

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

**ISMAL MARINA INC., ISABELLE MCCARTHY and
ALEXANDER MCCARTHY, a.k.a. SANDY MCCARTHY**

Respondents

APPLICATION UNDER s. 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985 c-B-3,
and Rules 14.05(2), (3) (d), (g) and (h) of the Rules of Civil Procedure

MOTION RECORD

December 8, 2015

FOGLER, RUBINOFF LLP

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AND TO: **ISABELLE MCCARTHY**
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Tiny, ON
L9M 0H2

and

204 Sovereign's Gate
Barrie, ON
L4M 0B7

AND TO: **ALEXANDER MCCARTHY a.k.a. SANDY MCCARTHY**
15 Sunrise Court
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and

204 Sovereign's Gate
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AND TO: **CANADA REVENUE AGENCY c/o DEPARTMENT OF
JUSTICE**

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RCP-E 37A (July 1, 2007)

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1.	Notice of Motion dated December 8, 2015
2.	Second Report of the Receiver dated December 8, 2015 (a) Appointment Order of Hainey J. dated September 24, 2015 (b) First Report of the Receiver dated October 8, 2015 (c) SISP Approval Order of Penny J. dated October 19, 2015 (d) Globe and Mail Advertisement dated October 22, 2015 (e) Midland Mirror Advertisement dated October 22, 2015 (f) Boating Industry Press Release (g) Pace Payout Statement at December 2, 2015 (h) R&D Statement dated December 7, 2015 (i) CRA Examiner Statement dated November 12, 2015 (j) HST Examination Statement dated November 12, 2015 (k) Certificate of Taxes – Tiny Township (l) Affidavit of Fees of Peter Crawley sworn December 7, 2015 (m) Affidavit of Fees of Gregory Azeff sworn December 4, 2015
3.	Draft Order re General Matters
4.	Draft Approval and Vesting Order

TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

-and-

**ISMAL MARINA INC., ISABELLE MCCARTHY and
ALEXANDER MCCARTHY, a.k.a. SANDY MCCARTHY**

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3, and Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

NOTICE OF MOTION

A. Farber & Partners Inc. in its capacity as receiver (in such capacity, the "**Receiver**") of the property, assets and undertakings (collectively, the "**Property**") of Ismal Marina Inc. ("**Ismal**" or the "**Debtor**") will make a Motion to a Judge presiding over the Commercial List on Friday, December 18, 2015 at 10:00 a.m., or as soon after that time as the Motion can be heard at the court house, 330 University Avenue, Toronto, Ontario, M5G 1E6.

PROPOSED METHOD OF HEARING: The Motion is to be heard (choose appropriate option)

☒ orally.

THE MOTION IS FOR:

- (a) An Order approving the activities and conduct of the Receiver and its counsel as disclosed in the Second Report of the Receiver dated December 8, 2015 (the "**Second Report**");
- (b) An Order approving the Receiver's Interim Statement of Receipts and Disbursements for the period between September 24, 2015 and December 7, 2015;
- (c) An Order approving the fees and disbursements of the Receiver and its counsel, as disclosed in the Second Report;
- (d) An Order that the Confidential Appendices (as defined below) shall be sealed and shall not form part of the public record pending further Order of this Court;
- (e) An Order approving the APA and the transaction contemplated therein, and vesting title in and to the Purchased Assets (as defined in the APA) in the Purchaser (as defined below);
- (f) An Order authorizing the Receiver to make a distribution to Pace in an amount to be determined by the Receiver (and which amount, for greater certainty, shall not exceed the amount owing by Ismac to Pace Savings & Credit Union Limited (the "**Pace Indebtedness**")) following closing of the transaction contemplated in the APA; and
- (g) Such further and other Relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

- (a) Pursuant to the Order of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 24, 2015, on the Application of the Applicant, Pace Savings & Credit Union Limited (“**Pace**”), A. Farber & Partners Inc. was appointed as Receiver of the Property;
- (b) Ismac operates a 90 slip marina (the “**Marina**”) located on the eastern shores of Georgian Bay, west of Penetanguishene, Ontario. Ismac owns the real property from which the Marina operates;
- (c) Pace is the primary secured lender of the Debtor, and has provided financing through numerous financing instruments since approximately 2004;
- (d) Pursuant to the Order of the Honourable Mr. Justice Penny dated October 19, 2015 (the “**SISP Order**”), the Receiver was authorized to conduct a sale and investment solicitation process (the “**SISP**”);
- (e) The Receiver conducted the SISP in accordance with the SISP Order. The SISP did not result in an offer acceptable to the Receiver or Pace;
- (f) A schedule listing the parties contacted and the responses received is attached to the Second Report as Confidential Appendix “A”;
- (g) Pace indicated to the Receiver that it was prepared to submit its own offer for the Property. In this regard, the Receiver and Pace have entered into an Asset Purchase Agreement dated December 3, 2015 (the “**APA**”), which is subject to,

among other things, the approval of this Honourable Court. The APA is included in Confidential Appendix "B" to the Second Report;

- (h) The Receiver recommends that the Court approve and authorize the Receiver to enter into the APA as this offer is the highest offer made for the Property and is the only offer that would be acceptable to Pace, the party with the primary economic interest in the outcome of the sale process;
- (i) The Receiver has served and filed a copy of the Second Report which has been redacted to protect confidential and commercially sensitive information contained therein and which does not include Confidential Appendix "A" and the Confidential Appendix "B";
- (j) The Receiver has separately filed (in a sealed envelope) an unredacted version of the Second Report together with Confidential Appendix "A" and Confidential Appendix "B" (collectively, the "**Confidential Appendices**");
- (k) The Receiver is of the view that disclosure of the Confidential Appendices (which term, for greater certainty, includes the unredacted Second Report) could prejudice any efforts the Receiver may be required to make to sell the Property in the event that the transaction contemplated in the APA fails to close;
- (l) The Receiver has undertaken a thorough marketing process, has made substantial efforts to obtain the best price for the Property, and has not acted improvidently;

- (m) In making its recommendations, the Receiver has considered the interests of all stakeholders as well as the efficacy and integrity of the SISP;
- (n) The Receiver is of the view that no party would be unfairly prejudiced by acceptance of the Pace Offer;
- (o) The Receiver has received a security opinion from its independent counsel confirming that, subject to the usual qualifications, Pace's security is valid and enforceable;
- (p) The Receiver recommends that this Honourable Court issue an Order authorizing it to make a distribution in an amount to be determined by the Receiver, which amount shall not exceed the Pace Indebtedness;
- (q) Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3;
- (r) Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C.43;
- (s) Rule 37 of the Ontario *Rules of Civil Procedure*; and
- (t) Such further and other grounds as the lawyers may advise.

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

- (a) The Second Report of the Receiver dated December 8, 2015; and

- (b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

December 8, 2015

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PACE SAVINGS & CREDIT UNION LIMITED
Applicant

-and- ISMAC MARINA INC. et al.
Respondents

Court File No. CV-15-11108-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

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TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

- and -

**ISMAL MARINA INC., ISABELLE MCCARTHY and
ALEXANDER MCCARTHY, a.k.a. Sandy McCarthy**

Respondents

**APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*,
R.S.C., 1985 c-B-3, and Rules 14.05(2) and (3)(d), (g) and (h) of the *Rules of Civil
Procedure***

**A. FARBER & PARTNERS INC.
SECOND REPORT OF THE RECEIVER
DECEMBER 8, 2015**

INTRODUCTION

1. By Order of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (Commercial List) dated September 24, 2015 (the “**Appointment Order**”), A. Farber & Partners Inc. (“**Farber**”) was appointed as the Receiver (in such capacity, the “**Receiver**”) of all of the assets, undertakings and properties (the “**Property**”) of Ismac Marina Inc. (“**Ismac**” or the “**Debtor**”). Attached hereto as **Appendix “A”** is the Appointment Order.
2. Ismac operates a 90 slip marina (the “**Marina**”) located on the eastern shores of Georgian Bay, near Penetanguishene, Ontario. Ismac owns the real property from which the marina operates at 15 Sunset Court, Tiny, Ontario (the “**Real Property**”).
3. The appointment of the Receiver was sought by Pace Savings and Credit Union Limited (“**Pace**”). Pace is the primary secured lender of the Debtor having provided financing through numerous financing instruments since approximately 2004.
4. On October 9, 2015, the Receiver served its first report (the “**First Report**”) in support of its motion to obtain court approval to, *inter alia*, conduct a sale and investment solicitation process (the “**SISP**”) to attract a buyer of the Property. Attached hereto as **Appendix “B”** is a copy of the First Report without appendices.
5. On October 19, 2015, the Honourable Mr. Justice Penny issued an order (the “**SISP Approval Order**”) approving and authorizing the Receiver to, *inter alia*, conduct the SISP. A copy of the SISP Approval Order is attached hereto as **Appendix “C”**.

PURPOSES OF THIS REPORT

6. The purposes of this Second Report of the Receiver (the “**Second Report**”) are to:

- (a) report on the activities of the Receiver since the issuance of the First Report and seek approval of the Receiver’s activities to date, including reporting on the results of the SISP undertaken by the Receiver;
- (b) provide support for an order as requested by the Receiver:
 - (i) approving this Second Report and the activities set out herein;
 - (ii) approving the Receiver’s Interim Statement of Receipts and Disbursements to December 7, 2015;
 - (iii) approving the asset purchase agreement dated December 7, 2015 (the “**APA**”) between the Receiver and Pace (the “**Purchaser**”) for the purchase and sale of the Property;
 - (iv) vesting in the Purchaser all of the Debtor’s and the Receiver’s right, title and interest, if any, in the Purchased Assets (as defined in the APA), free and clear of any encumbrances, except permitted encumbrances;

- (v) authorizing the Receiver to make a distribution to Pace upon closing of the transaction contemplated by the APA (the “**APA Transaction**”);
- (vi) approving of the fees and disbursements of the Receiver and its legal counsel, Fogler Rubinoff LLP (“**Foglers**”), as set out in Affidavit of Peter Crawley of Farber sworn on December 7, 2015 (the “**Crawley Affidavit**”) and the Affidavit of Greg Azeff of Foglers sworn on December 4, 2015 (the “**Azeff Affidavit**”);
- (vii) sealing Confidential Appendix “A” and Confidential Appendix “B” of this Second Report until further order of this Court; and
- (viii) such other relief as this Honourable Court deems appropriate.

DISCLAIMER AND TERMS OF REFERENCE

7. In preparing this Second Report, the Receiver has relied upon unaudited financial information, the Debtor's records and financial information. While the Receiver has reviewed the Debtor's records such work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information except as expressly stated herein. This Second Report has been prepared for use by the Court and the Debtor's stakeholders as general information relating to the

Debtor and for the purpose of assisting the Court in making a determination of whether to approve the relief sought.

8. Capitalized terms not defined in this Second Report are as defined in the Appointment Order.

9. Unless otherwise stated, all references to dollars are in Canadian currency.

10. A copy of this Second Report and all Court materials, Orders and Endorsements issued in these proceedings are available on the Receiver's website at: <http://www.farberfinancial.com/insolvency-engagements/ismac-marina-inc>.

ACTIVITIES OF THE RECEIVER

Operations

11. During the receivership the Receiver retained the services of two employees and a subcontract marine mechanic to attend to winterizing and shrink-wrapping customer boats in preparation for winter.

12. The Receiver hired the services of a crane company and a specialized boat trailering company to assist with placing certain larger boats and the floating docks on land for the winter.

13. All customer boats were winterized by the middle of November and the employees have been laid off. There are presently forty-six (46) boats stored on the Real Property for the winter.

14. The mechanic assisted the Receiver with three boat repairs that the Receiver was able to invoice customers for, as well as ensuring proper winterization of customer boats. This generated additional service revenue for the receivership.

15. The Receiver borrowed \$10,000.00 from Pace and issued a Receiver's Certificate to Pace in accordance with paragraph 21 of the Appointment Order. This advance was obtained to fund the Receiver's initial operating expenses.

16. The Receiver has also maintained insurance during the receivership under Ismac's prior insurance policy wherein the Receiver was added to the policy as named insured.

Sales Process

17. Immediately upon the issuance of the SISP Approval Order the Receiver began conducting the SISP. Specific marketing steps taken by the Receiver were:

- (a) Prepared an information summary (the "**Teaser**"), a confidentiality agreement (the "**CA**"), a confidential information memorandum (the "**CIM**"), and a secure online data room (the "**Data Room**") to offer prospective purchasers the opportunity to conduct due diligence on the business opportunity of the Debtor;
- (b) Compiled a list of prospective interested parties;
- (c) Placed an advertisement in the National Edition of the **Globe and Mail** on October 22, 2015, a copy of which is attached hereto as **Appendix "D"**;

(d) Placed an advertisement in the Midland Mirror, a publication in the locale of the Debtor, on October 22, 2015, a copy of which is attached hereto as **Appendix “E”**;

(e) Arranged for notice of the SISP to be published online and in the October 27, 2015 e-newsletter of the online industry site www.boatingindustry.ca, a copy of which is attached hereto as **Appendix “F”**;

18. As a result of the SISP advertising efforts and discussions with management of Ismac, fifty-five (55) parties were invited to participate in the SISP. Management of Ismac provided the Receiver with the names of several known interested parties whom the Receiver contacted directly to invite to participate in the SISP.

19. The Receiver received signed CA’s from fourteen (14) parties and each such party was given access to the Data Room.

20. The bid deadline was initially established as November 17, 2015 (the “**Initial Bid Deadline**”) in accordance with the SISP Approval Order. The Receiver received two bids prior to that time. Neither of these bids were acceptable to the Receiver or Pace, the primary stakeholder that would be affected by the acceptance of any bid, on the basis that the amount offered in each bid was insufficient to satisfy Pace’s requirements.

21. At the Initial Bid Deadline there were four parties known to the Receiver to still be working on preparing their bids. Pursuant to the terms of the SISP, the Receiver had the discretion to extend the sales process by up to two weeks without court approval. The

Receiver elected to extend the bid deadline by two weeks to December 1, 2015 (the “**Second Bid Deadline**”).

22. A schedule listing the parties contacted and the responses received is attached hereto as **Confidential Appendix “A”**.

23. The Receiver contacted the two parties that had submitted bids by the Initial Bid Deadline and gave them the opportunity to improve their bids. Neither bidder chose to do so.

24. Pace indicated to the Receiver that it was not prepared to consent to the Receiver’s acceptance of either of the two bids received by the Initial Bid Deadline.

25. The four additional prospective bidders indicated to the Receiver that they were not going to be able to submit offers that would be considered acceptable. Thus, no further bids were received by the Second Bid Deadline.

26. Pace indicated to the Receiver that it was prepared to submit its own offer for the Property. An offer from Pace (the “**Pace Offer**”) was received on December 7, 2015. The Pace Offer, which is the same as the aforementioned APA, is attached hereto as **Confidential Appendix “B”**.

The APA

27. Pace has indicated that if the APA is approved, then Pace will hire a property manager and operator to operate the marina during the 2016 boating season for the benefit of Ismac’s customers while it explores other avenues to deal with its security.

28. – **REDACTED** -

29. While the Pace Offer was received after the Second Bid Deadline, the other 2 bids received were inferior to the Pace Offer and Pace is the primary stakeholder that would have suffered a shortfall had one of those other offers been accepted.

30. The Receiver has undertaken a thorough marketing process, has made substantial efforts to obtain the best price for the Property, and has not acted improvidently. In making its recommendations, the Receiver has considered the interests of all stakeholders as well as the efficacy and integrity of the SISP. The Receiver is of the view that no party would be unfairly prejudiced by acceptance of the Pace Offer.

31. The Receiver recommends that the Court approve and authorize the Receiver to enter into the APA with Pace as this offer is the highest offer made for the Property and is the only offer that would be acceptable to Pace, the only party with any economic interest in the outcome of the sale process.

32. Should the Receiver have any surplus cash available from operations or otherwise at the conclusion of the receivership, these funds would be returned to Pace with an according adjustment to the Purchase Price.

INTERIM STATEMENT OF RECEIVER'S RECEIPTS AND DISBURSEMENTS

33. Attached as **Appendix "H"** is the Receiver's Interim Statement of Receipts and Disbursements for the period September 24, 2015 to December 7, 2015.

34. The Receiver presently has \$1,647.26 in its trust account and \$25,878.64 in Ismac's RBC account.

35. RBC has returned \$6,500 in funds to the Receiver in respect of cheques that were allowed to clear subsequent to the Receiver's service of the Appointment Order on RBC.

PRIORITY PAYABLE AMOUNTS

Canada Revenue Agency

36. Canada Revenue Agency ("CRA") staff attended at Ismac on November 12, 2015 to conduct a trust examination of Ismac's payroll source deduction account and H.S.T. filings.

37. Attached as **Appendix "I"** is a copy of the Examiner's Statement of Account in respect of payroll deductions indicating an amount owing of \$30,328.35. CRA has confirmed to the Receiver in writing that the portion of this amount that is a deemed trust obligation is \$20,908.60 (the "**Source Deduction Deemed Trust**"). This amount must be paid in advance of a distribution to Pace.

38. Attached as **Appendix "J"** is a copy of the GST/HST Examination Statement of Account indicating \$122,466.07 owing by Ismac. The Receiver is in the process of assigning Ismac into bankruptcy in accordance with paragraph 4 (r) of the Appointment Order, with the consent of Pace, in order to subordinate the CRA HST liability to the Pace Indebtedness.

Township of Tiny – Property Tax Arrears

39. Attached as **Appendix “K”** is a Certificate of Taxes issued by the Township of Tiny in respect of the Real Property. The property tax arrears owing as at November 13, 2015 is \$46,791.17 (the “**Property Tax Arrears**”). This amount must be paid in priority to the Pace Indebtedness.

FEES AND DISBURSEMENTS OF THE RECEIVER AND RECEIVER’S COUNSEL

40. As set out in the Crawley Affidavit attached as **Appendix “L”**, for the period September 1, 2015 to November 20, 2015, the Receiver has expended 182.3 hours, amounting to fees of \$70,400.50 and disbursements of \$1,270.02 (before H.S.T.).

41. As set out in the Azeff Affidavit, attached as **Appendix “M”**, for the period September 2, 2015 to December 3, 2015, Foglers, independent legal counsel for the Receiver, has expended 22.8 hours, amounting to fees and disbursements of \$10,438.31 (before H.S.T.).

42. The Receiver respectfully requests that this Court approve the fees and disbursements of Farber and Foglers as set out in the Crawley Affidavit and the Azeff Affidavit as, in the Receiver’s view, such are reasonable in the circumstances.

43. As previously stated herein, the professional fees of the Receiver and its counsel have been provided for in arriving at the Purchase Price to be paid by Pace upon closing of the APA Transaction.

PROPOSED DISTRIBUTION

44. The Receiver has received a security opinion with respect to the security held in favour of Pace from its independent counsel, Foglers. Foglers has opined that, subject to the usual qualifications, Pace's security is valid and enforceable.

45. The Receiver proposes to make a distribution (the "**Distribution**") to Pace in the amount of the Pace Indebtedness shortly after the closing of the APA Transaction. The Distribution is reflective of the cash balance anticipated to be on hand upon the closing of the APA Transaction less payment of the Source Deduction Deemed Trust and Property Tax Arrears, and provision for the professional fees of the Receiver and Foglers.

46. The Distribution will not exceed the amount of the Pace Indebtedness and will be at the discretion of the Receiver.

47. Pace has been provided with the distribution calculations and consents to the Receiver making the distribution as proposed.

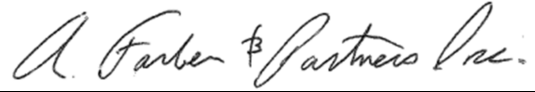
48. A search of the Personal Property Security Act registration system indicates that Pace is the only party with a registered security interest.

RECOMMENDATIONS

49. The Receiver respectfully recommends that this Honourable Court issue an Order for the relief sought in paragraph 6(b) hereof.

All of which is respectfully submitted this 8th day of December, 2015.

Date: December 8, 2015

A handwritten signature in cursive script that reads "A. Farber & Partners Inc.".

**A. FARBER & PARTNERS INC., in its
capacity as the Court-appointed receiver of
Ismac Marina Inc. and not in its personal or
corporate capacity**

TAB A

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) THURSDAY, THE 24TH
JUSTICE *HAINES*)
) DAY OF SEPTEMBER, 2015

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

ISMAR MARINA INC., ISABELLE MCCARTHY and
ALEXANDER MCCARTHY, a.k.a. Sandy McCarthy

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3,
and Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant, Pace Savings & Credit Union Limited ("Pace") for, *inter alia*, an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing A. Farber & Partners Inc. as receiver [and manager] (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Ismar Marina Inc. o/a AC Marina (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 Suzanne Hyde sworn September 15, 2015 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, no one appearing

for the Respondents although duly served as appears from the affidavit of service of Josset Johnson sworn September 17, 2015 and on reading the consent of A. Farber & Partners Inc. 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.

2. THIS COURT ORDERS that the adjudication of claims against the Respondents, Isabelle McCarthy and Alexander McCarthy in respect of their guarantees in favour of the Applicant are hereby adjourned to a date to be set by the Commercial List Office.

APPOINTMENT

3. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, A. Farber & Partners Inc. 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").

RECEIVER'S POWERS

4. 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;
- (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;
- (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 \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; 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, and in each case the *Ontario Bulk Sales Act* shall not apply.

- (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) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (o) 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;
- (p) 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;
- (q) to exercise any shareholder, partnership, joint venture, statutory or other lien *in rem* or other rights which the Debtor may have;
- (r) to file an assignment in bankruptcy on behalf of the Debtor; and
- (s) 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.

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 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 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the 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

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. 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.

NO EXERCISE OF RIGHTS OR REMEDIES

10. 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 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

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the 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

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

EMPLOYEES

14. THIS COURT ORDERS that all employees of the 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

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

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. 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

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

shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

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

19. 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.

20. 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

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and

is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. 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.

23. 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.

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

SERVICE AND NOTICE

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

26. 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

27. 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.

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

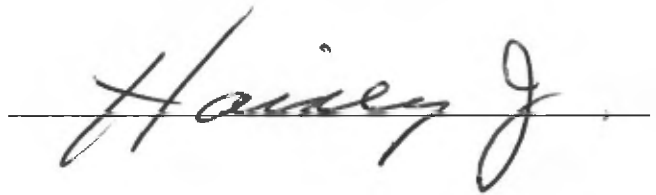
29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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.

30. 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.

31. THIS COURT ORDERS that the Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid

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

32. 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.

A handwritten signature in cursive script, reading "Hailey J.", is written over a horizontal line. The signature is fluid and appears to be in black ink.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that A. Farber & Partners Inc., the receiver (the "Receiver") of the assets, undertakings and properties Ismac Marina Inc. 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 24th day of September, 2015 (the "Order") made in an action having Court file number CV-15-11108-00CL, 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 September, 2015.

A. FARBER & PARTNERS INC., solely in its
capacity as Receiver of the Property, and not in
its personal capacity

Per: _____

Name:

Title:

PACE SAVINGS & CREDIT UNION LIMITED
Applicant

-and- ISMAC MARINA INC. et al.
Respondents

Court File No. CV-15-11108-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

ORDER
(Appointing Receiver)

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Fax: 1-888-587-9143

Lawyers for the Applicant, Pace Savings & Credit Union
Limited

TAB B

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

- and -

ISMAL MARINA INC., ISABELLE MCCARTHY and
ALEXANDER MCCARTHY, a.k.a. Sandy McCarthy

Respondents

**APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*,
R.S.C., 1985 c-B-3, and Rules 14.05(2) and (3)(d), (g) and (h) of the *Rules of Civil
Procedure***

**A. FARBER & PARTNERS INC.
FIRST REPORT OF THE RECEIVER
OCTOBER 8, 2015**

INTRODUCTION

1. By Order of the Honourable Mr. Justice Hailey of the Ontario Superior Court of Justice (Commercial List) dated September 24, 2015 (the “**Appointment Order**”), A. Farber & Partners Inc. (“**Farber**”) was appointed as the Receiver (in such capacity, the “**Receiver**”) of all of the assets, undertakings and properties (the “**Property**”) of Ismac Marina Inc. (“**Ismac**” or the “**Debtor**”). Attached hereto as **Appendix “A”** is the Appointment Order.
2. Ismac operates a 90 slip marina (the “**Marina**”) located on the eastern shores of Georgian Bay, due west of Penetanguishene, Ontario. Ismac owns the real property from which the marina operates at 15 Sunset Court, Tiny, Ontario (the “**Real Property**”).
3. Ismac provides recreational boating customers with slip rentals, fuel, maintenance and repair services, spring launch and winterization services, and boat storage.
4. There are two residential homes situated on the Real Property. One of the homes is unoccupied and in the process of being renovated. The other home is occupied by Isabelle McCarthy (“**Isabelle**”) and her children. In addition to the homes, there are a storage shed, mechanic shop, fuel dock and a small store on the Real Property.
5. The appointment of the Receiver was sought by Pace Savings and Credit Union Limited (“**Pace**”). Pace is the primary secured lender of the Debtor having provided financing through numerous financing instruments since approximately 2004.

PURPOSES OF THIS REPORT

6. The purpose of this First Report of the Receiver (the “**First Report**”) is to:
 - i) report on the activities of the Receiver since the issuance of the Appointment Order and seek approval of the Receiver’s activities to date; and

- ii) seek approval of a proposed marketing and sales process (the “**Sales Process**”) in respect of the Property.

DISCLAIMER AND TERMS OF REFERENCE

7. The Receiver has relied upon the financial records and information provided by the Debtor, in addition to other information supplied by the Debtor’s management, appraisers, accountants, auditors and advisors. The Receiver has not independently audited, reviewed, or otherwise attempted to verify the accuracy or completeness of such information. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to the information contained in this First Report. The Receiver assumes no responsibility or liability for any loss or damage incurred by or caused to any person or entity as a result of the circulation, publication, reproduction or use of or reliance upon this First Report or for any use which any person or entity makes of this First Report, or any reliance on or a decision made based upon this First Report, other than for the express purposes as set out in this First Report.
8. Capitalized terms not defined in this First Report are as defined in the Appointment Order.
9. Unless otherwise stated, all references to dollars are in Canadian currency.
10. A copy of this First Report and all Court materials, Orders and Endorsements issued in these proceedings are available on the Receiver’s website at: <http://www.farberfinancial.com/insolvency-engagements/ismac-marina-inc>.

ACTIVITIES OF THE RECEIVER

11. Immediately upon the issuance of the Appointment Order the Receiver attended at the Marina to meet with Isabelle and staff.
12. The Receiver then:

- i) arranged for locks to be changed on the mechanic shop and the store;
 - ii) measured and recorded the fuel level in the onsite underground fuel tank, with the assistance of staff;
 - iii) met with the only employee retained by Ismac on a full time basis, its harbour master. This employee and Isabelle have been retained by the Receiver to assist with operating the business;
 - iv) prepared a listing of all boats and trailers situated on the Real Property;
 - v) obtained a copy of Ismac's accounting data file from its accounting system;
 - vi) notified Ismac's insurer of its appointment and requested to be added to the insurance policy as named insured; and
 - vii) notified Ismac's bank, Royal Bank of Canada ("**RBC**"), of the appointment and requested to have the sole bank account frozen.
13. Customers of the Marina pay their annual slip rental fees in one of two ways: lump sum or monthly payments split evenly over 12 months. The Receiver has been collecting the monthly slip rental payments since its appointment. These are typically paid by pre-authorized credit card payments.
14. The Receiver prepared and filed the Notice and Statement of Receiver in accordance with s245(1) and s246(1) of the BIA.
15. Ismac's books and records had not been maintained by management for 2014 or 2015. One of Isabelle's initial tasks as an employee of the Receiver was to update the records to allow preparation of a suitable list of creditors and collectible accounts receivable.

INTERIM STATEMENT OF RECEIVER'S RECEIPTS AND DISBURSEMENTS

16. Attached as **Appendix "B"** is the Receiver's Interim Statement of Receipts and Disbursements for the period September 24, 2015 to October 6, 2015.

17. The Receiver presently has \$7,616.11 in its trust account and \$7,137.40 in Ismac's RBC account.
18. The Receiver is presently seeking to recover \$6,500 in cheques that have been allowed to clear subsequent to the Receiver's service of the Appointment Order on RBC.

SALES AND MARKETING PROCESS

19. In order to expose the opportunity of the Marina and the Real Property to the marketplace and the possibility of securing offers that will maximize realization for all stakeholders, the Receiver proposes to conduct the Sale and Investment Solicitation Process ("**SISP**"), which is set out in detail in the SISP document (the "**SISP Outline**") attached as **Appendix "C"** and summarized below.
20. Subject to approval of the Honourable Court of the Sales Process, the Receiver will canvass the market for a period of four (4) weeks culminating in an offer deadline of **5:00 P.M. EST Tuesday, November 17, 2015** (the "**Offer Deadline**"), to invite Prospective Offerors (as defined in the SISP Outline) to conduct due diligence and submit bids for the Property.
21. The Receiver shall in its sole discretion (i) determine whether any person is a Prospective Offeror; (ii) coordinate the efforts of any Prospective Offerors in conducting their due diligence investigations; (iii) receive offers from any Prospective Offerors; and (iv) negotiate any offers made to purchase the Property.
22. In support of the SISP and efforts to canvass the market, the Receiver intends to:
 - (i) prepare a list of potential interested parties (the "**Interested Parties**") to contact;
 - (ii) prepare a "teaser" notice on the opportunity and send to the Interested Parties;
 - (iii) provide a confidentiality agreement to be signed by Interested Parties;
 - (iv) make arrangements to set up a virtual data room with password access to be provided to Prospective Offerors to allow due diligence to be conducted; and
 - (v) prepare an advertisement to be placed in a local newspaper and a national edition of a Canadian newspaper.

23. The SISP Outline and the terms and conditions of sale, including a base line agreement of purchase and sale (the “**APS**”) will be made available to Prospective Offerors.
24. Qualified Offers must include a proposed agreement of purchase and sale showing edits black-lined against the APS.
25. If multiple Qualified Offers have been received by the Receiver the Receiver may choose to:
 - i) accept one (or more if for distinct transactions) Qualified Offer(s) (the “**Successful Offer**” and each Qualified Offeror making the Successful Offer(s) being a “**Successful Offeror**”) and take such steps as are necessary to finalize and complete an agreement for the Successful Offer(s) with the Successful Offeror(s); or
 - ii) continue negotiations with a selected number of offerors (collectively, “**Selected Offerors**”) with a view to finalizing one or more agreements with one or more Selected Offerors.
26. The Receiver shall be under no obligation to accept the highest or best offer and the selection of the Successful Offer(s) and the Selected Offeror(s) shall be entirely in the discretion of the Receiver.
27. The Receiver contemplates that a sales approval motion will be sought on or before November 26, 2015 and that the anticipated closing of a transaction would occur no later than November 30, 2015. A timetable of the Sales Process is contained in **Appendix “C”**.

RECEIVER COMMENTS

28. The Receiver believes that the Sales Process to attract a going concern buyer will generate a better recovery for the stakeholders than a liquidation of the assets. Further, the Receiver believes that the value of the Premises is enhanced with an

operating marina in place given the central role that the Marina plays in the overall use of the Real Property.

29. The Receiver has been made aware of several parties that have an interest in acquiring the Property. The Sales Process provides a higher level of certainty regarding the ability to effect a going concern sale, continued operations to ensure no interruption of service to customers and the preservation of several jobs in the community. At the same time, the process provides a forum and deadline to permit and encourage any serious bidders to come forward with offers to increase realizations for stakeholders.
30. The Receiver has consulted with Pace with respect to the proposed timeline and Sales Process.
31. The Receiver believes the Sales Process is the most appropriate strategy to maximize recovery for the benefit of all stakeholders.

RECOMMENDATIONS

32. The Receiver respectfully recommends that this Honourable Court issue an Order:
 - i) approving the Receiver's activities described in this First Report;
 - ii) approving the Receiver's Interim Statement of Receipts and Disbursements for the period September 24, 2015 to October 6, 2015; and
 - iii) approving the SISP.

All of which is respectfully submitted this 8th day of October, 2015.

**A. FARBER & PARTNERS INC. IN ITS CAPACITY AS
COURT APPOINTED RECEIVER OF ISMAC MARINA INC.**

A. Farber & Partners Inc.

TAB C

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

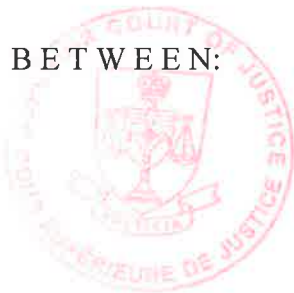
THE HONOURABLE
JUSTICE

Dr.
Denny

)
)
)

MONDAY, THE 19th
DAY OF OCTOBER, 2015

B E T W E E N:



PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

ISMAL MARINA INC., ISABELLE MCCARTHY and
ALEXANDER MCCARTHY, a.k.a. SANDY MCCARTHY

Respondents

**ORDER
(Sale Process Approval)**

THIS MOTION, made by A. Farber & Partners Inc. in its capacity as Receiver (in such capacity, the "**Receiver**") of the property, assets and undertakings (collectively, the "**Property**") of Ismac Marina Inc. ("**Ismac**" or the "**Debtor**"), was heard this day at the court house, 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated October 8, 2015 (the "**First Report**"), filed, and upon hearing submissions of counsel for the Receiver and Pace Savings & Credit Union Limited, no one else attending.

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that the activities and conduct of the Receiver and its counsel as disclosed in the First Report be and they are hereby approved.
3. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts and Disbursements for the period September 24, 2015 to October 6, 2015 be and it is hereby approved.
4. **THIS COURT ORDERS** that the sale and investment solicitation process described in the First Report be and it is hereby approved.



ENTERED AT / INSERTE A TORONTO
ON / BOOK NO.
LE / DANS LE REGISTRE NO.

 OCT 19 2015

PACE SAVINGS & CREDIT UNION LIMITED
Applicant

-and- ISMAC MARINA INC. *et al.*
Respondents

Court File No. CV-15-11108-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

ORDER

FOGLER, RUBINOFF LLP

Lawyers

77 King Street West

Suite 3000, P.O. Box 95

TD Centre North Tower

Toronto, ON M5K 1G8

Greg Azeff (LSUC# 43524C)

Tel: 416.864.9700

Fax: 416.941.8852

gazeff@foglers.com

Lawyers for the Receiver,
A. Farber & Partners Inc.

TAB D

FINANCE & CORPORATE LAW

Canadian personal and commercial banking in 2015, representing just more than 1 per cent of its work force in the division. The bank's fourth-quarter results, due to be released on Dec. 3, will be closely watched to see if those numbers are moving noticeably higher.

ON THE WEB

LEXPERT

The present meets the future in Suncor Energy Inc.'s unsolicited \$4.3-billion takeover bid for Canadian Oil Sands Ltd.

When COS adopted a second poison pill that would require Suncor to double its 60-day minimum bid period or seek an order terminating the pill, it brought into focus the Canadian Securities Administrators' proposed new takeover bid regime.

TENDERS

INVITATION FOR OFFERS ISMAC MARINA INC. o/a A.C. MARINA ("Ismac")

A. Farber & Partners Inc., in its capacity as Court-appointed Receiver of Ismac, is offering for sale the right, title and interest of Ismac in its assets, undertakings and property (the "Assets") under a Sales Process approved by Order of the Ontario Superior Court of Justice. The purpose of this invitation for offers is to obtain offers for substantially all of the Assets.

Ismac operated a 90 slip marina on Georgian Bay near Lafontaine, Ontario. The Assets being offered for sale include:

- Land and buildings
- Accounts receivable
- Intellectual properties
- Equipment and docks
- Parts inventory
- 2007 Regal 3760 Commodore

The deadline for submission of offers is 5:00 p.m. (Toronto time) on Tuesday, November 17, 2015.

If you have an interest in this opportunity, please review the Ismac documents found in the Insolvency Engagements section of www.farberfinancial.com.

For additional information, please contact Peter Crawley at (416) 496-3507 or by email at pcrawley@farberfinancial.com

Farber
FINANCIAL GROUP

TAB E

Union accuses employer of not addressing problems

● Violence, from Page 14

high-risk environment.

Wardell worked at Waypoint for more than 17 years, serving as president of Ontario Public Service Employees' Union Local 329 for the last three, until this summer. OPSEU is currently in contract negotiations with Waypoint.

"The hospital has lost sight that these particular patients have violent tendencies," he said, adding they cannot be safely managed in other public institutions.

Certain patients, he said, no matter where they are, will always find a way to make weapons. But, in the Atrium, they can now find the tools to do it.

Spokesperson Tonya Johnson said the Workplace Safety and Insurance Board has received 107 claims from Waypoint staff since opening. Twelve incidents stemmed from assaults, violent acts or harassment and resulted in lost work time.

The *Star* found claims of numerous serious incidents since May 2014. For example:

- According to a workplace injury report, a registered practical nurse was preparing for the evening lockdown in August 2014 when a patient called out "good night" and threw a cup of boiling water in her face. She spent the night in hospital and suffered burns to her right eye and face.

- According to an urgent

memo from Waypoint's health and safety co-ordinator, a staff member narrowly avoided being stabbed in the face with a 10-inch shiv. The patient lured the staff member close to the window in the door of the room, then slid the knife through a rubber seal between two doors.

Three days following June's sword incident, a provincial inspection found "the patient was able to destroy their room to the point of accessing metal supports from behind the drywall, including the removal of a towel rack, and proceeded to construct weapons out of these materials."

"The patient was yelling from his room ... there would be a bloodbath," one

employee said in an email describing what staff saw that day. "I believed that the door would not break and everyone would remain safe, so I was completely shocked and taken aback when the staff member yelled he's out.... I truly feared for my life."

Talks between OPSEU and Waypoint broke off Oct. 13 amid heightened union concerns around safety.

"It is a continued pattern of this employer refusing to work with the union to resolve these problems," said Greg McVeigh, Local 329's staff representative. "These things don't happen when everything is hunky-dory."

"The general consensus," said Wardell, "is someone is going to get killed in here."

Waypoint CEO member of group focused on workplace violence

Waypoint Centre for Mental Health Care's president and CEO is part of a group created by the province to address workplace violence in the health-care field.

The Workplace Violence Prevention in Health Care Leadership Table is designed to better protect health-care professionals on the job.

Carol Lambie is one of just two hospital representatives participating, along with representatives from the Ministry of Labour, the Ministry of Health and Long-Term Care, the Ontario Hospital Association, the Ontario Nurses' Association and the Ontario Public Service Employee Union, among others.

"Like all health-care professionals, our employees are challenged every day with workplace hazards ... as well as violence," Lambie said in a press release. "I'm pleased to be part of this leadership table as we work together to make things safer for staff and patients."



Carol Lambie

Betty Valentine, Waypoint's board chair, acknowledged the transition to the new Atrium building hasn't been without its challenges for staff. "Waypoint is committed to mitigating these risks," she said, "and Carol's participation at this leadership table validates our commitment to patient and staff safety."

Is Your Child Buckled Up Properly?



If you have...

- ✓ read the manufacturer's instructions
- ✓ referred to the vehicle owner's manual
- ✓ installed the car seat

and you still have questions or concerns, book an appointment at a free car seat clinic.

Free Car Seat Clinic

Don't forget—being the car seat manufacturer's instructions, vehicle owner's manual, and your questions.

Wednesday, October 28th, 2015
9 a.m. to 11 a.m.

Southern Georgian Bay O.P.P. office
Hwy. 12, Midland

(705) 526-3761
(O.P.P. office)

By appointment only

For more information call the Simcoe Muskoka District Health Unit at (705) 721-7520 or 1-877-721-7520 or visit our website at www.simcoemuskodistrict.ca/health

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INVITATION FOR OFFERS

ISMAC MARINA INC. o/a A.C. MARINA ("Ismac")

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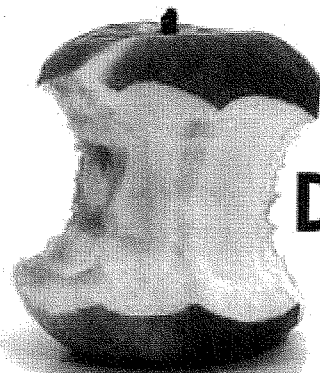
- Land and buildings
- Equipment and docks
- Accounts receivable
- Intellectual properties
- Parts inventory
- 2007 Regal 3760 Commodore

The deadline for submission of offers is 5:00 p.m. (Toronto time) on **Tuesday, November 17, 2015.**

If you have an interest in this opportunity, please review the Ismac documents found in the Insolvency Engagements section of www.farberfinancial.com

For additional information, please contact Peter Crawley at (416) 496-3507 or by email at pcrawley@farberfinancial.com

Farber
FINANCIAL GROUP



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simcoe.ca 1-866-893-9300

TAB F



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Floorplan financing from Commercial Distribution Finance


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INVITATION FOR OFFERS ISMAC MARINA INC. o/a A.C. MARINA

INVITATION FOR OFFERS ISMAC MARINA INC. o/a A.C. MARINA



Lafontaine, Ontario.

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The Assets being offered for sale include: - Land and buildings

- Equipment and docks - Accounts receivable - Parts inventory - Intellectual properties - 2007 Regal 3760 Commodore

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For additional information, please contact Peter Crawley at (416) 496-3507 or by email at pcrawley@farberfinancial.com



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TAB G



PACE CREDIT UNION Well beyond a bank.

December 02, 2015

ISMAL MARINA INC.
15 SUNRISE COURT
TINY, ON L9M 0H2

Dear Sir/Madam,

RE: Loan Number: 36550
Corporate Loan Variable
, ON

STATEMENT FOR DISCHARGE PURPOSES

(Effective December 02 2015 with interest currently paid to January 08 2015)

Principal Balance as at December 02 2015	\$1,341,800.79
(Provided all payments received are honored)	
Interest due @ p+1.50 from last payment to December 02 2015	59,615.31
Sundry Balance	35.00
Total Amount	\$1,401,451.10

These figures are an approximation and are subject to change with any subsequent transactions. The principal balance outstanding is based on all payments being received when due.

Payment received after 1:00 PM shall be deemed for the purpose of calculation of interest to have been made and received on the next business day. Per Diem interest charge will be \$183.81.

A certified cheque should be made payable to PACE Savings & Credit Union Limited, and forwarded to our office.

The authorization to discharge will be sent to you approximately four (4) weeks after the funds have been received.

Yours truly,
PACE Savings & Credit Union Limited

Suzanne Hyde
Manager, Commercial Special Loans
E. & O.E.

TAB H

IN THE MATTER OF THE RECEIVERSHIP OF
ISMAL MARINA INC. O/A AC MARINA
 INTERIM STATEMENT OF RECEIPTS & DISBURSEMENTS
 As at December 7, 2015

Receipts

Accounts receivable	\$ 8,235.84
Bid deposit - refundable	40,000.00
Service revenue	47,456.66
HST Collected	6,169.37
Receiver's borrowings	10,000.00

Total Receipts	111,861.87
----------------	------------

Disbursements

Advertising	2,903.80
Bank Charges	1,596.45
Change locks	472.00
Crane and trailering services	3,713.60
Filing fee paid to Official Receiver	70.00
HST paid on disbursements	1,680.86
Insurance	5,294.15
Marine supplies	3,574.93
Receiver's expenses (travel, telephone etc)	1,627.14
Return bid deposit	40,000.00
Utilities and waste removal	708.95
Wages and subcontractors	22,694.09

Total Disbursements	84,335.97
---------------------	-----------

Gross Receipts over Disbursements	\$ 27,525.90
--	---------------------

Funds on-hand

Balance in Receiver's trust bank account at Dec. 7, 2015	1,647.26
Balance in Debtor's general bank account at Dec. 7, 2015	25,878.64
Total funds on-hand	\$ 27,525.90

TAB I



Canada Revenue Agency
Agence du revenu du Canada

EXAMINER'S STATEMENT OF ACCOUNT – RELEVÉ DE COMPTE DE L'EXAMINATEUR

Taxpayer's Name – Nom du contribuable Ismae Marina Inc.		Date Nov 12/15
Taxpayer's Address – Adresse du contribuable 15 Sunrise Court, Tiny ON L9M 0H2.		Collections Sections Contact – Personne ressource / Section des recouvrements
Account Number – Numéro de compte 86350 4635 RP0001		Collections Section Telephone – Téléphone Section des recouvrements
		Tax Services Office – Bureau des services fiscaux Toronto North - Barrie

An examination of your payroll records performed on 2015-11-13
covering the period(s) 2014-01-01 to 2015-09-24
discloses discrepancies in your remittances as follows:

Un examen de vos registres de paie exécuté le _____
visant les périodes du _____ au _____
a révélé les écarts suivants dans vos versements :

Details – Détails	Current Year Année courante \$ 2015	Previous Years – Années passées	
		\$ 2014	\$
Total deductions and taxpayer's obligation Total des retenues et obligation du contribuable	3689.04	6723.05	
Total credits to date Total des crédits jusqu'à maintenant			
Adjustments Rajustements			
Difference Différence	3689.04	6723.05	
Corrections re EI and/or CPP (See PD86 attached) Corrections pour AE et/ou RPC (voir PD86 ci-jointe)			
Balance Solde	3689.04	6723.05	
Failure to remit penalty Pénalité pour défaut de remettre	368.90	672.32	
Interest Intérêt	46.00	390.-	
Late remitting penalty Pénalité pour versement tardif			
Failure to deduct penalty Pénalité pour défaut de déduire			
Late filing penalty Pénalité pour production tardive		100.-	
Total owing Montant total dû	4103.94	1005 7855.37	
Total arrears disclosed during examination Total des arriérés découverts lors de la vérification		11,989.31	
Previous arrears Arriérés antérieurs		18,339.04	
Adjustments (Previous arrears) Rajustements (Arriérés antérieurs)			
Interest to date on previous arrears Intérêt jusqu'à maintenant sur les arriérés antérieurs			
Sub total Somme partielle		30,328.35	
Less: Current payment Moins : Paiement courant			
Balance due Solde dû		30,328.35	

A notice of assessment will follow shortly. However, the amount owing is due and payable immediately and you are therefore required to provide the examiner with the appropriate payment. Failure to do so may result in legal proceedings either by way of garnishment or action in the Federal Court which could result in seizure and sale of your assets.

Vous recevrez prochainement un avis de cotisation en français. Cependant, le solde dû est exigible et payable immédiatement et vous êtes tenu de fournir à l'examinateur le paiement approprié. En omettant de le faire, nous pourrions engager des procédures judiciaires sous forme de saisie en vertu d'un arrêt de la Cour fédérale ou d'une saisie en vertu d'un arrêt de la Cour fédérale.

For Assistant Director, Revenue Collections Division
Pour le directeur adjoint de la Division du recouvrement des recettes

Signature for receipt only of this statement
Signature pour accusé réception de ce relevé

Canada

TAB J

Canada Revenue
AgencyAgence du revenu
du CanadaGST/HST EXAMINATION STATEMENT OF ACCOUNT
RELEVÉ DE COMPTE DE L'EXAMEN DE LA TPS/TVH

Registrant Name - Nom de l'inscrit SMAC MARINA INC				Tax Services Office - Bureau des services fiscaux Toronto North - Burnie	
Registrant Account - Compte de l'inscrit 86350 44635 RT0001					
GST/HST Examination Details - Détails de l'examen de la TPS/TVH					
Examination Date - Date de l'examen NOV. 12/15	Period(s) Reviewed - Période(s) visée(s) From - De 2013-04-01 To - À 2015-09-24	Number of Returns - Nombre de déclarations Outstanding - En souffrance 0 Completed and not posted - Complétées et non traitées 3		Assessment Required Cotisation requise <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Oui <input type="checkbox"/> Non	
Additional Amounts Due - Montant en souffrance		▶ \$ 35 778.08 (Returns completed and not posted - Déclarations complétées et non traitées) \$ (Returns Outstanding - Déclarations en souffrance) \$ (Adjustments - Rajustements)			
Penalty - Pénalité		▶ \$ 957.98			
Interest - Intérêts		▶ \$ 1483.73			
Sub-Total of Additional Amounts Sous-total des montants additionnels		▶ \$ 38,219.79			
Previous Arrears - Arriérés antérieurs		▶ \$ 84,246.28			
Sub-Total of Previous Arrears Sous-total des arriérés antérieurs		▶ \$ 84,246.28			
Total Due - Total dû		▶ \$ 122,466.07			
Minus Current Payment Moins paiement courant		▶ \$			
Balance Due - Solde dû		▶ \$ 122,466.07			
Post Dated Cheque Arrangement - Arrangement pour chèques postdatés					
Total Amount - Montant total	Date(s)				
Number of Cheques - Nombre de chèques	Amount(s) Montant(s)				
Collection Officer responsible for your account Agent du recouvrement chargé de votre comptes		Telephone No. - N° de téléphone			

PLEASE NOTE: This examination of GST/HST records is not an audit. The above amounts are based on the information provided at the time of the examination but are subject to verification, reassessment and/or audit at any time. The amount owing is due and payable immediately. Therefore you are required to provide the examiner with the payment in full. Failure to do so may result in immediate legal proceedings either by way of garnishee or action in the Federal Court, which could result in seizure and sale of your assets.

INTEREST and PENALTY are charged at the rates prescribed by law, on late or delinquent installment payment(s) and on the balance owing.

FINES and PROSECUTION: Every person who fails to file or make a return as and when required by or under this Part or who fails to comply with subsection 286(2) or 291(2) or with an order made under subsection 326(2) is guilty of an offence and, in addition to any penalty otherwise provided, is liable on summary conviction to a fine of not less than \$1,000 and not more than \$25,000; or both a fine, referred to above, and imprisonment for a term not exceeding twelve months.

Every person who wilfully fails to pay, collect or remit tax or net tax as and when required under this Part is guilty of an offence punishable on summary conviction and liable, in addition to any penalty or interest otherwise provided, to a fine not exceeding the aggregate of \$1,000 and an amount equal to 20% of the amount of tax or net tax that should have been paid, collected or remitted; or both a fine, referred to above, and imprisonment for a term not exceeding six months.

DIRECTORS' LIABILITY: Under the Excise Tax Act, if a corporation fails to remit an amount of net tax as required under subsection 226(2) or (2.3) or to pay an amount as required under section 230.1 that was paid to, or was applied to the liability of, the corporation as a net tax refund, the directors of the corporation at the time the corporation was required to remit or pay, as the case may be, the amount are jointly and severally, or solidarily, liable, together with the corporation, to pay the amount and any interest on, or penalties relating to, the amount. A director of a corporation is not liable for a failure under subsection (1) where the director exercised the degree of care, diligence and skill to prevent the failure that a reasonably prudent person would have exercised in comparable circumstances.

REMARQUE: Cet examen de la TPS/TVH n'est pas une vérification. Les montants susmentionnés reposent sur les renseignements fournis au moment de l'examen mais peuvent, en tout temps, faire l'objet d'une validation, d'une nouvelle cotisation ou d'une vérification. Le montant exigible est dû et payable immédiatement. Vous êtes donc tenu de le verser à l'examineur sur-le-champs, à défaut de quoi vous vous exposez à des poursuites judiciaires imminentes par voie de saisie-arêt, ou d'une action en justice auprès de la Cour fédérale qui pourrait se traduire en saisie et la vente de vos actifs.

Tel que prescrit par la loi, des INTÉRÊTS et une PÉNALITÉ sont imputés sur les versements défectueux ou en retard, ainsi que sur le solde impayé.

AMENDES et POURSUITES JUDICIAIRES: Toute personne qui ne produit pas ou ne remplit pas une déclaration selon les modalités de temps ou autres prévues à la présente partie ou qui ne remplit pas une obligation prévue aux paragraphes 286(2) ou 291(2) ou encore qui contrevient à une ordonnance rendue en application du paragraphe 326(2) commet une infraction et encourt, sur déclaration de culpabilité par procédure sommaire et outre toute pénalité prévue par ailleurs: soit une amende minimale de 1 000 \$ et maximale de 25 000 \$; soit une telle amende et un emprisonnement maximal de 12 mois.

Toute personne qui, volontairement, ne paie pas, ne perçoit pas ou ne verse pas la taxe ou la taxe nette en application de la présente partie ou selon les modalités de temps ou autres qu'elle prévoit commet une infraction et encourt, sur déclaration de culpabilité par procédure sommaire et outre toute pénalité prévue par ailleurs: soit une amende maximale égale au total de 1 000 \$ et d'un montant correspondant à 20 % de la taxe ou taxe nette qui aurait dû être payée, perçue ou versée; soit une telle amende et un emprisonnement maximal de six mois.

RESPONSABILITÉ DES DIRIGEANTS: En vertu de la Loi sur la Taxe d'Accise, les administrateurs d'une personne morale au moment où elle était tenue de verser, comme l'exigent les paragraphes 226(2) ou (2.3), un montant de taxe nette ou, comme l'exige l'article 230.1, un montant au titre d'un remboursement de taxe nette qui lui a été payé ou qui a été déduit d'une somme dont elle est redevable, sont, en cas de défaut par la personne morale, solidairement tenus, avec cette dernière, de payer le montant ainsi que les intérêts et pénalités afférents. L'administrateur n'encourt pas de responsabilité s'il a agi avec autant de soin, de diligence et de compétence pour prévenir le manquement visé au paragraphe (1) que ne l'aurait fait une personne raisonnablement prudente dans les mêmes circonstances.

For Assistant Director, Revenue Collections Division Pour le directeur adjoint, Division du recouvrement des recettes 705-718-1540 NOV 12/15 Date	Signature for receipt of this statement Signature pour accusé réception de ce relevé
---	---

Dans ce formulaire, toutes les expressions désignant des personnes visent à la fois les hommes et les femmes.

TAB K

CERTIFICATE OF TAXES
TREASURER'S OFFICE OF TOWNSHIP OF TINY

CERTIFICATE: 21103
DATE: NOV. 13, 2015

LAWYER: FOGLER, RUBINOFF LLP
77 KING STREET WEST
SUITE 3000 PO BOX 95 TD CENTRE
TORONTO ON
M5K 1G8

ROLL: 4368 000 012 16100 0000
ACCOUNT: 00082941
PROPERTY: CON 17 PT S 1/2 LOT 26 PLAN
1482 LOT 21

ATTN: FILE 15/5402

FEE: 35.00 70.00
RUSH

LOCATION: SUNRISE CRT 17
OWNER: ISMAC MARINA INC

STATEMENT OF ARREARS TAXES UPON THE ABOVE LANDS

YEAR	TAXES LEVIED	TAXES OUTSTANDING	INTEREST OUTSTANDING	TOTAL
2012&PRIOR		8,978.57	2,581.29	11,559.86
2013		9,571.49	2,751.72	12,323.21
2014	9,523.99	9,523.99	2,030.94	11,554.93
TOTAL		28,074.05	7,363.95	35,438.00

STATEMENT OF CURRENT TAXES UPON THE ABOVE LANDS

INSTALMENT	TAXES LEVIED	TAXES OUTSTANDING	TAXES PAST DUE
MAR. 27, 2015	1,978.36	1,978.36	1,978.36
MAR. 27, 2015	2,783.63	2,783.63	2,783.63
JUNE 26, 2015	1,012.45	1,012.45	1,012.45
SEPT 25, 2015	1,012.00	1,012.00	1,012.00
SEPT 25, 2015	2,782.41	2,782.41	2,782.41
PENALTY		634.32	634.32
TAX REGISTR		1,150.00	1,150.00
TOTAL	9,568.85	11,353.17	11,353.17

* Property registered for tax sale
TOTAL OF ALL PAST DUE TAXES, PENALTIES AND INTEREST: 46,791.17

LOCAL IMPROVEMENTS ASSESSED TO THE PROPERTY TO DATE
CODE BYLAW EXPIRES AMOUNT
NO LOCAL IMPROVEMENTS

I hereby certify that the above statements respectively show all arrears of taxes returned to this office and due and owing against the above lands, and that no part of the said lands has been sold for taxes under Part XI (Sale of Land for Tax Arrears) of the Municipal Act, 2001.

DEPUTY TREASURER FAYE WEST

This tax certificate has been prepared in accordance with provisions of Section 352(1) of the Municipal Act, 2001.
This tax certificate reflects only those charges added to the Tax Roll up to the date of certification.
The total taxes may include additions to the Tax Roll as authorized by Provincial Legislation.
Interest and penalty charges have been calculated to the date of certification.
This certificate is subject to additional taxes which may be levied pursuant to the provisions of Section 33 and 34 of the Assessment Act R.S.O. 1990 c.A.31.
This certificate is subject to adjustments of taxes pursuant to the provision of Section 40 of the Assessment Act R.S.O. 1990 and Sections 354, 357, 358, 361, 362, 363, 364 and 365 of the Municipal Act, 2001.
The information on this certificate is based on cheques tendered being honoured by the bank upon which they are drawn. The taxes past due do not necessarily include payments made in the last two days.

MUNICIPALITÉ DU CANTON DE TINY
MUNICIPALITY OF THE TOWNSHIP OF TINY
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130 BALM BEACH ROAD WEST
TINY, ONTARIO L0L 2J0
(705) 526-4204/526-3706 1-866-939-8469
FAX (705) 526-2372

TAB L

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

B E T W E E N:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

-and-

**ISMAL MARINA INC., ISABELLE MCCARTHY and
ALEXANDER MCCARTHY, a.k.a. Sandy McCarthy**

Respondent

**APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C., 1985 c-B-3,
and Rules 14.05(2) and (3)(d), (g) and (h) of the *Rules of Civil Procedure***

**FEES OF A. FARBER & PARTNERS INC.
AS RECEIVER AND MANAGER
FOR THE PERIOD ENDED NOVEMBER 20, 2015**

**AFFIDAVIT OF PETER CRAWLEY
(Sworn December 7, 2015)**

**I, PETER CRAWLEY, of the City of Burlington, in the Province of Ontario, MAKE
OATH AND STATE:**

1. I am a Trustee of A. Farber & Partners Inc. and, as such, have knowledge of the matters to which I hereinafter depose.

2. By Order of the Honourable Mr. Justice Hailey of the Ontario Superior Court of Justice (Commercial List) dated September 24, 2015, A. Farber & Partners Inc. ("**Farber**") was appointed as the Receiver (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties (the "**Property**") of Ismac Marina Inc. ("**Ismac**").

3. During the period September 1, 2015 to November 20, 2015 the Receiver has incurred fees and disbursements, including GST and HST, but excluding the fees of its legal counsel, in the amount of \$80,822.59. A summary of the time incurred, disbursements and HST is attached hereto as **Exhibit "A"**. Particulars of the work performed are contained in the statements of fee of A. Farber & Partners Inc., copies of which are attached hereto as **Exhibit "B"**. The average hourly rate in respect of the accounts is \$386.18.

4. To the best of my knowledge, the rates charged by Farber in connection with acting as Receiver are comparable to the rates charged by other accounting firms in the Toronto market for the provision of similar services.

5. The hourly billing rates set out in the Receiver's statement of fees are the normal hourly rates charged by Farber for services rendered in relation to similar proceedings.

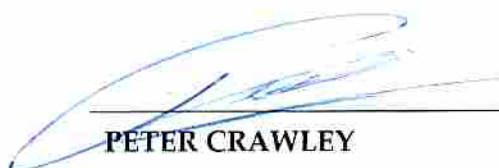
6. This affidavit is made in support of a motion to, *inter alia*, seek approval of the foregoing fees and disbursements as fair and reasonable.

SWORN BEFORE ME at the
City of Toronto, in the
Province of Ontario,
this 7th day of December, 2015.



Commissioner for Taking Affidavits

Annette Chopowick, a Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: April 15, 2016.




PETER CRAWLEY

Exhibit "A"

Summary of Time

This is Exhibit "A" to the Affidavit
of Peter Crawley

Sworn before me this 7th day
of December, 2015


A Commissioner, etc.

Annette Chopowick, a Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: April 15, 2016.

A. FARBER & PARTNERS INC.

EXHIBIT "A"

IMAC MARINA INC.

SUMMARY OF TIME INCURRED

SEPTEMBER 1, 2015 TO NOVEMBER 20, 2015

		Invoice from Sep 1 to Oct 31, 2015		Invoice from Nov 1 to Nov 20, 2015			
Name	Rate/Hour	Hours	Total	Hours	Total	Total Hours	Total Fees
H. Levy	\$ 575.00	6.50	\$ 3,737.50	7.60	\$ 4,370.00	14.10	\$ 8,107.50
P. Crawley	\$ 425.00	60.90	\$ 25,882.50	28.00	\$ 11,900.00	88.90	\$ 37,782.50
M. Litwack	\$ 375.00	50.60	\$ 18,975.00	4.30	\$ 1,612.50	54.90	\$ 20,587.50
M. Castillo	\$ 175.00	1.00	\$ 175.00	-	\$ -	1.00	\$ 175.00
L. Samoilov	\$ 165.00	7.40	\$ 1,221.00	4.70	\$ 775.50	12.10	\$ 1,996.50
L. Lloyd-Key	\$ 155.00	0.20	\$ 31.00	0.20	\$ 31.00	0.40	\$ 62.00
A. Palmer	\$ 155.00	0.90	\$ 139.50	-	\$ -	0.90	\$ 139.50
T. Psek	\$ 155.00	2.50	\$ 387.50	-	\$ -	2.50	\$ 387.50
A. Chopowick	\$ 155.00	5.10	\$ 790.50	2.40	\$ 372.00	7.50	\$ 1,162.50
Total		135.10	\$ 51,339.50	47.20	\$ 19,061.00	182.30	\$ 70,400.50
Average rate per hour:							\$ 386.18
Expenses			810.60			459.42	\$ 1,270.02

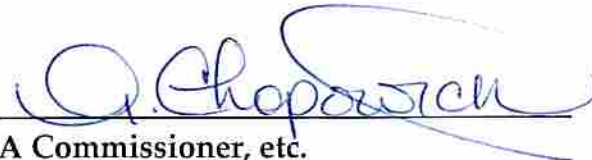
Total Fees and Expenses	\$71,670.52
HST	\$9,152.07
Total	\$80,822.59

Exhibit "B"

Statements of Fees

This is Exhibit "B" to the Affidavit
of Peter Crawley

Sworn before me this 7th day
of December, 2015


A Commissioner, etc.

Annette Chopowick, a Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: April 15, 2016.

150 York Street
Suite 1600
Toronto, ON M5H 3S5
Canada
Office 416.497.0150
Fax 416.496.3839
www.farberfinancial.com

November 18, 2015

Ismac Marina Inc.
c/o A. Farber & Partners Inc.
150 York Street, Suite 1600
Toronto, ON M5H 3S5

Invoice No. 12106

**TO PROFESSIONAL SERVICES RENDERED BY A. FARBER & PARTNERS INC. for the
period September 1, 2015 to October 31, 2015:**

DATE	SERVICE	STAFF	HOURS
09/01/2015	Consulting fees - Corporate Ismac Marina Inc. - Initial meeting with Pace CU and J. Simpson.	Crawley	
09/01/2015	Consulting fees - Corporate Initial meeting with Pace, Jeff Simpson, Peter Crawley.	Levy	
09/02/2015	Accounting Office	Castillo	
09/04/2015	Consulting fees - Corporate Review draft Order, discuss with H. Levy and provide comments to counsel.	Crawley	
09/07/2015	Consulting fees - Corporate Discuss maritime legislation available to enforce collections vis-a-vis inclusion in appointment order.	Crawley	
09/09/2015	Consulting fees - Corporate Various discussions with Peter Crawley; Review of emails from the team regarding draft Order.	Levy	
09/10/2015	Consulting fees - Corporate Review draft affidavit and application documents and provide comments to counsel.	Crawley	
09/11/2015	Consulting fees - Corporate Various comments to the motion materials.	Levy	
09/16/2015	Consulting fees - Corporate Begin receivership planning memo with task list.	Crawley	
09/17/2015	Consulting fees - Corporate	Crawley	

Discuss initial steps with H. Levy and concerns about present stewardship of the business with the application now served.

09/21/2015	Consulting fees - Corporate	Crawley
	Calls to prospective marina operators in advance of anticipated appointment.	
09/22/2015	Consulting fees - Corporate	Litwack(M)
	Meeting w/ P Crawley re filing and travel plan.	
09/23/2015	Consulting fees - Corporate	Crawley
	Review update on discussions with debtor from Pace; preparation and provide instructions to staff for taking possession upon issuance of receivership order.	
09/24/2015	Consulting fees - Corporate	Crawley
	Attend court for appointment hearing; met with I. McCarthy; attended premises to take possession; review accounting and banking arrangements; instruct staff on tasks; meet employees to explain the situation; discuss operations and timetable for winter shutdown with I. McCarthy; map property and obtain details of all boats and trailers; report to primary secured creditor; discussions with H. Levy about staffing decisions.	
09/24/2015	Consulting fees - Corporate	Litwack(M)
	Met with director; Attended location to collect records, create asset list, meet with employees, talk to any customers, arrange for locksmith, arrange for bank letter and insurance coverage.	
09/25/2015	Consulting fees - Corporate	Psek
	Preparation of utility letters to Bell, Hydro and Enbridge.	
09/25/2015	Consulting fees - Corporate	Psek
	Mail redirection.	
09/25/2015	Consulting fees - Corporate	Crawley
	Onsite meetings with staff to discuss operations; obtain key delegate agreements; discuss compensation with I. McCarthy; review roles with Steve S.; met with prospective purchaser; review incoming cashflow; met subcontract mechanic; update H. Levy.	
09/25/2015	Consulting fees - Corporate	Chopowick
	Revisions to and finalize correspondence to bank; emails with P Crawley and M Litwack regarding bank correspondence and other matters; discussions with T	

Psek re mail redirection.

09/25/2015	Consulting fees - Corporate	Litwack(M)
	Attended premise to meet w/ locksmith; discussions throughout the day w/ P Crawley re various matters; Meeting w/ director to have accounting records brought up to date; Completed asset listing; monitored employees throughout day.	
09/26/2015	Consulting fees - Corporate	Crawley
	Review online banking transactions and accumulate list of withdrawals by principal.	
09/27/2015	Consulting fees - Corporate	Crawley
	Correlate customer boat list with monthly payor schedule; prepare budget.	
09/28/2015	Consulting fees - Corporate	Chopowick
	Set up website page and upload documentation.	
09/28/2015	Consulting fees - Corporate	Crawley
	Update call with H. Levy; edit employment letter for I. McCarthy.	
09/28/2015	Banking - Corporate	Samoilov
	Open new bank account.	
09/29/2015	Consulting fees - Corporate	Crawley
	Calls to 3 interested parties to discuss sales process timing and form; instructions to M. Litwack for next day tasks; prepare report to Pace; discuss sales process with S. Thom; further development of budget; call with I. McCarthy to discuss cash receipts and work being done by staff.	
09/30/2015	Consulting fees - Corporate	Crawley
	Finalize and send update to S. Hyde; correspond with M. Litwack re: daily tasks to accomplish onsite; call with I. McCarthy to discuss nature of cash withdrawals and terms of employment; correspond with RBC and Hubbard Insurance about outstanding requests for their compliance.	
09/30/2015	Consulting fees - Corporate	Litwack(M)
	Attended premise to collect records; monitor employees; review asset list and update; review customer list w/ director and prepare part of cash flow for expected monthly income from normal operations; Discussions w/ employee re payroll.	

10/01/2015	Consulting fees - Corporate	Crawley
	Discuss file with M. Litwack and give instruction; prepare draft sale process timetable and discuss with H. Levy and then G. Azeff; commence preparation of First Report; calls with M. Litwack to discuss how to address insurance agent challenges.	
10/01/2015	Consulting fees - Corporate	Litwack(M)
	Meetings w/ P Crawley throughout the day; Meeting w/ L Samoilov re estate account number and deposits; Review of invoice from Locksmith; Review of previous week's deposits; Calls to J Hubbard re insurance; Draft of Notice and Statement of Receiver; Insurance policy calculations for post-appointment time; Meeting w/ P Denton re insurance and effect of court order; Creating financial statements from QuickBooks files; Filing 2015 financial statements; Uploading and recreating QuickBooks accounting files on server; Completing e-file worksheet using review of file documents.	
10/01/2015	Banking - Corporate	Samoilov
	Banking, posting.	
10/02/2015	Consulting fees - Corporate	Chopowick
	Preparation of Notice and Statement of Receiver package and send to creditors; fax same to OSB office.	
10/02/2015	Consulting fees - Corporate	Crawley
	Review insurance premium pro-rate calculations; calculate payroll amounts; finalize notice and statement of Receiver; review updated PPSA reports on Ismac and AC Marina.	
10/02/2015	Consulting fees - Corporate	Litwack(M)
	Calls w/ P Crawley throughout the day; Insurance calculations to determine options and cost; Cheque request for payroll; Call to Isabelle re: Steve's number and creditor list; Call to Steve re address; Arrange for pay cheque to be sent to Steve; Spreadsheet for transactions conducted; Call w/ J Hubbard re insurance; Creating customer contact list and matching customers w/ boats and trailers.	
10/04/2015	Consulting fees - Corporate	Crawley
	Continue preparing First Report.	
10/05/2015	Consulting fees - Corporate	Psek
	Input creditors into Ascend.	



10/05/2015	Consulting fees - Corporate	Crawley
	Update call from I. McCarthy to discuss receipts, mail and purchase requirements.	
10/05/2015	Consulting fees - Corporate	Crawley
	Discuss hearing date with G. Azeff; call from prospective purchaser to discuss level of due diligence completed.	
10/06/2015	Consulting fees - Corporate	Crawley
	Receiver's First Report, prepare R&D; prepare sales timetable and SISP outline of terms; call with S. Noble of RBC to discuss service of the Order on RBC and subsequent actions taken and cheques allowed to clear.	
10/07/2015	Consulting fees - Corporate	Crawley
	Call with RBC insolvency group; resend email to Bankruptcy Highway; edits to and finalize First Report and appendices; discuss insurance and site visit with M. Litwack; update call with I. McCarthy; call to J. Lapetina at FCA to discuss insurance situation.	
10/07/2015	Consulting fees - Corporate	Litwack(M)
	Calls to J Hubbard re insurance; Meeting w/ P Crawley re insurance; Completed FCA insurance form; Call to Isabelle re 209 GMC vehicle; Email to P Crawley re insurance.	
10/07/2015	Banking - Corporate	Samoilov
	Banking, posting.	
10/08/2015	Consulting fees - Corporate	Crawley
	Review FCA insurance form prepared by M. Litwack and forward to J. Lapetina; emails to J. Hubbard and call/email to CAFO; reply to Hubbard; review draft order and motion materials.	
10/08/2015	Consulting fees - Corporate	Litwack(M)
	Correspondence re insurance coverage; Review of email from J Hubbard and calculated insurance prices; Call and text messages to I McCarthy; Cheque request forms for payroll; Call w I McCarthy re GMC truck, visit, and records.	
10/08/2015	Banking - Corporate	Samoilov
	Banking, posting; prepare payroll deductions schedule.	
10/09/2015	Consulting fees - Corporate	Crawley
	Finalize and issue First Report; calls with M. Litwack re:	

onsite tasks and status of winterization; instruct staff to update website; call with Pace to discuss sales process and necessary protections required in the process for the secured creditor; resolve insurance matter with J. Hubbard; respond to J. Lapetina's questions for FCA insurance backup.

10/09/2015	Consulting fees - Corporate Report revisions with P Crawley.	Chopowick
10/09/2015	Consulting fees - Corporate Arrange to have cheque couriered to Hubbard Insurance.	Palmer
10/09/2015	Consulting fees - Corporate Attended premise to monitor; Discussions w/ Isabelle, Steve, Chuck and customers; Fuel reading; Revised asset list with new boat locations and new boats; Took photos.	Litwack(M)
10/09/2015	Banking - Corporate Banking, posting.	Samoilov
10/13/2015	Consulting fees - Corporate Upload Motion Record and add undated blurb to insolvent estate web page.	Palmer
10/13/2015	Consulting fees - Corporate Fax and email copies of Notice and Statement of Receiver to various creditors who have requested.	Chopowick
10/13/2015	Consulting fees - Corporate Discuss operations with M. Litwack; call to RBC to discuss status of request for funds transfer and resend docs.	Crawley
10/13/2015	Consulting fees - Corporate Opening mail; Reconciling receipts received from the previous week; Discussions throughout the day w/ P Crawley; Call to I McCarthy re Land and Sea; Call from customer; Created equipment list.	Litwack(M)
10/13/2015	Consulting fees - Corporate Various discussions with Peter Crawley throughout the week regarding the motion record and other matters.	Levy
10/13/2015	Banking - Corporate Banking, posting.	Samoilov

10/14/2015	Consulting fees - Corporate Call to Land and Sea and emails w/ P Crawley.	Litwack(M)
10/15/2015	Consulting fees - Corporate Emails and calls to RBC for release of funds; discussions with Steve and Isabelle re: winterization status, payroll funding and broken dock; instructions to M. Litwack; email to Hubbard to confirm insurance is in place; instruct staff in updating website; call from S. Hyde.	Crawley
10/15/2015	Consulting fees - Corporate Call to S. Skrypnychuk and meeting w/ P. Crawley re updates; Discussions re payroll; Cheque requisitions for payroll; Reviewing RBC deposits and reconciling with credit card charges.	Litwack(M)
10/15/2015	Consulting fees - Corporate Post First Report of Receiver to site.	Palmer
10/15/2015	Consulting fees - Corporate Emails and telephone calls to local Midland newspapers to determine cost estimate, timing, etc. for placing ad regarding sales process.	Chopowick
10/15/2015	Banking - Corporate Banking, posting.	Samoilov
10/16/2015	Consulting fees - Corporate Site visit to monitor staff, take fuel readings, update boat listing, obtain receipts, payroll.	Litwack(M)
10/16/2015	Consulting fees - Corporate Emails with P Crawley regarding options for local papers to place sales process ad; contact the Globe & Mail to get info on cost and timing to also run ad for sales process.	Chopowick
10/16/2015	Banking - Corporate Banking, posting.	Samoilov
10/19/2015	Consulting fees - Corporate Attend court for sale process approval order; draft confidentiality agreement; discuss operations with M.Litwack; emails with RBC re bank funds; finalize Ad and form of confidentiality agreement.	Crawley
10/19/2015	Consulting fees - Corporate Email to C Tanti re invoices; Meeting w/ P Crawley re	Litwack(M)

Chuck and paying for repair lien; Review of RSLA based registration system; Updating boat list w/ moved and new boats.

10/19/2015	Consulting fees - Corporate	Palmer
	Upload updates/documents to the website.	
10/19/2015	Banking - Corporate	Lloyd-Key
	Bank reconciliation for September 2015.	
10/20/2015	Consulting fees - Corporate	Crawley
	Sales process; review information summary; call from I. McCarthy to discuss operations and work quotes; call from customer R. Carl; discussions with about CIM.	
10/20/2015	Consulting fees - Corporate	Litwack(M)
	Drafting material for sales process including information sheet, review of sales court order; Discussions w/ P Crawley; Drafting CIM w/ review of SISP, and reviewing QuickBooks records to obtain previous year revenue breakdowns; Background research for property area and demographics.	
10/20/2015	Consulting fees - Corporate	Chopowick
	Further emails with the newspapers and P Crawley regarding placing ads for sales process.	
10/21/2015	Consulting fees - Corporate	Psek
	Document preparation.	
10/21/2015	Consulting fees - Corporate	Crawley
	Locate online publications and send advertisement; update interested party control sheet; discuss contents of CIM with; provide repair quote to R. Carl.	
10/21/2015	Consulting fees - Corporate	Litwack(M)
	Continued drafts of CIM; Created maps of area to identify all nearby marinas; Built comparative financial statements; research on local area surrounding marina.	
10/21/2015	Consulting fees - Corporate	Chopowick
	Forward proof of ad to P Crawley for review and approval; follow up with newspapers.	
10/22/2015	Consulting fees - Corporate	Crawley
	Sales process; calls from interested parties; instruct staff on populating website with materials; calls and emails to interested parties.	

10/22/2015	Consulting fees - Corporate	Litwack(M)	Call from C Tanti; Revising draft of CIM; Preparing financial statements for data room; Completing year-to-date financials; Calls w/ employees re updates; Call to Land and Sea re new order; Call to Cole Ritchie (boat dealer) re selling the Regal 3760.
10/22/2015	Consulting fees - Corporate	Chopowick	Preparation of Confidentiality Agreement with P Crawley.
10/23/2015	Consulting fees - Corporate	Litwack(M)	Call from S Skrypnychuk; Call to Ministry of Natural Resources re Land Lease; Updated building information on CIM to include square footage and construction materials.
10/26/2015	Consulting fees - Corporate	Litwack(M)	Search for Regal 3760 information; Emails re Regal and Land and Sea; Created Regal Information Sheet w/ photos for data room; Call to Land and Sea re order; Amended financial statements to include 2014 information; Call from Ministry of Natural Resources re Land use Permit.
10/26/2015	Consulting fees - Corporate	Crawley	Finalize CIM and instruct A. Chopowick to setup data room; review signed CA's received.; call from RBC manager re: funds transfer; review draft APA and counsel's comments on CIM; finalize data room documents; request Receiver's Borrowing advance.
10/26/2015	Consulting fees - Corporate	Chopowick	Set up virtual data room for sales process.
10/27/2015	Consulting fees - Corporate	Litwack(M)	Preparing documents for site visit; Emails to Kim at Land and Sea re order; Review of RBC bank account statement; Meeting w/ P Crawley re pay cheques and banking; Emails with potential purchasers re boats; Generated payroll figures and made cheque requests; Printed contractors invoices and cheque requests; Call from S Skrypnychuk re Land and Sea order and work to be done; Call to Land and Sea re new account.
10/27/2015	Consulting fees - Corporate	Crawley	Coordinate completion of transfer request with Pace; receive confirmation that Pace and RBC transfers were

received today; discuss release of payroll other disbursements with; sales process - review CA's and approve data room access.

10/27/2015	Consulting fees - Corporate	Chopowick
	Set up access to data room for interested parties.	
10/27/2015	Banking - Corporate	Samoilov
	Phone call to RBC following up incoming funds transfers. Banking, posting; update payroll remittance schedule.	
10/28/2015	Consulting fees - Corporate	Litwack(M)
	Visit to monitor employees and operations; Retrieving new credit card receipts and invoices; discussions w/ employees; Calls and emails to Land and Sea re order.	
10/28/2015	Consulting fees - Corporate	Crawley
	Sales process; discussions with interested parties, R. Hoggarth, former listing agent; call to ParkBridge and speak with K. Gagesch; emails with prospect about site visit.	
10/28/2015	Consulting fees - Corporate	Chopowick
	Set up access to data room for interested parties and update schedules.	
10/29/2015	Consulting fees - Corporate	Litwack(M)
	Correspondence w/ Land and Sea and obtaining HST number for L Samoilov; Meeting w/ L Samoilov re cheques, RP002 account and HST numbers; Cheque request for Land and Sea and emails re HST numbers; Reconciliation of invoices, receipts, and bank records; Added all invoice information to HST breakdown spreadsheet; Noted missing invoices and email to Isabelle; Discussions w/ P Crawley through the day; Call to C Tanti re boat repairs needed.	
10/29/2015	Consulting fees - Corporate	Crawley
	Sales process matters; sign CA's and direct staff in giving data room access; calls to prospects to obtain CA's and begin due diligence; lengthy discussion with I. McCarthy about tasks to be accomplished; call to CRA; discussions with about customer boat that sustained damage pre-appointment; send RBC branch request to have cheques returned and funds recovered; review 2004 Phase 2 Environmental.	
10/29/2015	Banking - Corporate	Samoilov

Prepare and forward to CRA request to process RC59 form. Banking, posting.

10/30/2015	Consulting fees - Corporate Correspondence w/ Land and Sea re backordered items; Call to C Tanti re backordered items; Call to Ministry of Natural Resources to follow up on Land Lease.	Litwack(M)
10/30/2015	Consulting fees - Corporate Call from CRA trust examiner to schedule exam and discuss specific audit requirements; email I. McCarthy for status update on accounting and availability; calls from multiple interested parties to discuss sales process; review and sign CA's and request access to data site; update Pace.	Crawley
10/30/2015	Banking - Corporate Banking, posting.	Samoilov

	Total for Services	\$ 51,339.50
Expenses: Photocopies, faxes, etc.	Total for Expenses	<u>810.60</u>
	Subtotal	52,150.10
	HST	<u>6,674.14</u>
	Current Amount Due	<u>\$ 58,824.24</u>

HST#136800752RT0001

A. FARBER & PARTNERS INC.

ISMAR MARINA INC.

SUMMARY OF TIME INCURRED
SEPTEMBER 1, 2015 TO OCTOBER 31, 2015

Name	Total Hours	Rate Per Hour	Billing
H. Levy	6.50	\$575.00	\$3,737.50
P. Crawley	60.90	\$425.00	\$25,882.50
M. Litwack	50.60	\$375.00	\$18,975.00
M. Castillo	1.00	\$175.00	\$175.00
A. Palmer	0.90	\$155.00	\$139.50
L. Samoilov	7.40	\$165.00	\$1,221.00
A. Chopowick	5.10	\$155.00	\$790.50
L. Lloyd-Key	0.20	\$155.00	\$31.00
T. Psek	2.50	\$155.00	\$387.50
Total	135.10		\$51,339.50

150 York Street
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Toronto, ON M5H 3S5
Canada

Office 416.497.0150
Fax 416.496.3839

www.farberfinancial.com

December 4, 2015

Ismac Marina Inc.
c/o A. Farber & Partners Inc.
150 York Street, Suite 1600
Toronto, ON M5H 3S5

Invoice No. 12169

TO PROFESSIONAL SERVICES RENDERED BY A. FARBER & PARTNERS INC. for the period November 1, 2015 to November 20, 2015:

DATE	SERVICE	STAFF
11/02/2015	Consulting fees - Corporate Update statement of receipts and disbursements and incorporate into updated budget; prepare report to secured creditor.	Crawley
11/02/2015	Consulting fees - Corporate Call from Ministry of Natural Resources re Land Use Permit; review of cheques for accounts receivable and updated HST tracking schedule; Cheque request for Enbridge.	Litwack(M)
11/03/2015	Consulting fees - Corporate Call from prospective purchaser to discuss site visit; coordinate CRA trust exam with I McCarthy; review bank account to ensure customer payments were processed; review draft APA; add environmental documents to data room; discuss sales process with H Levy.	Crawley
11/03/2015	Consulting fees - Corporate Set up access and send invites to interested parties for the data room; update tracking schedule.	Chopowick
11/03/2015	Consulting fees - Corporate Call from potential bidder re: process for bidding; email to Isabelle re parts; call to Land and Sea re missing parts; email to Isabelle re back-orders.	Litwack(M)
11/03/2015	Banking - Corporate Banking, posting.	Samoilov

11/04/2015	Consulting fees - Corporate Review of the APA in regards to the sales process.	Levy
11/04/2015	Consulting fees - Corporate Review draft APA; finalize APA; discussion with C Tanti about boat winterization and repair jobs; request funds transfer from RBC; discuss payroll with M Litwack; various sales process matters.	Crawley
11/04/2015	Consulting fees - Corporate Post document to the data room.	Chopowick
11/04/2015	Banking - Corporate Banking, posting.	Samoilov
11/05/2015	Consulting fees - Corporate Finalize APA for inclusion in data room; review and add property registry and map to data room; review J Simpson's question re sales process and craft response; sales process matters.	Crawley
11/06/2015	Consulting fees - Corporate Sales process matters; discussion with Steve; instruct M Litwack in preparing WEPP submission; correspond with I McCarthy about boat releases; follow-up with RBC for transfer of funds; discuss release of \$81.4 amount with Steve S; review land use permits and have posted to data room; discuss sales process and bidding with G Azeff.	Crawley
11/06/2015	Consulting fees - Corporate Set up access to data room for interested parties and update tracking schedule; upload documents to data room; set up company data in WEPP.	Chopowick
11/06/2015	Consulting fees - Corporate Payroll calculations for Steve; Cheque requests for payroll and for Chuck Tanti; WEPP spreadsheet created and calculations done for termination entitlements; email to Isabelle; call and text messages to Steve; discussions with P Crawley; review of documents sent from Ministry of Natural Resources.	Litwack(M)

11/06/2015	Banking - Corporate	Samoilov
	Banking, posting; updating source deduction schedule.	
11/09/2015	Consulting fees - Corporate	Crawley
	Sales process matters; calls to interested parties with H Levy; review WEPP for Steve with M Litwack and prepare letter; email RBC for update on funds transfer.	
11/09/2015	Consulting fees - Corporate	Chopowick
	Finalize WEPP Package for employee and send.	
11/09/2015	Consulting fees - Corporate	Litwack(M)
	Calls to G Azeff re 2014 and 2015 property taxes; direction to A Palmer re C Tanti cheque; discussions with P Crawley re WEPP; direction to A Chopowick re WEPP; drafted and revised letter to Steve for WEPP; direction to A Chopowick re completing the WEPP package.	
11/09/2015	Consulting fees - Corporate	Levy
	Calls with Interested parties, Peter Crawley; Call to Heather Lee at Pace to discuss bid potential.	
11/09/2015	Banking - Corporate	Samoilov
	Banking, posting.	
11/09/2015	Banking - Corporate	Lloyd-Key
	Bank reconciliation for October 2015.	
11/10/2015	Consulting fees - Corporate	Crawley
	Sales process calls to prospective parties; discuss parts/supplies purchase with M Litwack; confirm tasks with I McCarthy; follow-up with RBC yet again for transfer of funds.	
11/10/2015	Consulting fees - Corporate	Chopowick
	Set up access for interested parties to data site and update tracking schedule.	
11/10/2015	Consulting fees - Corporate	Litwack(M)
	Call to land and sea re: invoices outstanding and new order; emails re new order with Land and Sea.	

11/11/2015	Consulting fees - Corporate Calls to interested parties; sales process.	Crawley
11/11/2015	Consulting fees - Corporate Calls with Land and Sea re back-ordered items; emails re Back-ordered items.	Litwack(M)
11/12/2015	Consulting fees - Corporate Calls with interested parties to discuss interest in submitting an offer; post new documents to data room; emails with Isabelle re: missing documents.	Crawley
11/12/2015	Consulting fees - Corporate Upload documents to the data room.	Chopowick
11/12/2015	Banking - Corporate Banking, posting.	Samoilov
11/13/2015	Consulting fees - Corporate Call with I McCarthy to discuss CRA examination, operations and closing the marina for winter; sales process matters; discuss cash component of purchase price with H Levy and G Azeff; calls to RBC branch in Barrie to expedite transfer of funds.	Crawley
11/13/2015	Consulting fees - Corporate Calls with interested parties regarding sales process; call to Heather Lee regarding same; discussions with Peter Crawley and review of priority costs required.	Levy
11/13/2015	Banking - Corporate Banking, posting.	Samoilov
11/16/2015	Consulting fees - Corporate Sales process; call from interested party; discuss status of process with H Levy; provide requisite cash component of purchase price to interested parties; discuss operations and changes with I McCarthy; calls to interested parties to confirm bid submissions; review document; review 2013 fuel tank inspection report and post to data room; calls from interested parties to discuss bid submission process; discuss bid status with counsel.	Crawley

11/16/2015	Consulting fees - Corporate Various emails and discussions with Peter Crawley, Pace.	Levy
11/17/2015	Consulting fees - Corporate Sales process; calls with interested parties; review offers received and update H Levy.	Crawley
11/17/2015	Banking - Corporate Banking, posting.	Samoilov
11/18/2015	Consulting fees - Corporate Review proposals received; verify receipt of deposit; update stakeholders; discuss transfer of operating funds with RBC; update call with Pace and counsel; calls to bidders; review ROE for Steve S.	Crawley
11/18/2015	Consulting fees - Corporate Review of offers from interested parties; Numerous discussions with Peter Crawley regarding communication; conference call with Pace Savings, Greg Azeff; call to interested parties to discuss the bid results and request resubmission of offers.	Levy
11/18/2015	Banking - Corporate Banking, posting.	Samoilov
11/19/2015	Consulting fees - Corporate Attend premises to observe readiness for winter and meet with I McCarthy to discuss final steps in billings and collections; review current cash position and projected cash flow; call from interested party.	Crawley
11/19/2015	Banking - Corporate Banking, posting.	Samoilov
11/20/2015	Consulting fees - Corporate Review base-line APA and make modifications for potential credit bid by secured creditor.	Crawley
11/20/2015	Banking - Corporate Banking, posting.	Samoilov



		Total for Services	\$	19,061.00
Expenses: Mail redirection	\$	176.22		
Photocopies, faxes, etc.		<u>283.20</u>		
		Total for Expenses		<u>459.42</u>
		Subtotal		19,520.42
		HST		<u>2,477.93</u>
		Current Amount Due	\$	<u>21,998.35</u>

HST#136800752RT0001

A. FARBER & PARTNERS INC.

ISMAL MARINA INC.

**SUMMARY OF TIME INCURRED
NOVEMBER 1, 2015 TO NOVEMBER 20, 2015**

Name	Total Hours	Rate Per Hour	Billing
H. Levy	7.60	\$575.00	\$4,370.00
P. Crawley	28.00	\$425.00	\$11,900.00
M. Litwack	4.30	\$375.00	\$1,612.50
L. Samoilov	4.70	\$165.00	\$775.50
A. Chopowick	2.40	\$155.00	\$372.00
L. Lloyd-Key	0.20	\$155.00	\$31.00
Total	47.20		\$19,061.00

TAB M

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

ISMAL MARINA INC., ISABELLE MCCARTHY and
ALEXANDER MCCARTHY, a.k.a. SANDY MCCARTHY

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3, and Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*


**AFFIDAVIT OF GREGORY AZEFF
SWORN DECEMBER 4, 2015**

I, Gregory Azeff, of the City of Toronto, Province of Ontario, Barrister and Solicitor, MAKE OATH AND SAY AS FOLLOWS:


1. I am a lawyer with the law firm of Fogler, Rubinoff LLP ("FR"), lawyers for A. Farber & Partners Inc. in its capacity as Receiver of Ismal Marina Inc. (the "Receiver") and in such capacity I have knowledge of the matters hereinafter deposed to. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I believe I have indicated that I have obtained facts from other sources, I believe those facts to be true.
2. Attached hereto as **Exhibit "A"** is a true copy of the invoices issued to the Receiver by FR for fees and disbursements incurred by FR in the course of the receivership proceedings between September 2, 2015 and December 3, 2015. The total fees charged by FR during that period were \$9,811.50, plus disbursements of \$626.81, plus Harmonized Sales Tax in the amount of \$1,340.48, for a total of \$11,778.79.

3. Attached hereto as **Exhibit "B"** is a schedule summarizing each invoice in Exhibit "A", the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.
4. Attached hereto as **Exhibit "C"** is a schedule summarizing the respective years of call and billing rates of each of the lawyers at FR who acted for the Receiver.
5. To the best of my knowledge, the rates charged by FR throughout the course of this proceeding are comparable to those charged by other law firms in Toronto for the provision of similar services.
6. The hourly billing rates outlined in Exhibit "C" to this affidavit are comparable to the hourly rates charged by FR for services rendered in similar proceedings.
7. I make the affidavit in support of a motion by the Receiver for, among other things, approval of the fees and disbursements of the Receiver's counsel.

SWORN before me at the City of
Toronto, in the Province of Ontario, this
4th day of December, 2015.



A Commissioner for taking affidavits.
K. W. MOVAT



Gregory Azeff

EXHIBIT "A"
DETAILED INVOICES

November 13, 2015

A. Farber & Partners Inc.
150 York Street, Suite 1600
Toronto ON
M5H 3S5

Attention: Peter K. Crawley, MBA, CPA, CA,
CIRP
Senior Manager

IN ACCOUNT WITH
Fogler, Rubinoff LLP
77 King Street West, Suite 3000
TD Centre North Tower
P.O. Box 95
Toronto, ON
M5K 1G8
Telephone: 416-864-9700
Fax: 416-941-8852
www.foglers.com

fogler
rubinoff

Our File: A2372 / 155402
Receivership of A.C. Marina

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>
Sep-02-15	VSF	searches.	0.60
Sep-02-15	JRF	Email correspondence re: new matter and file opening.	0.20
Sep-02-15	GA	Review searches.	0.30
Sep-04-15	JRF	Emails re: draft receivership order and cursory review of same.	0.30
Sep-04-15	GA	Review and consider draft Order; Telephone call with P. Crawley.	0.30
Sep-08-15	JRF	Conference with G. Azeff re: status, comments re: draft order following review of same, etc.	0.60
Sep-09-15	GA	Review and respond to email; Review draft Order.	0.30
Sep-10-15	GA	Review draft materials.	0.60
Sep-16-15	GA	Review Application Record.	0.40
Sep-23-15	GA	Review Motion Record.	0.30
Sep-24-15	JRF	Conference with G. Azeff re: court attendance, next steps, etc.	0.20
Sep-24-15	GA	Prepare for, travel to and attend hearing at 330 University.	1.10
Sep-25-15	GA	Discussion with P. Crawley; Review draft engagement letter and provide comments.	0.40
Sep-28-15	GA	Review Residential Tenancies Act re security of tenancy; Email to clients.	0.60
Oct-01-15	GA	Telephone call with P. Crawley; Telephone call with J. Simpson; Consider Sale Process document; Drafting motion materials.	0.40
Oct-05-15	GA	Discussion with P. Crawley re status and motion.	0.20
Oct-06-15	GA	Telephone call with P. Crawley regarding bank account issue.	0.20
Oct-07-15	GA	Review and revise draft Report; Review sale process document; Prepare Notice of Motion and draft Order; Review SISP document.	1.30
Oct-08-15	GA	Finalize draft Notice and Order.	0.60
Oct-09-15	GA	Review materials for service.	0.40
Oct-13-15	VSF	commercial motion.	0.60
Oct-19-15	VSF	enter order.	0.60
Oct-19-15	GA	Prepare for, travel to and attend motion re sale process.	1.40
Oct-19-15	GA	Review and revise draft Confidentiality Agreement; Review and revise draft advertisement.	0.50

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>
Oct-21-15	GA	Draft form of APA; Research re lien issue; Discussion with P. Crawley re various issues.	0.80
Oct-22-15	GA	Continue drafting APA.	0.70
Oct-26-15	GA	Review and revise form of APA; Send to client for review; Review CIM.	1.40
Nov-03-15	GA	Review update from P. Crawley; Review correspondence; Review sale process; Telephone call to P. Crawley re sale process.	0.30

OUR FEE HEREIN

\$6,607.50

Summary of Fees

<u>Initials</u>	<u>Total Time</u>	<u>Hourly Rate</u>	<u>Value</u>
JRF	1.30	350.00	455.00
GA	12.50	485.00	6,062.50
VSF	1.80	50.00	90.00

Disbursements

Taxable	Bankruptcy Search	\$8.00
Taxable	Binding Supplies	\$54.35
Taxable	Courier & Delivery	\$109.38
Taxable	Cyberbahn Search/Filing	\$20.00
Exempt	Motion	\$127.00
Taxable	Postage/Registered Mail	\$2.36
Taxable	PPSA Search	\$8.00
Taxable	Prints	\$141.30
Taxable	Writs name search	\$14.00

Total Disbursements **\$484.39**

Total Fees and Disbursements **\$7,091.89**

HST @ 13% on Fees and Taxable Disbursements **\$905.44**

Total Fees, Disbursements and Taxes this Bill \$7,997.33

Balance Due: \$7,997.33

**THIS IS OUR ACCOUNT HEREIN
FOGLER, RUBINOFF LLP**


Greg Azeff

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 3.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

Please return a copy of this account with your payment. Thank you.

December 3, 2015

A. Farber & Partners Inc.
150 York Street, Suite 1600
Toronto ON
M5H 3S5

Attention: Peter K. Crawley, MBA, CPA, CA,
CIRP
Senior Manager

IN ACCOUNT WITH
Fogler, Rubinoff LLP
77 King Street West, Suite 3000
TD Centre North Tower
P.O. Box 95
Toronto, ON
M5K 1G8
Telephone: 416-864-9700
Fax: 416-941-8852
www.foglers.com

fogler
rubinoff

Our File: A2372 / 155402
Receivership of A.C. Marina

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>
Nov-04-15	GA	Review and respond to correspondence; Draft form of Approval and Vesting Order.	0.50
Nov-05-15	GA	Review and respond to correspondence; Consider issue re credit bid.	0.30
Nov-09-15	GA	Telephone call with M. Litwack.	0.10
Nov-10-15	ERE	Review email instructions; telephone MPAC; email to confirm years of assessment required; fax correspondence to MPAC requesting assessment reports; telephone follow up.	0.50
Nov-12-15	GA	Review and respond to email; Telephone call to J. Simpson.	0.20
Nov-12-15	ERE	Telephone follow up with MPAC, email Greg MPAC reports; telephone Township of Tiny; prepare letter requesting tax certificate; arrange delivery of same.	0.60
Nov-13-15	GA	Telephone call to P. Crawley re sale process and cash requirements.	0.30
Nov-16-15	GA	Telephone call to P. Crawley.	0.10
Nov-18-15	GA	Review bids; Attend conference call re various issues.	0.90
Nov-18-15	ERE	Telephone follow up with Tiny Township; email tax certificate.	0.10
Nov-24-15	GA	Review Order and SISP; Attend conference call; Follow up call with P. Crawley and H. Levy.	0.60
Nov-25-15	GA	Review and consider correspondence; Review sale process order.	0.40
Nov-30-15	GA	Review and consider correspondence.	0.40
Dec-01-15	GA	Preparing Motion materials.	0.60
Dec-02-15	GA	Preparing security opinion; Telephone discussion with P. Crawley.	1.60

OUR FEE HEREIN

\$3,204.00

Summary of Fees

<u>Initials</u>	<u>Total Time</u>	<u>Hourly Rate</u>	<u>Value</u>
GA	6.00	485.00	2,910.00

fogler
rubinoff

Summary of Fees

<u>Initials</u>	<u>Total Time</u>	<u>Hourly Rate</u>	<u>Value</u>
ERE	1.20	245.00	294.00

Disbursements

Taxable	Courier & Delivery	\$16.90
Taxable	Faxes	\$7.55
Taxable	Prints	\$4.80
Taxable	Search of Title	\$38.55
Taxable	Tax Certificate	\$70.00
Taxable	Telephone	\$4.62

Total Disbursements \$142.42

Total Fees and Disbursements \$3,346.42

HST @ 13% on Fees and Taxable Disbursements \$435.04

Total Fees, Disbursements and Taxes this Bill \$3,781.46

Balance Due: \$3,781.46

**THIS IS OUR ACCOUNT HEREIN
FOGLER, RUBINOFF LLP**

Greg Azeff

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 3.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

Please return a copy of this account with your payment. Thank you.

GST/HST No : R119420859

EXHIBIT "B"

SUMMARY OF FEES FOR THE PERIOD SEPTEMBER 2, 2015 – DECEMBER 3, 2015

Invoice No.	Fees	Disbursements	HST	Hours	Average Hourly Rate	Total
21514496	\$6,607.50	\$484.39	\$905.44	15.6	\$424	\$7,997.33
21515811	\$3,204.00	\$142.42	\$435.04	7.2	\$445	\$3,781.46
	\$9,811.50	\$626.81	\$1,340.48	22.8	\$435	\$11,778.79

EXHIBIT "C"

BILLING RATES OF FOGLER, RUBINOFF LLP FOR THE PERIOD SEPTEMBER 2, 2015 – DECEMBER 3, 2015

Timekeeper	Hourly Rate	Year of Call
Gregory R. Azeff	\$485.00	2002
Joshua Freeman	\$340.00	2008
Edna Tienzo	\$245.00	Law Clerk
V. Shane Findley	\$230.00	Litigation Clerk

PACE SAVINGS & CREDIT UNION LIMITED
Applicant

-and- ISMAC MARINA INC. et al.
Respondents

Court File No. CV-15-11108-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT
TORONTO

**AFFIDAVIT OF GREGORY AZEFF
(SWORN DECEMBER 4, 2015)**

FOGLER, RUBINOFF LLP

Lawyers
77 King Street West
Suite 3000, P.O. Box 95
TD Centre North Tower
Toronto, ON M5K 1G8

Greg Azeff (LSUC# 43524C)

Tel: 416.864.9700
Fax: 416.941.8852
gazeff@foglers.com

Lawyers for the Receiver,
A. Farber & Partners Inc.

TAB 3

THIS MOTION, made by A. Farber & Partners Inc. in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") of the undertaking, property and assets of Ismac Marina Inc. (the "**Debtor**") for an Order, *inter alia*: (a) approving the Second Report of the Receiver dated December 8, 2015 (the "**Second Report**") and the activities disclosed therein, (b) approving the Receiver's Interim Statement of Receipts and Disbursements, (c) approving the fees and disbursements of the Receiver and its counsel, (d) temporarily sealing Confidential Appendix "A" and Confidential Appendix "B" to the Second Report, and (e) authorizing the

Receiver to make an interim distribution, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report and on hearing the submissions of counsel for the Receiver, counsel for Pace Savings & Credit Union Limited ("**Pace**"), [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS AND DECLARES** that the Second Report and the activities and conduct of the Receiver and its counsel as disclosed therein are hereby approved.

3. **THIS COURT ORDERS AND DECLARES** that the Receiver's Interim Statement of Receipts and Disbursements for the period between September 24, 2015 and December 7, 2015 is hereby approved.

4. **THIS COURT ORDERS AND DECLARES** that the fees and disbursements of the Receiver and its counsel, as disclosed in the Second Report, are hereby approved.

5. **THIS COURT ORDERS** that the unredacted Second Report, Confidential Appendix "A" and Confidential Appendix "B" to the Second Report shall be sealed and shall not form part of the public record pending further Order of this Court.

6. **THIS COURT ORDERS AND DECLARES** that the Receiver is authorized (but not directed or otherwise obligated) to make a distribution to Pace in an amount to be determined by

the Receiver (and which amount, for greater certainty, shall not exceed the amount owing by the Debtor to Pace) following closing of the transaction contemplated in the APA.

TAB 4

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE •) •DAY, THE •th DAY
)
) OF DECEMBER, 2014

B E T W E E N:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

**ISMAC MARINA INC., ISABELLE MCCARTHY and
ALEXANDER MCCARTHY, a.k.a. SANDY MCCARTHY**

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3, and Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

APPROVAL AND VESTING ORDER

THIS MOTION, made by A. Farber & Partners Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Ismac Marina Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Pace Savings & Credit Union Limited (the "**Purchaser**") dated December •, 2015 and appended to the Report of the Receiver dated December •, 2015 (the "**Report**"), and vesting in the Purchaser the

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

ON READING the Report and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

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

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated September 24, 2015; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Simcoe of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the “**Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

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

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

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

- (c) any assignment in bankruptcy made in respect of the Debtor;

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

8. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

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

Schedule A – Form of Receiver’s Certificate

Court File No. CV-15-11108-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

**ISMAL MARINA INC., ISABELLE MCCARTHY and
ALEXANDER MCCARTHY, a.k.a. SANDY MCCARTHY**

Respondents

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c-B-3, and Rules 14.05(2), (3) (d), (g) and (h) of the *Rules of Civil Procedure*

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (the "**Court**") dated September 24, 2015, A. Farber & Partners Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Ismac Marina Inc. (the "Debtor").

B. Pursuant to an Order of the Court dated December 18, 2015, the Court approved the agreement of purchase and sale made as of December ●, 2015 (the "**Sale Agreement**") between the Receiver and Pace Savings & Credit Union Limited (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the

Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article IV of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

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

A. FARBER & PARTNERS INC., in its capacity as Receiver of the undertaking, property and assets of Ismac Marina Inc., and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – Purchased Assets

[NTD: Consider whether to list assets]

Schedule C – Claims to be deleted and expunged from title to Real Property

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

(unaffected by the Vesting Order)

PACE SAVINGS & CREDIT UNION LIMITED
Applicant

-and- ISMAC MARINA INC. et al.
Respondents

APPLICATION UNDER s. 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985 c-B-3, and Rules 14.05(2), (3) (d), (g) and (h) of the Rules of Civil Procedure

Court File No. CV-15-11108-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD

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