

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

LILLA EMILIA RUNCO

Applicant

- and -

MARCEL LOPES ENGENHEIRO

Respondent

**APPLICATION UNDER under s. 3 of the *Partition Act*, RSO 1990, c P.4**

**AMENDED NOTICE OF MOTION**

The Applicant will make a motion to a judge on August 4, 2023 at 10:00 AM a ~~date to be set in Civil Practice Court~~, or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard:

- In writing under subrule 37.12.1(1) because it is on consent or unopposed or made without notice;
- In writing as an opposed motion under subrule 37.12.1(4);
- In person;
- By telephone conference;
- By video conference.

at the following location

Videoconference details to be provided by the Court

THE MOTION IS FOR:

- (a) An order directing a reference to the judge hearing this motion to determine any and all issues relating to the conduct of the sale of a property municipally known as 883 Avenue Road, Toronto, Ontario (the "Property");
- (b) An order appointing Albert Gelman Inc. as a receiver/liquidator to conduct the sale of the Property and to distribute the proceeds of the sale as approved by the court substantially in the form attached as Schedule A;
- (c) In the alternative, an order that the applicant have carriage of the sale of the Property in a manner directed by the court;
- (d) An order varying paragraph 1 of the order of Justice Sanderson, dated March 21, 2023, if necessary;
- (e) Costs of this motion on a full indemnity basis; and
- (f) Such further and other relief as this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

- (a) The parties are former spouses who jointly own the Property, which is a multi-unit residential income property located in Toronto. The parties are Canadian citizens who reside in the State of New York. In November 2019, in the context a divorce proceeding in the Supreme Court of the State of New York, the parties entered into a settlement agreement to settle any and all outstanding issues relating to support, maintenance and the equitable distribution of marital property (the "Divorce Agreement").
- (b) The Divorce Agreement included specific terms addressing the applicant's interest in the Property. In general terms, the Divorce Agreement provided that the applicant's interest in the Property would be transferred to the respondent or a third party purchaser and that the applicant would receive

a payment in the amount of US\$500,000 free and clear of any capital gains tax or other liabilities relating to the Property.

- (c) After the Divorce Agreement was signed, there were disagreements between the parties regarding the implementation of its terms as they relate to the Property. In particular, despite court rulings otherwise in New York and Ontario, the respondent continued to insist that he had a right to purchase the applicant's interest in the Property.
- (d) In 2021, the applicant brought this application for an order that the Property be sold pursuant to the provisions of the *Partition Act*, RSO 1990, c. P.4. The application was heard by Justice Sanderson. On March 21, 2022, Justice Sanderson released reasons for decision granting the application and ordering that the Property be sold using a process that mirrored the process set out in the Divorce Agreement.
- (e) In particular, Justice Sanderson ordered a sale process that included the following: the parties would sign a listing agreement with a real estate agent, Francesco Porretta ("Porretta"); Porretta would recommend a listing price and list the Property for sale for a period of three weeks; the parties would accept the highest unconditional offer over \$2,500,000.
- (f) Certain actions by the respondent have resulted in Porretta refusing the engagement contemplated by Justice Sanderson's order.
- (g) First, the respondent made one or more complaints to the Real Estate Council of Ontario ("RECO") making allegations of misconduct against Porretta and his real estate firm. Porretta and others at his firm incurred time and expense responding to those allegations.
- (h) Second, without any notice to or consultation with the applicant, the respondent entered into an agreement with the City of Toronto to reduce the number of rental units at the Property from five to four. This has had the impact of lowering the potential rental income and, by extension, the

potential sale price of the Property, such that Porretta has no confidence that he will receive any unconditional offers over \$2,500,000 for the Property.

- (i) As Porretta refused the listing engagement, it is not possible to implement the terms of Justice Sanderson's order.
- (j) The applicant has made a number of proposals for the sale of the Property. Those proposals included a proposal that would allow the respondent to acquire the applicant's interest, and a proposal that involved engaging the respondent's real estate agent to list the Property for sale to a third party. Those proposals were either refused or went unanswered. The applicant has made all reasonable efforts to avoid any further litigation.
- (k) Under the terms of the Divorce Agreement, the Property should have been sold by no later than June 2020, and the applicant should have received a payment of US\$500,000 free and clear of any tax or other liabilities arising from the Property. However, the conduct of the respondent has delayed the sale of the Property for another three years. Even when Justice Sanderson ordered that the Property be sold, the respondent frustrated the implementation of that order.
- (l) The circumstances justify the appointment of a receiver/liquidator to sell the Property and distribute the proceeds of sale. Given that the respondent has frustrated the implementation of Justice Sanderson's order, and given that the respondent has refused and/or not responded to the applicant's proposals with respect to the Property, it is very unlikely that the Property will be sold without the intervention of a court-appointed officer.
- (m) In the alternative, the applicant requests that the court direct that the Property be sold with the applicant having carriage of the sale.

- (n) Rules 54, 55 and 59.06 of the *Rules of Civil Procedure*, and s. 101 of the *Courts of Justice Act*, RSO 1990, c. C.43.
- (o) Such further and other grounds that this Honourable Court may consider.

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

- (a) Affidavit of Lilla Runco, to be sworn; and
- (b) Such further and other documentary evidence that his Honourable Court may permit.

April 3, 2023 (Amended May 15, 2023)

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Lawyers for the Respondent

SCHEDULE A

Court File No.: CV-21-00666018-0000

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

THE HONOURABLE ) , THE  
JUSTICE CENTA )  
 )  
 )  
 ) DAY OF \_\_\_\_\_, 2023

BETWEEN:

LILLA EMILIA RUNCO

Applicant

- and -

MARCEL LOPES ENGENHEIRO

Respondent

**APPLICATION UNDER under s. 3 of the *Partition Act*, RSO 1990, c P.4**

**ORDER**  
**(appointing Receiver)**

**THIS MOTION** made by the Applicant for an Order pursuant to Rule 55 of the Rules of Civil Procedure and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Albert Gelman Inc. ("**AGI**") as receiver (the "**Receiver**") over the real property municipally described at 883 Avenue Road, Toronto, ON registered jointly in the names of each the Applicant and Respondent, including all proceeds thereof (the "**Property**") and legally described as PT LT 137-138 PL 569E TORONTO AS IN CA407790 S/T & T/W CA 407790; CITY OF TORONTO, PIN 21181-0108, without security, on the terms set out below, was heard this day by videoconference in Toronto, Ontario.

**ON READING** [...] and on hearing the submissions of counsel for the Applicant and of the Respondent and on reading the consent of AGI to act as Receiver,

## **APPOINTMENT**

1. THIS COURT ORDERS that pursuant to section 101 of the CJA, AGI is hereby appointed Receiver, without security, for the purposes of liquidating the Property, on an “as is” basis, and distributing the net proceeds of sale in accordance with the order of Justice Sanderson, dated March 21, 2022 (“Sanderson Order”), or as otherwise directed by the Court.

## **RECEIVER’S POWERS**

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property subject to the terms set out herein;
- (b) to obtain two appraisals of the Property from certified real estate appraisers;
- (c) to enter into and execute a listing agreement for the sale of the Property having regard to the values as contained in the two appraisals;
- (d) to list the Property for sale for a period of three weeks and at the end of the three-week period, to accept the highest and best offer over the amount as set out in the Confidential Affidavit of \*\*\*, conditional upon the Receiver obtaining court approval on notice to the Applicant and Respondent;
- (e) in the event the Receiver does not receive an acceptable offer in accordance with the minimum amount as set out in the Confidential Affidavit at the end of the three-week period as stipulated in paragraph (d)

herein, the Receiver shall be at liberty to reduce the listing price by up to 15% no more than once every three-week period so long as the listing price is within the valuations as contained in the two appraisals obtained by the Receiver. Any reductions below the valuations in the two appraisals will require approval of the Court;

- (f) The following amounts will be deducted from the net sale proceeds:
- (i) any amounts necessary to discharge the mortgage and pay off the three lines of credit with Toronto-Dominion Bank, and satisfy any other liabilities and encumbrances;
  - (ii) closing adjustments including but not limited to property taxes, utilities and pre-paid rent (along with any accumulated interest);
  - (iii) transaction costs including but not limited to broker commissions, lawyers' fees, HST;
  - (iv) withholding tax as required under the Income Tax Act;
  - (v) payment in the amount of US\$500,000 to the Applicant as provided for in subparagraph 1(e)(v) of the Sanderson Order;
  - (vi) payment in the amount of US\$2,405.30 as provided for in subparagraph 1(e)(vi) of the Sanderson Order;
  - (vii) payment of any outstanding costs awards, postjudgment interest and/or other amounts that may be owing to either the Applicant and/or the Respondent in respect of this or related litigation as approved by the Court;
  - (viii) if permitted by the Court, payment to the Applicant of the amounts set out in the judgment of Judge Ondrovic of the Supreme Court of the State of New York, signed January 17, 2023; and



- (ix) the Receiver's fees and disbursements including those of its counsel.
- (g) following the deductions as set out in subparagraph (f) above, the balance of the net proceeds shall be paid to the Respondent;
- (h) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (i) to manage, operate, and carry on the business of the Property, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts relating to the Property;
- (j) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (k) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Property or any part or parts thereof;
- (l) to receive and collect all monies and accounts now owed or hereafter owing in relation to the Property and to exercise all remedies in collecting such monies;
- (m) to settle, extend or compromise any indebtedness owing in relation to the Property;

- (n) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Applicant or Respondent, for any purpose pursuant to this Order;
- (o) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (p) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (q) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (r) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (s) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (t) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in relation to the Property; and,

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

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

### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

3. THIS COURT ORDERS that (i) the Applicant and Respondent, (ii) all of its current and former employees, agents, accountants, legal counsel, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall grant immediate and continued access to the Property to the Receiver.

4. THIS COURT ORDERS that all Persons shall, upon request by the Receiver, disclose the existence of and/or deliver any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

5. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records

shall, upon request by the Receiver, give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

7. THIS COURT ORDERS that all rights and remedies in relation to the Property and the Receiver, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver to carry on any business in relation to the Property is not lawfully entitled to carry on, (ii) exempt the Receiver from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

### **NO INTERFERENCE WITH THE RECEIVER**

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

### **CONTINUATION OF SERVICES**

9. THIS COURT ORDERS that all Persons having oral or written agreements in relation to the Property or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services in relation to the Property are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the current telephone numbers, facsimile numbers, internet addresses and domain names in relation to the Property, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices in relation to the Property or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

### **RECEIVER TO HOLD FUNDS**

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

shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

### **PIPEDA**

11. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information in relation to the Property, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

12. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the

Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

### **LIMITATION ON THE RECEIVER'S LIABILITY**

13. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

### **RECEIVER'S ACCOUNTS**

14. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person. Notwithstanding the foregoing, the Receiver's Charge shall be subordinate to the mortgage registered on title in favour of The Toronto-Dominion Bank.

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

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

### **FUNDING OF THE RECEIVERSHIP**

17. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$50,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the mortgage registered on title in favour of The Toronto-Dominion Bank and the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

18. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

19. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.



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

### **SERVICE AND NOTICE**

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

22. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission of creditors in relation to the Property or other interested parties at their respective addresses as last shown on the records in relation to the Property and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

**GENERAL**

23. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

25. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

26. THIS COURT ORDERS that the costs of this application, up to and including entry and service of this Order shall be reserved pending further Order of the Court.

27. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "Receiver") of the Property located at 883 Avenue Road, Toronto, ON including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "Order") made in an action having Court file number \_\_\_\_\_ -CL-\_\_\_\_\_, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued

by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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

Per: \_\_\_\_\_

Name:

Title:

[8223125.1](#)

LILLA EMILIA RUNCO      MARCEL LOPES ENGENHEIRO  
Applicant      and      Respondent

Court File No.: CV-21-00666018-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at TORONTO

**AMENDED NOTICE OF MOTION**

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