

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.

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THURSDAY, THE 13TH

JUSTICE PENNY

)

DAY OF NOVEMBER, 2014

)



EAST GUARDIAN SPC

Applicant

- and -

ARIE MAZUR

Respondent

ORDER
(appointing Receiver)

THIS APPLICATION AND MOTION made by the Applicant for an Order pursuant to section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") and Rule 41 of the *Rules of Civil Procedure* (the "Rules") appointing Link & Associates Inc. as receiver (in such capacity, the "Receiver") without security, of all of the assets, undertakings and properties of Arie Mazur (the "Debtor"), and other relief, was heard October 30, 2014 at 330 University Avenue, Toronto, Ontario.

ON READING the Applicant's Application Record and Supplementary Application Record, the Respondent's Responding Application Record/Motion Record and Supplementary Responding Application Record/Motion Record, the transcripts from the cross-examinations of the affiants, and the factums and authorities of the parties, and on hearing the submissions of the lawyers for the parties,

APPOINTMENT

1. **THIS COURT ORDERS** that Link & Associates Inc. is hereby appointed Receiver, without security, to investigate, identify, quantify and locate all of the Debtor's assets, undertakings, books and records and properties, real and personal, of every nature and kind whatsoever, including proceeds thereof, in Ontario (the "Property"), pursuant to Section 101 of the *CJA* and Rule 41 of the *Rules*.

RECEIVER'S POWERS

2. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to do any of the following where the Receiver considers it necessary or desirable:

- (a) investigate, identify, quantify, and take all steps necessary, in the opinion of the Receiver to locate all of the Debtor's Property;
- (b) conduct such review and investigation of the transactions and the business and affairs of the Debtor it deems necessary;
- (c) obtain all trading of securities records, lending agreements, banking records, including copies of all cancelled cheques, deposit receipts for any and all bank accounts of the Debtor, whether in a joint account or in the Debtor's name alone, including but not limited to Scotiabank account #944660021687;
- (d) 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) open and reproduce such documents, including bank accounts, financial and other records, account information, books of account and other documents ("Documents") in whatever form, whether electronic or otherwise, as the Receiver deems appropriate on all matters relating to the

Property and the receivership, including but not limited to Documents on any device, cellular phone or other electronic messaging device owned by the Debtor or in his possession or control; or any other device the Receiver reasonably believes contains information relating to the Property and the receivership;

- (f) 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;
- (g) examine under oath such affected Persons 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; and
- (h) 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 empowered to do so without interference from the Debtor or any other Person.

3. **THIS COURT ORDERS** that, for the purposes of carrying out the Receiver's powers in paragraph 2, (i) the Debtor, (ii) all of his current and former, agents, accountants and legal counsel, and all other persons acting on his instructions or behalf having notice of this Order, and (iii) all other individuals, firms, corporations, governmental bodies or agencies including Canada Revenue Agency ("CRA") and the Ministry of Finance ("MOF"), 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, in the case of either the CRA or MOF, provide the Receiver with copies of all tax returns filed with it by the Debtor and without the necessity of providing any other order authorizing either CRA or MOF to do so.

4. **THIS COURT ORDERS** that, for the purposes of carrying out the Receiver's powers in paragraph 2, all Persons shall forthwith advise the Receiver in writing 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 privilege or due to any statutory provisions prohibiting such disclosure.

5. **THIS COURT ORDERS** that, for the purposes of carrying out the Receiver's powers in paragraph 2, 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

6. **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.

LIMITATION ON THE RECEIVER'S LIABILITY

7. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3 (the "*BIA*") or by any other applicable legislation.

GENERAL

8. **THIS COURT ORDERS** that the Receiver is not appointed Receiver pursuant to Section 243 of the *BIA* and is not required to give notice of its appointment, file-statements or send reports as set out in Section 245 and 246 of the *BIA*.

9. **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.

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

11. **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.

12. **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.

13. **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.

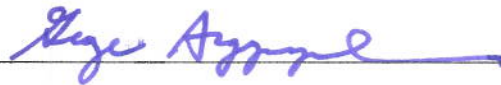
14. **THIS COURT ORDERS** that the costs of the receivership shall initially be borne by the Applicant but shall be the subject of further proceedings after the Receiver has had the opportunity to initiate review.

15. **THIS COURT ORDERS** that if the parties cannot agree to the costs of this Application and motion then the Applicant may seek its costs by filing written submissions on costs not exceeding two double-spaced pages in length and a Bill of Costs and any supporting materials no later than November 27, 2014 and the Respondent may reply to any request for costs by filing written submissions not exceeding two double-spaced pages within a further ten days.

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



NOV 23 2014



G. Argyropoulos, Registrar
Superior Court of Justice

EAST GUARDIAN SPC
Applicant

-and- ARIE MAZUR
Respondent

Court File No. CV-14-10714-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

ORDER

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