

Estate No. 35-2106711

IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR, PROVINCE OF ONTARIO

IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR, PROVINCE OF ONTARIO

REPORT TO COURT

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**IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR,
IN THE PROVINCE OF ONTARIO**

TRUSTEE'S REPORT TO COURT ON PROPOSAL

Rosen Goldberg Inc., the proposal Trustee (the "**Proposal Trustee**") acting in the Proposal (the "**Proposal**") of 1552906 Ontario Limited ("**155**" or the "**Company**") hereby reports to the Court as follows:

BACKGROUND

1. 155 is a company that is the owner of development land in Essex, Ontario which consists of 62 unserved building lots (the "**Development**"). 155's assets consists of the Development and 2 mortgage receivables with a total amount outstanding of \$99,000.
2. There are 4 equal corporate shareholders of the Company. The shareholders consist of:
 - a. 1147073 Ontario Limited ("**114**")
 - b. 1243494 Ontario Limited
 - c. 803102 Ontario Limited ("**803**")
 - d. Central Vehicle Leasing of Essex Ltd.(collectively the "**Corporate Shareholders**").
3. The Company has primarily been funded by unsecured loans advanced by the Corporate Shareholders. Each of the Corporate Shareholders have loans outstanding in equal amounts. 155 issued Promissory Notes for certain of the advances of the Shareholder Loans in the amount of \$80,322.83 to each of the Corporate Shareholders (the "**Promissory Notes**"). The Promissory Notes do not bear interest and are on demand.
4. The balance of the loans made by the Corporate Shareholders in the form of shareholders advances (the "**Shareholders Loans**"). There were no specified repayment terms in respect of the Shareholder Advances.
5. In addition, 155 has a mortgage payable, in the approximate amount of \$264,500 to Dunn Management Ltd., a related company, to 803. The mortgage bears interest at 7.5%, paid quarterly and is due March 30, 2018. The Proposal Trustee is advised that there were no other unsecured creditors at the time of the filing of this Report.



CAUSES OF INSOLVENCY

6. The Proposal Trustee is advised that it was the Company's intention to sell serviced lots to developers. In this regard, the Company entered into an agreement on March 31, 2018 with RV Investments Limited ("RV") to manage the project and market and sell the lots. (the "**RV Management Contract**"). In accordance with the terms of the RV Management Contract, RV is to be paid 6.5% of the sale price of the lots, payable upon the sale of each lot being completed. The Proposal Trustee understands that RV has significant experience in the Essex/Windsor area with projects of this nature. RV is related to 114, a Corporate Shareholder.
7. The Proposal Trustee has been advised that for a significant part of 2016 that there was a hold instituted by the Town of Essex on selling lots in the municipality. The Proposal Trustee understands that the hold was lifted by the Town of Essex in September 2016. The Proposal Trustee is also advised that due to a decline in the market the value of the lots in the Development it is unlikely that the Corporate Shareholders' would fully recover their investment.
8. In May 2015, 803, issued a demand for payment to the Company in respect of its loans outstanding of \$80,322.82 and \$403,194.85 respectively. In July 2015, 803 commenced legal action against the Company. The Company filed a defense and counterclaimed against 803. As result of the litigation, the Company incurred significant legal fees, and the litigation has impacted its ability to carry on business in the normal course.
9. On April 4, 2016, the Company filed a Notice of Intention to Make a Proposal ("**NOI**") pursuant to section 50.4 of the *Bankruptcy and Insolvency Act* (the "**BIA**") and Rosen Goldberg Inc. consented to act as Proposal Trustee. A copy of the NOI together with the affidavit of mailing is attached at **Tab "1"** to this report. Cash Flow Statements that were filed by the Company are attached at **Tab "2"** to this report.

PROPOSAL

10. A Proposal was signed on May 3, 2016, lodged with the Proposal Trustee and filed with the Official Receiver on May 4, 2016. A copy of the Proposal is attached at "**Tab "3"**" to this report. The Proposal contained two separate classes; one for each of Promissory Notes and the Shareholder Advances owing to the shareholder/creditors.

The Proposal called for payment in respect of Promissory Note holders, as follows:

"The Promissory Note holders shall each receive \$10,000 for consideration for their Promissory Notes. The payment shall be made through the issuance by 155 of New Promissory notes. 155 shall pay the Trustee the requisite funds required to pay the applicable levy of the Superintendent of Bankruptcy."



The Proposal called for the payment in respect of Shareholders' Loans as follows:

"The repayment term of the Shareholder's Loans which currently have no specified repayment terms, will be amended so that the Shareholder Loans will be repayable six months after the sale of all Property of 155."

11. The fees of the Proposal Trustee and 155 counsel are to be paid in accordance with paragraph 16 of the Proposal. 155 has no employee and as a result no crown claims in relation to same. 155 has no obligation in respect of HST.
12. The purpose of the Proposal was to avoid continued litigation and possible bankruptcy of the Company and the costs associated with same, which would negatively impact the ultimate recovery of the Corporate Shareholders and the Company's creditors. The terms of the Proposal reorganizes the capital structure of the Company to allow the Company to deal with its assets in the normal course. We attach a comparison of the estimated realization of the assets in the Proposal versus a bankruptcy as **Tab "4"** to this report.
13. On May 12, 2016, the Trustee did give notice to the Company, to the Superintendent, and to others whose names and addresses are enclosed at **Tab "5"** to this report, of the calling of the meeting of the creditors to be held on May 25, 2016, to consider the Proposal.
14. Included with the said notice was a Condensed Statement of Assets and Liabilities, the Proposal, a list of creditors affected by the Proposal as provided by the Debtor showing the amounts of the claims, a form of proof of claim and proxy in blank and voting letter. Copies of the Report, Notice and Condensed Statement are enclosed at **Tab "6"** to this report. The Affidavit of Mailing of the Notice of Proposal package to creditors is attached at **Tab "7"**.
15. Pursuant to Section 50(5) of the BIA, the Proposal Trustee investigated the affairs and property of the Company to enable the Proposal Trustee to estimate, with reasonable accuracy, the financial situation of the Company and the cause of the Company's financial situation.

First Meeting of Creditors

16. The said meeting of creditors, duly convened on May 25, 2016, was properly constituted and presided over by Brahm Rosen. The licensed Trustee, who was designated as chairman of the meeting by the Official Receiver, declared the meeting properly convened and legally constituted and called the meeting to order. There was a quorum of creditors present or represented at the meeting.
17. The Proposal Trustee reported that on May 20, 2016, the Company had received a letter from counsel to 803 requesting that the RV Management Contract be disclaimed and advising that Dunn Management Co. Ltd., a company related to 803 was prepared to provide management services in the place of RV advising that the fees would not exceed \$25,000. As a result of the letter the Corporate Shareholders/ creditors requested for the meeting to be adjourned in order in order



to fully consider the issues addressed in the letter. As a result the meeting was adjourned. A copy of the letter from 803's counsel is attached as **Tab "8"** to his report. A copy of the minutes of this meeting is attached at **Tab "9"** to this report.

18. The Trustee was subsequently advised that the other Corporate Shareholders did not agree to disclaim the RV agreement or to substitute 803 as management of the project.

Reconvened Meeting of Creditors

19. On June 7, 2016, the Trustee did give notice to the Debtor, to the Superintendent, and to others whose names and addresses are attached at **Tab "10"** to this report, of the calling of the reconvened meeting of the creditors to be held June 28, 2016, to consider the Proposal.
20. On June 23, 2016, the Trustee did cause an Amended Notice of Reconvened Meeting of Creditors to be emailed to those creditors whose names are attached at **Tab "11"** to this report, which advised them that the meeting would be held by conference call from the Trustee's office instead of an in person meeting.
21. At the said reconvened meeting of creditors, both classes of creditors as defined in the Proposal accepted the terms of the Proposal, in accordance with the requirements of section 54(2) (d) of the BIA. 803 voted against accepting the Proposal.
22. Two inspectors were also appointed. A copy of the Minutes of the Reconvened Meeting of Creditors is attached at **Tab "12"** to this report.
23. Immediately following the meeting of creditors, counsel to 803 advised that 803 would oppose the court approval of the proposal.
24. Since the meeting of creditors on June 28, 2016, the Trustee has advised there have been various communications between the parties in order to reach a resolution to resolve the issues amongst them. No resolution has been reached.



Proposal Trustee's Opinion and Estimated Realization to Creditors

25. The Proposal Trustee is of the opinion that:

- (a) The assets of the Company are fairly represented according to the condensed statement of assets and liabilities, the assets of the Debtor consist of:

	Estimate Realizable Value
Real Property	\$1,400,000.00
Mortgage Receivable	<u>\$ 99,000.00</u>
Total	<u>\$1,499,000.00</u>

26. The Proposal Trustee is of the opinion that:

- (a) The causes of the insolvency of 155 are as follows:
- i) Unforeseen hold on sale of development lots, imposed by local municipality;
 - ii) Decline in the real estate market;
 - iii) Disagreement amongst the Corporate Shareholders.
- (b) The conduct of the Company is not subject to censure;
- (c) No offence have been committed under section 198 to 200 of the BIA;
- (d) There are no facts mentioned under Section 173 of the BIA that may be proved against 155; and
- (e) All terms in accordance with the BIA have been complied with.

27. The Proposal Trustee does not believe that there are any deemed trust claims against the Company.

28. The Trustee is further of the opinion that the terms of the Proposal are reasonable, made in good faith and to benefit the creditors and is advantageous to creditors for the following reasons:

- i) This proposal is unusual in that there are no arm's length creditors. Three of the four Corporate Shareholders/ creditors are in favour of the proposal;
- ii) It provides for a higher recovery for the stakeholders than a bankruptcy;
- iii) It would allow the lots in the Development to be sold in the normal course as opposed to being sold by a receiver or a bankruptcy trustee; and
- iv) It is commercially reasonable.

29. It is the Proposal Trustee's opinion that the Company's creditors will receive a greater recovery through the terms of the Proposal than through a bankruptcy.



ROSEN GOLDBERG
Trustee's Report to Court
In the Matter of the Proposal of
1552906 Ontario Limited
INSOLVENT RESTRUCTURING

Notice of Court Hearing

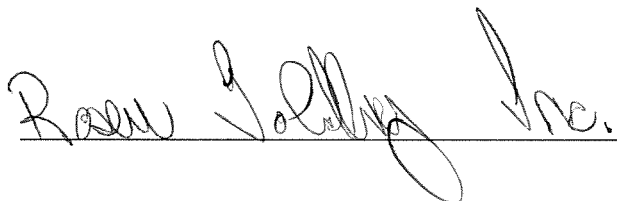
30. The Trustee has been advised that the Application for Court approval of this Proposal will be opposed by 803.
31. On November 11, 2016, the Trustee filed a copy of this Report with the Superintendent, via the e-filing system.

DATED AT TORONTO, Ontario, this 11th day of November, 2016.

ROSEN GOLDBERG INC.
Trustee acting in the Proposal of
1552906 Ontario Limited

Per:

Rosen Goldberg Inc.



TAB “1”

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -

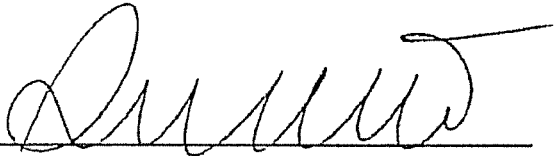
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

Take notice that:

1. I, 1552906 ONTARIO LIMITED, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Rosen Goldberg Inc. of 5255 Yonge Street, Suite 804, Toronto, ON, M2N 6P4, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 4th day of April 2016.



1552906 ONTARIO LIMITED
Insolvent Person

To be completed by Official Receiver:

Filing Date

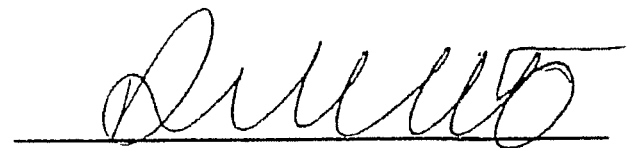
Official Receiver

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
1147073 Ontario Limited	c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1		486,017.75
1243494 Ontario Limited	c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4		486,017.75
803102 Ontario Limited	c/o Michael Dunn 485 Little Baseline Road Tecumseh ON N8N 2L9		486,017.75
Central Vehicle Leasing of Essex Ltd.	c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4		486,017.75
Dunn Management Ltd.	485 Little Baseline Road Windsor ON N8N 2L9		264,500.00
Total			2,208,571.00



1552906 ONTARIO LIMITED
Insolvent Person

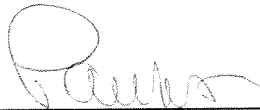
CANADA
Province of Ontario
District of: Ontario
Division No. 06 - Windsor
Court No. 35-2106711
Estate No. 35-2106711

- Affidavit of Mailing -

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

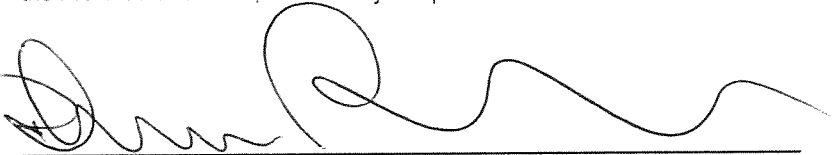
I, Paula Ferreira, of the Trustee's office of Rosen Goldberg Inc., 5255 Yonge Street, Suite 804, Toronto, ON, M2N 6P4, hereby make oath (or solemnly affirm) and say:

That on the 5th day of April 2016, I did cause to be sent by prepaid ordinary mail to the known creditors of the above named debtor, whose names and addresses appear on the paper writing marked exhibit "A" annexed hereto, a copy of: Notice of intention to make a proposal, Certificate of Filing of a Notice of Intention to Make a Proposal and Trustee Consent of Proposal.



Paula Ferreira
Phone: (416) 224-4200
Fax: (416) 224-4330

SWORN (or SOLEMNLY DECLARED) before me in the City of Toronto in
the Province of Ontario, this 4th day of April 2016.



Brahm Howard Rosen,
a Commissioner, etc., Province of Ontario,
for Rosen Goldberg Inc., Trustee in Bankruptcy.
Expires January 29, 2018.

- Creditor Mailing List -

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

Creditor Type	Name	Attention	Address	Claim \$
Court	Ontario Superior Court of Justice in Bankruptcy - London		80 Dundas Street London ON N6A 6A3	
Secured	Dunn Management Ltd.		485 Little Baseline Road Windsor ON N8N 2L9	
Unsecured	1147073 Ontario Limited		c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1	486,017.75
	1243494 Ontario Limited		c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4	486,017.75
	803102 Ontario Limited		c/o Michael Dunn 485 Little Baseline Road Tecumseh ON N8N 2L9	486,017.75
	Central Vehicle Leasing of Essex Ltd.		c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4	486,017.75



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Estate No. 35-2106711

IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR, IN THE PROVINCE OF ONTARIO

To the creditors of 1552906 ONTARIO LIMITED ("1552906")

We are writing to advise you that on April 4, 2016, 1552906 Ontario Limited commenced proposal proceedings pursuant to the provision of section 50.4(1) of the *Bankruptcy and Insolvency Act* ("BIA"), by filing a Notice of Intention to Make a Proposal ("NOI"). A copy of the NOI is enclosed. Rosen Goldberg Inc. has consented to act as Trustee under the NOI ("Trustee").

Although the NOI is pursuant to the BIA, it is important to note that 1552906 is not bankrupt.

At present, creditors are not required to file a proof of claim. The Trustee will provide you with further information and a proof of claim at a later date.

Please note that during the NOI proceedings:

- *No person may terminate or amend any agreement with 1552906, or claim accelerated payment, or a forfeiture of the term, under any agreement with 1552906, by reason only that 1552906 is insolvent or by any reason of the filing of the NOI, pursuant to section 65.1(1) of the BIA; and*
- *No creditor has any remedy against 1552906 or its property or shall commence or continue any action, execution, or other proceedings against 1552906, pursuant to section 69(1) of the BIA;*

Yours very truly,

Rosen Goldberg Inc.

TRUSTEE

enclosure

District of:
Division No. -
Court No.
Estate No.

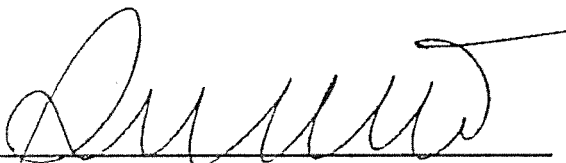
- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

Take notice that:

1. I, 1552906 ONTARIO LIMITED, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Rosen Goldberg Inc. of 5255 Yonge Street, Suite 804, Toronto, ON, M2N 6P4, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 4th day of April 2016.



1552906 ONTARIO LIMITED
Insolvent Person

To be completed by Official Receiver:

Filing Date

Official Receiver

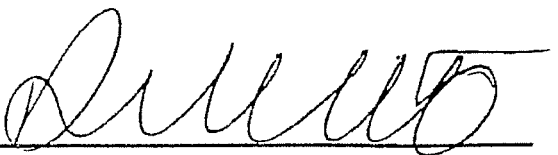
District of:
Division No. -
Court No.
Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
1147073 Ontario Limited	c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1		486,017.75
1243494 Ontario Limited	c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4		486,017.75
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Central Vehicle Leasing of Essex Ltd.	c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4		486,017.75
Dunn Management Ltd.	485 Little Baseline Road Windsor ON N8N 2L9		264,500.00
Total			2,208,571.00



1552906 ONTARIO LIMITED
Insolvent Person



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 06 - Windsor
Court No. 35-2106711
Estate No. 35-2106711

In the Matter of the Notice of Intention to make a
proposal of:

1552906 ONTARIO LIMITED

Insolvent Person

ROSEN GOLDBERG INC.

Licensed Insolvency Trustee

Date of the Notice of Intention: April 04, 2016

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: April 04, 2016, 16:45

E-File/Dépôt Electronique

Official Receiver

Federal Building - London, 451 Talbot Street, Suite 303, London, Ontario, Canada, N6A5C9, (877)376-9902

Canada

- Proposal Consent -

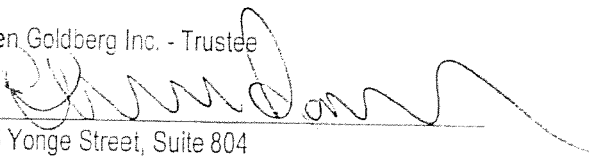
In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of 1552906 ONTARIO LIMITED.

Dated at the City of Toronto in the Province of Ontario, this 4th day of April 2016.

Rosen Goldberg Inc. - Trustee



5255 Yonge Street, Suite 804

Toronto ON M2N 6P4

Phone: (416) 224-4200 Fax: (416) 224-4330

TAB "2"

District of: Ontario
Division No. 06 - Windsor
Court No. 35-2106711
Estate No. 35-2106711

-- FORM 29 --

Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

The attached statement of projected cash flow of 1552906 ONTARIO LIMITED, as of the 11th day of April 2016, consisting of a statement of receipts and disbursements of the period from April 4, 2016 to July 3, 2016, and related notes., has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: ☒ the management and employees of the insolvent person or ☐ the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: ☒ management or ☐ the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 4th day of April 2016.

Rosen Goldberg Inc. - Trustee

Per:



Brahm Rosen
5255 Yonge Street, Suite 804
Toronto ON M2N 6P4
Phone: (416) 224-4200 Fax: (416) 224-4330

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PAGE 02/03

District of: Ontario
Division No. 06 - Windsor
Court No. 35-2106711
Estate No. 35-2106711

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

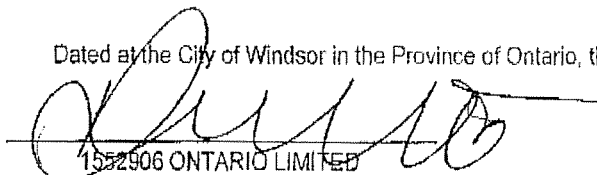
The Management of 1552906 ONTARIO LIMITED, has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 1st day of April 2016, consisting of a statement of receipts and disbursements of the period from April 4, 2016 to July 3, 2016, and related notes..

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Windsor in the Province of Ontario, this 4th day of April 2016.


1552906 ONTARIO LIMITED
Debtor

REMO VALENTE PRESIDENT
Name and title of signing officer

Name and title of signing officer

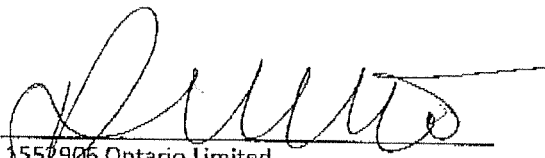

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PAGE 03/03

In the Matter of the Proposal of 1552906 Ontario Limited
Statement of Projected Cash Flow
For the period April 3 to July 3, 2016

Estate No: 35-2106711

	Month ended May 3, 2016	Month ended June 3, 2016	Month ended July 3, 2016	Total
Opening cash balance	31,226	17,177	12,177	31,226
Cash Receipts	-	-	-	-
Cash Disbursements				
Mortgage payments	4,959			4,959
Realty taxes	958			958
Professional Fees	8,132	5,000		13,132
	14,049	5,000	-	19,049
Ending cash balance	17,177	12,177	12,177	12,177


1552906 Ontario Limited
Per: Remo Valente
Rosen Goldberg Inc.
Per: Brahm Rosen

IN THE MATTER OF THE PROPOSAL OF
1552906 Ontario Limited
of the City of Windsor, Province of Ontario

**Notes to the Statement of Projected Cash-Flow
for the period from April 3, 2016 to July 3, 2016**

1. Basis of presentation of the statement of projected cash-flow

This statement of projected cash-flow has been prepared solely for the purpose of completing a Proposal pursuant to Part III of the *Bankruptcy and Insolvency Act*. This statement is not intended, and therefore cannot be relied on by creditors in their independent determination of whether or not to extend any further credit to 1552906 Ontario Limited ("155").

This statement of projected cash-flow has been prepared for the period from April 3, 2016 to July 3, 2016.

2. Hypothetical assumptions

Hypothetical assumptions as defined in Standard of Professional Practice No. 99-5 of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that assume a set of economic conditions or courses of action that are not necessarily the most probable in the insolvent person's judgment, but are consistent with the purpose of the cash-flow projection.

3. Probable assumptions

Probable assumptions as defined in accordance with Standard of Professional Practice No. 99-5 of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that the insolvent person believes reflects the most probable set of economic conditions and planned courses of action, are suitably supported, consistent with the plans of the insolvent person and proved a reasonable basis for the statement of projected cash-flow. The statement of projected cash-flow includes the following probable assumptions:

- a) Monthly earnings – there is currently no income as 155 is a real estate company that is in the development stage.
- b) Disbursements - based on the historical amounts
- c) Cash flow - cash deficiencies (if any) will be funded by the shareholders, if required.

4. Stay period

This cash-flow statement cannot be relied upon by creditors to determine if they will suffer any material prejudice to their respective positions during the stay period. The trustee must call the meeting of creditors to consider the Proposal, within 21 days from the date of filing the Proposal with the Official Receiver.

Creditors must make their own independent investigations to satisfy themselves as to their respective positions during the stay period.

TAB “3”

IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR, IN THE PROVINCE OF ONTARIO

PROPOSAL

1552906 Ontario Limited ("155" or the "Debtor"), the above-named debtor, hereby submits the following Proposal under the *Bankruptcy and Insolvency Act*:

PART 1
INTERPRETATION

1. In this Proposal, capitalized terms have the following meanings:
 - (a) "Act" means the *Bankruptcy and Insolvency Act*, as it may be amended from time to time;
 - (b) "Business Day" means any day other than a Saturday or a Sunday or a day observed as a holiday under the laws of the Province of Ontario or the federal laws of Canada applicable therein;
 - (c) "Claim" means any indebtedness, liability, action, cause of action, suit, debt, due, account, bond, covenant, contract, counterclaim, demand, claim, right and obligation of any nature whatsoever of 155 to any person whether liquidated, unliquidated, fixed contingent, matured, legal, equitable, secured, unsecured, present, future, known or unknown, and whether by guarantee, surety or otherwise, incurred or arising or relating to the period prior to the Filing Date;
 - (d) "Court" means Superior Court of Justice, in Bankruptcy and Insolvency;
 - (e) "Court Approval Date" means the date on which the Court makes the Final Order;
 - (f) "Creditor" means any person who holds one or more Claims;
 - (g) "Creditors' Meeting" means the special meeting of the Unsecured Creditors called for the purpose of considering and voting upon the Proposal;
 - (h) "Due Date" means the date upon which the personal income tax return, for the year in which the Proposal is filed and subsequent years as set out in the Income Tax Act;
 - (i) "Effective Date" means the date on which all conditions contained in Part X hereof have been satisfied;
 - (j) "Event of Default" has the meaning given to it in Part VII;
 - (k) "Filing Date" means the date on which 155 filed its Notice of Intention to Make a Proposal under the Act, being April 4, 2016;

- (l) "Final Order" means an order of the Court approving this Proposal to be granted pursuant to the provisions of the Act, the appeal period having expired and no appeal having been filed, or any appeal therefrom having been dismissed and such dismissal having become final;
- (m) "Maturity Date" means the date on which all payments to the Proposal Trustee have been made, provided that no event of default has occurred that has not been cured or waived;
- (n) "New Promissory Note" means the new promissory notes that will be issued in exchange for the existing Promissory Note. The New Promissory Notes will non-interest bearing and repayable six month after the sale of the last lot that is part of the Property;
- (o) "Person" means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency instrumentality thereof, or any other entity howsoever designated or constituted;
- (p) "Post Filing Goods and Services" means in respect of the Proposal the goods supplied, services rendered and other consideration given to 155 subsequent to the Filing Date;
- (q) "Preferred Creditor" means any Creditor entitled to receive payment of any amount owed to it in priority to other Creditors as provided in section 136 of the Act;
- (r) "Promissory Note" means the non-interest bearing demand note held by each Shareholder in the amount of \$80,322.83;
- (s) "Provisional Return" means a provisional return showing 155's income tax debt for the period from the end of the last taxation years up to the date of filing of the Proposal
- (t) "Property" means assets of 155;
- (u) "Proposal" means this Proposal made pursuant to the Act, as further amended or supplemented from time to time;
- (v) "Proposal Period" means the period between the Final Order and the Maturity Date;
- (w) "Proposal Trustee" means Rosen Goldberg Inc., the trustee acting in this Proposal;
- (x) "Secured Creditor" means any Creditor who has valid security against various assets of the Debtor with respect to its Claim;
- (y) "Shareholder" means those Person(s) who are holders of common shares or any other equity of any kind of the Debtor;
- (z) "Shareholder's Loans" means the amounts advanced by the Shareholders to 155 that are non-interest bearing and have no specified repayment terms, which do not include the Promissory Notes
- (aa) "Unsecured Creditor" means those persons with Claims, except for those Claims:

- (i) that have been finally and conclusively disallowed;
- (ii) that may be contingent or unliquidated and found by the Trustee or the Court (as may be applicable), not to be provable;
- (iii) that are claims by Secured Creditors; or
- (iv) that are claims by Preferred Creditors.

Headings

2. The divisions of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.

Number, etc.

3. In this Proposal, where the context requires, a word importing the singular includes the plural and vice versa, and a word importing gender includes the masculine, feminine and neuter genders.

Date for Action

4. In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

Successors and Assigns

5. This Proposal will be binding upon and will enure to the benefit of the heirs, administrators, executors, personal representatives, successors and assigns of all persons named or referred to herein including, without limitation, all Creditors.

Accounting Principles

6. Accounting terms not otherwise defined have the meanings assigned to them in accordance with generally accepted Canadian accounting principles.

PART II PURPOSE AND EFFECT OF THIS PROPOSAL

Purpose of Proposal

7. The purpose of this Proposal is to restructure 155's indebtedness to its four shareholders. 155 has been capitalized primarily via injections by its shareholders. Each shareholder has a promissory note that is non-interest bearing and payable on demand in the amount of \$80,323.83. Additionally each shareholder has advanced further funds which are non-interest bearing and have no specified terms of repayment.

There are two classes of unsecured creditors in this proposal, consisting of the Promissory Note Holders and the Shareholder's Loans.

Persons Affected

8. This Proposal will, as of the Effective Date, be binding on 155 and all Creditors Shareholders, and other persons named or referred herein in the manner provided for in this Proposal and the Act.

**PART III
SECURED CREDITOR CLAIMS**

9. The Claims of the Secured Creditors, if any, of 155 shall be dealt with in accordance with the arrangements made between 155 and its Secured Creditors.

**PART IV
UNSECURED CREDITOR CLAIMS**

Payment in respect of Promissory Notes

10. The Promissory Note holders shall each receive \$10,000 for in consideration for their Promissory Notes. The payment shall be made through the issuance by 155 of New Promissory. 155 shall pay the Trustee the requisite funds required to pay the applicable levy of the Superintendent of Bankruptcy.

Effect of Payment

11. Unsecured Creditors will accept the payments provided in Part IV of this Proposal, in complete satisfaction of all their Claims and all liens, certificates of pending litigation, executions or any other similar charges or actions or proceedings in respect of such Claims will have no effect in law or in equity against the property, assets and undertaking of 155. Upon the making of all payments provided for in this Part IV, any and all such clients, certificates of pending litigation, executions or other similar charges or actions will be discharged, dismissed or vacated without costs to 155.

Shareholder's Loans

12. As part of the proposal, the repayment term of the Shareholder's Loans which currently have no specified repayment terms will be amended so that the loans will be repayable six months after the sale of all of the Property of 155.

**PART V
POST FILINGS**

13. 155 covenants and agrees to keep all filings, remittances and instalments, if any, to Canada Revenue Agency current for the post filing returns.

**PART VI
PREFERRED CLAIMS AND MANDATORY PAYMENTS**

Crown Claims

14. Unless Her Majesty consents, 155 shall pay in full, within six months after the Court Approval Date, all amounts, if any, that were outstanding at the Filing Date that are of a kind that could be subject to a demand under:
- (a) subsection 224(1.2) of the *Income Tax Act*;
 - (b) any provision of the Canada Pension Plan or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, or a premium under Part VII.1 of that Act, and of any related interest, penalties or other amounts; or
 - (c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
 - (i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*; or
 - (ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection.

Set Off

15. 155 acknowledges that Her Majesty the Queen will have the right to exercise its right of set off with respect to any income tax or GST refunds pertaining to the period prior to the Proposal.

Preferred Claims

15. Preferred Claims, without interest, are to be paid in full in priority to all Claims of Unsecured Creditors including, without limitation, any entitlement of Unsecured Creditors to the payments to be made under Part IV of this Proposal.

Payment of Fees

16. All proper fees and expenses of the Proposal Trustee and reasonable legal and other professional fees of and incidental to the proceedings and transactions arising out of this Proposal and in connection with the preparation of this Proposal, and the administration of this Proposal, including advice to 155 in connection therewith, will be paid in addition to the Proposal Funds by the Debtor. The Proposal Trustee will be at liberty to withdraw and pay such fees from time to time subject to final approval by the Registrar in Bankruptcy upon completion of the Proposal.

PART VII EVENTS OF DEFAULT

17. The following events will constitute Events of Default for the purpose of section 63 of the Act and otherwise under this Proposal:
- (a) the non-payment of the amounts to the Proposal Trustee pursuant to paragraph 10; or
 - (b) the enforcement by any Secured Creditor of its security over all the assets of 155.

PART VIII TRUSTEE

Confirmation of Appointment

18. The Proposal Trustee shall be the trustee under this Proposal and all monies payable under this Proposal, unless otherwise provided herein, shall be paid over to the Proposal Trustee who shall make the payment of all dividends in accordance with the terms of this Proposal.
19. The Proposal Trustee is acting in its capacity as Proposal Trustee and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of 155.
20. Any payments made by the Proposal Trustee to Creditors hereunder shall be made by the Proposal Trustee net of any levies payable or due under the Act.

PART IX INSPECTORS

Appointment of Inspectors

22. At the Creditors' Meeting, the Unsecured Creditors will be entitled to appoint one or more, but not exceeding five (5) inspectors in total. The inspectors will have the following powers, but will have no personal liability to 155 or other Creditors:

- (a) the power to extend the dates of payments provided under this Proposal;
- (b) the power to waive any default in the performance of any provision of this Proposal;
- (c) the power to advise the Proposal Trustee in respect of such matters as may be referred to the inspectors by the Proposal Trustee; and
- (d) the power to advise the Proposal Trustee concerning any dispute that may arise to the validity of Claims of Preferred Creditors and Unsecured Creditors under this Proposal.

PART X CONDITIONS PRECEDENT

23. The performance of this Proposal by 155 shall be conditional upon the fulfillment or satisfaction of the following conditions within thirty (30) Business Days following the issuance of the Final Order:
- (a) all approvals and consents to the Proposal that may be required have been obtained;
 - (b) the Final Order has been issued and the time for bringing any appeal therefrom has expired;
 - (c) no order or decree restraining or enjoining the consummation of the transactions contemplated by this Proposal has been issued; and
 - (d) all agreements or instruments necessary to effect the intention and purpose of this Proposal have been received by 155 in a form satisfactory to him and the Proposal Trustee.

PART XI RELEASE

24. Upon the Effective Date, each and every present and former director of 155 (collectively, the "Released Parties"), shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action that arose before the commencement of the proceedings under the Act, in respect of the potential statutory liabilities of the former, present and future directors, and provided nothing herein shall release or discharge any of the Released Parties from claims that:
- (a) relate to contractual rights of one or more creditors arising from contracts with one or more directors;
 - (b) are based on allegations or misrepresentations made by directors to creditors or of wrongful or oppressive conduct by directors.

25. Sections 95-101 of the Act shall not apply to any dealings by 155 having taken place during the period prior to the Filing Date.

PART XII MISCELLANEOUS

Consents, Waivers and Agreements

26. On the Effective Date, all Unsecured Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Unsecured Creditor will be deemed to have waived any default by 155 in any provision, express or implied, in any agreement existing between the Unsecured Creditor and 155 that has occurred on or prior to the Filing Date, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of the Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

Further Actions

27. 155 and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.

Performance

28. All obligations of 155 under this Proposal will commence as of the Effective Date. All obligations of 155 under this Proposal will be fully performed for the purposes only of section 65.3 of the Act upon 155 having made the payments to the Proposal Trustee provided for herein.

Binding Effect

29. The provisions of this Proposal will be binding on the Creditors and 155, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Final Order after all appeal periods have expired.

PART XIII ANNULMENT OF PROPOSAL

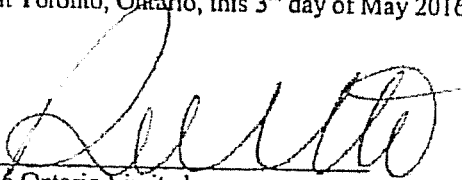
Annulment

30. If this Proposal is annulled by an order of the Court, all payments on account of Claims made pursuant to the terms of this Proposal will reduce the Claims of Creditors.

**PART XIV
MODIFICATION**

31. 155 may propose amendments to the Proposal at any time prior to the conclusion of the Creditors' Meeting provided that any such amendment does not reduce the rights and benefits given to the Unsecured Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

Dated at Toronto, Ontario, this 3rd day of May 2016.

A handwritten signature in black ink, appearing to read 'Remo Valente', is written over a horizontal line.

1552906 Ontario Limited
per: Remo Valente

TAB “4”

1552906 Ontario Limited

Comparison of Realization in Bankruptcy vs Proposal

Prepared June 8, 2016

	Notes	Bankruptcy	Proposal
Proceeds on sale of lots	1	1,400,000	1,400,000
Mortgage receivable		99,000	99,000
		<u>1,499,000</u>	<u>1,499,000</u>
Less			
Selling costs	2	56,000	91,000
Trustee/ Receiver fees		125,000	25,000
		<u>181,000</u>	<u>116,000</u>
Amount available for creditors		1,318,000	1,383,000
Repayment of mortgage		264,500	264,500
Amount available for unsecured creditors		1,053,500	1,118,500
Less; Superintendent's Levy	3	(50,669)	
		<u>1,002,831</u>	<u>1,118,500</u>
Claim			
11470073 Ontario Limited		239,497	279,625
1243494 Ontario Limited		239,497	279,625
803102 Ontario Limited		239,497	279,625
CVL		239,497	279,625
RV Investments Limited	4	44,843	
		<u>1,002,831</u>	<u>1,118,500</u>

Notes

1. Estimated Proceeds on sale of lots
2. Assumed in bankruptcy, that we would pay 4% to an agent. In proposal RVIL fulfills contract
3. Levy payable on all distribution by bankruptcy Trustee. Limited levy in way proposal is structured
4. Receiver may need to be appointed to convey lots
5. If contact is terminated RVIL would have claim in bankruptcy. This represents maximum potential claim.

TAB “5”

District of: Ontario
Division No. 06 - Windsor
Court No. 35-2106711
Estate No. 35-2106711

FORM 92
Notice of Proposal to Creditors
(Section 51 of the Act)

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

Take notice that 1552906 ONTARIO LIMITED of the City of Windsor in the Province of Ontario has lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed herewith.

A general meeting of the creditors will be held at 1 Riverside Drive Suite 304, Windsor, ON on the 25th day of May 2016 at 10:30 AM.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at the City of Toronto in the Province of Ontario, this 1st day of May 2016.

Rosen Goldberg Inc. - Trustee

5255 Yonge Street, Suite 804

Toronto ON M2N 6P4

Phone: (416) 224-4200 Fax: (416) 224-4330

(A form of proof of claim, a form of proxy and a voting letter should be enclosed with each notice.)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
1147073 Ontario Limited	c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1		405,694.75
1147073 Ontario Limited	c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1		80,323.00
1243494 Ontario Limited	c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4		80,323.00
1243494 Ontario Limited	c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4		405,694.75
803102 Ontario Limited	c/o Dunn Group of Companies 948 Albert Lane Belle River ON N0R 1A0		405,694.75
803102 Ontario Limited	c/o Dunn Group of Companies 948 Albert Lane Belle River ON N0R 1A0		80,323.00
Central Vehicle Leasing of Essex Ltd.	c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4		80,323.00
Central Vehicle Leasing of Essex Ltd.	c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4		405,694.75
Dunn Management Ltd.	948 Albert Lane Belle River ON N0R 1A0		264,500.00
Total			2,208,571.00

TAB “6”



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Court File No. 35-2106711

**TO THE CREDITORS OF
1552906 Ontario Limited (referred to as “155” or the “Debtor”)**

Enclosed is a copy of a proposal (the “Proposal”) under Part III, Division I of the *Bankruptcy and Insolvency Act* (“BIA”), lodged with Rosen Goldberg Inc. (the “Proposal Trustee”) on May 3, 2016 and filed with the Official Receiver on May 4, 2016. 155 previously filed a Notice of Intention to Make a Proposal (“NOI”) on April 4, 2015.

Enclosed are the following documents:

- Notice of Proposal to Creditors
- Proposal
- Condensed Statement of Assets and Liabilities
- Listing of Creditors as at May 4, 2016
- Proof of Claim Form
- Voting letter
- Proxy

The following is an outline of the salient information that should be of assistance to creditors in considering their position with respect to the Proposal.

Section A Introduction and Background

The Debtor’s assets are primarily real property located in Essex, Ontario. As a result of a downturn in the market and other issues, the value of the property has declined and it is unlikely that the four equal unsecured creditors, who are also shareholders of 155, will recover their investment. In addition, 155 currently does not have the ability to sell any lots, as a moratorium has been imposed by the Town in respect of any sales. One creditor, pursuant to its’ loans outstanding, has made demand for repayment and commenced litigation against the Debtor. 155 has filed a defense and counter claim. Significant costs are being expended in respect of this litigation.

155 is presently without the resources to satisfy its obligations and fund the ongoing litigation. In order to achieve some normalcy in its business activities, including terminating the cost of litigation, 155 has filed a proposal to its creditors.



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Report to Creditors
1552906 Ontario Limited
Page 2 of 4

Section B Summary of Proposal

This section contains a brief summary of the Proposal, the terms of which would be effective only if:

1. All classes of creditors affected by the Proposal vote for acceptance of the Proposal by a majority in number and two-thirds in value of each class of creditors present personally or by proxy, at the meeting and voting on the resolution. The Debtor's secured creditors (if any) are not affected by the Proposal; and
2. The Proposal is approved by the Court, in accordance with the provisions of the BIA.

There are two classes of unsecured creditors included in the Proposal. The Proposal includes, *inter alia*, the following provisions:

1. The holders of the Demand Promissory Notes in the amount of \$ 83,323.83 shall each receive a New Promissory Note in the amount of \$10,000 in satisfaction of the Demand Promissory Note. 155 shall pay the Trustee the requisite funds required to pay the applicable levy of the Superintendent of Bankruptcy, if any.
2. The repayment terms of Shareholders' Loans will be amended so that the loans will be repayable six months after the sale of all the Property of 155.

For clarity, the creditors are referred to and should review the Proposal itself.

Section C Financial position and evaluation of assets

According to the Statement of Affairs, the Debtor's assets consist of the following:

	Estimated Realizable Value
Real property	\$1,400,000
Mortgage Receivable	99,000

Section D Interim Receiver

Not applicable.

Section E Conduct of the Debtor

The Trustee is currently conducting a review of the affairs and the financial situation of the Debtor to identify any transactions which could be considered preferences or transfers at undervalue. The Trustee will report its findings to the meeting of creditors.



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

*Report to Creditors
1552906 Ontario Limited
Page 3 of 4*

Section F Creditors' Claims

According to the Statement of Affairs, creditors consist of:

	Amount
Secured	\$ 264,500
Unsecured–Demand Notes	\$ 321,392
Unsecured–Shareholder's Loans	\$1,622,779

Section G Prior business dealings with the Debtor

The Trustee confirms that it has not provided previous services to the Debtor in any capacity other than as Trustee under both the NOI and Proposal. The Trustee further confirms that it does not have any knowledge of any conflict of interest situation with respect to this appointment.

Section H Informal Meeting with Major Creditors

Not applicable.

Section I Remuneration of Trustee

The fees and expenses, including professional fees of the Proposal Trustee, on and incidental to the proceedings arising out of the Proposal, including advice to the Debtor and the preparation of this Proposal, will be paid by the Debtor, in addition to any Proposal Funds payable.

Section J Cash-flow Statements Prepared by the Proponent

In accordance with the BIA, a cash flow statement was prepared by the Debtor and filed.

Section K Estimated Realization and Recommendation

If the Proposal is either rejected by either class of creditors or not approved by the Court, the Debtor will be deemed to have filed an assignment in bankruptcy.

It is our view that should the proposal be accepted, it will result in the termination of the ongoing litigation and allow 155 to complete the sale of the lots in an orderly manner and allow the four creditors to share equally in the realization. If the proposal is rejected and 155 becomes bankrupt, we believe that this will hamper 155's ability to complete the sale of the lots in an orderly manner.

We therefore recommend that the creditors accept the proposal.



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

*Report to Creditors
1552906 Ontario
Page 4 of 4*

Section L Procedures for Dealing with the Proposal

In completing proofs of claim, creditors with claims arising prior to April 4, 2016 should submit proofs of claims for amounts owing at that date.

Accounts subsequent to that date should not be included as all parties must make their own arrangements with the Debtor for all transactions subsequent to that date.

It is expressly noted and should be clearly understood that the Trustee, Rosen Goldberg Inc., assumes no personal liability for any claims against 155 either before or after the filing of the Proposal.

Creditors may attend, in person or by proxy, the meeting to consider the Proposal which will be held on Wednesday, May 25, 2016 at 10:30 AM, at 1 Riverside Drive, Suite 304 Windsor, Ontario N9A 5K3.

Please note, that in order for your vote to count in connection with the Proposal, it is necessary that you complete and submit the enclosed documents at this time. Creditors must file a separate claim and if applicable a voting letter for each of its two debts.

Creditors who do not wish to attend or be represented at the meeting but who wish to vote, may forward their proofs of claim, attached statements and voting letters by mail to the Trustee, so as to be received prior to the meeting.

Dated at Toronto, Ontario, this 12th day of May 2016.

Rosen Goldberg Inc.

**Rosen Goldberg Inc.
Trustee**

Estate No. 35-2016711

IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR, PROVINCE OF ONTARIO

Condensed Statement of Assets and Liabilities

Assets

	Estimated Realizable Value
Real Property	\$ 1,400,000
Mortgage Receivable	99,000

Liabilities

	Amount
Secured	\$ 264,500
Unsecured-Demand Note	321,392
Unsecured –Shareholders’ Loans	1,622,779

TAB “7”

CANADA
Province of Ontario
District of: Ontario
Division No. 06 - Windsor
Court No. 35-2106711
Estate No. 35-2106711

Affidavit of Mailing

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

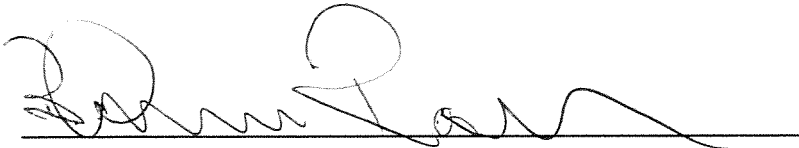
I, Paula Ferreira, of the Trustee's office of Rosen Goldberg Inc., 5255 Yonge Street, Suite 804, Toronto, ON, M2N 6P4, hereby make oath (or solemnly affirm) and say:

That on the 12th day of May 2016, I did cause to be sent by prepaid ordinary mail to the known creditors of the above named debtor, whose names and addresses appear on the paper writing marked exhibit "A" annexed hereto, a copy of: Proxy and Voting letter and Notice of proposal to creditors, Condensed Statement of Assets and Liabilities, List of Creditors with Claims of \$250 or more and RG Proof of claim.



Paula Ferreira
Phone: (416) 224-4200
Fax: (416) 224-4330

SWORN (or SOLEMNLY DECLARED) before me in the City of Toronto in
the Province of Ontario, this 12th day of May 2016.



Brahm Howard Rosen,
a Commissioner, etc., Province of Ontario,
for Rosen Goldberg Inc., Trustee in Bankruptcy.
Expires January 29, 2018.

Creditor Mailing List

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

Creditor Type	Name	Attention	Address
Secured	Dunn Management Ltd.		948 Albert Lane Belle River ON N0R 1A0
Unsecured	1147073 Ontario Limited		c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1
	1147073 Ontario Limited		c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1
	1243494 Ontario Limited		c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4
	1243494 Ontario Limited		c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4
	803102 Ontario Limited		c/o Dunn Group of Companies 948 Albert Lane Belle River ON N0R 1A0
	803102 Ontario Limited		c/o Dunn Group of Companies 948 Albert Lane Belle River ON N0R 1A0
	Central Vehicle Leasing of Essex Ltd.		c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4
	Central Vehicle Leasing of Essex Ltd.		c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Court File No. 35-2106711

**TO THE CREDITORS OF
1552906 Ontario Limited (referred to as “155” or the “Debtor”)**

Enclosed is a copy of a proposal (the “Proposal”) under Part III, Division I of the *Bankruptcy and Insolvency Act* (“BIA”), lodged with Rosen Goldberg Inc. (the “Proposal Trustee”) on May 3, 2016 and filed with the Official Receiver on May 4, 2016. 155 previously filed a Notice of Intention to Make a Proposal (“NOI”) on April 4, 2015.

Enclosed are the following documents:

- Notice of Proposal to Creditors
- Proposal
- Condensed Statement of Assets and Liabilities
- Listing of Creditors as at May 4, 2016
- Proof of Claim Form
- Voting letter
- Proxy

The following is an outline of the salient information that should be of assistance to creditors in considering their position with respect to the Proposal.

Section A Introduction and Background

The Debtor’s assets are primarily real property located in Essex, Ontario. As a result of a downturn in the market and other issues, the value of the property has declined and it is unlikely that the four equal unsecured creditors, who are also shareholders of 155, will recover their investment. In addition, 155 currently does not have the ability to sell any lots, as a moratorium has been imposed by the Town in respect of any sales. One creditor, pursuant to its’ loans outstanding, has made demand for repayment and commenced litigation against the Debtor. 155 has filed a defense and counter claim. Significant costs are being expended in respect of this litigation

155 is presently without the resources to satisfy its obligations and fund the ongoing litigation. In order to achieve some normalcy in its business activities, including terminating the cost of litigation, 155 has filed a proposal to its creditors.



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Report to Creditors
1552906 Ontario Limited
Page 2 of 4

Section B Summary of Proposal

This section contains a brief summary of the Proposal, the terms of which would be effective only if:

1. All classes of creditors affected by the Proposal vote for acceptance of the Proposal by a majority in number and two-thirds in value of each class of creditors present personally or by proxy, at the meeting and voting on the resolution. The Debtor's secured creditors (if any) are not affected by the Proposal; and
2. The Proposal is approved by the Court, in accordance with the provisions of the BIA.

There are two classes of unsecured creditors included in the Proposal. The Proposal includes, *inter alia*, the following provisions:

1. The holders of the Demand Promissory Notes in the amount of \$ 83,323.83 shall each receive a New Promissory Note in the amount of \$10,000 in satisfaction of the Demand Promissory Note. 155 shall pay the Trustee the requisite funds required to pay the applicable levy of the Superintendent of Bankruptcy, if any.
2. The repayment terms of Shareholders' Loans will be amended so that the loans will be repayable six months after the sale of all the Property of 155.

For clarity, the creditors are referred to and should review the Proposal itself.

Section C Financial position and evaluation of assets

According to the Statement of Affairs, the Debtor's assets consist of the following:

	Estimated Realizable Value
Real property	\$1,400,000
Mortgage Receivable	99,000

Section D Interim Receiver

Not applicable.

Section E Conduct of the Debtor

The Trustee is currently conducting a review of the affairs and the financial situation of the Debtor to identify any transactions which could be considered preferences or transfers at undervalue. The Trustee will report its findings to the meeting of creditors.



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

*Report to Creditors
1552906 Ontario Limited
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Section F Creditors' Claims

According to the Statement of Affairs, creditors consist of:

	Amount
Secured	\$ 264,500
Unsecured-Demand Notes	\$ 321,392
Unsecured-Shareholder's Loans	\$1,622,779

Section G Prior business dealings with the Debtor

The Trustee confirms that it has not provided previous services to the Debtor in any capacity other than as Trustee under both the NOI and Proposal. The Trustee further confirms that it does not have any knowledge of any conflict of interest situation with respect to this appointment.

Section H Informal Meeting with Major Creditors

Not applicable.

Section I Remuneration of Trustee

The fees and expenses, including professional fees of the Proposal Trustee, on and incidental to the proceedings arising out of the Proposal, including advice to the Debtor and the preparation of this Proposal, will be paid by the Debtor, in addition to any Proposal Funds payable.

Section J Cash-flow Statements Prepared by the Proponent

In accordance with the BIA, a cash flow statement was prepared by the Debtor and filed.

Section K Estimated Realization and Recommendation

If the Proposal is either rejected by either class of creditors or not approved by the Court, the Debtor will be deemed to have filed an assignment in bankruptcy.

It is our view that should the proposal be accepted, it will result in the termination of the ongoing litigation and allow 155 to complete the sale of the lots in an orderly manner and allow the four creditors to share equally in the realization. If the proposal is rejected and 155 becomes bankrupt, we believe that this will hamper 155's ability to complete the sale of the lots in an orderly manner.
We therefore recommend that the creditors accept the proposal.



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

*Report to Creditors
1552906 Ontario
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Section L Procedures for Dealing with the Proposal

In completing proofs of claim, creditors with claims arising prior to April 4, 2016 should submit proofs of claims for amounts owing at that date.

Accounts subsequent to that date should not be included as all parties must make their own arrangements with the Debtor for all transactions subsequent to that date.

It is expressly noted and should be clearly understood that the Trustee, Rosen Goldberg Inc., assumes no personal liability for any claims against 155 either before or after the filing of the Proposal.

Creditors may attend, in person or by proxy, the meeting to consider the Proposal which will be held on Wednesday, May 25, 2016 at 10:30 AM, at 1 Riverside Drive, Suite 304 Windsor, Ontario N9A 5K3.

Please note, that in order for your vote to count in connection with the Proposal, it is necessary that you complete and submit the enclosed documents at this time. Creditors must file a separate claim and if applicable a voting letter for each of its two debts.

Creditors who do not wish to attend or be represented at the meeting but who wish to vote, may forward their proofs of claim, attached statements and voting letters by mail to the Trustee, so as to be received prior to the meeting.

Dated at Toronto, Ontario, this 12th day of May 2016.

Rosen Goldberg Inc.

**Rosen Goldberg Inc.
Trustee**

District of: Ontario
Division No. 06 - Windsor
Court No. 35-2106711
Estate No. 35-2106711

FORM 92
Notice of Proposal to Creditors
(Section 51 of the Act)

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

Take notice that 1552906 ONTARIO LIMITED of the City of Windsor in the Province of Ontario has lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed herewith.

A general meeting of the creditors will be held at 1 Riverside Drive Suite 304, Windsor, ON on the 25th day of May 2016 at 10:30 AM.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at the City of Toronto in the Province of Ontario, this 11th day of May 2016.

Rosen Goldberg Inc. - Trustee

5255 Yonge Street, Suite 804

Toronto ON M2N 6P4

Phone: (416) 224-4200 Fax: (416) 224-4330

(A form of proof of claim, a form of proxy and a voting letter should be enclosed with each notice.)

IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR, IN THE PROVINCE OF ONTARIO

PROPOSAL

1552906 Ontario Limited ("155" or the "Debtor"), the above-named debtor, hereby submits the following Proposal under the *Bankruptcy and Insolvency Act*:

PART 1
INTERPRETATION

1. In this Proposal, capitalized terms have the following meanings:
 - (a) "Act" means the *Bankruptcy and Insolvency Act*, as it may be amended from time to time;
 - (b) "Business Day" means any day other than a Saturday or a Sunday or a day observed as a holiday under the laws of the Province of Ontario or the federal laws of Canada applicable therein;
 - (c) "Claim" means any indebtedness, liability, action, cause of action, suit, debt, due, account, bond, covenant, contract, counterclaim, demand, claim, right and obligation of any nature whatsoever of 155 to any person whether liquidated, unliquidated, fixed contingent, matured, legal, equitable, secured, unsecured, present, future, known or unknown, and whether by guarantee, surety or otherwise, incurred or arising or relating to the period prior to the Filing Date;
 - (d) "Court" means Superior Court of Justice, in Bankruptcy and Insolvency;
 - (e) "Court Approval Date" means the date on which the Court makes the Final Order;
 - (f) "Creditor" means any person who holds one or more Claims;
 - (g) "Creditors' Meeting" means the special meeting of the Unsecured Creditors called for the purpose of considering and voting upon the Proposal;
 - (h) "Due Date" means the date upon which the personal income tax return, for the year in which the Proposal is filed and subsequent years as set out in the Income Tax Act;
 - (i) "Effective Date" means the date on which all conditions contained in Part X hereof have been satisfied;
 - (j) "Event of Default" has the meaning given to it in Part VII;
 - (k) "Filing Date" means the date on which 155 filed its Notice of Intention to Make a Proposal under the Act, being April 4, 2016;

- (l) "Final Order" means an order of the Court approving this Proposal to be granted pursuant to the provisions of the Act, the appeal period having expired and no appeal having been filed, or any appeal therefrom having been dismissed and such dismissal having become final;
- (m) "Maturity Date" means the date on which all payments to the Proposal Trustee have been made, provided that no event of default has occurred that has not been cured or waived;
- (n) "New Promissory Note" means the new promissory notes that will be issued in exchange for the existing Promissory Note. The New Promissory Notes will non-interest bearing and repayable six month after the sale of the last lot that is part of the Property;
- (o) "Person" means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency instrumentality thereof, or any other entity howsoever designated or constituted;
- (p) "Post Filing Goods and Services" means in respect of the Proposal the goods supplied, services rendered and other consideration given to 155 subsequent to the Filing Date;
- (q) "Preferred Creditor" means any Creditor entitled to receive payment of any amount owed to it in priority to other Creditors as provided in section 136 of the Act;
- (r) "Promissory Note" means the non-interest bearing demand note held by each Shareholder in the amount of \$80,322.83;
- (s) "Provisional Return" means a provisional return showing 155's income tax debt for the period from the end of the last taxation years up to the date of filing of the Proposal
- (t) "Property" means assets of 155;
- (u) "Proposal" means this Proposal made pursuant to the Act, as further amended or supplemented from time to time;
- (v) "Proposal Period" means the period between the Final Order and the Maturity Date;
- (w) "Proposal Trustee" means Rosen Goldberg Inc., the trustee acting in this Proposal;
- (x) "Secured Creditor" means any Creditor who has valid security against various assets of the Debtor with respect to its Claim;
- (y) "Shareholder" means those Person(s) who are holders of common shares or any other equity of any kind of the Debtor;
- (z) "Shareholder's Loans" means the amounts advanced by the Shareholders to 155 that are non-interest bearing and have no specified repayment terms , which do not include the Promissory Notes
- (aa) " "Unsecured Creditor" means those persons with Claims, except for those Claims:

- (i) that have been finally and conclusively disallowed;
- (ii) that may be contingent or unliquidated and found by the Trustee or the Court (as may be applicable), not to be provable;
- (iii) that are claims by Secured Creditors; or
- (iv) that are claims by Preferred Creditors.

Headings

2. The divisions of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.

Number, etc.

3. In this Proposal, where the context requires, a word importing the singular includes the plural and vice versa, and a word importing gender includes the masculine, feminine and neuter genders.

Date for Action

4. In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

Successors and Assigns

5. This Proposal will be binding upon and will enure to the benefit of the heirs, administrators, executors, personal representatives, successors and assigns of all persons named or referred to herein including, without limitation, all Creditors.

Accounting Principles

6. Accounting terms not otherwise defined have the meanings assigned to them in accordance with generally accepted Canadian accounting principles.

PART II PURPOSE AND EFFECT OF THIS PROPOSAL

Purpose of Proposal

7. The purpose of this Proposal is to restructure 155's indebtedness to its four shareholders. 155 has been capitalized primarily via injections by its shareholders. Each shareholder has a promissory note that is non-interest bearing and payable on demand in the amount of \$80,323.83. Additionally each shareholder has advanced further funds which are non-interest bearing and have no specified terms of repayment.

There are two classes of unsecured creditors in this proposal, consisting of the Promissory Note Holders and the Shareholder's Loans.

Persons Affected

8. This Proposal will, as of the Effective Date, be binding on 155 and all Creditors Shareholders, and other persons named or referred herein in the manner provided for in this Proposal and the Act.

PART III SECURED CREDITOR CLAIMS

9. The Claims of the Secured Creditors, if any, of 155 shall be dealt with in accordance with the arrangements made between 155 and its Secured Creditors.

PART IV UNSECURED CREDITOR CLAIMS

Payment in respect of Promissory Notes

10. The Promissory Note holders shall each receive \$10,000 for in consideration for their Promissory Notes. The payment shall be made through the issuance by 155 of New Promissory. 155 shall pay the Trustee the requisite funds required to pay the applicable Levy of the Superintendent of Bankruptcy.

Effect of Payment

11. Unsecured Creditors will accept the payments provided in Part IV of this Proposal, in complete satisfaction of all their Claims and all liens, certificates of pending litigation, executions or any other similar charges or actions or proceedings in respect of such Claims will have no effect in law or in equity against the property, assets and undertaking of 155. Upon the making of all payments provided for in this Part IV, any and all such clients, certificates of pending litigation, executions or other similar charges or actions will be discharged, dismissed or vacated without costs to 155.

Shareholder's Loans

12. As part of the proposal, the repayment term of the Shareholder's Loans which currently have no specified repayment terms will be amended so that the loans will be repayable six months after the sale of all of the Property of 155.

**PART V
POST FILINGS**

13. 155 covenants and agrees to keep all filings, remittances and instalments, if any, to Canada Revenue Agency current for the post filing returns.

**PART VI
PREFERRED CLAIMS AND MANDATORY PAYMENTS**

Crown Claims

14. Unless Her Majesty consents, 155 shall pay in full, within six months after the Court Approval Date, all amounts, if any, that were outstanding at the Filing Date that are of a kind that could be subject to a demand under:
- (a) subsection 224(1.2) of the *Income Tax Act*;
 - (b) any provision of the Canada Pension Plan or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, or a premium under Part VII.1 of that Act, and of any related interest, penalties or other amounts; or
 - (c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
 - (i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*; or
 - (ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection.

Set Off

15. 155 acknowledges that Her Majesty the Queen will have the right to exercise its right of set off with respect to any income tax or GST refunds pertaining to the period prior to the Proposal.

Preferred Claims

15. Preferred Claims, without interest, are to be paid in full in priority to all Claims of Unsecured Creditors including, without limitation, any entitlement of Unsecured Creditors to the payments to be made under Part IV of this Proposal.

Payment of Fees

16. All proper fees and expenses of the Proposal Trustee and reasonable legal and other professional fees of and incidental to the proceedings and transactions arising out of this Proposal and in connection with the preparation of this Proposal, and the administration of this Proposal, including advice to 155 in connection therewith, will be paid in addition to the Proposal Funds by the Debtor. The Proposal Trustee will be at liberty to withdraw and pay such fees from time to time subject to final approval by the Registrar in Bankruptcy upon completion of the Proposal.

PART VII EVENTS OF DEFAULT

17. The following events will constitute Events of Default for the purpose of section 63 of the Act and otherwise under this Proposal:
- (a) the non-payment of the amounts to the Proposal Trustee pursuant to paragraph 10; or
 - (b) the enforcement by any Secured Creditor of its security over all the assets of 155.

PART VIII TRUSTEE

Confirmation of Appointment

18. The Proposal Trustee shall be the trustee under this Proposal and all monies payable under this Proposal, unless otherwise provided herein, shall be paid over to the Proposal Trustee who shall make the payment of all dividends in accordance with the terms of this Proposal.
19. The Proposal Trustee is acting in its capacity as Proposal Trustee and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of 155.
20. Any payments made by the Proposal Trustee to Creditors hereunder shall be made by the Proposal Trustee net of any levies payable or due under the Act.

PART IX INSPECTORS

Appointment of Inspectors

22. At the Creditors' Meeting, the Unsecured Creditors will be entitled to appoint one or more, but not exceeding five (5) inspectors in total. The inspectors will have the following powers, but will have no personal liability to 155 or other Creditors:

- (a) the power to extend the dates of payments provided under this Proposal;
- (b) the power to waive any default in the performance of any provision of this Proposal;
- (c) the power to advise the Proposal Trustee in respect of such matters as may be referred to the inspectors by the Proposal Trustee; and
- (d) the power to advise the Proposal Trustee concerning any dispute that may arise to the validity of Claims of Preferred Creditors and Unsecured Creditors under this Proposal.

PART X CONDITIONS PRECEDENT

23. The performance of this Proposal by 155 shall be conditional upon the fulfillment or satisfaction of the following conditions within thirty (30) Business Days following the issuance of the Final Order:
- (a) all approvals and consents to the Proposal that may be required have been obtained;
 - (b) the Final Order has been issued and the time for bringing any appeal therefrom has expired;
 - (c) no order or decree restraining or enjoining the consummation of the transactions contemplated by this Proposal has been issued; and
 - (d) all agreements or instruments necessary to effect the intention and purpose of this Proposal have been received by 155 in a form satisfactory to him and the Proposal Trustee.

PART XI RELEASE

24. Upon the Effective Date, each and every present and former director of 155 (collectively, the "Released Parties"), shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action that arose before the commencement of the proceedings under the Act, in respect of the potential statutory liabilities of the former, present and future directors, and provided nothing herein shall release or discharge any of the Released Parties from claims that:
- (a) relate to contractual rights of one or more creditors arising from contracts with one or more directors;
 - (b) are based on allegations or misrepresentations made by directors to creditors or of wrongful or oppressive conduct by directors.

25. Sections 95-101 of the Act shall not apply to any dealings by 155 having taken place during the period prior to the Filing Date.

PART XII MISCELLANEOUS

Consents, Waivers and Agreements

26. On the Effective Date, all Unsecured Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Unsecured Creditor will be deemed to have waived any default by 155 in any provision, express or implied, in any agreement existing between the Unsecured Creditor and 155 that has occurred on or prior to the Filing Date, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of the Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

Further Actions

27. 155 and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.

Performance

28. All obligations of 155 under this Proposal will commence as of the Effective Date. All obligations of 155 under this Proposal will be fully performed for the purposes only of section 65.3 of the Act upon 155 having made the payments to the Proposal Trustee provided for herein.

Binding Effect

29. The provisions of this Proposal will be binding on the Creditors and 155, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Final Order after all appeal periods have expired.

PART XIII ANNULMENT OF PROPOSAL

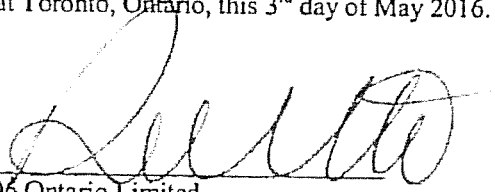
Annulment

30. If this Proposal is annulled by an order of the Court, all payments on account of Claims made pursuant to the terms of this Proposal will reduce the Claims of Creditors.

**PART XIV
MODIFICATION**

31. 155 may propose amendments to the Proposal at any time prior to the conclusion of the Creditors' Meeting provided that any such amendment does not reduce the rights and benefits given to the Unsecured Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

Dated at Toronto, Ontario, this 3rd day of May 2016.



1552906 Ontario Limited
per: Remo Valente

Estate No. **35-2016711**

IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR, PROVINCE OF ONTARIO

Condensed Statement of Assets and Liabilities

Assets

	Estimated Realizable Value
Real Property	\$ 1,400,000
Mortgage Receivable	99,000

Liabilities

	Amount
Secured	\$ 264,500
Unsecured-Demand Note	321,392
Unsecured –Shareholders’ Loans	1,622,779

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
1147073 Ontario Limited	c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1		405,694.75
1147073 Ontario Limited	c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1		80,323.00
1243494 Ontario Limited	c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4		80,323.00
1243494 Ontario Limited	c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4		405,694.75
803102 Ontario Limited	c/o Dunn Group of Companies 948 Albert Lane Belle River ON N0R 1A0		405,694.75
803102 Ontario Limited	c/o Dunn Group of Companies 948 Albert Lane Belle River ON N0R 1A0		80,323.00
Central Vehicle Leasing of Essex Ltd.	c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4		80,323.00
Central Vehicle Leasing of Essex Ltd.	c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4		405,694.75
Dunn Management Ltd.	948 Albert Lane Belle River ON N0R 1A0		264,500.00
Total			2,208,571.00

Estate Number: 35-2106711

PROOF OF CLAIM

In the matter of the bankruptcy (or the proposal or the receivership) of 1552906 ONTARIO LIMITED of Windsor, Ontario
and the claim of _____ creditor.

All correspondence regarding this claim should be sent to the following address: _____

- SEE No. 1** I, _____ (name of creditor or representative of the creditor), of
_____ (full address), do hereby certify:
- SEE No. 2** 1. that I am a creditor of the above-named debtor (or that I am _____ (state position or title)
of _____ (name of creditor)
- SEE No. 3** 2. That I have knowledge of all the circumstances connected with the claim referred to below.
- SEE No. 4** 3. That the debtor was, at the date of the bankruptcy (or the date of the receivership, or in the case of a proposal, the date of
the notice of intention or of the proposal, if no notice of intention was filed), namely the _____ day of
_____, _____, and still is, indebted to the creditor in the sum of \$ _____,
as specified in the statement of account (or affidavit or solemn declaration) attached and marked Schedule "A", after deducting
any counterclaims to which the debtor is entitled. (The attached statement of account, or affidavit or solemn declaration must
specify the vouchers or other evidence in support of the claim.)
- SEE No. 5** 4. (Check and complete appropriate category.)
- () A. UNSECURED CLAIM OF \$ _____ (other than as a customer contemplated by
Section 262 of the Act)
- That in respect of this debt, I do not hold any assets of the debtor as security and (Check appropriate description)
- () Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.
- () Regarding the amount of \$ _____, I do not claim a right to a priority.
(Set out on an attached sheet details to support priority claim.)
- () B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____
- THAT I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based)
- () C. SECURED CLAIM OF \$ _____
- That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of
which are as follows:
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and
attach a copy of the security documents.)
- () D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____
- That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts.)
- () E. CLAIM BY WAGE EARNER OF \$ _____
- () That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____
- () That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____
- () F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
- () That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____
- () That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____
- () G. CLAIM AGAINST DIRECTOR \$ _____
(To be completed when a proposal provides for the compromise of claims against directors)
- That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

() H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

SEE No. 6

5. That, to the best of my knowledge, I am (or the above-named creditor is) *(or am not or is not)* related to the debtor within the meaning of Section 4 of the Act, and have (or has) *(or have not or has not)* dealt with the debtor in a non-arm's-length manner.

SEE No. 7

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three (3) months *(or, if the creditor and the debtor are related within the meaning of Section 4 of the Act or were not dealing with each other at arm's length, within the 12 months)* immediately before the date of the initial bankruptcy event within the meaning of Section 2(1) of the Act: *(Provide details of payments, credits and transfers at undervalue.)*

(Applicable only in the case of the bankruptcy of an individual.)

() Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

() I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

SEE No. 8

Dated at _____, this _____ day of _____, _____

 Signature of Witness

 Signature of Creditor

Telephone: _____

Fax: _____

E-Mail: _____

NOTE:

If an affidavit or solemn declaration is attached, it must have been made before a person qualified to take affidavits or solemn declarations.

WARNINGS:

A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor. Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

NOTE:

If a copy of this Form is sent electronically by means such as email, the name of and contact information of the sender, prescribed in Form 1.1, must be added at the end of the document.

**IF YOU HAVE ANY QUESTIONS ABOUT COMPLETING YOUR PROOF OF CLAIM FORM,
 PLEASE CONTACT THE TRUSTEE'S OFFICE AT: (416) 224-4225**

GENERAL PROXY

In the matter of the bankruptcy (or of the proposal) of: _____

I/We _____ *(name of creditor)*, of _____ *(name of city or town)*, a creditor in the above matter, hereby appoint _____ of _____

_____, to be my/our proxy in the above matter (excepting only as the receipt of dividends), with *(or without)* power to appoint another proxy in his or her place.

SEE No. 9

Dated at _____, this _____ day of _____, _____

 Signature of Witness

 Signature of Creditor

PLEASE READ THIS CAREFULLY BEFORE YOU PREPARE YOUR PROOF OF CLAIM

1. The person making this claim must personally sign this form. **The signature must be witnessed.**
2. If you are signing this form on behalf of a corporation or other person you must state the title or capacity in which you are acting, such as "credit manager", "accountant", "controller", "authorized agent", etc. This form must be signed by the person making the declaration.
3. You must have knowledge of the circumstances connected with the claim.
4. Please fill in the date of the bankruptcy as shown on the Notice to Creditors. **The proof of claim is incomplete unless you include a statement (marked "Schedule A").** The balance on this statement must be complete and agree with the balance claimed by you as of the date of bankruptcy. It must show the date, number and amount of all invoices or charges, together with the date, number and amount of all credits or payments. A "balance forward" or one line figure does not meet the disclosure requirements for proofs of claim issued by the Superintendent of Bankruptcy.
5. Please check (x) the type of claim which applies to you. ****PLEASE DO NOT LEAVE THIS SECTION BLANK****
 If you have a regular unsecured claim, then please check (x) beside the phrase "I do not claim a right to a priority".
 A priority claim is only granted to specific creditors under Section 136 of the *Bankruptcy and Insolvency Act*. Please review the legislation to determine if you are eligible to make such a claim in this estate.
 If you have a **SECURED CLAIM**, you must:
 - (a) insert the value that you feel your security is worth, **and**
 - (b) prove that you are secured by attaching a copy of your security document (chattel mortgage and a copy of your financing statement issued under the *Personal Property Security Act*, etc.). If you hold a mortgage over real estate, please provide the trustee with a copy of the mortgage document.
6. If you are related to the bankrupt, please cross out the word "not". If you are related by blood or marriage to the bankrupt, then you should consider yourself a related person. If the bankrupt is a corporation, you would be considered to be related to it if you were a shareholder, or if your company was controlled by the same shareholders as the bankrupt corporation.
7. You **must** provide the **full** details of all payments and credits received from or allowed to the debtor during the period indicated.
8. The proof of claim is INCOMPLETE unless it has been **dated, signed and witnessed.**
9. If you wish to appoint a proxy, the proxy form must be completed and signed by the creditor. If the creditor is a corporation, the proxy must be signed in the corporate name and not necessarily by the individual signing the proof of claim form. If a corporation grants a voting proxy to an individual, the proxy section should be both signed, dated and witnessed. The *Bankruptcy and Insolvency Act* permits a proof of claim to be made by a duly authorized agent of a creditor, but this does not give a person power to vote at the first meeting of creditors or to act as the creditor's proxy unless the GENERAL PROXY section has been completed.

GENERAL INFORMATION

A creditor may vote either in person or proxy.

A debtor may not be appointed as proxy to vote on behalf of a creditor.

The trustee may be appointed as proxy to vote on behalf of a creditor.

A corporation may vote by an authorized agent at a meeting of creditors.

In order for a duly authorized person to have a right to vote he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy section of the proof of claim.

District of: Ontario
Division No. 06 - Windsor
Court No. 35-2106711
Estate No. 35-2106711

FORM 37

Voting Letter
(Paragraph 51(1)(f) of the Act)

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

I, _____, creditor (or I, _____, representative
of _____, creditor), of _____, a creditor in the above matter
for the sum of \$ _____, hereby request the trustee acting with respect to the proposal of 1552906
ONTARIO LIMITED, to record my vote _____ (for or against) the acceptance of the proposal as
made on the _____ day of _____.

Dated at _____, this _____ day of _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____

Name and Title of Signing Officer

Return To:
Rosen Goldberg Inc. - Trustee
Per:

Brahm Rosen
5255 Yonge Street, Suite 804
Toronto ON M2N 6P4
Phone: (416) 224-4200 Fax: (416) 224-4330
E-mail: jli@rosengoldberg.com

District of: Ontario
Division No. 06 - Windsor
Court No. 35-2106711
Estate No. 35-2106711

FORM 36
Proxy
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

I, _____, of _____, a creditor in the above matter, hereby
appoint _____, of _____, to be
my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without)
power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____, _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

Rosen Goldberg Inc. - Trustee

5255 Yonge Street, Suite 804
Toronto ON M2N 6P4
Phone: (416) 224-4200 Fax: (416) 224-4330
E-mail: jli@rosengoldberg.com

TAB “8”



MILLER THOMSON LLP
MILLERTHOMSON.COM

ONE LONDON PLACE + 255 QUEENS AVENUE, SUITE 2010
LONDON, ON + N6A 5R8 + CANADA

T 519.931.3500
F 519.858.8511

May 20, 2016

Delivered via E-mail

Dickinson Wright LLP
Barristers and Solicitors
1 Riverside Drive West, Suite 304
Windsor, ON N9A 5K3

Attention: John D. Leslie

Dear Sir:

Tony Van Klink
Direct Line: 519.931.3509
tvanklink@millerthomson.com

File: 202510.0001

Re: Proposal filed by 1552906 Ontario Limited – Estate No. 35-2106711

We are the lawyers for 803102 Ontario Limited ("803 Ontario"), a creditor of 1552906 Ontario Limited ("155 Ontario"). We refer to the proposal dated May 3, 2016 (the "Proposal") filed by 155 Ontario pursuant to Part III - Division I of the *Bankruptcy and Insolvency Act* ("BIA") and are writing to you as the lawyer for 155 in connection with the Proposal.

155 Ontario contracted with R.V. Investments Limited ("RVIL") to manage the development of the lands owned by 155 Ontario and the sales thereof. The particulars of that management contract are set out in paragraph 11 of the Purchase Agreement dated February 11, 2006 among 155 Ontario, 803 Ontario, the other shareholders of 155 and Kenneth Knapp, in trust (a former shareholder of 155 Ontario). When 155 Ontario contracted with RVIL to manage the development and sales of the lands, 155 Ontario owned three development projects (Jakana, Gallos and Matthys). The Matthys development did not proceed and the lands were sold. Two phases of the Gallos development were undertaken by 155 Ontario and the remaining lands in the Gallos development sold. All that remains at this time is the Jakana development. The development and installation of site services for the first phase of the Jakana development is complete. All that remains to be completed in the Jakana development is the installation of site services for the second and third phases and the sale of the lots in the second and third phases together with the remaining lots from the first phase.

The compensation to be paid to RVIL under the management contract (6.5% of the gross proceeds from all future land sales) far exceeds the value of the services remaining to be provided by RVIL under the management contract. Based on an analysis completed by 803 Ontario and provided to 155 Ontario and the other shareholders in May, 2016, the remaining management fee payable by 155 Ontario to RVIL under the management contract will be approximately \$238,000 based on estimated gross land sale proceeds of \$3.655 million. Given the disproportionate cost relative to the services remaining to be provided under the management contract and the preferential effect of the management contract over 155

Ontario's other creditors, it is not in the interests of 155 Ontario or its creditors (who are the only party with an economic interest in this matter) for 155 Ontario to fulfill the terms of the management contract.

Permitting the management contract with RVIL to remain in place will result in a substantially lower recovery by the creditors of 155 Ontario and will confer upon RVIL a preference over other creditors of 155 Ontario for the payment of the remaining compensation due to it under the management contract.

Section 65.11(1) of the *BIA* permits a debtor, with the approval of the trustee, to disclaim or resiliate agreements to which the debtor is a party on the day on which a notice of intention or proposal is filed. It is in the interests of 155 Ontario and its creditors that 155 disclaim or resiliate the management contract.

If the management contract is disclaimed or resiliated, 155 Ontario will need to obtain elsewhere the services which remain to be provided under the management contract for the development and sale of the remaining Jakana lands.

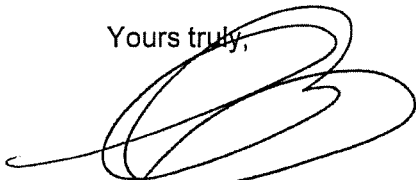
As you and 155 Ontario are aware, M.R. Dunn Management Co. Ltd. ("Dunn Management") has extensive experience in land development. If the management contract is disclaimed or resiliated as part of the Proposal, Dunn Management is prepared to provide to 155 Ontario, at a much lower cost, the same services as remain to be provided by RVIL under the management contract for the remaining Jakana lands. Dunn Management's fees for managing and overseeing the development of the remaining Jakana lands will be charged to 155 Ontario at an hourly rate of \$125 and capped at a maximum of \$5,000. Dunn Management will not charge any fees for the sale of the remaining Jakana lands. Under this arrangement, the total cost to 155 Ontario to receive the same services from Dunn Management which remain to be provided by RVIL under the management contract will not exceed \$5,000 (versus an estimated \$238,000 if those services are provided by RVIL under the management contract). The difference in cost will accrue to the benefit of all creditors.

Subject to the disclaimer or resiliation of the management contract with RVIL, Dunn Management is also prepared to provide financing to 155 Ontario for the servicing of the remaining Jakana lands on the terms reflected in the financing proposal attached to this letter.

803 requests that 155 Ontario request approval from the trustee to disclaim or resiliate the management contract with RVIL and amend the Proposal to provide for the disclaimer or resiliation of the management contract with RVIL to enable 155 Ontario to obtain those same services at a much reduced cost.

I will be happy to receive your questions or discuss this letter with you.

Yours truly,



Tony Van Klink
TVK/jl

c. Tom Robson
18376930.1



1552906 ONTARIO LIMITED
MORTGAGE FINANCING PROPOSAL - JAKANA SUBDIVISION
May, 2016

(A) LETTER TO CREDIT FINANCING

Letter of credit facility in the amount of \$300,000 with Town of Essex as the beneficiary

Interest at 2.0% per annum calculated semi-annually not in advance and payable quarterly for face amount of the letter of credit; all amendment & cancellation fees are additional; minimum fee of \$350.00

Interest at 7.5% per annum calculated semi-annually not in advance and payable quarterly for any amounts advanced under the letter of credit

Secured with 2nd mortgage per below plus personal guarantee of individual shareholders (currently in place)

(B) CONSTRUCTION FINANCING

Advances based on the Engineer's progress payment certificates totalling not more than \$600,000 including HST

Interest payable at Royal Bank Prime + 2.5% (Prime is currently 2.85%) calculated semi-annually not in advance and payable quarterly

Term will be a maximum of twenty five months from the date of first advance.

All proceeds from lot sales (with the exception of the partial discharge amount of 1st mortgage and closing costs) will be applied against the outstanding balance

All HST refunds to be applied against outstanding balance

Secured with 2nd mortgage per below plus personal guarantee of individual shareholders (currently in place)

NOTES TO PROPOSAL

1. It is proposed that both segments (A) & (B) are secured with one collateral mortgage on the development property in the amount of \$1 million in order to cover all current and future advances under these segments. **This mortgage is currently in place.**
2. A formal loan agreement will set out the terms of the advances as per above.
3. An annual fee of 0.25% of the total facility (i.e. A +B) will be charged at the start of each year.
4. All interest rates quoted increase by 8% per annum after 24 months
5. All legals/charges for preparation of supporting documentation are for the account of Borrower.

TAB “9”

District of ONTARIO
Division No. 06 – Windsor
Court No. 35-2106711
Estate No. 35-2106711

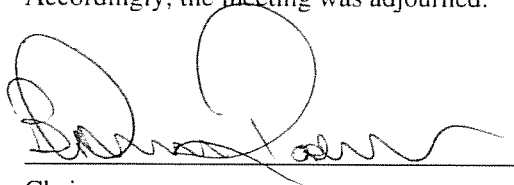
IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR, PROVINCE OF ONTARIO

Minutes of the meeting of the creditors of 1552906 Ontario Limited ("155") held at 1 Riverside Drive Suite 304, Windsor Ontario on May 25, 2016, at 10:30 in the forenoon. Brahm Rosen acted as chairmen.

Attendance: See attached list

Prior to the meeting, a letter was received by three of the shareholders/creditors from the other shareholder/creditor with a proposal on how to deal with an issue in respect of 155. The shareholders advised the Trustee that they wished to convene a shareholders' meeting to fully consider the proposal received from the other shareholder. An adjournment was therefore requested and agreed to unanimously.








The Trustee advised that it would schedule a reconvened meeting once the date of the shareholders' meeting had been established. It was further agreed, that subject to further discussion, the reconvened meeting would be held at the trustee's office and creditors would be able to participate by teleconference. Accordingly, the meeting was adjourned.

A handwritten signature in black ink, appearing to read 'Brahm Rosen', is written over a horizontal line.

Chairman

Telephone: (416) 224-4200
Facsimile: (416) 224-4330

ATTENDANCE LIST MEETING OF CREDITORS

Estate Name: 1552906 Onatario Limited		File No. 35-2106711		Date: May 25, 2016	
No.	Signature	Name (print)	Representing	Amount of Claim	Remarks
1)		Brahm Rosen	Trustee,	N/A	
2)		RENO VALENTE			
3)		Mel MOROFF			
4)		John Leolice	1552906 Onat. Limited		
5)		T. Van Klink	803/02 Outward Ltd		
6)		Tom Robson	"		
7)		Mike Dunn	"		
8)					
9)					
10)					
11)					
12)					
13)					
14)					
15)					
16)					

TAB “10”



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Estate No. 32-2106711

**IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR
IN THE PROVINCE OF ONTARIO**

NOTICE OF RECONVENED MEETING OF CREDITORS

TAKE NOTICE that a reconvened meeting of the creditors of the 1552906 Ontario Limited, will be held on Tuesday June 28, 2016 at 11:30A.M., at the office of the Trustee, 5255 Yonge Street, Suite 804, Toronto, Ontario, M2N 6P4.

The creditors or any class of creditors qualified to vote at the meeting may by special resolution accept the Proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the Court, the Proposal is binding on all creditors or the class of creditors affected.

DATED at Toronto, Ontario, this 7th day of June, 2016.

ROSEN GOLDBERG INC.
Trustee acting in re: the Proposal of
1552906 Ontario Limited, a debtor

PER: Brahm Rosen

**SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY & INSOLVENCY**

**IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR
IN THE PROVINCE OF ONTARIO**

AFFIDAVIT

I, Evelyn Bowles, Estate Administrator with the Trustee, MAKE OATH AND SAY:

1. That on June 10, 2016, I did cause to be mailed to those creditors on the list attached at Schedule 1:
 - i. Notice of Reconvened Meeting of Creditors for June 28, 2016

A true copy of the Notice of Reconvened Meeting of Creditors is attached at Exhibit A.

2. That on June 10, 2016 I did cause Exhibit A to be efiled to the OSB. A copy of the upload confirmation is attached at Exhibit B.

SWORN BEFORE ME at the City of)
Toronto, Province of Ontario)
this 10th day June 2016)

A Commissioner, etc, in and for
the Province of Ontario

Evelyn Bowles

**Brahm Howard Rosen,
a Commissioner, etc., Province of Ontario,
for Rosen Goldberg Inc., Trustee in Bankruptcy.
Expires January 29, 2016.**



ROSEN GOLDBERG

INCORPORATED IN CANADA

Estate No. ~~35~~2106711

IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR
IN THE PROVINCE OF ONTARIO

NOTICE OF RECONVENED MEETING OF CREDITORS

TAKE NOTICE that a reconvened meeting of the creditors of the 1552906 Ontario Limited, will be held on Tuesday June 28, 2016 at 11:30A.M., at the office of the Trustee, 5255 Yonge Street, Suite 804, Toronto, Ontario, M2N 6P4.

The creditors or any class of creditors qualified to vote at the meeting may by special resolution accept the Proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the Court, the Proposal is binding on all creditors or the class of creditors affected.

DATED at Toronto, Ontario, this 7th day of June, 2016.

ROSEN GOLDBERG INC.
Trustee acting in re: the Proposal of
1552906 Ontario Limited, a debtor

Exhibit A

PER: Brahm Rosen

Creditor Mailing List

In the matter of the proposal of
1552906 ONTARIO LIMITED
of the City of Windsor, in the Province of Ontario

Scheuhle 1

Creditor Type	Name	Attention	Address
Secured	Dunn Management Ltd.		948 Albert Lane Belle River ON N0R 1A0
Unsecured	1147073 Ontario Limited		c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1
	1147073 Ontario Limited		c/o Remo Valente 2985 Dougall Avenue Windsor ON N9E 1S1
	1243494 Ontario Limited		c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4
	1243494 Ontario Limited		c/o Melvin Muroff 2920 Bayview Ave. Toronto ON M2N 5K4
	803102 Ontario Limited		c/o Dunn Group of Companies 948 Albert Lane Belle River ON N0R 1A0
	803102 Ontario Limited		c/o Dunn Group of Companies 948 Albert Lane Belle River ON N0R 1A0
	Central Vehicle Leasing of Essex Ltd.		c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4
	Central Vehicle Leasing of Essex Ltd.		c/o Kenneth Knapp 396 Talbot Road North Essex ON N8M 2W4

S.C.O. # 35-2106711

SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY

IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR
IN THE PROVINCE OF ONTARIO

AFFIDAVIT OF MAILING

ROSEN GOLDBERG INC.
2555 Yonge Street Ste 804
Toronto, Ontario
M2N 6P4

P: 416 224 4200

TAB “11”



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Estate No. 32-2106711

**IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR
IN THE PROVINCE OF ONTARIO**

AMENDED NOTICE OF RECONVENED MEETING OF CREDITORS

TAKE NOTICE that a reconvened meeting of the creditors of the 1552906 Ontario Limited, will be held on Tuesday June 28, 2016 at 9:00 A.M., by conference call from the office of the Trustee, 5255 Yonge Street, Suite 804, Toronto, Ontario, M2N 6P4.

The creditors or any class of creditors qualified to vote at the meeting may by special resolution accept the Proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the Court, the Proposal is binding on all creditors or the class of creditors affected.

DATED at Toronto, Ontario, this 23rd day of June, 2016.

ROSEN GOLDBERG INC.
Trustee acting in re: the Proposal of
1552906 Ontario Limited, a debtor

PER: Brahm Rosen

**SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY & INSOLVENCY**

**IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR
IN THE PROVINCE OF ONTARIO**

AFFIDAVIT


I, Brahm Rosen, Trustee, MAKE OATH AND SAY:

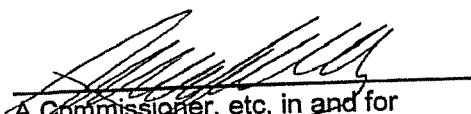
1. That on June 23, 2016, I did cause the Amended Notice of Reconvened Meeting of Creditors to be emailed to those creditors on the list attached at Schedule 1.

A true copy of the Amended Notice of Reconvened Meeting of Creditors is attached at Exhibit A.

2. That on June 23, 2016 I did cause Exhibit A to be efiled to the OSB. A copy of the upload confirmation is attached at Exhibit B.

SWORN BEFORE ME at the City of)
Toronto, Province of Ontario)
this 23rd day June 2016)


Brahm Rosen


A Commissioner, etc, in and for
the Province of Ontario

Steven Warren Howard Goldberg,
a Commissioner, etc., Province of Ontario,
for Rosen Goldberg Inc., Trustee in Bankruptcy.
Expires September 25, 2017.



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Exhibit A .

Estate No. 32-2106711

**IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR
IN THE PROVINCE OF ONTARIO**

AMENDED NOTICE OF RECONVENED MEETING OF CREDITORS

TAKE NOTICE that a reconvened meeting of the creditors of the 1552906 Ontario Limited, will be held on Tuesday June 28, 2016 at 9:00 A.M., by conference call from the office of the Trustee, 5255 Yonge Street, Suite 804, Toronto, Ontario, M2N 6P4.

The creditors or any class of creditors qualified to vote at the meeting may by special resolution accept the Proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the Court, the Proposal is binding on all creditors or the class of creditors affected.

DATED at Toronto, Ontario, this 23rd day of June, 2016.

ROSEN GOLDBERG INC.
Trustee acting in re: the Proposal of
1552906 Ontario Limited, a debtor

PER: Brahm Rosen



Government
of Canada

Gouvernement
du Canada

Exhibit B.

Update filing - update is confirmed

Welcome Jenna Li | [Preferences](#) | [E-Filing helpdesk](#) | [Instructions](#) | [Logout](#)

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 35-2106711
- **Estate Name:** 1552906 ONTARIO LIMITED

Document(s) submitted

The following document(s) have been successfully submitted

- Alert: only change is to the time of
- amended notice of reconvened meeting of creditors

Reference

- The Reference Number for this transaction is: **12169762**.
- Submitted by Jenna Li.
- 2016-06-23 12:51 EDT

[Submit another document for this estate.](#)

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

Date modified: 2016-04-15

Schedule 1

Brahm Rosen

From: Brahm Rosen
Sent: Thursday, June 23, 2016 11:21 AM
To: Ken Knapp; 'Mel Muroff'; Michael Dunn; 'Remo Valente'
Cc: 'John D. Leslie'; 'Van Klink, Tony'
Subject: 15552906 Ontario Limited
Attachments: Amended Notice of Reconvened Meeting of Creditors.pdf

Gentleman

Please find an amended notice of the reconvened meeting of creditors to be held on June 28, 2016 at 9 a.m. by conference call.

The call in numbers are as follows:

Toll free: 1 855 342- 6455
Local (Toronto) 416 933- 3853

Caller ID: 1283206

Please note that the trustee has 3 voting letters for each class in favour of the proposal.

Brahm

BRAHM ROSEN, CPA, CA, CIRP
President



ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Direct: 416 224 4210
Main: 416 224 4200
Fax: 416 224 4330
brosen@rosengoldberg.com

Rosen Goldberg Inc.
Licensed Insolvency Trustee
5255 Yonge Street, Suite 804
Toronto, Ontario M2N 6P4
www.rosengoldberg.com

S.C.O. # 35-2106711

**SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY**

**IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR
IN THE PROVINCE OF ONTARIO**

AFFIDAVIT OF SERVICE

**ROSEN GOLDBERG INC.
2555 Yonge Street Ste 804
Toronto, Ontario
M2N 6P4**

P: 416 224 4200

TAB “12”

District of ONTARIO
Division No. 06 – Windsor
Court No. 35-2106711
Estate No. 35-2106711

IN THE MATTER OF THE PROPOSAL OF
1552906 ONTARIO LIMITED
OF THE CITY OF WINDSOR, PROVINCE OF ONTARIO

Minutes of the reconvened meeting of the creditors of 1552906 Ontario Limited (“155”) held at by teleconference on June 28, 2016 at 9 a.m. It had been agreed by all the creditors that the meeting could be held by teleconference.

Attendance:	Brahm Rosen	Trustee
	Michael Dunn	803102 Ontario Limited
	Ken Knapp	Central Vehicle Leasing of Essex Limited
	John Leslie	Counsel to 1552906 Ontario Limited
	Mel Muroff	1243494 Ontario Limited
	Thomas Robson	803102 Ontario Limited
	Tony Van Klink	Counsel to 803102 Ontario Limited
	Remo Valente	1147073 Ontario Limited

All the creditors were present and each had filed proofs of claim prior to the meeting. The Trustee advised that it had three voting letters in favor of the proposal.

Mr. Rosen reviewed the terms of the proposal advising that there were two classes identified in the proposal representing each of the debts of the four creditors.

Mr. Van Klink, asked the Trustee a number of questions regarding the terms of the proposal and requested some additional information from the Trustee. The Trustee advised that it would provide this information after the meeting.

The Trustee called for a vote of the meeting. The voting was as follows:

The Promissory Note class of creditors accepted the proposal pursuant to the requirements of section 54.(2)(d) of the *Bankruptcy and Insolvency Act*.

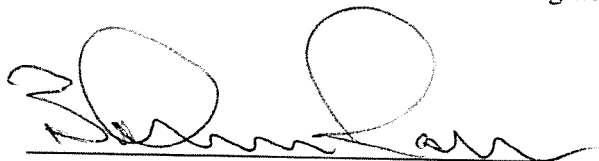
The Shareholder’s Loan class accepted the proposal pursuant to the requirements of section 54.(2)(d) of

the *Bankruptcy and Insolvency Act*.

The proposal was therefore accepted, subject to court approval.

Mel Muroff and Thomas Robson were appointed inspectors.

As there was no further business the meeting was adjourned.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

Chairman