**206371-000032**	**Renée Brosseau**

Grant Thornton LLP
Re: Security Review - 293 Euclid Avenue, Toronto

Professional Fees	$	8,357.87
Disbursements		49.20
HST (13.0%) on $8,407.07		1,092.92
Total Amount Due	**$**	**9,499.99 CAD**

Payment Options:

Cheques:
Cheques payable to Dentons Canada LLP and mailed to the above noted address.

Internet Banking:
Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 206371. Please email us at Edm.Accounting@dentons.com referencing invoice number and payment amount.

Wire Transfer:
Bank of Montreal
1st Canadian Place, Toronto, ON
Swift Code: BOFMCAM2
Bank ID: 001 Transit: 00022
CAD Funds Bank Account : 0004-324

Interac e-Transfer:
e-Transfer funds to AR.Canada@dentons.com referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to AR.Canada@dentons.com in separate email.

Credit Card:
Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).
Card No.____________________ Expiry Date: __________ Card Verification Code (CVC): ________
Amount: ______________ Cardholder Name: ________________________
Signature: ____________________________________

Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.
Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

Date	ID	Description of Work	Hours
24-Feb-20	DA	Review security. Prepare draft opinion.	2.2
25-Feb-20	EC	Complete review of the relevant real property and security documentation. Complete review of the Application Record.	1.5
25-Feb-20	AIJM	Subsearch on Teraview for Esme Cragg.	0.5
25-Feb-20	KRW	Emails in connection with issues surrounding title to the Euclid property.	0.9
26-Feb-20	SKH	Telephone call with Kori Williams. Reviewing parcel register and noting issues. Providing initial concerns to Kori Williams and outline of approach.	0.6
26-Feb-20	KRW	Emails and office conferences among working group in connection with opinion and outline next steps for client and issues list.	1.1
26-Feb-20	RB	Considering suffix registration issue and practical solution for same re Teraview.	0.9
27-Feb-20	LR	Telephone attendance with Renée Brosseau regarding possible error of registered owner on Parcel Register with respect to Transfer and Charge. Confer with Land Registry Office clerk. Email to Renée Brosseau regarding registration of Application to Change Name-Owner relating to correct name of registered owner, registration of Application to Change Name-Instrument to correct name of Money Gate and other matters.	1.4
27-Feb-20	SKH	Considering email from Renée Brosseau re approach to correct issue to permit security review. Email exchanges with Renée Brosseau.	0.2
27-Feb-20	KRW	Research issues surrounding main changes in connection with owners of real property. Telephone calls with Renee Brosseau and Danijel Augustinovic. Telephone calls with Grant Thornton and Chaitons.	2.2
27-Feb-20	RB	Develop solution for transfer issue / suffix error including evidence to elicit. Strategy call with counsel for the receiver and the receiver outlining solution and next steps.	0.8
28-Feb-20	KRW	Review cases on rectifications under the Land Titles Act and the OBCA. Call with Grant Thornton and Chaitons.	1.1
16-Mar-20	KRW	Email correspondence from Chaitons.	0.1
16-Mar-20	RB	Reviewing and responding to email from Maya Poliak.	0.1
17-Mar-20	KRW	Email correspondence from Renee Brosseau in connection with contingent opinion	0.1
18-Mar-20	SKH	Email exchanges on contingent opinion.	0.2
18-Mar-20	KRW	Email correspondence from Renee Brosseau in connection with opinion. Emails to and from Danijel Augustinovic in connection with same.	0.4

Date	ID	Description of Work	Hours
18-Mar-20	DA	Prepare security opinion.	1.2
18-Mar-20	RB	Reviewing email from Maya Poliak re opinion. Conferring with Kori Williams and Sonja Homenuck re contingent opinion and necessary qualifications. Drafting email to Maya Poliak re approach for vesting order given exigent circumstances. Reviewing email from Maya Poliak requesting our assistance on the land titles submission.	0.6
20-Mar-20	SKH	Reviewing email from Danijel Augustinovic and opinion language. Email exchanges with Renée Brosseau on same.	0.2
20-Mar-20	KRW	Emails in connection with security review. Review same.	0.4
20-Mar-20	DA	Review and revise opinion	2.0
23-Mar-20	SKH	Email exchanges with Danijel Augustinovic on opinion matters.	0.2
23-Mar-20	KRW	Numerous calls and emails with Danijel Augustinovic in connection with revisions to the security opinion. Review PINs. Emails to and from Chaitons LLP.	1.1
23-Mar-20	DA	Review and revise security opinion. Various correspondence regarding same.	0.9
23-Mar-20	RB	Reviewing draft opinion and revising for appeal. Quick call with counsel to the receiver and the receiver re Co-VID related issues with registry and contingency plan.	0.6
24-Mar-20	SKH	Reviewing requested changes by Receiver counsel to the contingent opinion and considering same.	0.1
24-Mar-20	RB	Reviewing email from receiver counsel re report draft wording on distribution, considering name and noting it must respect the language used in the contingent opinion.	0.2
25-Mar-20	KRW	Emails in connection with opinion and the stay of the appeals periods. Emails in connection with finalization of opinion.	0.5
		Total	**22.3**

ID	Timekeeper	Location	Title	Fees
ALJM	Alison McCormick	Toronto	Paralegal	100.00
DA	Danijel Augustinovic	Toronto	Associate	2,520.00
DL	Daniel Loberto	Toronto	Student	580.00
EC	Esme Cragg	Toronto	Associate	960.00
KRW	Kori Williams	Toronto	Partner	5,040.00
LR	Lopa Raulino	Toronto	Paralegal	380.00
RB	Renée Brosseau	Toronto	Partner	2,400.00
SKH	Sonja Homenuck	Toronto	Partner	900.00
	Total			**$12,880.00**

TOTAL PROFESSIONAL FEES	**$ 12,880.00**
Less Time Written Off ($1,820)	
Less Discount ($2,702.13)	**(4,522.13)**
NET PROFESSIONAL FEES	**$ 8,357.87**

TAXABLE DISBURSEMENTS		
Computerized Title Search	$ 48.20	
Photocopy & Printing Charges	1.00	
TOTAL TAXABLE DISBURSEMENTS	$ 49.20	
TOTAL DISBURSEMENTS		49.20
TOTAL FEES AND DISBURSEMENTS		$ 8,407.07
TAXES		
HST (13.0%) on Professional Fees of $8,357.87	$ 1,086.52	
HST (13.0%) on Taxable Disbursements of $49.20	6.40	
TOTAL TAXES		1,092.92
TOTAL AMOUNT DUE		$ 9,499.99 CAD

THIS IS EXHIBIT "**B**" REFERRED TO IN THE AFFIDAVIT OF RENÉE BROSSEAU AFFIRMED BEFORE ME THIS 27th DAY OF OCTOBER, 2020.

J. Steven Brounde.

A Commissioner for Taking Affidavits, etc.

EXHIBIT "B"

Summary of Invoices and Calculation of Average Hourly Billing Rates of Dentons Canada LLP

The Period from April 26, 2020 to August 31, 2020

Date	Invoice No.	Fees	Discount	Costs	Taxes(HST)	Hours	Average Rate	Total
April 9, 2020	3499875	$12,880.00	$4,522.13	$49.20	$1,092.92	27.9	$461.65	$9,499.99
TOTALS:		$12,880.00	$4,522.13	$49.20	$1,092.92			**$9,499.99**

THIS IS EXHIBIT "**C**" REFERRED TO IN THE AFFIDAVIT OF RENÉE BROSSEAU AFFIRMED BEFORE ME THIS 27th DAY OF OCTOBER, 2020.

J. Steven Broude

A Commissioner for Taking Affidavits, etc.

EXHIBIT "C"

Billing Rate and Year of Call of Dentons Canada LLP

For the period April 26, 2020 to August 31, 2020

	Rate	Year of Call
Alison McCormick	$200.	Clerk
Danijel Augustinovic	$400.	2015
Daniel Loberto	$200.	Student
Esme Cragg	$400.	2013
Kori Williams	$600.	2008
Lopa Raulino	$200.	Clerk
Renée Brosseau	$600.	2002
Sonja Homenuck	$600.	2000

Court File No.: CV-19-00628085-00CL

GRANT THORNTON LIMITED
in its capacity as Court-appointed Receiver of MONEY GATE MORTGAGE INVESTMENT CORPORATION
Applicant

-and-

2450531 ONTARIO LIMITED
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF RENÉ BROSSEAU
(Affirmed October ____, 2020)

DENTONS CANADA LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON M5K 0A1

Renée Brosseau
LSO # 47074B
Tel: (416) 863-4560
Fax: (416)-863-4592
renee.brosseau@dentons.com

Lawyers for the Applicant

APPENDIX 13

District of Ontario
Court File No.: CV-18-00608086-00CL

IN THE MATTER OF THE RECEIVERSHIP OF
MONEYGATE INVESTMENT CORPORATION
AND IN THE MATTER OF A MOTION PURSUANT TO SECTION 101
OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED

RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS
NOVEMBER 6, 2018 TO OCTOBER 28, 2020

	Palace Pier Property	Birchmount Property	Dovercourt Property	Euclid Property Note 1	Timiskaming Property	Timmins Property	Steeles Property	Total
RECEIPTS								
Cash in Bank	-	-	-	-	-	-	-	164,159
Mortgage Interest	14,950	-	-	14,125	-	-	-	29,075
Sale/Settlement of Assets/Real Property	894,122	467,500	556,079	246,644	-	-	270,000	2,434,345
Interest Allocation	-	-	-	-	-	-	-	11,304
Misc. Refunds	-	5,004	-	-	-	-	-	5,004
	909,072	**472,504**	**556,079**	**260,769**	**-**	**-**	**270,000**	**2,643,887**
Percentage of Revenue								
DISBURSEMENTS								
Outside Consulting - Appraisal	-	-	-	-	4,700	4,700	-	9,400
HST and GST Paid	-	-	-	-	611	611	-	1,351
Advertising	-	-	-	-	-	-	-	715
Bank Charges	-	-	-	-	-	-	-	635
Computer Services	-	-	-	-	-	-	-	275
	-	**-**	**-**	**-**	**5,311**	**5,311**	**-**	**12,376**
PROFESSIONAL FEES								
Receiver Fees	-	-	-	-	-	-	-	229,575
HST on the above	-	-	-	-	-	-	-	29,845
Counsel to the Receiver/Monitor	-	-	-	-	-	-	-	369,600
HST on the above	-	-	-	-	-	-	-	47,681
	-	**-**	**-**	**-**	**-**	**-**	**-**	**676,701**
RECEIPTS LESS DISBURSEMENTS	**909,072**	**472,504**	**556,079**	**260,769**	**(5,311)**	**(5,311)**	**270,000**	**1,954,811**

Note 1
The Euclid Property's Receipts and Disbursement have been docketed separately, by GTL in its capacity as Euclid Receiver. Details on the Receipts and Disbursement can be found in the Euclid Receiver's First Report to Court, on www.GrantThornton.ca/Euclid.

APPENDIX 14

District of Ontario
Division – 09 - Toronto
Court File No.: CV-19-00628085-00CL

IN THE MATTER OF THE RECEIVERSHIP OF 293 EUCLID AVENUE, TORONTO, ONTARIO
FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD ENDING SEPTEMBER 22, 2020

Receipts	**$ CAD TOTAL**
Proceeds from Sale of Property	1,565,000
Rental Income	44,767
Interest Income	115
Total Receipts	1,609,882
Disbursements	
Professional Fees	109,633
Real Estate Agent Fees	62,600
HST Paid - Ontario	23,409
Occupation Rent (Last month)	14,342
Property Taxes	6,698
Utilities	5,084
Insurance	3,946
Security	3,405
Repair and Maintenance	920
Ascend License Fee	275
Filing fees paid to Official Receiver	70
Bank Charges	17
Total Disbursements	230,398
Total Receipts less Disbursements	**1,379,484**
Distributions to Secured Creditors	
Payments to Home Trust Company	1,132,839
Payments Grant Thornton Limited in its Capacity as Receiver of Money Gate Mortgage Investment Corporation	246,644
Net Balance	-