

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	THURSDAY, THE
)	
JUSTICE KOEHNEN)	25 th DAY OF JUNE, 2020

CENTURION MORTGAGE CAPITAL CORPORATION

Plaintiff

- and -

2545174 ONTARIO INC. and NAVEED AHMED QURESHI

Defendants

ORDER
(Discharge Order)

THIS MOTION made by the Defendant, Naveed Ahmed Qureshi (“**Qureshi**”) for an Order:

- a) abridging the time for service of the Notice of Motion herein and the Motion Record and dispensing with service thereof;
- b) approving the activities of BDO Canada Limited (“**BDO**”) in its capacity as the Court Appointed receiver (the “**Receiver**”) of the lands and premises legally described in Schedule “A” and all of the assets, undertakings and properties of the Defendant, 2545174 Ontario Inc. (the “**Debtor**”), as set out in the report of the First and Final Report of the Receiver dated June 18, 2020 (the “**Report**”);
- c) approving the fees and disbursements of the Receiver and its counsel;

- d) discharging BDO as Receiver of the undertaking, property and assets of the Debtor,

was heard this day, by video conference, as a result of the COVID-19 pandemic.

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

2. **THIS COURT ORDERS** that the activities of the Receiver, as set out in the Report, are hereby approved.

3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits, are hereby approved.

4. **THIS COURT ORDERS** that upon:

- (a) \$850,000 (the "**EMIC Mortgage Funds**") of the proceeds from a new second mortgage, (hereinafter referred to as the "**EMIC Mortgage**") to be registered in favour of COMPUTERSHARE TRUST COMPANY OF CANADA, against the property known municipally as 478-494 Kingston Road, Pickering, Ontario (the "**Property**") with the legal description set out in **Schedule "A"** arranged by the Debtor with Equityline Mortgage Investment Corporation ("**EMIC**") being deposited into the trust account of Robins Appleby LLP, as counsel for the Receiver, in accordance with the Escrow Agreement between the Debtor, Qureshi, the Plaintiff and EMIC dated June 18, 2020 (the "**Escrow Agreement**");
- (b) the EMIC mortgage from the Debtor in favour of EMIC's custodian Computershare Trust Company of Canada being registered against the Property in accordance with the terms of the Escrow Agreement, in second priority, together with the postponements by 2399574 Ontario Inc. and 1299400 Ontario Ltd.;

that:

- (a) the Property and the Debtor's ongoing business operations be and the same is hereby discharged from the receivership and returned to the management and control of the Debtor;
- (b) the Application Court Order registered on June 24, 2019 in the Land Titles Office for Durham (No. 40) as Instrument DR1803975 against the Property is hereby discharged and shall be deleted from title to the Property;
- (c) the execution, and delivery by the Debtor of the EMIC Mortgage, and any other related security including, a general assignment of rents and general security agreement be and the same is hereby authorized and approved, *nunc pro tunc* and shall be binding upon the Debtor;

5. **THIS COURT ORDERS** that upon:

- (a) the Receiver making payment from the EMIC Mortgage Funds of all outstanding property taxes owing in respect of the Property and making payment of the all outstanding receivership costs as set out in the Report (collectively the **"Priority Payments"**);
- (b) the Receiver making payment of the balance of the EMIC Mortgage Funds to the Plaintiff upon making the Priority Payments;
- (c) the Receiver filing a certificate certifying that it has completed the other activities described in the Report in form attached as **Schedule "B"** hereto (the **"Certificate of Completion"**);

the Receiver shall be discharged as receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of BDO in its capacity as the Receiver.

5. **THIS COURT ORDERS** that the Receiver shall have no other obligations or duties other than to complete the outstanding matters as set out in paragraph 22 of the Report from the date of this Order until the filing of the Certificate of Completion.

6. **THIS COURT ORDERS** that the Receiver is hereby released and discharged from any and all liabilities that it had incurred pursuant to any and all Receiver Certificates issued for the funding of the Receivership.

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

8. **THIS COURT ORDERS** that this Order shall be effective from today, without being issued and entered but that the issuance and entry thereof be expedited.



SCHEDULE "A"

THE PROPERTY

PIN: 26304-0055 (LT)

DESCRIPTION: PT LT 161 RCP 816, PT 1 40R4158 EXCEPT PT 1 40R13509;
CITY OF PICKERING

PIN: 26304-0209 (LT)

DESCRIPTION: PART LOT 161 PLAN 816 PART 2 40R4158 AND PART LOT
162 PLAN 816; EXCEPT PART 1 40R28265; CITY OF
PICKERING

Address: 478 - 494 Kingston Road, Pickering, Ontario

SCHEDULE "B"
FORM OF RECEIVER'S CERTIFICATE

Court File No. CV-19-00618742-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

CENTURION MORTGAGE CAPITAL CORPORATION

Plaintiff

- and -

2545174 ONTARIO INC. and NAVEED AHMED QURESHI

Defendants

CERTIFICATE OF COMPLETION

RECITALS

A. Pursuant to the terms of the Order of Justice Hainey dated June 24, 2019 (the "**Receivership Order**"), BDO Canada Limited (the "**Receiver**") was appointed as Receiver over the assets, undertakings and properties of 2545174 Ontario Inc. (the "**Debtor**") pursuant to section 243 of the *Bankruptcy and Insolvency Act* ("**BIA**") and section 101 of the *Courts of Justice Act* ("**CJA**").

B. Pursuant to an Order of ● dated June ●, 2020 (the "**Discharge Order**"), the Court, *inter alia*, authorized and directed the Receiver to carry out certain final outstanding matters (the "**Outstanding Matters**") that were outlined in the First and Final Report of the Receiver dated June 18, 2020 (the "**Report**"), and further provided that upon the Receiver filing a Certificate of Completion with this Court certifying that the Outstanding Matters completed, the Receiver shall

thereby be immediately discharged, and the Application Court Order registered as DR1803975 on June 24, 2019 in the Land Titles Division of Durham (No. 40) shall be discharged, and the Receiver and all of its directors, officers, partners, employees, agents, attorneys and counsel released from any and all claims in respect of all acts or omissions of any such parties in the performance or intended performance of the Receiver's mandate or any activity related thereto.

THE RECEIVER HEREBY CERTIFIES the following:

1. The Receiver has completed all of the Outstanding Matters in accordance with the terms of the Report and the Discharge Order, such that the discharge and release of the Receiver should now be effective.

DATED at Toronto, Ontario this day of _____, 2020.

**BDO Canada Limited, in its capacity as
Receiver of the undertaking, property and
assets of 2545174 Ontario Inc. and not in its
personal capacity**

Per: _____

Name: Josie Parisi

Title: Senior Vice -President

CENTURION MORTGAGE CAPITAL CORPORATION
PLAINTIFF

and

2545174 ONTARIO INC. and NAVEED AHMED QURESHI
DEFENDANTS

(Short title of proceeding)

Court file no. CV-19-00618742-00CL

SUPERIOR COURT OF JUSTICE

Proceeding commenced at **Toronto**

ORDER

DAVID W. DOLSON
Barrister and Solicitor
701 Evans Avenue, Suite 712
Etobicoke, ON
M9C 1A3
Attention: David W. Dolson
LSUC: 20567P
(416) 966-9083
Fax: (416) 966-9084
dwdolson@dolsonlawyer.com

Solicitor(s) for the Defendant / Moving Party
Naveed Ahmed Qureshi