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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MADAM) FRIDAY, THE 24TH DAY
)
JUSTICE PEPALL) OF AUGUST, 2007

ED MIRVISH ENTERPRISES LIMITED AND 1 KING WEST INC.

Applicants

- and -

STINSON HOSPITALITY INC., DOMINION CLUB OF CANADA CORPORATION AND
HARRY STINSON

Respondents

ORDER

THIS MOTION, made by the Applicants for an Order, *inter alia*, pursuant to section 101 of the *Courts of Justice Act*, R.S.O 1990 c. C.43, as amended (the "CJA") appointing Ira Smith Trustee & Receiver Inc. as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Stinson Hospitality Inc. ("SHI"), Dominion Club of Canada Corporation ("Club Corp."), The Suites at 1 King West Inc. ("The Suites") and 2076564 Ontario Inc. ("2076564") was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the motion record of the Applicants (the "Applicants' Motion Record"), the Affidavits of David Mirvish, sworn March 26, 2007, August 1, 2007, and August 16, 2007, the Affidavit of Hank Kates sworn August 16, 2007 the Affidavits of Harry Stinson sworn February 27, 2007, April 18, 2007, August 14, 2007, and August 17, 2007, the Affidavit of Camillo Casciato sworn June 5, 2007, the Affidavit of Steve O'Brien sworn August 17, 2007, the Affidavit of Robert Verdun sworn June 6, 2007, the Affidavit of Christopher Jaglowitz sworn



August 14, 2007, the Affidavit of Johan Demeester sworn August 8, 2007, and the exhibits to the foregoing, the Minutes of Settlement dated April 20, 2007 between the Applicants, SHI and DCC, and the reports of Ira Smith Trustee & Receiver Inc. (the "**Monitor**"), court-appointed monitor of all of the assets, undertaking and property of SHI, Club Corp., The Suites and 2076564 (collectively, the "**Companies**") dated June 6, 2007, June 22, 2007, August 3, 2007 and August 16, 2007 and the exhibits thereto, and the Affidavit of David Mirvish sworn March 26, 2007 and the exhibits thereto, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the Companies and Mr. Stinson, and counsel for Toronto Standard Condominium Corporation No. 1703 (the "**Residential Condo**") and Mr. Demeester, and on reading the consent of Ira Smith Trustee & Receiver Inc. to act as receiver:

SERVICE

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

APPOINTMENT AS RECEIVER

2. THIS COURT ORDERS that, pursuant to section 101 of the CJA, Ira Smith Trustee & Receiver Inc. (the "**Receiver**") is hereby appointed Receiver, without security, of all of the Companies' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, whether or not used in the hotel rental management and food and beverage program carried on at the premises known municipally as One King West, Toronto, Ontario (collectively, the "**Property**").

DISCHARGE OF MONITOR

3. THIS COURT ORDERS that the appointment of Ira Smith Trustee & Receiver Inc. as monitor of the Companies pursuant to the Order of Mr. Justice Campbell dated April 23, 2007, as amended by the Order of Mr. Justice Campbell dated June 7, 2007 and the Order of Mr. Justice Campbell dated June 26, 2007, in these proceedings be and the same be hereby terminated and that the actions and activities of the Monitor as described in its reports dated August 3, 2007 ~~and August 16, 2007~~ be and the same be hereby approved, and that the Monitor be and is hereby discharged and any claims of any nature whatsoever against the Monitor, in

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relation to its activities as Monitor (save in respect of gross negligence and wilful misconduct), shall be forever barred and extinguished and no proceedings alleging gross negligence or wilful misconduct shall be commenced against the Monitor without leave of the Court on notice to the Monitor.

RECEIVER'S POWERS

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

- a) to take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- c) to manage, operate and carry on the hotel management and food and beverage businesses of the Companies (collectively, the "**Business**"), including the power and authority to enter into any agreements or incur any obligations in the ordinary course of such Business, to cease to carry on all or any part of such Business, or to perform or cease to perform any contracts of the Companies;
- d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the powers and duties conferred by this Order;
- e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the Business of the Companies or any part or parts thereof;

- f) to receive and collect all monies and accounts now owed or hereafter owing to the Companies and to exercise all remedies of the Companies in collecting such monies, including, without limitation, to enforce any security held by the Companies in relation to the Business;
- g) to settle, extend or compromise any indebtedness owing to the Companies in relation to the Business;
- h) to execute, assign, issue and endorse documents of whatever nature in respect of any or all of the Property, whether in the Receiver's name or in the name and on behalf of the Companies, for any purpose pursuant to this Order;
- i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Companies in relation to the Business;
- j) 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 Companies in relation to the Business, the Property or the Receiver, and to settle or compromise any such proceedings. *notice of such settlement will be provided by the Receiver to Mr. Jacques, counsel to Mr. Brinson, + the company or receiver's lawyer.* 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;
- k) subject to the terms of this Order, to market any or all of the Business or the Property, including advertising and soliciting offers in respect of the Business or 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;
- l) to sell, convey, transfer, lease, assign or refinance the Business or the Property or any part or parts thereof out of the ordinary course of business,
- (i) without the approval of this Court in respect of any transaction not exceeding \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$1 million; and

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- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply;

- m) subject to the terms of this Order, to apply for any vesting order or other orders necessary to convey the Business or 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;
- n) to report to, meet with and enter into discussions with such affected Persons (as defined below) as the Receiver deems appropriate concerning all matters relating to the Business, the Property or the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Companies;
- q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Companies, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Companies in relation to the Business;
- r) to exercise any shareholder, partnership, joint venture or other rights which the Companies may have, including, without limitation, any rights of the Companies in connection with or pursuant to (i) the declaration, by-laws or other constating

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documents of the Residential Condo or Toronto Standard Condominium Corporation No. 1726 (the "**Commercial Condo**"), (ii) the reciprocal agreement made with effect as of September 9, 2005 between the Residential Condo, the Commercial Condo and 1 King West Inc., as assigned and assumed pursuant to an assignment and assumption of reciprocal agreement dated as of March 6, 2006, and (iii) the lease operating agreement dated the 18th day of November, 2005 between the Residential Condo and Commercial Condo; and

s) to take any steps reasonably incidental to the exercise of these powers,

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 Companies, and without interference from any other Person.

5. THIS COURT ORDERS that the Receiver, in operating the Business of The Suites, subject to further of this Court, is hereby authorized and directed to make distributions to residential condominium unit owners who participate in the hotel program, all pursuant to existing arrangements between the Companies and such condominium units owners.

6. THIS COURT ORDERS that the Receiver shall, on or before September 4, 2007, determine which parties should receive notice in the event that the Applicants wish to seek the vesting order contemplated in the Applicants' Motion Record.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

7. THIS COURT ORDERS that (i) the Companies; (ii) all of the Companies' current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; (iii) Harry Stinson, Stinson Properties Inc. and all companies related to, or affiliated with, any of the Companies; (iv) the Residential Condo and all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; (v) the Commercial Condo and all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; (vi) the Applicants and all entities related to, or affiliated with, any of the Applicants; and (vii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice

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of this Order (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

8. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the Business or other affairs of the Companies, 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 8 or any other paragraph 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.

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

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NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE COMPANIES OR THE PROPERTY

11. THIS COURT ORDERS that no Proceeding against or in respect of any aspect of the Companies, the Business or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Companies (in respect of any aspect of the Business) or the Property are hereby stayed and suspended pending further Order of this Court. For greater certainty, nothing in this Order shall prevent the continuation of the proceeding Court File No. 07-CV-329252PD1.

NO EXERCISE OF RIGHTS OR REMEDIES

12. THIS COURT ORDERS that all rights and remedies against the Companies in relation to the Business, the Receiver, or affecting the Property are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Companies to carry on any business which the Companies are not lawfully entitled to carry on, (ii) exempt the Receiver or the Companies 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

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

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CONTINUATION OF SERVICES

14. THIS COURT ORDERS that all Persons having oral or written agreements with the Companies in relation to the Business or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Companies in relation to the Business 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 Companies' current telephone numbers, facsimile numbers, internet addresses and domain names in relation to the Business, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Companies 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

15. 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 in relation to the Business, including without limitation, the sale or refinancing of all or any of the Business or the Property (in accordance with, and subject to the provisions of this Order) and the collection of any accounts receivable in relation to the Business 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. Nothing herein shall prevent the Receiver from continuing with existing banking arrangements, subject to the Receiver maintaining management and control over existing bank accounts.

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EMPLOYEES

16. THIS COURT ORDERS that all employees of the Companies in relation to the Business shall remain the employees of the Companies until such time as the Receiver, on the Companies' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction.

17. 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 Business or 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 Business or the Property in accordance with, and subject to, the balance of the provisions of this Order (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 part of the Business or the Property shall be entitled to continue to use the personal information provided to it, and related to the Business or the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Companies, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

18. 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

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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

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

RECEIVER'S ACCOUNTS

20. THIS COURT ORDERS that any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees of the Receiver and the fees and disbursements of its legal counsel, incurred at the standard rates and charges of the Receiver and its counsel, shall be allowed to it in passing its accounts and shall form a first charge on the Business and the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (the "**Receiver's Charge**").

21. THIS COURT ORDERS the Receiver and its legal counsel shall pass their 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.

22. 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 normal 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.

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FUNDING OF THE RECEIVERSHIP

23. 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 \$500,000 (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 Business and the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge.

24. 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.

25. 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.

26. 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.

GENERAL

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

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

~~29. THIS COURT ORDERS that this Order shall apply notwithstanding the pendency of any other proceedings involving any of the Companies and the provisions of any federal or provincial statute, and any and all steps taken by the Receiver pursuant to this Order shall be valid as against any and all parties including any trustee in bankruptcy that may be appointed in respect of any of the Companies.~~

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30. 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.

31. 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.

~~32. THIS COURT ORDERS that the Applicants shall have their costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicants' security or, if not so provided by the Applicants' security, then on a substantial indemnity basis to be paid by the Receiver from the Companies' estate with such priority and at such time as this Court may determine.~~

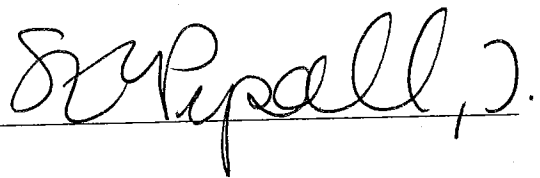
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33. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice,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

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SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Ira Smith Trustee & Receiver Inc., the receiver and manager (the "Receiver") of the assets, undertakings and properties of Stinson Hospitality Inc., Dominion Club of Canada Corporation, The Suites at 1 King West Inc. and 2076564 Ontario Inc. appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the 24th day of August, 2007 (the "Order") made in an action having Court file number 07-CL-6913, 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 (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, 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

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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 defined in the Order) 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 _____, 2007

Ira Smith Trustee & Receiver Inc., solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: _____

Name:

Title:

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STINSON HOSPITALITY INC., DOMINION
CLUB OF CANADA CORPORATION AND
HARRY STINSON

Respondents

ED MIRVISH ENTERPRISES LIMITED AND
1 KING STREET WEST INC.

Applicants

- and -

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

ORDER

MILLER THOMSON LLP

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Tab B

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Telephone: (905) 738-4167 – Fax: (905) 738-9848

Web site: www.irasmithinc.com

IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF STINSON HOSPITALITY INC.

NOTICE AND STATEMENT OF THE RECEIVER AND MANAGER (The Bankruptcy and Insolvency Act Subsections 245(1) and 246(1))

The Receiver and Manager gives notice and declares that:

1. By Order of the Ontario Superior Court of Justice (Commercial List) dated the 24th day of August, 2007 the undersigned Ira Smith Trustee & Receiver Inc. (“ISI”) became the Receiver and Manager, in respect of the property of Stinson Hospitality Inc., an insolvent company that is described below:

	Net Book Value ¹	Estimated to Realize ²
Cash	\$ 123	Unknown
Accounts receivable	11,000	Unknown
Prepaid expenses	25,000	Unknown
Investment in subsidiary	300	Unknown
Due from Dominion Club of Canada Corp.	2,368,632	Unknown
Due from Stinson Properties	226	Unknown
Capital assets	<u>738,279</u>	<u>Unknown</u>
Total	<u>\$ 3,143,560</u>	<u>Unknown</u>

2. The undersigned became the Receiver and Manager by virtue of being appointed by the Court.

3. The assets described above are currently at the former premises of the insolvent company.

4. The following information relates to the appointment:

(a) Address of insolvent company: 1 King Street West

¹ These values are from the Company’s internal unaudited financial information as at June 30, 2007 which the Receiver and Manager has not audited or otherwise verified and believes not to be accurate.

² The Receiver and Manager is currently not in a position to provide an Estimated Realization analysis. When the Receiver and Manager is in a position to do so, such analysis will be provided to the Court in a Report to Court.

Toronto, ON M5H 1A1

- (b) Principal line of business: Hospitality Management
- (c) Location(s) of business: Same as above

(d) Amount owed by the insolvent company to each creditor who holds or may hold a security on the property described above, is as indicated on the attached list. A search of the Ontario Personal Property Security Registration System has indicated that the following parties may have a security interest in certain assets of the insolvent company:

De Lage Landen Financial Services Canada Inc.
DSM Leasing Ltd.
Ed Mirvish Enterprises Limited
Gould Leasing Ltd.

The list of creditors of the insolvent company including above noted secured creditors and the amount owed to each creditor and the total amount due by the insolvent company, based on the information currently available to the Receiver and Manager, is as follows:

See attached list.

- (f) The intended plan of action of the Receiver and Manager is as follows:

The Receiver and Manager has taken possession of the assets, is operating the business and is currently developing a plan of action to maximize the realization on the assets for all stakeholders.

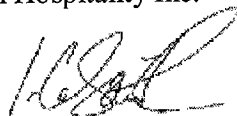
- (g) Contact person for the Receiver: Ira Smith
Telephone 905-738-4167 ext. 111
Fax 905-738-9848

DATED at Toronto, Ontario, this 6th of September, 2007

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.
Receiver and Manager of the assets, properties and undertakings of
Stinson Hospitality Inc.

Per:



Ira Smith
President

**Ira
Smith**
TRUSTEE & RECEIVER INC.

**Stinson Hospitality Inc.
Mailing List**

Vendor	Balance Total
The Office of the Superintendent of Bankruptcy Ed Mirvish Enterprises Limited	
59 Management Inc.	\$ 1,447.72
Alan Seymour Architect	4,398.77
Alexander Thom	80,000.00
Amarjit & Kulwani Bath	45,000.00
Amati Plumbing Supply Ltd.	670.32
Appliance Canada Ltd.	23,823.40
Arcadia Aluminum & Installation Inc.	5,965.25
Arnold & Janie Assenheimer	90,000.00
Avril Betts 136325 Canada Inc	8,000.00
AVW TELAV Audio Visual Solutions	1,135.62
Beverley Golden	40,000.00
Bill Van Evans: 770630 Ontario Ltd	150,000.00
Bill Zanker	166,000.00
Blake, Cassels & Graydon LLP	263,492.66
Bob Ellison M.C. Dispensaries Ltd.	250,000.00
C.G.A. Glass & Mirrors Inc.	13,024.90
CBM Group Ltd.	2,704.43
Chris Costa	37,000.00
Colin & Birgitte Micie	30,000.00
Colin Michie Photovision by Colin Ltd	30,000.00
Cygnal Technologies	2,955.21
D. Zentil Mechanical Inc.	21,250.03
DECC Electrical Inc.	17,404.64
Diviaris Alexander Corporation	10,208.28
Domenico Pedicelli	65,000.00
Downtown Electric Fireplace Company	1,835.40
Dr. Ismail Peer	104,000.00
Dr. Norman Dobney	119,000.00
Edmonson Inc.	16,906.00
Edward & Wendy Chinfee	100,000.00
Equifax	174.65
Exclusive Carpentry Enterprises Limited	5,243.00
Federal Express Canada Ltd	163.02
George Koch	30,000.00
George Nagy Koloman Varady	59,000.00
Henry Sokolowski	47,000.00
Henry Wemekamp	50,000.00
Herbert Langstein	46,000.00
Hotsets Film	56,518.05
Ian Chapman	75,000.00
J. Robert Verdun	45,000.00
James Seeley	15,000.00
Joe & Brenda Goren	60,000.00
John Evans	25,000.00
Julius Grodski	50,000.00

Vendor	Balance Total
Larry F. Ferguson	57,000.00
Lawrence & Valet Dickie	166,000.00
Leela Krishnamoorthy	75,000.00
Lloyd Courtney 1579093 Ontario Inc	50,000.00
Lore Banhardt	40,000.00
Manfred Otter	150,000.00
Mark Grodski	25,000.00
Mary Cheung-Woo	15,000.00
Media Fuel	294.68
Michael Cherney	75,000.00
Michael Comrie	25,000.00
Michael Livingstone	25,000.00
Morse Canada Systems Inc.	3,521.84
National Post	27,641.94
Net Electric	1,300.28
Norma Chou	75,000.00
Oreck Commercial of Canada	318.86
Pablo Andrade 2078077 Ontario Ltd	616,788.26
Pat and Roy Hastings	56,000.00
Pat Ranney	25,000.00
Paul Irish	157,000.00
Peter Hunton	15,000.00
Randy Cusson	250,000.00
Ray Shankman	50,000.00
Raymond Chan	150,000.00
Richard Haynes	87,000.00
Ricoh Canada Inc.	2,800.89
Sabbir Chawala	45,000.00
Sehdev Kumar	93,000.00
Selyan's Oriental Rug Ltd.	53,559.01
Shahmeer Ansari	15,000.00
Shaukatali Mulla	60,000.00
Sheraton Centre Toronto	895.54
Standford Downey Architect Inc.	5,268.33
Stephan Miehe	61,000.00
Stephenson's Rental Services Inc.	709.02
Vasu Sheth	100,000.00
Walter C. Ross	33,000.00
Wayne Osburne Exclusive Care Services	120,000.00
WeirFoulds LLP	17,943.72
Wilbert Wilcott	100,000.00
Wilbert Wilcott WJW Venture 2000 Inc	100,000.00
William Russell	100,000.00
William S.B. Loosmore Prof Corp	25,000.00
Yolles Partnership Inc.	2,339.58
Yvon Wilcott	47,211.00
Zahir Anita	100,000.00
Total	<u>\$ 5,565,914.30</u>

Ira Smith

TRUSTEE & RECEIVER INC.

Suite 6-167 Applewood Crescent., Concord, Ontario Canada L4K 4K7

Telephone: (905) 738-4167 – Fax: (905) 738-9848

Web site: www.irasmithinc.com

IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF DOMINION CLUB OF CANADA CORPORATION

NOTICE AND STATEMENT OF THE RECEIVER AND MANAGER (The Bankruptcy and Insolvency Act Subsections 245(1) and 246(1))

The Receiver and Manager gives notice and declares that:

1. By Order of the Ontario Superior Court of Justice (Commercial List) dated the 24th day of August, 2007 the undersigned Ira Smith Trustee & Receiver Inc. (“ISI”) became the Receiver and Manager, in respect of the property of Dominion Club of Canada Corporation, an insolvent company that is described below:

	Net Book Value ¹	Estimated to Realize ²
Cash	\$ 20,889	Unknown
Accounts receivable	248,589	Unknown
Receivable from 2076564 Ontario Inc.	39,319	Unknown
Receivable from The Suites at 1 King W.	69,018	Unknown
Inventory	33,893	Unknown
Prepaid expenses	145,000	Unknown
Fixed assets	5,452,570	Unknown
Total	<u>\$ 6,009,278</u>	<u>Unknown</u>

2. The undersigned became the Receiver and Manager by virtue of being appointed by the Court.

3. The assets described above are currently at the former premises of the insolvent company.

4. The following information relates to the appointment:

(a) Address of company: 1 King Street West
Toronto, ON M5H 1A1

¹ These values are from the Company’s internal unaudited financial information as at June 30, 2007 which the Receiver and Manager has not audited or otherwise verified and believes not to be accurate.

² The Receiver and Manager is currently not in a position to provide an Estimated Realization analysis. When the Receiver and Manager is in a position to do so, such analysis will be provided to the Court in a Report to Court.

(b) Principal line of business: Provides food and beverage operations for the hotel and events at the 1 King West property

(c) Location(s) of business: Same as above

(d) Amount owed by the insolvent company to each creditor who holds or may hold a security on the property described above, is as indicated on the attached list. A search of the Ontario Personal Property Security Registration System has indicated that the following parties may have a security interest in certain assets of the insolvent company:

De Lage Landen Financial Services Canada Inc.
DSM Leasing Ltd.
Gould Leasing Ltd.

The list of creditors of the insolvent company including above noted secured creditors and the amount owed to each creditor and the total amount due by the insolvent company, based on the information currently available to the Receiver and Manager, is as follows:

See attached list.

(f) The intended plan of action of the Receiver and Manager is as follows:

The Receiver and Manager has taken possession of the assets, is operating the business and is currently developing a plan of action to maximize the realization on the assets for all stakeholders.

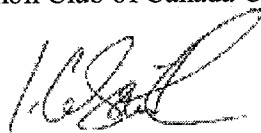
(g) Contact person for the Receiver: Ira Smith
Telephone 905-738-4167 ext. 111
Fax 905-738-9848

DATED at Toronto, Ontario, this 6th of September, 2007

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.
Receiver and Manager of the assets, properties and undertakings of
Dominion Club of Canada Corporation

Per:



Ira Smith
President

Dominion Club of Canada Inc.
Mailing List

	Balance
The Office of the Superintendent of Bankruptcy	
2076564 Ontario Inc.	\$ 68,688.04
59 Management Inc.	15,476.00
Abcon International Wine	808.93
ABP Recycling Inc	159.00
AG Astley-Gilbert	1,521.51
Amsterdam Brewing Company	1,583.47
Applied Systems Technologies	372.06
ARM Welding and Fabrication	19,515.50
Art House Dessert	131.40
AV CANADA	1,230.06
Avis Car Inc	300.00
AVW-TELAV Inc.	11,941.12
B & W Wines	202.88
Bar One	449.16
Bell Mobility Inc	713.34
BELL TECHNICAL SOLUTIONS INC	1,977.00
Belvedere Refrigeration Ltd.	125.73
Brick Brewing Co., Ltd	191.05
Camcarb Ltd	596.82
CDW	1,619.42
Chapman Design Group Ltd.	68,848.70
Chateau Des Charmes Wines Ltd	312.91
Cini-Little Int'l.-Canada	17.25
City of Toronto Parking	136.00
Citywide Door & Hardware Inc.	273.60
Classic Gourmet Coffee	1,993.70
Coca-Cola Bottling Company	276.93
Commercial Alcohols Inc.	39.08
Connaisseur Food Concepts Ltd.	294.90
Creekside Estate Winery	348.84
Creemore Springs Brewery Ltd	411.58
D. Zentil Mechanical Inc.	103,457.10
Dael Thermal Group Inc	1,643.00
Daniel Rheume	345.42
De Lage Landen Financial Services	5,726.92
DECC Electrical Inc.	37,454.63
Dodds Interiors	69,706.18
Dominion Club of Canada Corp - Operations	17,825.93
Dove Cleaners	1,254.86
Draft Systems Inc.	399.04
E*Trade Technologies Corp	173.80
ECOLAB	2,803.16
ED Dominico	7,142.05
Ed Mirvish Enterprises Limited	11,800,000.00
Edma Marketing Ltd	172.14

ELI Exclusively Lighting Inc.	55,422.90
eSubnet	9,056.38
European Hotel and Restaurant Imports Ltd	22,142.38
Exclusive Carpentry Enterprises Limited	4,547.20
Faster Linen Service Ltd.	5,409.38
Federal Express Canada Ltd.	498.43
Fedex Kinko's Canada LTD	2,764.36
FirstLine Mortgages	2,497.70
Four Star Dairy Limited	14,284.83
G & P Millwork Inc.	5,750.00
Gelato Fresco Inc.	279.65
Geraldine Bush-Jaffray	Unknown
Gervais Party Rentals	23,506.83
Gordon Food Service/	1,903.60
Hotsets Film	123,764.82
Installtech Industrial Inc.	589.21
Justin Notter	97.58
Kalson Group Ltd	1,476.88
Kittling Ridge Ltd.	3,697.09
KMB Productions	1,242.60
Lan Ray Cleaners Ltd.	4,134.25
Marble Renewal Toronto	14,463.74
Marsland Construction	65,853.55
Mediaco	1,468.88
Mega Painting & Decor	23,956.52
Millweld Enterprises Ltd.	285.00
Mircom Gardia	267.40
Mister Produce	2,679.86
MondouxSalvia Inc.	159,854.34
Mr.Dairy	418.86
North America Foodservice Equipment Ltd.	35,145.54
Nouveau Taste De Cuisine Inc.	549.60
Oxford Produce	2,751.00
Pamela Sabogal	185.08
Patisserie Monaco Inc.	58.07
Peters Pastries	4,738.05
Petro Canada	1,943.53
Print and Copy Centre Inc.	210.90
Rogers Media Inc.	15,327.60
Rogers Payment Centre	141.09
Selyan's Oriental Rugs Ltd.	28,997.00
Shift4 Corporation	500.00
Signone	1,593.15
Silverstein's Bakery Limited	1,174.50
Sina Contracting Ltd.	92,929.13
SpecialT Staffing Inc	3,772.82
Stanford Downey Architect Inc.	22,101.55
Stephen Hall	134.71
Stinson Hospitality Inc.	955.08
Sweet Depot	734.70
Sweet Line Pastries	1,808.19

Sysco Food Services			20,994.73
T.S.C.C. # 1703			378.34
Talbot and Associates Inc	USD	4,793.15	5,044.79
Tatangelo's Wholesale Produce			13,798.55
TD Bank Financial Group A/P			2,058.75
The Globe and Mail			12,155.90
The Suites at 1 King West			92,649.08
The Yorkville Wine Company			190.47
United Restaurant Supplies			2,519.19
Vinifera			1,234.67
Wallwood Furniture Ltd.			142,682.52
Wizbot Inc.			108.30

Total

\$ 13,310,541.01

Ira Smith

TRUSTEE & RECEIVER INC.

Suite 6-167 Applewood Crescent., Concord, Ontario Canada L4K 4K7

Telephone: (905) 738-4167 – Fax: (905) 738-9848

Web site: www.irasmithinc.com

IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF DOMINION CLUB OF CANADA CORPORATION

NOTICE AND STATEMENT OF THE RECEIVER AND MANAGER

(The Bankruptcy and Insolvency Act Subsections 245(1) and 246(1))

The Receiver and Manager gives notice and declares that:

1. By Order of the Ontario Superior Court of Justice (Commercial List) dated the 24th day of August, 2007 the undersigned Ira Smith Trustee & Receiver Inc. (“ISI”) became the Receiver and Manager, in respect of the property of Dominion Club of Canada Corporation, an insolvent company that is described below:

	Net Book Value ¹	Estimated to Realize ²
Cash	\$ 20,889	Unknown
Accounts receivable	248,589	Unknown
Receivable from 2076564 Ontario Inc.	39,319	Unknown
Receivable from The Suites at 1 King W.	69,018	Unknown
Inventory	33,893	Unknown
Prepaid expenses	145,000	Unknown
Fixed assets	<u>5,452,570</u>	<u>Unknown</u>
Total	<u>\$ 6,009,278</u>	<u>Unknown</u>

2. The undersigned became the Receiver and Manager by virtue of being appointed by the Court.

3. The assets described above are currently at the former premises of the insolvent company.

4. The following information relates to the appointment:

(a) Address of company: 1 King Street West
Toronto, ON M5H 1A1

¹ These values are from the Company’s internal unaudited financial information as at June 30, 2007 which the Receiver and Manager has not audited or otherwise verified and believes not to be accurate.

² The Receiver and Manager is currently not in a position to provide an Estimated Realization analysis. When the Receiver and Manager is in a position to do so, such analysis will be provided to the Court in a Report to Court.

- (b) Principal line of business: Provides food and beverage operations for the hotel and events at the 1 King West property
- (c) Location(s) of business: Same as above

(d) Amount owed by the insolvent company to each creditor who holds or may hold a security on the property described above, is as indicated on the attached list. A search of the Ontario Personal Property Security Registration System has indicated that the following parties may have a security interest in certain assets of the insolvent company:

De Lage Landen Financial Services Canada Inc.
DSM Leasing Ltd.
Gould Leasing Ltd.

The list of creditors of the insolvent company including above noted secured creditors and the amount owed to each creditor and the total amount due by the insolvent company, based on the information currently available to the Receiver and Manager, is as follows:

See attached list.

- (f) The intended plan of action of the Receiver and Manager is as follows:

The Receiver and Manager has taken possession of the assets, is operating the business and is currently developing a plan of action to maximize the realization on the assets for all stakeholders.

- (g) Contact person for the Receiver: Ira Smith
Telephone 905-738-4167 ext. 111
Fax 905-738-9848

DATED at Toronto, Ontario, this 20th of September, 2007

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.
Receiver and Manager of the assets, properties and undertakings of
Dominion Club of Canada Corporation

Per:



Ira Smith
President

**Ira
Smith**
TRUSTEE & RECEIVER INC.

Dominion Club of Canada Inc.
Amended Creditors List 9.20.07

	Balance
The Office of the Superintendent of Bankruptcy	
2076564 Ontario Inc.	\$ 68,688.04
59 Management Inc.	15,476.00
Abcon International Wine	808.93
ABP Recycling Inc	159.00
AG Astley-Gilbert	1,521.51
Amsterdam Brewing Company	1,583.47
Applied Systems Technologies	372.06
ARM Welding and Fabrication	19,515.50
Art House Dessert	131.40
AV CANADA	1,230.06
Avis Car Inc	300.00
AVW-TELAV Inc.	11,941.12
B & W Wines	202.88
Bar One	449.16
Bell Mobility Inc	713.34
BELL TECHNICAL SOLUTIONS INC	1,977.00
Belvedere Refrigeration Ltd.	125.73
Blake Cassels & Graydon	133,815.41
Brick Brewing Co., Ltd	191.05
Camcarb Ltd	596.82
CDW	1,619.42
Chapman Design Group Ltd.	68,848.70
Chateau Des Charmes Wines Ltd	312.91
Cini-Little Int'l.-Canada	17.25
City of Toronto Parking	136.00
Citywide Door & Hardware Inc.	273.60
Classic Gourmet Coffee	1,993.70
Coca-Cola Bottling Company	276.93
Commercial Alcohols Inc.	39.08
Connaisseur Food Concepts Ltd.	294.90
Creekside Estate Winery	348.84
Creemore Springs Brewery Ltd	411.58
D. Zentil Mechanical Inc.	103,457.10
Dael Thermal Group Inc	1,643.00
Daniel Rheaume	345.42
De Lage Landen Financial Services	5,726.92
DECC Electrical Inc.	37,454.63
Deganism Bonnie	22,610.05
Dodds Interiors	69,706.18
Dominion Club of Canada Corp - Operations	17,825.93
Dove Cleaners	1,254.86
Draft Systems Inc.	399.04
E*Trade Technologies Corp	173.80
ECOLAB	2,803.16
ED Dominico	7,142.05

Ed Mirvish Enterprises Limited	11,800,000.00
Edma Marketing Ltd	172.14
ELI Exclusively Lighting Inc.	55,422.90
eSubnet	9,056.38
European Hotel and Restaurant Imports Ltd	22,142.38
Exclusive Carpentry Enterprises Limited	4,547.20
Faster Linen Service Ltd.	5,409.38
Federal Express Canada Ltd.	498.43
Fedex Kinko's Canada LTD	2,764.36
FirstLine Mortgages	2,497.70
Four Star Dairy Limited	14,284.83
G & P Millwork Inc.	5,750.00
Gelato Fresco Inc.	279.65
Geraldine Bush-Jaffray	Unknown
Gervais Party Rentals	23,506.83
Globalive	16,037.79
Gordon Food Service/	1,903.60
Hart Robinson	4,932.05
Helen McSherry	600.00
Hotsets Film	123,764.82
Installtech Industrial Inc.	589.21
Investments Hartford	12,369.46
Iter8 Incorporated	7,156.03
JMS Capital	2,314.14
Justin Notter	97.58
Kalsion Group Ltd	1,476.88
Kittling Ridge Ltd.	3,697.09
KMB Productions	1,242.60
Lan Ray Cleaners Ltd.	4,134.25
Marble Renewal Toronto	14,463.74
Marsland Construction	65,853.55
Mediaco	1,468.88
Mega Painting & Decor	23,956.52
MGI Loss Adj.	5,645.42
Millweld Enterprises Ltd.	285.00
Mircom Gardia	267.40
Mister Produce	2,679.86
MondouxSalvia Inc.	159,854.34
Mr. Ajaz Haque	5,213.32
Mr. Alan C. Kay	3,213.61
Mr. Alan MacDonald	5,504.41
Mr. Amadori	3,746.65
Mr. Amir Muhammad	516.08
Mr. Andrew Feindel	8,343.38
Mr. Barstow	5,282.66
Mr. Bernardo	530.00
Mr. Bob Inman	40,000.00
Mr. Bonch	7,500.00
Mr. Bozian	4,057.79
Mr. Brian Smith	9.21
Mr. Bruce Thorne	465.88

Mr. Byron Thomas	4,880.49
Mr. Chad Williams	14,238.48
Mr. Chomica	515.00
Mr. Colangelo	1,786.56
Mr. Cornacchia	7,950.00
Mr. Dan Lioutas	3,866.07
Mr. Darin Speight	3,294.22
Mr. Daryn McLean	280.48
Mr. David Ballantyne	4,779.28
Mr. David F. Tagieff	131,976.58
Mr. Dieter Olbert	40,000.00
Mr. France	5,275.04
Mr. Fred Gaskin	37,065.91
Mr. Freise	45,354.22
Mr. Galipeau	4,408.33
Mr. George N. Jovanovic	313.68
Mr. Gerard Buckley	2,111.91
Mr. J. Corey Nicholson	530.00
Mr. Jeff Kowal	40,000.00
Mr. Jeff Richmond	4,335.40
Mr. Jerry Kremko	406.29
Mr. Jimmy A. Barbour	5,363.86
Mr. John Driscoll	5,830.00
Mr. Jonas	572.40
Mr. Joseph Green	5,334.34
Mr. Kehrl	8,025.00
Mr. Kenneth Field	5,258.85
Mr. Laurence Bernstein	1,809.25
Mr. Lorne Allen	34,904.25
Mr. Mahesh Pohoomull	7,500.00
Mr. Mark Rivers	239.03
Mr. Marmer	7,746.88
Mr. Martin Doane	2,910.06
Mr. McCormick	5,350.00
Mr. Naguib I. Gouda	5,183.42
Mr. Nick Kapetaneas	27,716.31
Mr. Paikin	692.71
Mr. Peter Mattson	5,350.00
Mr. Peter R. Matson	476.75
Mr. Peter Wilson	8,025.00
Mr. Randy Cusson	37,679.94
Mr. Raymond Shyr	39,764.00
Mr. Richard Smith	15,050.10
Mr. Robert B. Bell	472.46
Mr. Robert Kubbernus	2,960.00
Mr. Robert Platt	40,000.00
Mr. Roger Watson	5,046.19
Mr. Ryan Duffy	18,522.15
Mr. Sam Kazemeini	969.36
Mr. Satish Rai	38,849.02
Mr. Scopick	5,158.77

Mr. Shademan Akhavan	39,894.47
Mr. Stephen Coates	14,542.03
Mr. Steve Chadgimichaelidis	47,384.52
Mr. Tom Hazell	8,560.00
Mr. Trevor Turnbull	45,223.90
Mr. Upkar Arora	560.67
Mr. Vito Mabruzzo	1,016.76
Mr. Walsh	48,529.23
Mr. Walter Simone	2,535.00
Mr. Will Bereton	38,343.98
Mr. Dairy	418.86
Mrs. Nancy M. Siew	530.00
Mrs. Pawych, Martha	3,204.22
Ms. Bier	5,350.00
Ms. Catharine Fennell	702.18
Ms. Elizabeth Chien-Hale	6,687.50
Ms. Faith Seekings	1,208.76
Ms. Isabell McDorman	87.32
Ms. Marlene Oilgisser	5,000.00
Ms. Morgan	869.83
Ms. Paula Boutis	530.00
Ms. Phair	7,902.97
Ms. Radojevic	5,314.96
Ms. Sally Chan	6,242.85
Ms. Susan Elliot	2,697.75
Ms. Tsirakidis	305.06
North America Foodservice Equipment Ltd.	35,145.54
Nouveau Taste De Cuisine Inc.	549.60
Oxford Produce	2,751.00
Pamela Sabogal	185.08
Patisserie Monaco Inc.	58.07
Peters Pastries	4,738.05
Petro Canada	1,943.53
Print and Copy Centre Inc.	210.90
Rogers Media Inc.	15,327.60
Rogers Payment Centre	141.09
Rolf Reininghaus	10,370.52
Selyan's Oriental Rugs Ltd.	28,997.00
Shift4 Corporation	500.00
Signone	1,593.15
Silverstein's Bakery Limited	1,174.50
Sina Contracting Ltd.	92,929.13
SpecialT Staffing Inc	3,772.82
Stanford Downey Architect Inc.	22,101.55
Stephen Hall	134.71
Stinson Hospitality Inc.	955.08
Sweet Depot	734.70
Sweet Line Pastries	1,808.19
Sysco Food Services	20,994.73
T.S.C.C. # 1703	378.34
Talbot and Associates Inc USD 4,793.15	5,044.79

Tatangelo's Wholesale Produce	13,798.55
TD Bank Financial Group A/P	2,058.75
The Globe and Mail	12,155.90
The Suites at 1 King West	92,649.08
The Yorkville Wine Company	190.47
United Restaurant Supplies	2,519.19
Veritas Investment Research	15,701.00
Vinifera	1,234.67
VPH	14,345.08
Wallwood Furniture Ltd.	142,682.52
Wizbot Inc.	108.30

Total

\$ 14,630,172.95

Ira Smith

TRUSTEE & RECEIVER INC.

Suite 6-167 Applewood Crescent., Concord, Ontario Canada L4K 4K7

Telephone: (905) 738-4167 – Fax: (905) 738-9848

Web site: www.irasmithinc.com

IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF 2076564 ONTARIO INC.

NOTICE AND STATEMENT OF THE RECEIVER AND MANAGER

(The Bankruptcy and Insolvency Act Subsections 245(1) and 246(1))

The Receiver and Manager gives notice and declares that:

1. By Order of the Ontario Superior Court of Justice (Commercial List) dated the 24th day of August, 2007 the undersigned Ira Smith Trustee & Receiver Inc. (“ISI”) became the Receiver and Manager, in respect of the property of 2076564 Ontario Inc. (“Housekeeping”), a company that is described below:

	Net Book Value ¹	Estimated to Realize ²
Accounts Receivable	\$ 214,845	Unknown
A/R Condo Corp.	13,280	Unknown
Prepaid – Other	20,000	Unknown
GST Recoverable	11,338	Unknown
Due from SHI	474,569	Unknown
Total	<u>\$ 734,032</u>	<u>Unknown</u>

2. The undersigned became the Receiver and Manager by virtue of being appointed by the Court.

3. The assets described above are currently at the former premises of the company.

4. The following information relates to the appointment:

(a) Address of company: 1 King Street West
Toronto, ON M5H 1A1

¹ These values are from the Company’s internal unaudited financial information as at June 30, 2007 which the Receiver and Manager has not audited or otherwise verified and believes not to be accurate.

² The Receiver and Manager is currently not in a position to provide an Estimated Realization analysis. When the Receiver and Manager is in a position to do so, such analysis will be provided to the Court in a Report to Court.

(b) Principal line of business: Provides housekeeping services for
The Suites at 1 King West

(c) Location(s) of business: Same as above

(d) Amount owed by the company to each creditor who holds or may hold a security on the property described above, is as indicated on the attached list. A search of the Ontario Personal Property Security Registration System has indicated that the following parties may have a security interest in certain assets of the company:

NONE

The list of creditors of the company including above noted secured creditors and the amount owed to each creditor and the total amount due by the company, based on the information currently available to the Receiver and Manager, is as follows:

See attached list.

(f) The intended plan of action of the Receiver and Manager is as follows:

The Receiver and Manager has taken possession of the assets, is operating the business and is currently developing a plan of action to maximize the realization on the assets for all stakeholders.

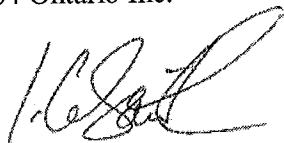
(g) Contact person for the Receiver: Ira Smith
Telephone 905-738-4167 ext. 111
Fax 905-738-9848

DATED at Toronto, Ontario, this 6th of September, 2007

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.
Receiver and Manager of the assets, properties and undertakings of
2076564 Ontario Inc.

Per:



Ira Smith
President

2076564 Ontario Inc.

Mailing List

Vendor	Balance
The Office of the Superintendent of Bankruptcy Ed Mirvish Enterprises Limited	
CG Cleaning Services	2,383.16
Kalson Group Ltd	1,634.76
Sun Life Assurance Com.of Can.	4,339.47
Total	<u>\$ 8,357.39</u>

Ira Smith

TRUSTEE & RECEIVER INC.

Suite 6-167 Applewood Crescent., Concord, Ontario Canada L4K 4K7

Telephone: (905) 738-4167 – Fax: (905) 738-9848

Web site: www.irasmithinc.com

IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF THE SUITES AT 1 KING WEST INC.

NOTICE AND STATEMENT OF THE RECEIVER AND MANAGER

(The Bankruptcy and Insolvency Act Subsections 245(1) and 246(1))

The Receiver and Manager gives notice and declares that:

1. By Order of the Ontario Superior Court of Justice (Commercial List) dated the 24th day of August, 2007 the undersigned Ira Smith Trustee & Receiver Inc. (“ISI”) became the Receiver and Manager, in respect of the property of The Suites at 1 King West Inc. (“Suites”). Suites is a nominee corporation acting on behalf of the owners of condominium units located at the 1 King St. West property that participate in the rental management program. Suites’ operations is on behalf of such rental pool participants, and as such, does not have any property of its own that is described below:

	Net Book Value ¹	Estimated to Realize ²
Cash	\$ 1,242,612	Unknown
Accounts receivable	634,014	Unknown
Due from Dominion Club	50,307	Unknown
Prepaid Expenses	<u>70,023</u>	<u>Unknown</u>
Total	<u>\$ 1,996,956</u>	<u>Unknown</u>

2. The undersigned became the Receiver and Manager by virtue of being appointed by the Court.

3. The assets described above are currently at the former premises of the company.

4. The following information relates to the appointment:

¹ These values are from the Company’s internal unaudited financial information as at June 30, 2007 which the Receiver and Manager has not audited or otherwise verified and believes not to be accurate.

² The Receiver and Manager is currently not in a position to provide an Estimated Realization analysis. When the Receiver and Manager is in a position to do so, such analysis will be provided to the Court in a Report to Court.

- (a) Address of company: 1 King Street West
Toronto, ON M5H 1A1
- (b) Principal line of business: Nominee corporation managing the revenue and expense and operations of the rental management program of the hotel operations at 1 King West
- (c) Location(s) of business: Same as above
- (d) Amount owed by the company to each creditor who holds or may hold a security on the property described above, is as indicated on the attached list. A search of the Ontario Personal Property Security Registration System has indicated that the following parties may have a security interest in certain assets of the company:

DSM Leasing Ltd.
Gould Leasing Ltd.

The list of creditors of the company including above noted secured creditors and the amount owed to each creditor and the total amount due by the company, based on the information currently available to the Receiver and Manager, is as follows:

See attached list.

- (f) The intended plan of action of the Receiver and Manager is as follows:

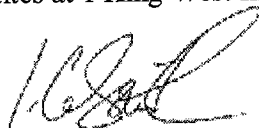
The Receiver and Manager has taken possession of the assets, is operating the business and is currently developing a plan of action to maximize the realization on the assets for all stakeholders.

- (g) Contact person for the Receiver: Ira Smith
Telephone 905-738-4167 ext. 111
Fax 905-738-9848

DATED at Toronto, Ontario, this 6th of September, 2007

Yours truly,
IRA SMITH TRUSTEE & RECEIVER INC.
Receiver and Manager of the assets, properties and undertakings of
The Suites at 1 King West Inc.

Per:



Ira Smith
President

The Suites at One King West Inc.

Mailing List

Vendor	Balance
The Office of the Superintendent of Bankruptcy	
Ed Mirvish Enterprises Limited	
Allcard	6,640.58
Bell Canada	700.95
Brantel Networks	7,524.00
BTF Canada Corporation	349.80
Canada Law Book	1,746.03
CanadaHotelPackages.ca Inc	753.66
Canon Canada	3,808.34
CDW	3,216.36
CERC	454.75
Cintas Uniform People	467.74
City Water International Inc.	28.45
Culligan	81.54
Cygnal Technologies /Co T46181	4,806.82
Dominion Club of Canada	Unknown
Nivethan Thanewaran	104.26
Fisher Distributing Inc.	2,216.46
Flexo Products Ltd	6,135.82
Ford Models Canada	1,087.56
The Globe and Mail	449.55
Guest Supply Canada	Unknown
Home Depot Credit Services	642.74
IDAHOTEL Amenities Intl Inc.	3,602.40
Jump Cafe & Bar	630.00
K-Bro Linen Systems (Ont) Ltd	21,572.60
KMB Productions	7,410.00
Lan Ray Cleaners Ltd.	3,857.10
On Command	8,478.14
Pitney Bowes	103.73
Royal Ontario Museum	47.00
Sanzo Specialties Inc	52.91
Shift4 Corporation USD 303.20	319.12
Signone	210.90
Spafax Canada Inc.	10,123.00
SPEEDY EXPRESS	421.85
Staples Business Dep	1,980.29
Standard Textile	968.96
Synxis USD 8,670.74	9,125.95
Tait Collins Inc	3,582.80
Tomac Safe and File	93.01
The Toronto Star	387.32
Van Houtte Coffee Services	2,404.00
Wizbot Inc.	324.70
Workopolis	3,174.70
Yellow Pages Group	161.44
Total	<u>120,247.33</u>

Tab C



Executive Profiles – Kosta Tomazos, Carmen Villarin and Jeff Ball

KOSTA TOMAZOS

Kosta Tomazos is a proven executive with a distinguished hospitality career, initially in finance and subsequently in operations with ITT Sheraton Hotels (later Starwood Hotels) and in his own hospitality investment/management company.

Kosta was recruited by ITT Sheraton in 1994 while working as a management consultant with Deloitte and Touche in Athens, Greece. His introduction to the hospitality industry was working with the Sheraton development team in 1993 on a bid for the casino license for central Athens. The successful bid led to Kosta being offered a position as Regional Director of Finance North America, based in Toronto. The region included all of Canada and a number of cities in the United States. Kosta quickly moved through the ranks and was appointed VP Regional Director of Finance for ITT Sheraton Hotels. He worked on the Canadian expansion of the Sheraton brand and was responsible for the finance function/team of a number of Sheraton hotels in Canada and in various US cities including Los Angeles, Chicago and Seattle. During this time, Kosta was appointed a director and officer of ITT Sheraton Canada Ltd. with responsibility for the financing, reporting and tax planning of the Canadian holding entity. He was appointed a director of the Sheraton Casinos in Halifax and Sydney, Nova Scotia. After the acquisition of Sheraton by Starwood Hotels in 1998, Kosta moved to hotel operations. He was appointed General Manager of the Sheraton Centre Toronto hotel, a fourteen hundred-room hotel with almost one hundred thousand square feet of meeting space. Total revenue was around one hundred million Canadian dollars in the year 2000. The hotel, which is considered a “supertanker” hotel, is a landmark in the city. During Kosta’s five year tenure as General Manager at the hotel, all the major metrics improved including the gross operating margin which increased to forty three percent from thirty four percent with a concurrent significant increase in both associate and guest satisfaction indices. Under Kosta’s leadership, the Sheraton Centre hotel soon outperformed the Toronto market and became an innovator in the way it conducted its business. During this time Kosta was appointed Area Managing Director for the Sheraton brand in Canada with direct operations and financial responsibility for the four corporate owned/managed Sheraton hotels in Toronto, Montreal and Hamilton. He was appointed a trustee of the HERE union pension and benefit plans and was appointed trustee of the Canadian Starwood pension plan.

In 2002, Kosta joined the senior management team of the Starwood North America division based at the global headquarters in White Plains, New York. As Vice President

Six Sigma, North America, Kosta had direct responsibility for leading the Six Sigma effort across the two hundred and twenty owned and managed hotels in the division. At the end of 2003, Kosta left Starwood to pursue business opportunities. Since then he has worked on a number of hospitality projects in Canada. A significant project undertaken since leaving was the design and implementation of a 570-suite hotel in a residential condominium building in downtown Toronto. He has performed a number of consultancy assignments on high profile hotels in Canada. In 2006 Kosta formed CK Atlantis Inc. with two partners to pursue hospitality investment and management opportunities in Canada and the United States. CK Atlantis has developed industry relationships while working on various hospitality projects. It has cultivated a number of clients and it is presently working on projects to develop and acquire hotels in Canada and the USA.

Kosta graduated from the University of the Witwatersrand, South Africa with business and accounting degrees. He is qualified to practice as a Chartered Accountant. Kosta is an active participant in the Canadian travel and hospitality community where he is well known. He attends numerous industry events and has served as director of the Greater Toronto Hotel and Tourism Association for a number of years. Kosta who is married with three children is happily settled in Toronto. He enjoys travel, plays golf and is an avid English premier league and world football follower. He enjoys watching his three children participate in sporting events.

CARMEN VILLARIN

Carmen Villarin has worked in the hotel industry for over ten years in both Finance and operational roles. Carmen was recruited in 1995 as a regional accountant of Sheraton Canada and was soon promoted to Director of Finance. When ITT Industries Corporation in the US was broken up and spun off into three companies in 1996, Carmen was responsible for dealing with the complex accounting and tax planning work in Canada resulting from the spin off. ITT Sheraton Canada Ltd. became the entity holding all of the Canadian corporate assets including the trademarks and licenses for the hotel brands. Carmen assumed responsibility for all of the corporate work including the tax, treasury and accounting functions of the Canadian legal entity. In her corporate finance role, Carmen initiated several restructurings resulting in more tax effective structures and millions of dollars of tax savings. She managed several acquisitions and divestitures of hotel assets and managed the creation and wind up of various corporate entities. Carmen was appointed a director and officer of Starwood Canada in 1998.

In 1998 while maintaining the role of Director of Finance for ITT Sheraton Canada Ltd, Carmen took on the controllership of the Sheraton Centre Toronto hotel, the premier convention hotel in Canada. The hotel is considered a "supertanker" hotel because of its many guest rooms and large meeting facilities. She quickly restructured the finance department into a leaner more effective department. In 1999, Carmen was appointed Regional Director of Finance with responsibility for the finance function of the nine owned and managed Canadian Starwood hotels. She managed controller department staffing issues, approved operating and capital budgets, reviewed financial results and recommended areas for operational and staffing improvement across the nine hotels. Carmen was a member of the Canadian regional operations team supporting the sales and operations vice presidents.

In 2002, Carmen embarked on a new career direction when she accepted the Six Sigma Black Belt position for the Sheraton Centre Toronto hotel. Carmen was responsible for the implementation of the Six Sigma culture as well as the completion of a number of high value projects in the hotel. Six Sigma was a very important global initiative undertaken by Starwood. The most talented managers throughout the organization were selected for fast tracking by being appointed Six Sigma leaders. In 2003, Carmen was promoted to Regional Director of Six Sigma (Master Black Belt) working with the Canadian regional team to create a Six Sigma culture throughout all of the regional hotels. Her primary mandate was to create and implement regional and divisional Six Sigma projects. In this role, Carmen developed several best practices with North America and Global application.

In 2006, Carmen left Starwood to pursue other interests while maintaining a consulting relationship with the company. She became a founding partner in CK Atlantis Inc. a company formed to pursue hospitality investment and management opportunities in Canada and the United States.

Carmen's strength is in financial analysis and management, strategic thinking and the leadership and motivation of associates. She has a sincere and empathic management style when working in teams and in leading associates. Carmen is an extremely focused individual who initiates and completes projects in a timely and effective manner.

Carmen is well respected in the industry. Prior to Starwood, Carmen worked in financial and accounting leadership positions with George Brown College, KPMG and Teleglobe Canada. Carmen has undergraduate degrees in philosophy and business administration from the University of the Philippines and a graduate diploma in Chartered Accountancy from McGill University. She is a qualified Canadian Chartered Accountant and a US Certified Public Accountant. During her free time, Carmen enjoys swimming, listening to music and spending leisure time with her two young boys.

JEFF BALL

Jeff founded Jeff Ball & Associates in May of 2006 after gaining 29 years of experience in the hospitality industry. A strong strategic planner, project manager and team builder, Jeff's career is characterized by his success in taking venues from concept to execution and implementing changes that increase the bottom line.

Jeff's relationship with the hospitality industry began in 1977 when he got his first job at age 14 as a bus boy at the Crock and Block restaurant. He soon recognized that hospitality would be the focus of his career and education. Jeff learned the industry from the ground up, holding the positions of dishwasher, line cook, bus person, server, bartender and floor supervisor for the Crock and Block, Keg and Old Spaghetti Factory brands through high school and while earning his B.A. in Hospitality and Tourism Management from Ryerson University. In 1989, upon graduation, Jeff landed as Assistant Manager in Windows On SkyDome Restaurant. He remained at SkyDome Hospitality until 1996 enjoying a series of promotions that led to Food and Beverage Manager with operational and P&L responsibility for all dining and catering operations for this \$28M business.

In the fall of 1996, Jeff joined Starwood Hotels and Resorts as IBU General Manager, Reunion Bar, Long Bar Lounge at the Sheraton Centre Hotel Toronto with P&L responsibility for the beverage outlets in the hotel. Jeff was promoted to Director of Outlets in 1998 giving him operational and P&L responsibility for the restaurants and room service departments. In this position, Jeff developed the concept, managed renovations and executed the opening of a new three meals per day restaurant as well as Traders Bar and Grill, increasing revenues from \$2.9M to \$3.8M, moving gross operating profit for the outlet from \$90K to \$900K and earning Jeff the Starwood Gold Public Relations award. Jeff also repositioned all outlets to better meet client needs, closing two restaurants while at the same time increasing division revenues and taking gross operating profit from a negative position of \$392K to a positive position of \$826K. While in this position, Jeff completed the Advanced Management Program for the Hospitality Industry (AMPHI) at the University of Guelph.

In 1999, Starwood promoted Jeff to Director of Food and Beverage for the Sheraton Centre, a position he held until 2001. Among Jeff's accomplishments as Director, F&B are the successful negotiation of collective bargaining language for the banquet department; the piloting and execution of the Convention Concierge Program resulting in improved Meeting Planner Satisfaction Index scores; the repositioning of the Kosher banquet offerings resulting in a competitive and profitable product; and the development of an on-line banquet menu program to facilitate sales and detailing of event orders. Jeff had five direct reports, a management team of twenty-five and 450 associate reports. He was successful in developing strong teams, thereby improving guest satisfaction, associate satisfaction and profitability.

In 2001, Jeff moved to the Sheraton Gateway Hotel Toronto as Director of Operations for the property, assuming responsibility for all operating areas of the hotel (a business with revenues of \$28M) including front desk, engineering, housekeeping, culinary production, restaurants, banquets, room service, convention services and catering sales. He also had P&L responsibility for the hotel to EBITDA. While in this position, Jeff developed a solid relationship with the Greater Toronto Airport Authority and improved relationships with airline station managers resulting in a significant increase in base business from crew and delayed passenger room nights. Jeff also developed and executed a strategic plan for the F&B department which included renovations, the re-positioning of outlets and a more efficient management structure. F&B profitability increased 26% under his direction. Jeff also restructured the Rooms Department resulting in an increase in key guest satisfaction indicators of 15% from 2002 to 2003. Jeff had six direct management reports, a management team of twenty-two and total associate reports of 300. He significantly improved the employee satisfaction index by working closely with line associates and department managers through a variety of team building and problem solving initiatives. Jeff's strong interpersonal and coaching skills combined with effective arbitration abilities served him well during a 13 week long union work stoppage. All hotel services were maintained to a high level of quality during this labour action.

In 2004, Jeff became Director of Six Sigma for the Sheraton Gateway property, a position that moved his responsibilities to the Starwood North American Division level. Jeff was responsible for developing, executing and monitoring process improvement projects for the hotel and the division. Leading a team on a project that resulted in a mandatory best practice for all Sheraton, Westin and W hotels throughout North America was among his accomplishments in this position. Jeff earned his Black Belt certification in Six Sigma, gaining expertise in process analysis, process measurement, statistics, and project and team management.

In 2005, Jeff returned to the Sheraton Centre Hotel to execute a \$15M renovation and restructuring of the Food and Beverage department and assume operational responsibility for all F&B areas of the hotel, a business with revenues of \$30M. Jeff implemented systematic proactive cost control initiatives at the department head level in Q4 of 2005 resulting in reduced cost per cover, improved productivity and a more aggressive forecast moving forward.

With another restructuring success under his belt, Jeff made the decision to take his skills to a broader market and in May 2006 left Starwood to found and operate Jeff Ball & Associates. Jeff now provides operational solutions for a range of hospitality industry needs. His clients include Starwood Hotels and Resorts Worldwide, the Montana Restaurant Group, and the International Centre Toronto.



CK ATLANTIS INC – CORPORATE PROFILE

CK Atlantis Inc. (CK) is a hotel management company, which was formed in March 2006. Its primary purpose is to create value by working with equity partners to acquire and manage a solid portfolio of hotels in Canada and the US. CK's longer-term vision is to build the portfolio for disposition in ten to fifteen years. Its investment strategy is the acquisition of underperforming assets with turn-around potential through re-branding, repositioning and improved profitability.

The company's strength lies in its strategic approach to managing hotels, its established contacts and relationships in the hotel industry and its access to capital for hospitality projects.

Kosta Tomazos and Carmen Villarin are the founding shareholders of the company. Both are former senior executives of Starwood Corporation. They have an outstanding track record in hotel operations and finance. Kosta was responsible for the operations of all of the Sheraton owned and managed hotels in Canada. Kosta then relocated to the Starwood global headquarters in New York to head up the Six Sigma initiative for the 220 Starwood owned and managed hotels in North America.

Carmen was responsible for the finance, accounting and tax work of the Starwood Canadian hotel portfolio including acquisitions and divestitures. CK through Carmen has an ongoing consulting relationship with Starwood Hotels.

CK's principals have over time created and developed relationships with various financial institutions, developers and hotel companies in Canada and the US. CK draws on its wide network of Canadian and American hospitality professionals to staff hotels and hospitality assignments requiring specific areas of expertise. Since incorporation CK has worked in a number of hospitality businesses on various process improvement and profitability assignments. A major client is Starwood Hotels Canada which has a significant hospitality presence in Canada. CK has also worked on the Oxford portfolio of Canadian heritage hotels.

CK has developed a relationship with a large US Real Estate Group which is desirous of acquiring or funding hotel acquisitions in Canada. Several hotel acquisition opportunities in Canada are actively being pursued with CK as a minority owner and long term manager of the targeted hotels.

Tab D



THIS AGREEMENT MADE AS OF THE 24TH DAY OF AUGUST, 2007

Mr Ira Smith
President
IRA SMITH TRUSTEE & RECEIVER INC.
Suite 6 -167 Applewood Crescent
Concord, Ontario
L4K 4K7

Dear Ira

Operational and Financial Assessment of the Rental Program and Commercial Space at One King Street West

The purpose of this letter is to set out the terms of engagement with CK Atlantis Inc. (hereinafter referred to as "CK"). By signing below, you will confirm your Agreement with the terms and conditions set out herein.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties thereto, the parties agree as follows:

1. Overview:

- 1.1 CK, is being retained by Ira Smith Trustee & Receiver Inc. ("ISI"), solely in its capacity as Court-appointed Receiver of Stinson Hospitality Inc. ("SHI"), Dominion Club of Canada Corporation ("DCC"), The Suites at 1 King West Inc. ("Suites") and 2076564 Ontario Inc. ("2076564"), (hereinafter referred to as the "Receiver").
- 1.2 The purpose of CK's retainer is to assist ISI to transition management of the Suites from the present management company and secondly to assess the operational and financial status of the Rental program.
- 1.3 CK shall work both from its own offices and at the Premises, in order to complete the tasks as set out herein.
- 1.4 This Agreement, and the terms of CK's retainer, is subject to the Receiver obtaining the approval of the Ontario Superior Court of Justice Commercial List (the

"Court") to such Agreement, and is subject to any subsequent Orders of the Court made which may alter or terminate this Agreement.

2. Term

2.1 This Agreement shall be binding with effect from the date the Court approves the appointment of CK. It shall remain in effect for one month thereafter, subject to any further Order of the Court affecting this Agreement. The Term and the Scope and Objectives may be extended or altered, as the case may be, by the agreement of both parties, subject to court approval.

3. Fees and Expenses

3.1 A fee of \$45,000 plus GST shall be paid to CK for the term of the Agreement.

3.2 All proper out of pocket expenses, including GST, incurred by CK to perform its duties will be reimbursed upon presentation of invoices and receipts for such items. Such costs shall not include any salaries or wages to staff of CK utilized by it in this mandate. In the event that CK is required to retain independent legal counsel from any event arising from this mandate, where CK determines that the Receiver's legal counsel is not able to act on behalf of both the Receiver and CK, such legal costs shall be a disbursement that CK is entitled reimbursement for.

4. Scope and Objectives

The parties agree that the objective of CK is to assist the Receiver to stabilize the rental program operation, to perform an assessment of the Operational and Financial status of the business, including the businesses of Suites, DCC and 2076564.

- Advise the receiver on matters pertaining to the operation of the rental program during the transition period.
- Advise and assist the receiver in the interim operations of the rental program operation and other businesses at 1 King West after the initial stabilization is achieved.
- Assess the management and staffing of the business operations.
- Assess the financial situation of the hotel.
- Assess the sales process including a review of targeted markets and compensation of sales managers.

- Assess rooms operations including a review of housekeeping and front desk processes and procedures.
- Assess the food and beverage operations including a review of the scheduling practices and assessment of internal control.
- Assess the current use of the Commercial Space.
- At the end of the month, CK will provide the receiver with a one year operational budget, and a report detailing the findings with recommendations.
- CK will make a presentation to the condominium board and owners to explain its findings and recommendations.

5. Team

The team engaged on the assignment will be comprised of Kosta Tomazos on the operational aspect (Rooms and Food & Beverage). Carmen Villarín will oversee the accounting and sales effort. Jeff Ball will assist Kosta Tomazos with the Food and Beverage component. The Receiver will ensure that its' staff is available as needed by CK's representatives for consultation on operational issues as these arise.

6. Relationship

6.1 CK will perform the services set out herein as an independent contractor. Nothing contained herein shall be deemed to create any association, partnership, joint venture or to provide either party with the right, power or authority, whether expressed or implied, to create any such duty or obligation on behalf of the other party.

6.2 CK acknowledges that its retainer by the Receiver is in accordance with the terms of the Order of the Ontario Superior Court of Justice, Commercial List dated August 24, 2007 (the "Appointment Order") and specifically, paragraph 4(d) of the Appointment Order.

7. Compliance

7.1 CK shall comply with all applicable federal, provincial and municipal laws, rules and regulations arising out of or connected with the performance of the services under this Agreement.

8. Court protection

- 8.1 CK acknowledges that it is being retained by ISI, solely in its capacity as the Receiver under the Appointment Order. Any protection granted to the Receiver by the Appointment Order, or any subsequent Order of the Court, shall also be granted to CK in performing its duties under this Agreement.
- 8.2 CK agrees that it must bring to the attention of the Receiver any event which transpires that may lead to any party having a claim against the Property, CK or the Receiver. CK will cooperate and assist the Receiver in the defence of any such claim at the cost of the Receiver.

9. General Contract Provisions

- 9.1 Notices: All notices, requests, demands or other communications (collectively, "Notices" by the terms hereof required or permitted to be given by one party to any other party, or to any other person shall be given in writing by personal delivery or by registered mail, postage prepaid, or by facsimile transmission to such other party as follows:

(a) to ISI

Suite 6 -167 Applewood Crescent
Concord, Ontario
L4K 4K7

Attention: Mr. Ira Smith

Fax: 905.738.9848

Email: ira@irasmithinc.com

(b) to CK

17 Wimbledon Road
Toronto, Ontario
M9A 3R7

Attention: Mr. Kosta Tomazos

Fax: 647.477.6585

Email: ktomazos@ckatlantis.com

or at such other address as may be given by such person to the other parties hereto in writing from time to time.

- 9.2 Entire Agreement: This Agreement constitutes the entire Agreement between the parties with respect to all the matters herein and its execution has not been induced by or do any of the parties rely upon or regard as material, any representations or writings whatever not incorporated herein and made a part hereof and may not be amended or modified in any respect except by written instrument signed by the


parties hereto. Any schedules referred to herein are incorporated herein by reference and form part of the Agreement.

9.3 Governing Law: This Agreement shall be governed by and construed in accordance to the laws of the Province of Ontario and the federal laws of Canada applicable therein and each of the parties hereto agrees irrevocably to conform to the exclusive jurisdiction of the Court.

9.4 Transmission by Facsimile and Email: The parties hereto agree that this Agreement, and any other notices to be given under this Agreement, may be transmitted by Facsimile or Email or such similar device and that the reproduction of signatures by facsimile or as contained in Email or such similar device will be treated as binding as if originals and each party hereto undertakes to provide each and every other party hereto with a copy of the Agreement bearing original signatures forthwith upon demand.

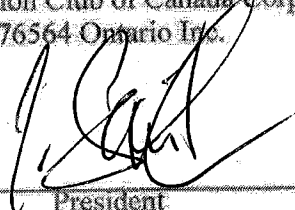
THE UNDERSIGNED hereto agree and consent to the terms of this Agreement made as of the 24th day of August 2007.

CK Atlantis Inc.

Per: 

President

Ira Smith Trustee & Receiver Inc.,
solely in its capacity as Court-appointed
Receiver of Stinson Hospitality Inc.,
Dominion Club of Canada Corporation, The Suites at 1 King West Inc.
and 2076564 Ontario Inc.

Per: 

President

Tab E



October ●, 2007

Mr Ira Smith
President
IRA SMITH TRUSTEE & RECEIVER INC.
Suite 6 –167 Applewood Crescent
Concord, Ontario
L4K 4K7

Dear Ira

Interim Management of the Rental Program and Commercial Space at One King Street West

The purpose of this letter is to set out the terms of engagement with CK Atlantis Inc. (hereinafter referred to as “CK”). By signing below, you will confirm your Agreement with the terms and conditions set out herein.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties thereto, the parties agree as follows:

1. Overview:

- 1.1 CK, is being retained by Ira Smith Trustee & Receiver Inc. (“**ISI**”), solely in its capacity as Court-appointed Receiver of Stinson Hospitality Inc. (“**SHI**”), Dominion Club of Canada Corporation (“**DCC**”), The Suites at 1 King West Inc. (“**Suites**”) and 2076564 Ontario Inc. (“**2076564**”), (hereinafter referred to as the “**Receiver**”).
- 1.2 The purpose of CK’s retainer is to perform all tasks necessary to properly and efficiently manage the operations at 1 King Street West (the “**Premises**”),, previously managed by SHI, including: (i) the business operations being on account of the Rental Management Program of Suites (the “**Rental Pool**”), (ii) the food and beverage operations of DCC, wherever situated, including room service and those contained in the Commercial Space including the banquet hall, 3rd and 12th floor meeting space, vault area and the lobby; and (iii) the housekeeping and maintenance services of 2076564,.

- 1.3 CK shall work both from its own offices and at the Premises, in order to complete the tasks as set out herein. CK shall endeavour to maintain a regular presence at the Premises.
- 1.4 This Agreement, and the terms of CK's retainer, is subject to the Receiver obtaining the prior approval of the Ontario Superior Court of Justice Commercial List (the "**Court**") to enter into such Agreement, and is subject to any subsequent Orders of the Court made which may alter or terminate this Agreement.

2. Term

- 2.1 This Agreement shall commence with effect from the date the Court approves the appointment of CK. It shall remain in effect for four (4) months thereafter (the "Initial Term"), subject to any further Order of the Court affecting this Agreement and CK's retainer.
- 2.2 The Initial Term may be extended by consent in writing by the parties hereto, subject to the Receiver obtaining the approval of the Court, which, in the Receiver's sole discretion, may be obtained either prior to, or as soon as possible after such extension is agreed to by the parties hereto.
- 2.3 The Receiver may, in its sole discretion, terminate this Agreement at any time during the Initial Term upon providing fourteen (14) days written notice (the "**Notice Period**").

3. Fees and Expenses

- 3.1 A fee of \$45,000 plus GST shall be paid monthly to CK for the term of the Agreement, and any extensions thereto.
- 3.2 All proper out of pocket expenses, including GST, incurred by CK to perform its duties, in accordance with the Budget (as hereinafter defined), as pre-approved by the Receiver will be reimbursed upon presentation of invoices and receipts for such items. Such costs shall not include any salaries or wages to staff of CK utilized by it in this mandate. In the event that CK, in the sole discretion of the Receiver, is required to retain independent legal counsel from any event arising from this mandate, where the Receiver determines that the Receiver's legal counsel may not act on behalf of both the Receiver and CK, such legal costs shall be a disbursement that CK is entitled reimbursement for.
- 3.3 In the event this Agreement is terminated by the Receiver, prior to the expiration of the Initial Term, the Receiver shall be obligated to pay CK one (1) month's fee (the "**Notice Fee**") in addition to any other amounts earned by CK during the Initial Term, notwithstanding the Receiver is only obligated to provide CK with fourteen

(14) days written notice. Any fee earned by CK during the Notice Period shall be included in the calculation of the Notice Fee.

3.4 In the event the Receiver is otherwise prevented by an Order of the Court from honouring its obligations under this Agreement, then no Notice Fee is payable. Without limiting the generality of the foregoing, this shall include the termination of the appointment of ISI as Court-appointed Receiver.

4. Scope and Objectives

The parties agree that the objective of CK is to assist the Receiver in the operation of the Rental Pool and to be directly responsible for the operation of all rental, food and beverage and housekeeping operations at the Property to stabilize and enhance the business, to maximise its net income and ultimate sales value. CK will be responsible to the Receiver to manage the business operations and the Property in such a manner so that the highest and best value for the business operations and the Commercial Space can be realized. CK will also work to maximise the Rental Pool income and the asset value of the condominium units in the building for the benefit of the unit owners.

4.1 Business operations:

CK will work with the Receiver to ensure the smooth transition from the existing management group while at the same time maximizing the net income of the business operations. CK's duties shall include:

- Assessing the state and financial situation/health of the business operations, including the businesses of Suites, DCC and 2076564.
- Within fourteen (14) days of CK's appointment, presenting to the Receiver a one year operating budget, including cash flows, (the "**Budget**") for approval by the Receiver.
- Weekly reporting to the Receiver, with explanations, on any significant revenue variances of actual performance for the preceding week vs. the Budget, and on a monthly basis a comparison of actual to the Budget for the month then ended, with recommendations for improvement and any amendments necessary to the Budget going forward.
- Assessing the insurance coverage(s) in place at the date of appointment and making recommendations to the Receiver concerning any coverage(s) which in CK's opinion are either unnecessary or inadequate.
- Assisting the Receiver in preparing for and giving its presentations to the condominium board and owners, respectively, as determined by the Receiver,

to explain the status of the business operations in receivership and any other matters of importance to be presented by the Receiver during the Initial Term.

- Assessing the management and staffing of the business operations and recommending any changes where required, to the Receiver. CK shall not implement any changes without the prior approval of the Receiver.

CK will advise the Receiver of all staff hiring or terminations that are required, but CK shall not issue any communications to any individual with respect to any labour issue. Such responsibility remains with the Receiver relying, inter alia, on the advice of CK.

- Assessing supplier relationships and with the Receiver's approval, implementing changes for optimization of profitability.
- Instituting all necessary internal controls over the food and beverage operations and inventories of food and beverage, linens and other inventories maintained in the business operations.
- Assisting the Receiver in its dealings with the UNITÉ HERE Union Local 75 (the "Union") in maintaining its cooperation in order to create/maintain financial health of the business operations.
- Assisting the Receiver in providing advice with respect to any negotiations which may take place between the Receiver and the Union in the Union's attempt to obtain a collective bargaining Agreement on behalf of the employees providing housekeeping services in the business operations on the Property.
- Identifying to the Receiver any capital expenditure requirements.
- Exploring branding alternatives to advise the Receiver as to the potential for flagging the property, if possible.
- Preparing a plan for the long term profitable repositioning of the Rental Pool for the Receiver as part of its mandate in the operation of the Rental Pool, communications strategy with unit owners and as part of CK's responsibilities in operating the business.
- Providing any other assistance that the Receiver may require of CK, acting reasonably, consistent with the retention of CK as the independent operations manager and the receivership proceedings.

4.2 *Commercial Space:*

CK will make recommendations to the Receiver concerning the current and potential use of the Commercial Space. CK confirms that the Commercial Space does not form part of the assets subject to the receivership administration, but rather, is being used by the Receiver under Agreement with the owner of the Commercial Space, and accordingly, the Receiver may be required to obtain the prior approval of the owner of the Commercial Space prior to authorizing CK to implement any of its recommendations.

CK's duties shall include, where applicable, those same duties as outlined in Section 4.1 of this Agreement above.

5. Team

The team which will be engaged initially almost full time on the assignment will be comprised of Kosta Tomazos on the operational and marketing aspects of the assignment. Carmen Villarin will oversee the finance, tax, IT and accounting work. Jeff Ball will oversee the Food and Beverage component. The assignments undertaken by these individuals will be with the prior consultation with the Receiver, and the Receiver will ensure that its staff is available as needed by CK's representatives for consultation on operational issues and decisions which need to be taken as they arise.

6. Relationship

6.1 CK will perform the services set out herein as an independent contractor. Nothing contained herein shall be deemed to create any association, partnership, joint venture or to provide either party with the right, power or authority, whether expressed or implied, to create any such duty or obligation on behalf of the other party.

6.2 CK acknowledges that its retainer by the Receiver is in accordance with the terms of the Order of the Ontario Superior Court of Justice, Commercial List dated August 24, 2007 (the "Appointment Order") and specifically, paragraph 4(d) of the Appointment Order.

7. Compliance

7.1 CK shall comply with all applicable federal, provincial and municipal laws, rules and regulations arising out of or connected with the performance of the services under this Agreement.

8. Billing, cash management, receipts and disbursements controls

- 8.1 CK will assist the Receiver in establishing appropriate controls over all billing, cash receipts, cash disbursements and cash management functions within the operations. Under the Appointment Order, the Receiver is required to maintain all bank accounts and control over all receipts and disbursements. Accordingly, any systems recommended by CK for the Receiver to implement shall require that only the Receiver is responsible for making cash disbursements and CK shall have no such authority to receive, hold or retain any cash from the operations or to make any disbursements, or commit the Receiver for any disbursements or other liabilities without the prior written approval of the Receiver.
- 8.2 Without limiting the generality of the foregoing, the Receiver may implement a system over cash disbursements requiring one representative of CK and one representative of the Receiver to sign all cheques for cash disbursements for the operations.

9. Court protection

- 9.1 CK acknowledges that it is being retained by ISI, solely in its capacity as the Receiver under the Appointment Order. Any protection granted to the Receiver by the Appointment Order, or any subsequent Order of the Court, shall also be granted to CK in performing its duties under this Agreement.
- 9.2 CK agrees that it must bring to the attention of the Receiver any event which transpires that may lead to any party having a claim against the Property, CK or the Receiver. CK will cooperate and assist the Receiver in the defence of any such claim at the cost of the Receiver.

10. General Contract Provisions

- 10.1 Notices: All notices, requests, demands or other communications (collectively, "Notices" by the terms hereof required or permitted to be given by one party to any other party, or to any other person shall be given in writing by personal delivery or by registered mail, postage prepaid, or by facsimile transmission to such other party as follows:

(a) to ISI

Suite 6 –167 Applewood Crescent
Concord, Ontario
L4K 4K7

Attention: Mr. Ira Smith

Fax: 905.738.9848
Email: ira@irasmithinc.com

(b) to CK

17 Wimbledon Road
Toronto, Ontario
M9A 3R7

Attention: Mr. Kosta Tomazos

Fax: 647.477.6585

Email: ktomazos@ckatlantis.com

or at such other address as may be given by such person to the other parties hereto in writing from time to time.

- 10.2 Additional Conditions: The parties shall sign such further and other documents, cause such meeting to be held, resolutions passed and by laws enacted, exercise their vote and influence, do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof.
- 10.3 Time of the Essence: Time shall be of the essence of this Agreement and of every part hereof and no extension or variation of this Agreement shall operate as a waiver of this provision.
- 10.4 Entire Agreement: This Agreement constitutes the entire Agreement between the parties with respect to all the matters herein and its execution has not been induced by or do any of the parties rely upon or regard as material, any representations or writings whatever not incorporated herein and made a part hereof and may not be amended or modified in any respect except by written instrument signed by the parties hereto. Any schedules referred to herein are incorporated herein by reference and form part of the Agreement.
- 10.5 Assignment: This Agreement may not be assigned.
- 10.6 Currency: Unless otherwise provided for herein, all monetary amounts referred to herein shall refer to the lawful money of Canada.
- 10.7 Headings for Convenience Only: The division of this Agreement into articles and sections is for convenience only and shall not affect the interpretation and the construction of this Agreement.
- 10.8 Governing Law: This Agreement shall be governed by and construed in accordance to the laws of the Province of Ontario and the federal laws of Canada applicable therein and each of the parties hereto agrees irrevocably to conform to the exclusive jurisdiction of the Court.

10.9 Gender: In this Agreement, words importing the singular number shall include the plural and vice versa, and words importing the use of any gender shall include the masculine, feminine and neuter genders and the word "person" shall include any individual, a trust, partnership, a body corporate, an association or other incorporated or unincorporated organization or entity.

10.10 Legislation References: Any references in this Agreement to any law, by law, rule, regulation, order or act of any government, governmental body or other regulatory body shall be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.

10.11 Severability: If any Article, Section or any portion of any Section of this Agreement is determined to be unenforceable or invalid for any reason whatsoever that enforceability or invalidity shall not affect the enforceability or validity of the remaining portions of this Agreement and such unenforceable or invalid Article, Section or portion thereof shall be severed from the remainder of this Agreement.

10.12 Transmission by Facsimile and Email: The parties hereto agree that this Agreement, and any other notices to be given under this Agreement, may be transmitted by Facsimile or Email or such similar device and that the reproduction of signatures by facsimile or as contained in Email or such similar device will be treated as binding as if originals and each party hereto undertakes to provide each and every other party hereto with a copy of the Agreement bearing original signatures forthwith upon demand.

THE UNDERSIGNED hereto agree and consent to the terms of this Agreement as of the • day of October 2007.

CK ATLANTIS INC.

Per: _____
President

IRA SMITH TRUSTEE & RECEIVER INC.,
solely in its capacity as Court-appointed
Receiver of Stinson Hospitality Inc.,
Dominion Club of Canada Corporation, The Suites at 1 King West Inc.
and 2076564 Ontario Inc.

Per: _____
President

Tab F

DOMINION CLUB OPERATIONS 8 MONTHS AUGUST 31, 2007	DINING ROOM	MICHIE	ROOM SERVICE	BANQUET GARAGE	THE VAULT	12th FLOOR	TOTAL	Projected Sep-07
TOTAL F & B REVENUE	\$ 58,904	\$ 354,770	\$ 347,465	\$ 1,129,069	\$ 20,423	\$ 83,432	\$ 2,357,789	\$ 401,086
MEMBERSHIP REVENUE	(1,532)						-1,532	
TOTAL COMBINED REVENUE	57,372	354,770	347,465	1,129,069	20,423	83,432	2,356,257	401,086
COST OF SALES	19,502	121,209	104,569	249,136	7,449	24,709	526,574	87,805
NET	37,870	233,561	242,896	879,933	12,974	58,723	1,829,683	313,281
TOTAL WAGES & BENEFITS	106,911	190,515	102,784	426,271	60,327	86,656	983,419	176,234
INCOME BEFORE OPERATING EXPENSES	(69,041)	43,046	140,112	453,662	3,019	(27,933)	846,264	123,247
OPERATING EXPENSES	5,792	7,991	604	54,299	204,374	268	273,328	27,256
DEPARTMENT INCOME (LOSS)	(74,833)	35,055	139,508	399,363	2,751	(27,933)	572,936	95,991
NON ALLOCATED EXPENSES								
Administrative and General							113,985	10,219
Sales and Marketing							245,375	11,950
Repairs and Maintenance							222,531	21,268
Utilities							89,043	16,000
Property tax							99,550	13,750
Equipment lease								49,809
							<u>770,484</u>	<u>122,996</u>
OPERATING PROFIT (LOSS)							<u>(\$197,548)</u>	<u>(\$27,005)</u>

NOTES: This summary income statement is compiled from information provided by management. The financial information is not prepared in accordance with Generally Accepted Accounting Principles and may not include all the revenue or expenses of the Dominion Club food and beverage operation. No provision for depreciation or other non cash items are provided for in the above. Wages for the garage are net of \$340,512 paid by the Residential Condominium Corporation to August 31, 2007. No provision for use of assets is included in the accounts as at August 31, 2007. September 2007 figures are shown separately as they are not yet final month-end figures. The historical books and records cannot be relied upon. Also see the Receiver's Disclaimer contained in the First Report.

Tab G

HOUSEKEEPING OPERATIONS											
8 MONTHS ENDED AUGUST 31, 2007											
# ROOMS	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	TOTAL	SEPT	
	5,640	5,213	5,939	6,345	7,827	9,887	8,888	9,735	59,474	(PROJECTED)	
REVENUE											
Guest Room Cleaning Charge	\$ 116,886	\$ 103,036	\$ 131,796	\$ 135,040	\$ 172,534	\$ 222,684	\$ 182,208	\$ 199,568	\$ 1,263,752		
Special Cleaning Charge	-	275	125	647	1,547	975	15,599	49,780	68,948		
Common Area Cleaning Charge	-	-	22,586	-	-	-	-	-	22,586		
Dominion Club Cleaning Charge	9,300	8,400	-	14,400	-	14,400	39,060	11,160	96,720		
TOTAL REVENUE	126,186	111,711	154,507	150,087	174,081	238,059	236,867	260,508	1,452,006	\$ 212,325	
WAGES & BENEFITS											
Management	8,086	8,615	9,339	9,549	9,340	8,017	6,471	6,471	65,888		
Room Attendants	53,329	51,835	64,859	63,609	76,736	79,750	72,126	86,509	548,753		
Housekeeping Supervisor	14,013	11,626	13,952	12,932	18,546	22,872	19,987	17,834	131,762		
Housepersons	17,373	15,846	20,801	19,091	20,863	24,220	23,641	24,972	166,807		
Condo recovery	(11,485)	(11,160)	(10,080)	(21,600)	(22,320)	-	(11,904)	(11,904)	(100,453)		
Benefits	26,434	21,227	25,657	16,909	24,976	26,738	28,538	27,182	197,661		
TOTAL WAGES & BENEFITS	107,750	97,989	124,528	100,490	128,141	161,597	136,859	151,064	1,010,418	149,689	
OPERATING EXPENSES	1,038	1,344	2,213	143	1,211	2,959	21,142	1,089	31,139	2,123	
OPERATING PROFIT	\$ 17,398	\$ 12,378	\$ 27,766	\$ 49,454	\$ 44,729	\$ 73,503	\$ 76,866	\$ 108,355	\$ 410,449	\$ 60,513	

NOTES: This summary income statement is compiled from information provided by management.
 No provision has been made for the potential affect of income taxes, if any.
 September 2007 figures are shown separately as they are not yet final month end-figures
 See the Receiver's Disclaimer contained in the first report.

Tab H

**THE SUITES AT 1 KING WEST INC.
OWNERS' DISTRIBUTIONS FOR
FISCAL 2006 AND YEAR TO DATE FISCAL 2007**

Factor	Fiscal 06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07
1.0	8,359.82	352.39	442.43	598.75	588.33	1,219.80	1,457.88	889.28	1,029.62
1.1	9,195.80	387.63	486.67	658.63	647.16	1,341.78	1,603.67	978.21	1,132.58
1.2	10,031.79	422.87	530.92	718.50	705.99	1,463.76	1,749.45	1,067.14	1,235.54
1.3	10,867.76	458.11	575.16	778.38	764.82	1,585.74	1,895.24	1,156.06	1,338.50
1.4	11,703.75	493.35	619.40	838.25	823.66	1,707.72	2,041.03	1,244.99	1,441.46
Dist.	3,647,604.00	154,766.00	193,001.00	264,808.00	253,849.00	546,963.00	704,189.00	415,529.00	485,710.00

Tab I

DRAFT

SCHEDULE 1 FORECASTED BALANCE SHEET

DOMINION CLUB OF CANADA CORP

ASSETS	ACTUAL Aug-2007	FORECASTED Mar-08	INCREASE (DECREASE)
Current Assets			
Cash	0	0	0
Accounts receivable	63,079	239,440	176,361
Allowance for doubtful accounts	0	0	0
Accounts receivable Condo Corp	27,524	27,524	0
GST/HST receivable	0	0	0
Accounts receivable 1KW	72,848	72,848	0
Prepaid expenses	76,268	76,268	0
Inventory	43,063	43,063	0
Current portion of long term loans receivable	0	0	0
Total Current Assets	282,782	459,143	176,361
	<u>282,782</u>	<u>459,143</u>	<u>176,361</u>

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SCHEDULE 1 - FORECASTED BALANCE SHEET

DOMINION CLUB OF CANADA CORP

<u>LIABILITIES & OWNER EQUITY</u>	<u>ACTUAL</u> <u>Aug-2007</u>	<u>FORECASTED</u> <u>Mar-2008</u>	<u>INCREASE</u> <u>(DECREASE)</u>
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Bank Indebtedness	103,580	433,431	329,851
A/P pre August 25, 2007	354,495	354,495	0
Accounts payable and accrued liabilities	236,207	365,027	128,820
GST/HST payable	0	0	0
Inter company payable SHI	330,080	330,080	0
Management bonus payable	0	0	0
Customer deposits	74,360	74,360	0
Inter company 2076564 Ontario Inc	121,299	121,299	0
Current portion of long term debt	0	0	0
Total Current Liabilities	<u>1,220,021</u>	<u>1,678,692</u>	<u>458,671</u>
Total	<u>1,220,021</u>	<u>1,678,692</u>	<u>458,671</u>
<u>Owner Equity</u>			
Capital, beginning of period	-937,239	-937,239	
Net income	0	-282,310	
Contributed surplus	0	0	0
Owner advances / draws	-937,239	-1,219,549	
Capital, end of period	<u>-937,239</u>	<u>-1,219,549</u>	<u>-282,310</u>
	<u>282,782</u>	<u>459,143</u>	<u>176,361</u>

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September-2007 to March-2008

DOMINION CLUB OF CANADA CORP

SCHEDULE 2 FORECASTED INCOME STATEMENT

	%SALES	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
SALES									
Product line 1 Michie's		280,500 *	45,900	45,900	45,900	45,900	30,600	30,600	35,700
Product line 2 Room service		272,160 *	35,280	35,280	45,360	50,400	35,280	35,280	35,280
Product line 3 Banquets		1,199,000 *	174,400	152,600	163,500	163,500	130,800	174,400	239,800
Product line 4 12th floor		101,680 *	16,400	19,680	19,680	26,240	6,560	6,560	6,560
Product line 5 Garage		277,760 *	54,560	44,640	44,640	39,680	29,760	29,760	34,720
TOTAL SALES	100.00%	2,131,100 *	326,540	298,100	319,080	325,720	233,000	276,600	352,060
COST OF SALES									
Opening inventory	500,005	43,063 *	43,063	43,063	43,063	43,063	43,063	43,063	43,063
Purchases	23.46%	500,005 *	73,900	69,980	75,419	79,454	54,298	64,762	82,192
Variance to budget		-33,416 *	-12,454	-19,554	-25,776	16,821	15,474	-3,606	-4,321
Labour	42.54%	906,642 *	140,393	129,435	136,332	139,542	97,267	115,579	148,094
Overhead - variable	5.28%	112,585 *	16,494	14,750	15,823	15,924	12,394	15,882	21,318
Available for sale		1,528,879 *	261,396	237,674	244,861	294,804	222,496	235,680	290,346
Less closing inventory		-43,063 *	-43,063	-43,063	-43,063	-43,063	-43,063	-43,063	-43,063
NET COST OF SALES	69.72%	1,485,816 *	218,333	194,611	201,798	251,741	179,433	192,617	247,283
Direct costs	4.49%	95,665 *	13,663	13,667	13,667	13,667	13,667	13,667	13,667
TOTAL COSTS	74.21%	1,581,481 *	231,996	208,278	215,465	265,408	193,100	206,284	260,950
GROSS MARGIN	25.79%	549,619 *	94,544	89,822	103,615	60,312	39,900	70,316	91,110
OTHER INCOME	4.93%	105,000 *	15,000	15,000	15,000	15,000	15,000	15,000	15,000
INTEREST INCOME - LONG TERM LOANS	0.00%	0 *	0	0	0	0	0	0	0
OVERHEADS	43.96%	936,929 *	133,847	133,847	133,847	133,847	133,847	133,847	133,847
NET PROFIT	-13.25%	-282,310 *	-24,303	-29,025	-15,232	-58,535	-78,947	-48,531	-27,737

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SCHEDULE 2A FORECASTED COST OF SALES **DOMINION CLUB OF CANADA CORP** **September-2007 to March -2008**

Product line 1 Michie's	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
%/SALES	100.00% *	9.00%	9.00%	9.00%	9.00%	6.00%	6.00%	7.00%
SEASONAL SALES PATTERN								
SALES	280,500 *	45,900	45,900	45,900	45,900	30,600	30,600	35,700
COST OF SALES								
Opening inventory	43,063 *	43,063	43,063	43,063	43,063	43,063	43,063	43,063
Purchases - regular	95,370 *	15,606	15,606	15,606	15,606	10,404	10,404	12,138
Purchases - seasonal/special	0 *	0	0	0	0	0	0	0
Production labour	173,910 *	28,458	28,458	28,458	28,458	18,972	18,972	22,134
Factory overhead - variable	11,220 *	1,836	1,836	1,836	1,836	1,224	1,224	1,428
Factory overhead - fixed	0 *	0	0	0	0	0	0	0
Available for sale	323,563 *	88,963	88,963	88,963	88,963	73,663	73,663	78,763
Less closing inventory	-43,063 *	-43,063	-43,063	-43,063	-43,063	-43,063	-43,063	-43,063
NET COST OF SALES	280,500 *	45,900	45,900	45,900	45,900	30,600	30,600	35,700
DIRECT COSTS								
Installation costs	0 *	0	0	0	0	0	0	0
Sales commissions	0 *	0	0	0	0	0	0	0
Factory overhead - variable	0 *	0	0	0	0	0	0	0
Factory overhead - fixed	0 *	0	0	0	0	0	0	0
TOTAL DIRECT COSTS	0 *	0	0	0	0	0	0	0
NON-CASH CHARGES								
Depreciation	0 *	0	0	0	0	0	0	0
Allocated overheads	0 *	0	0	0	0	0	0	0
TOTAL NON-CASH CHARGES	0 *	0	0	0	0	0	0	0
TOTAL COSTS	280,500 *	45,900	45,900	45,900	45,900	30,600	30,600	35,700
GROSS MARGIN	0 *	0	0	0	0	0	0	0

UNAUDITED - SEE NOTICE TO READER

DRAFT

SCHEDULE 2B FORECASTED COST OF SALES

DOMINION CLUB OF CANADA CORP

September-2007 to March-2008

	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
Product line 2 Room service								
%SALES	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
	100.00% *	7.00%	7.00%	9.00%	10.00%	7.00%	7.00%	7.00%
SEASONAL SALES PATTERN								
SALES	272,160 *	35,280	35,280	45,360	50,400	35,280	35,280	35,280
COST OF SALES								
Opening inventory	0 *	0	0	0	0	0	0	0
Purchases - regular	76,203 *	9,878	9,878	12,701	14,112	9,878	9,878	9,878
Purchases - seasonal/special	0 *	0	0	0	0	0	0	0
Production labour	62,595 *	8,114	8,114	10,433	11,592	8,114	8,114	8,114
Factory overhead - variable	5,445 *	706	706	907	1,008	706	706	706
Factory overhead - fixed	0 *	0	0	0	0	0	0	0
Available for sale	144,243 *	18,698	18,698	24,041	26,712	18,698	18,698	18,698
Less closing inventory	0 *	0	0	0	0	0	0	0
NET COST OF SALES	144,243 *	18,698	18,698	24,041	26,712	18,698	18,698	18,698
DIRECT COSTS								
Installation costs	0 *	0	0	0	0	0	0	0
Sales commissions	0 *	0	0	0	0	0	0	0
Factory overhead - variable	0 *	0	0	0	0	0	0	0
Factory overhead - fixed	0 *	0	0	0	0	0	0	0
TOTAL DIRECT COSTS	0 *	0	0	0	0	0	0	0
NON-CASH CHARGES								
Depreciation	0 *	0	0	0	0	0	0	0
Allocated overheads	0 *	0	0	0	0	0	0	0
TOTAL NON-CASH CHARGES	0 *	0	0	0	0	0	0	0
TOTAL COSTS	144,243 *	18,698	18,698	24,041	26,712	18,698	18,698	18,698
GROSS MARGIN	127,917 *	16,582	16,582	21,319	23,688	16,582	16,582	16,582

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SCHEDULE 2C FORECASTED COST OF SALES

DOMINION CLUB OF CANADA CORP

September-2007 to March -2008

Product line 3 Banquets

	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
SEASONAL SALES PATTERN								
%SALES	TOTAL *	8.00%	7.00%	7.50%	7.50%	6.00%	8.00%	11.00%
100.00%	1,199,000 *	174,400	152,600	163,500	163,500	130,800	174,400	239,800
COST OF SALES								
Opening inventory	0 *	0	0	0	0	0	0	0
Purchases - regular	287,760 *	41,856	36,624	39,240	39,240	31,392	41,856	57,552
Purchases - seasonal/special	0 *	0	0	0	0	0	0	0
Production labour	503,580 *	73,248	64,092	68,670	68,670	54,936	73,248	100,716
Factory overhead - variable	95,920 *	13,952	12,208	13,080	13,080	10,464	13,952	19,184
Factory overhead - fixed	0 *	0	0	0	0	0	0	0
Available for sale	887,260 *	129,056	112,924	120,990	120,990	96,792	129,056	177,452
Less closing inventory	0 *	0	0	0	0	0	0	0
NET COST OF SALES	887,260 *	129,056	112,924	120,990	120,990	96,792	129,056	177,452
DIRECT COSTS								
Installation costs	0 *	0	0	0	0	0	0	0
Sales commissions	0 *	0	0	0	0	0	0	0
Factory overhead - variable	0 *	0	0	0	0	0	0	0
Factory overhead - fixed	0 *	0	0	0	0	0	0	0
TOTAL DIRECT COSTS	0 *	0	0	0	0	0	0	0
NON-CASH CHARGES								
Depreciation	0 *	0	0	0	0	0	0	0
Allocated overheads	0 *	0	0	0	0	0	0	0
TOTAL NON-CASH CHARGES	0 *	0	0	0	0	0	0	0
TOTAL COSTS	887,260 *	129,056	112,924	120,990	120,990	96,792	129,056	177,452
GROSS MARGIN	311,740 *	45,344	39,676	42,510	42,510	34,008	45,344	62,348

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SCHEDULE 2D FORECASTED COST OF SALES

DOMINION CLUB OF CANADA CORP

September-2007 to March-2008

Product line 4 12th floor

%/SALES

TOTAL *

Sep-2007

Oct-2007

Nov-2007

Dec-2007

Jan-2008

Feb-2008

Mar-2008

	100.00%*	10.00%	12.00%	12.00%	16.00%	4.00%	4.00%	4.00%
SEASONAL SALES PATTERN								
SALES	101,680 *	16,400	19,680	19,680	26,240	6,560	6,560	6,560

COST OF SALES								
Opening inventory	0 *	0	0	0	0	0	0	0
Purchases - regular	40,672 *	6,560	7,872	7,872	10,496	2,624	2,624	2,624
Purchases - seasonal/special	0 *	0	0	0	0	0	0	0
Production labour	61,008 *	9,840	11,808	11,808	15,744	3,936	3,936	3,936
Factory overhead - variable	0 *	0	0	0	0	0	0	0
Factory overhead - fixed	0 *	0	0	0	0	0	0	0

Available for sale	101,680 *	16,400	19,680	19,680	26,240	6,560	6,560	6,560
Less closing inventory	0 *	0	0	0	0	0	0	0

NET COST OF SALES	101,680 *	16,400	19,680	19,680	26,240	6,560	6,560	6,560
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DIRECT COSTS								
Installation costs	0 *	0	0	0	0	0	0	0
Sales commissions	0 *	0	0	0	0	0	0	0
Factory overhead - variable	0 *	0	0	0	0	0	0	0
Factory overhead - fixed	0 *	0	0	0	0	0	0	0

TOTAL DIRECT COSTS	0 *	0	0	0	0	0	0	0
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NON-CASH CHARGES								
Depreciation	0 *	0	0	0	0	0	0	0
Allocated overheads	0 *	0	0	0	0	0	0	0

TOTAL NON-CASH CHARGES	0 *	0	0	0	0	0	0	0
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TOTAL COSTS	101,680 *	16,400	19,680	19,680	26,240	6,560	6,560	6,560
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GROSS MARGIN	0 *	0	0	0	0	0	0	0
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SCHEDULE 2E FORECASTED COST OF SALES

DOMINION CLUB OF CANADA CORP

September-2007 to March-2008

Product line 5 Garage	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
%SALES		11.00%	9.00%	9.00%	8.00%	6.00%	6.00%	7.00%
SEASONAL SALES PATTERN								
SALES	277,760 *	54,560	44,640	44,640	39,680	29,760	29,760	34,720
100.00%								
COST OF SALES								
Opening inventory	0 *	0	0	0	0	0	0	0
Purchases - regular	0 *	0	0	0	0	0	0	0
Purchases - seasonal/special	0 *	0	0	0	0	0	0	0
Production labour	105,549 *	20,733	16,963	16,963	15,078	11,309	11,309	13,194
Factory overhead - variable	0 *	0	0	0	0	0	0	0
Factory overhead - fixed	0 *	0	0	0	0	0	0	0
Available for sale	105,549 *	20,733	16,963	16,963	15,078	11,309	11,309	13,194
Less closing inventory	0 *	0	0	0	0	0	0	0
NET COST OF SALES	105,549 *	20,733	16,963	16,963	15,078	11,309	11,309	13,194
38.00%								
DIRECT COSTS								
Installation costs	0 *	0	0	0	0	0	0	0
Sales commissions	0 *	0	0	0	0	0	0	0
Factory overhead - variable	0 *	0	0	0	0	0	0	0
Factory overhead - fixed garage	95,665 *	13,663	13,667	13,667	13,667	13,667	13,667	13,667
TOTAL DIRECT COSTS	95,665 *	13,663	13,667	13,667	13,667	13,667	13,667	13,667
34.44%								
NON-CASH CHARGES								
Depreciation	0 *	0	0	0	0	0	0	0
Allocated overheads	0 *	0	0	0	0	0	0	0
TOTAL NON-CASH CHARGES	0 *	0	0	0	0	0	0	0
TOTAL COSTS	201,214 *	34,396	30,630	30,630	28,745	24,976	24,976	26,861
72.44%								
GROSS MARGIN	76,546 *	20,164	14,010	14,010	10,935	4,784	4,784	7,859
27.56%								

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SCHEDULE 2F FORECASTED COST OF SALES

DOMINION CLUB OF CANADA CORP

September-2007 to March-2008

Product line 6 Variance	%/SALES	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
SEASONAL SALES PATTERN									
SALES	0.00%	0 *	0	0	0	0	0	0	0
COST OF SALES									
Opening inventory		0 *	0	0	0	0	0	0	0
Purchases - regular	0.00%	0 *	0	0	0	0	0	0	0
Purchases - seasonal/special		-33,416 *	-12,454	-19,554	-25,776	16,821	15,474	-3,606	-4,321
Production labour	0.00%	0 *	0	0	0	0	0	0	0
Factory overhead - variable	0.00%	0 *	0	0	0	0	0	0	0
Factory overhead - fixed		*	0	0	0	0	0	0	0
Available for sale		-33,416 *	-12,454	-19,554	-25,776	16,821	15,474	-3,606	-4,321
Less closing inventory		0 *	0	0	0	0	0	0	0
NET COST OF SALES	100.00%	-33,416 *	-12,454	-19,554	-25,776	16,821	15,474	-3,606	-4,321
DIRECT COSTS									
Installation costs	0.00%	0 *	0	0	0	0	0	0	0
Sales commissions	0.00%	0 *	0	0	0	0	0	0	0
Factory overhead - variable	0.00%	0 *	0	0	0	0	0	0	0
Factory overhead - fixed		0 *	0	0	0	0	0	0	0
TOTAL DIRECT COSTS	0.00%	0 *	0	0	0	0	0	0	0
NON-CASH CHARGES									
Depreciation		0 *	0	0	0	0	0	0	0
Allocated overheads		0 *	0	0	0	0	0	0	0
TOTAL NON-CASH CHARGES	0.00%	0 *	0	0	0	0	0	0	0
TOTAL COSTS	0.00%	-33,416 *	-12,454	-19,554	-25,776	16,821	15,474	-3,606	-4,321
GROSS MARGIN	0.00%	33,416 *	12,454	19,554	25,776	-16,821	-15,474	3,606	4,321

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September-2007 to March-2008

DOMINION CLUB OF CANADA CORP.

SCHEDULE 3 FORECASTED OVERHEAD

OVERHEADS	%/SALES	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
Advertising & promotion		114,335 *	16,337	16,333	16,333	16,333	16,333	16,333	16,333
Automobile expenses		0	0	0	0	0	0	0	0
Bank service charges		0	0	0	0	0	0	0	0
General expenses		121,335 *	17,337	17,333	17,333	17,333	17,333	17,333	17,333
Insurance		1,750 *	250	250	250	250	250	250	250
Office expenses		0	0	0	0	0	0	0	0
Property Taxes		96,250 *	13,750	13,750	13,750	13,750	13,750	13,750	13,750
Rent & maintenance		179,665 *	25,663	25,667	25,667	25,667	25,667	25,667	25,667
Salaries		0	0	0	0	0	0	0	0
Utilities		98,000 *	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Operating Lease Payments		325,594 *	46,510	46,514	46,514	46,514	46,514	46,514	46,514
Cash discounts earned		0	0	0	0	0	0	0	0
TOTAL O/H BEFORE INT. & NON-CASH ITEMS	43.96%	936,929 *	133,847	133,847	133,847	133,847	133,847	133,847	133,847

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SCHEDULE 4 FORECASTED CASH FLOW

DOMINION CLUB OF CANADA CORP

September-2007 to March-2008

CASH RECEIPTS	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
Accounts receivable - Product line 1 Michie's	261,885 *	29,835	39,015	43,605	45,900	35,955	32,895	34,680
Accounts receivable - Product line 2 Room service	252,756 *	22,932	29,988	40,068	47,124	39,312	37,296	36,036
Accounts receivable - Product line 3 Banquets	1,082,370 *	113,360	134,070	154,235	162,955	141,700	164,045	212,005
Accounts receivable - Product line 4 12th floor	98,072 *	10,660	16,072	18,368	23,780	12,464	9,184	7,544
Accounts receivable - Product line 5 Garage	259,656 *	35,464	39,928	43,400	41,912	33,976	31,496	33,480
Total collections - current year sales	1,954,739 *	212,251	259,073	299,676	321,671	263,407	274,916	323,745
Accounts receivable - opening balance	0 *	0	0	0	0	0	0	0
Total Collections	1,954,739 *	212,251	259,073	299,676	321,671	263,407	274,916	323,745
Receipts from other income	105,000 *	15,000	15,000	15,000	15,000	15,000	15,000	15,000
TOTAL RECEIPTS	2,059,739 *	227,251	274,073	314,676	336,671	278,407	289,916	338,745

SCHEDULE 4 FORECASTED CASH FLOW

DOMINION CLUB OF CANADA CORP

September-2007 to March-2008

DISBURSEMENTS	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
Purchases - regular	452,433 *	36,950	64,549	73,093	76,892	66,472	62,047	72,430
Purchases - seasonal/special	-19,257 *	-6,227	-9,777	-14,133	6,456	5,159	-121	-614
Production labour	906,642 *	140,393	129,435	136,332	139,542	97,267	115,579	148,094
Overhead - variable	112,585 *	16,494	14,750	15,823	15,924	12,394	15,882	21,318
Direct costs	88,838 *	6,832	13,666	13,668	13,668	13,668	13,668	13,668
Overheads - excluding property taxes	796,383 *	46,846	93,692	120,461	133,846	133,846	133,846	133,846
Accounts payable - opening balance	51,966 *	51,966	0	0	0	0	0	0
TOTAL DISBURSEMENTS	2,389,590 *	293,254	306,315	345,244	386,328	328,806	340,901	388,742
NET CASH FLOW	-329,851 *	-66,003	-32,242	-30,568	-49,657	-50,399	-50,985	-49,997
OPENING CASH BALANCE	0 *	0	0	0	0	0	0	0
CASH BALANCE BEFORE BORROWING	-329,851 *	-66,003	-32,242	-30,568	-49,657	-50,399	-50,985	-49,997
CASH ADVANCES REQUIRED (REPAID)	329,851 *	66,003	32,242	30,568	49,657	50,399	50,985	49,997
CASH ENDING	0 *	0	0	0	0	0	0	0
BANK INDEBTEDNESS SUMMARY								
Balance at start	103,580 *	103,580	169,583	201,825	232,393	282,050	332,449	383,434
Cash advances required (repaid)	329,851 *	66,003	32,242	30,568	49,657	50,399	50,985	49,997
Balance at end	433,431 *	169,583	201,825	232,393	282,050	332,449	383,434	433,431

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CASH FLOW ASSUMPTIONS* ACCOUNTS RECEIVABLE COLLECTION PATTERN

(Current Year Sales)

Percent to be collected within:		Sched. 2A	Sched. 2B	Sched. 2C	Sched. 2D	Sched. 2E	Sched. 2F	Sched. 2G
Current month	>	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	0.00%
30 days	>	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	0.00%
60 days	>	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	0.00%
90 days	>	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	0.00%
120 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
180 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
210 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
240 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
270 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total		<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>0.00%</u>

* OPENING ACCOUNTS RECEIVABLE AGED BALANCES

Current accounts	>	63,079
Accounts 30 to 59 days	>	0
Accounts 60 to 89 days	>	0
Accounts over 90 days	>	0
Total		<u>63,079</u>

* CLEAR OPENING ACCOUNTS RECEIVABLE BALANCES

Percent to be collected within:					
30 days	0.00%	150 days	0.00%	270 days	0.00%
60 days	0.00%	180 days	0.00%	300 days	0.00%
90 days	0.00%	210 days	0.00%		
120 days	0.00%	240 days	0.00%	Total	<u>0.00%</u>

* CLEAR OPENING ACCOUNTS PAYABLE BALANCES

Opening accounts payable balance	>	<u>236,207</u>			
Percent to be paid within:					
30 days	22.00%	150 days	0.00%	270 days	0.00%
60 days	0.00%	180 days	0.00%	300 days	0.00%
90 days	0.00%	210 days	0.00%		
120 days	0.00%	240 days	0.00%	Total	<u>22.00%</u>

* OVERHEAD PAYMENT PATTERN (excluding interest cost/income)

Percent paid within current month	>	35.00%
Percent paid within 30 days	>	35.00%
Percent paid within 60 days	>	20.00%
Percent paid within 90 days	>	10.00%
Total		<u>100.00%</u>

CASH FLOW ASSUMPTIONS

(Related to Purchases)

* - OPENING INVENTORY

Schedule 2A	>	43,063
Schedule 2B	>	0
Schedule 2C	>	0
Schedule 2D	>	0
Schedule 2E	>	0
Schedule 2F	>	0
Schedule 2G	>	0
Total		<u>43,063</u>

* MATERIALS PURCHASING PATTERN

Percent of purchases made:	Sched. 2A	Sched. 2B	Sched. 2C	Sched. 2D	Sched. 2E	Sched. 2F	Sched. 2G
In month of sale >	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%
30 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
60 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
90 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
120 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
180 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>0.00%</u>

* SALES INCREASE

If costs are incurred 30 days or more in advance of sale, sales for the following year must be projected.))	>	<u>0.00%</u>
Enter sales percentage increase in the next following year, over the same period in the current year. If not applicable, enter 0%.))))

* PRODUCTION LABOUR

Percent of labour incurred:	Sched. 2A	Sched. 2B	Sched. 2C	Sched. 2D	Sched. 2E	Sched. 2F	Sched. 2G
In month of sale >	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%
30 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
60 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
90 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
120 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
180 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>0.00%</u>

CASH FLOW ASSUMPTIONS* INTEREST COST PAYMENT PATTERN (net of interest income)

Percent paid within current month	>	0.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	<u>0.00%</u>
Total		<u><u>0.00%</u></u>

* PURCHASES PAYMENT PATTERN (Current Year Regular Purchases)

Percent to be paid within:		Sched. 2A	Sched. 2B	Sched. 2C	Sched. 2D	Sched. 2E	Sched. 2F	Sched. 2G
Current month	>	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	0.00%
30 days	>	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	0.00%
60 days	>	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	0.00%
90 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
120 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
180 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
210 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
240 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
270 days	>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total		<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>0.00%</u>

* PURCHASES PAYMENT PATTERN (Current Year Special/Seasonal Purchases)

Percent to be paid within:		Sched. 2A	Sched. 2B	Sched. 2C	Sched. 2D	Sched. 2E	Sched. 2F	Sched. 2G
Current month	>	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	0.00%
30 days	>	40.00%	40.00%	40.00%	40.00%	40.00%	0.00%	0.00%
60 days	>	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	0.00%
90 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
120 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
180 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
210 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
240 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
270 days	>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total		<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>60.00%</u>	<u>0.00%</u>

* DIRECT COSTS PAYMENT PATTERN

Percent paid within current month	>	50.00%
Percent paid within 30 days	>	50.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	<u>0.00%</u>
Total		<u><u>100.00%</u></u>

CASH FLOW ASSUMPTIONS* PRODUCTION LABOUR PAYMENT PATTERN

Percent paid within current month	>	100.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	0.00%
Total		<u>100.00%</u>

* FACTORY OVERHEAD - VARIABLE - PAYMENT PATTERN

Percent paid within current month	>	100.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	0.00%
Total		<u>100.00%</u>

* FACTORY OVERHEAD - FIXED - PAYMENT PATTERN

Percent paid within current month	>	100.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	0.00%
Total		<u>100.00%</u>

* CAPITAL ASSET PURCHASES - PAYMENT PATTERN

Percent paid within current month	>	0.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	0.00%
Total		<u>0.00%</u>

Tab J

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SCHEDULE 1 - FORECASTED BALANCE SHEET 2076564 ONTARIO INC

ASSETS	ACTUAL Aug-07	FORECASTED Mar-08	INCREASE (DECREASE)
Current Assets			
Cash	58,503	279,451	220,948
Accounts receivable	39,930	167,625	127,695
Allowance for doubtful accounts	0	0	0
Due from High Park Lofts Ltd	33,896	33,896	0
GST/HST receivable	0	0	0
Due from Simson Hospitality Inc	152,801	152,801	0
Due from Dominion Club Corporation	121,299	121,299	0
Prepaid expenses	0	0	0
Inventory	0	0	0
Current portion of long term loans receivable	0	0	0
Total Current Assets	406,429	755,072	348,643
Investments	0	0	0
Capital Assets			
Property and equipment	0	0	0
Accumulated amortization	0	0	0
Total Capital Assets	0	0	0
Other Assets			
Long term loans receivable	0	0	0
Deferred charges	0	0	0
Future income taxes	0	0	0
Goodwill	0	0	0
Total Other Assets	0	0	0
Total Assets	406,429	755,072	348,643

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SCHEDULE 1 - FORECASTED BALANCE SHEET

2076564 ONTARIO INC

<u>LIABILITIES & OWNER EQUITY</u>	<u>ACTUAL</u> <u>Aug-2007</u>	<u>FORECASTED</u> <u>Mar-2008</u>	<u>INCREASE</u> <u>(DECREASE)</u>
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Operating loan	0	0	0
Other loans	0	0	0
Accounts payable and accrued liabilities	74,778	74,778	0
GST/HST payable	-7,862	0	7,862
Corporate tax payable	0	0	0
Management bonus payable	0	0	0
Customer deposits	0	0	0
Inter company accounts payable	0	0	0
Current portion of long term debt	0	0	0
<u>Total Current Liabilities</u>	<u>66,916</u>	<u>74,778</u>	<u>7,862</u>
<u>Long Term Liabilities</u>			
Long term debt	0	0	0
Shareholder loans	0	0	0
<u>Total Long Term Liabilities</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Government Assistance	0	0	0
Future Income Taxes	0	0	0
<u>Total</u>	<u>66,916</u>	<u>74,778</u>	<u>7,862</u>
<u>Owner Equity</u>			
Capital, beginning of period	339,513	339,513	
Net income	0	340,781	
Contributed surplus	0	0	0
Owner advances / draws	339,513	680,294	
Capital, end of period	339,513	680,294	340,781
	406,429	755,072	348,643

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September 2007 to March 2008

2076564 ONTARIO INC.

SCHEDULE 2 FORECASTED INCOME STATEMENT

	% SALES	TOTAL *	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
SALES									
Product line 1		1,195,725 *	212,325	178,800	178,800	156,450	156,450	145,275	167,625
TOTAL SALES	100.00%	1,195,725 *	212,325	178,800	178,800	156,450	156,450	145,275	167,625
Labour	70.50%	842,986 *	149,689	126,054	126,054	110,297	110,297	102,419	118,176
NET COST OF SALES	70.50%	842,986 *	149,689	126,054	126,054	110,297	110,297	102,419	118,176
Direct costs	1.00%	11,958 *	2,123	1,788	1,788	1,565	1,565	1,453	1,676
TOTAL COSTS	71.50%	854,944 *	151,812	127,842	127,842	111,862	111,862	103,872	119,852
GROSS MARGIN	28.50%	340,781 *	60,513	50,958	50,958	44,588	44,588	41,403	47,773
OTHER INCOME	0.00%	0 *	0	0	0	0	0	0	0
INTEREST INCOME - LONG TERM LOANS	0.00%	0 *	0	0	0	0	0	0	0
OVERHEADS	0.00%	0 *	0	0	0	0	0	0	0
NET PROFIT	28.50%	340,781 *	60,513	50,958	50,958	44,588	44,588	41,403	47,773

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<u>CASH RECEIPTS</u>		Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
TOTAL *	Sep-2007						
Accounts receivable - Product line 1	0	212,325	178,800	178,800	156,450	156,450	145,275
Total collections - current year sales	0	212,325	178,800	178,800	156,450	156,450	145,275
Accounts receivable - opening balance	39,930	0	0	0	0	0	0
Total Collections	39,930	212,325	178,800	178,800	156,450	156,450	145,275
TOTAL RECEIPTS	39,930	212,325	178,800	178,800	156,450	156,450	145,275

<u>DISBURSEMENTS</u>		Oct-2007	Nov-2007	Dec-2007	Jan-2008	Feb-2008	Mar-2008
TOTAL *	Sep-2007						
Production labour	149,689	126,054	126,054	110,297	110,297	102,419	118,176
Direct costs	2,123	1,788	1,788	1,565	1,565	1,453	1,676
GST/HST remitted (refunded)	-7,862	0	0	0	0	0	0
TOTAL DISBURSEMENTS	143,950	127,842	127,842	111,862	111,862	103,872	119,852
NET CASH FLOW	-104,020	84,483	50,958	66,938	44,588	52,578	25,423
OPENING CASH BALANCE	58,503	0	38,966	89,924	156,862	201,450	254,028
CASH BALANCE BEFORE BORROWING	-45,517	84,483	89,924	156,862	201,450	254,028	279,451
OPERATING LOANS REQUIRED (REPAID)	0	45,517	0	0	0	0	0
CASH ENDING	0	38,966	89,924	156,862	201,450	254,028	279,451

CASH FLOW ASSUMPTIONS* INTEREST COST PAYMENT PATTERN (net of interest income)

Percent paid within current month	>	0.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	<u>0.00%</u>
Total		<u><u>0.00%</u></u>

* PURCHASES PAYMENT PATTERN (Current Year Regular Purchases)

Percent to be paid within:		Sched. 2A	Sched. 2B	Sched. 2C	Sched. 2D	Sched. 2E	Sched. 2F	Sched. 2G
Current month	>	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
60 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
90 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
120 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
180 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
210 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
240 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
270 days	>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total		<u>100.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

* PURCHASES PAYMENT PATTERN (Current Year Special/Seasonal Purchases)

Percent to be paid within:		Sched. 2A	Sched. 2B	Sched. 2C	Sched. 2D	Sched. 2E	Sched. 2F	Sched. 2G
Current month	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
60 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
90 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
120 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
180 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
210 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
240 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
270 days	>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total		<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

* DIRECT COSTS PAYMENT PATTERN

Percent paid within current month	>	100.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	<u>0.00%</u>
Total		<u><u>100.00%</u></u>

CASH FLOW ASSUMPTIONS* PRODUCTION LABOUR PAYMENT PATTERN

Percent paid within current month	>	100.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	0.00%
Total		<u>100.00%</u>

* FACTORY OVERHEAD - VARIABLE - PAYMENT PATTERN

Percent paid within current month	>	100.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	0.00%
Total		<u>100.00%</u>

* FACTORY OVERHEAD - FIXED - PAYMENT PATTERN

Percent paid within current month	>	100.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	0.00%
Total		<u>100.00%</u>

* CAPITAL ASSET PURCHASES - PAYMENT PATTERN

Percent paid within current month	>	0.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	0.00%
Total		<u>0.00%</u>

CASH FLOW ASSUMPTIONS* ACCOUNTS RECEIVABLE COLLECTION PATTERN
(Current Year Sales)

Percent to be collected within:		Sched. 2A	Sched. 2B	Sched. 2C	Sched. 2D	Sched. 2E	Sched. 2F	Sched. 2G
Current month	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30 days	>	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
60 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
90 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
120 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
180 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
210 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
240 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
270 days	>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total		<u>100.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

* OPENING ACCOUNTS RECEIVABLE AGED BALANCES

Current accounts	>	25,293
Accounts 30 to 59 days	>	0
Accounts 60 to 89 days	>	0
Accounts over 90 days	>	0
Total		<u>25,293</u>

* CLEAR OPENING ACCOUNTS RECEIVABLE BALANCES

Percent to be collected within:					
30 days	100.00%	150 days	0.00%	270 days	0.00%
60 days	0.00%	180 days	0.00%	300 days	0.00%
90 days	0.00%	210 days	0.00%	Total	<u>100.00%</u>
120 days	0.00%	240 days	0.00%		

* CLEAR OPENING ACCOUNTS PAYABLE BALANCES

Opening accounts payable balance	>	<u>74,716</u>			
Percent to be paid within:					
30 days	0.00%	150 days	0.00%	270 days	0.00%
60 days	0.00%	180 days	0.00%	300 days	0.00%
90 days	0.00%	210 days	0.00%	Total	<u>0.00%</u>
120 days	0.00%	240 days	0.00%		

* OVERHEAD PAYMENT PATTERN (excluding interest cost/income)

Percent paid within current month	>	0.00%
Percent paid within 30 days	>	0.00%
Percent paid within 60 days	>	0.00%
Percent paid within 90 days	>	0.00%
Total		<u>0.00%</u>

CASH FLOW ASSUMPTIONS

(Related to Purchases)

* - OPENING INVENTORY

Schedule 2A	>	0
Schedule 2B	>	0
Schedule 2C	>	0
Schedule 2D	>	0
Schedule 2E	>	0
Schedule 2F	>	0
Schedule 2G	>	0
Total		<u>0</u>

* MATERIALS PURCHASING PATTERN

Percent of purchases made:	Sched. 2A	Sched. 2B	Sched. 2C	Sched. 2D	Sched. 2E	Sched. 2F	Sched. 2G
In month of sale >	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
60 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
90 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
120 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
180 days in advance of sale >	0.00%	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
	<u>100.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

* SALES INCREASE

If costs are incurred 30 days or more in advance of sale, sales for the following year must be projected.)	
Enter sales percentage increase in the next following year, over the same period in the current year. If not applicable, enter 0%.)	
)	> <u>0.00%</u>
)	
)	

* PRODUCTION LABOUR

Percent of labour incurred:	Sched. 2A	Sched. 2B	Sched. 2C	Sched. 2D	Sched. 2E	Sched. 2F	Sched. 2G
In month of sale >	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
60 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
90 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
120 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
150 days in advance of sale >	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
180 days in advance of sale >	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
	<u>100.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

Tab K

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**1 KING WEST AL
PRELIMINARY CONSOLIDATED RECEIVERSHIP CASH FLOW SUMMARY
SEPT 1 2007- MARCH 31 2008**

	2008							TOTAL
	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	
	\$	\$	\$	\$	\$	\$	\$	\$
THE SUITES AT 1 KING WEST INC.	-	-	-	-	-	-	-	-
DOMINION CLUB OF CANADA CORPORATION	(66,003)	(32,242)	(30,568)	(49,657)	(50,399)	(50,985)	(49,997)	(329,851)
HOUSEKEEPING	(45,517)	84,483	50,958	66,938	44,588	52,578	25,423	279,451
SHI	68,805	68,805	68,805	68,805	328,000	66,000	66,000	735,220
CASH FLOW SURPLUS (DEFICIENCY)	(42,715)	121,046	89,195	86,086	322,189	67,593	41,426	684,820
PROPOSED RENT REVESTED ASSETS	(34,167)	(34,167)	(34,167)	(34,167)	(34,167)	(34,167)	(34,167)	(239,167)
CKATLANTIS PROFESSIONAL FEE -excluding GST	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)	(315,000)
	(79,167)	(79,167)	(79,167)	(79,167)	(79,167)	(79,167)	(79,167)	(554,167)
SURPLUS (DEFICIENCY)	(121,882)	41,879	10,028	6,919	243,022	(11,574)	(37,741)	130,653
CUMULATIVE	(121,882)	(80,002)	(69,974)	(63,055)	179,968	168,394	130,653	

NOTES:

- 1) 1 King West pays management fees to SHI and rent to DCC.
- 2) January 2008 SHI includes payment of 2007 incentive fee of \$262,000.
- 3) Prior to August 24, 2007, prior management, in order to manage cash flow, took advances against the following month's income to finance the current month's deficiency. Previous management took the August 2007 fees, payable in September 2007, prior to the appointment of the Receiver and Manager. Therefore, those funds which should have been available to the Receiver were not.
- 4) **No amount has been included for the fee and disbursements of the Receiver and its legal counsel in this receivership operating cash flow projection.**

Tab L

CONSOLIDATED INTERIM STATEMENT OF RECEIPTS & DISBURSEMENTS OF THE RECEIVER

STINSON HOSPITALITY INC.
DOMINION CLUB OF CANADA CORPORATION
THE SUITES AT 1 KING WEST INC.
2076564 ONTARIO INC.

FOR THE PERIOD FROM AUGUST 25, 2007 TO SEPTEMBER 29, 2007

	SUITES AT 1 KING WEST Operating A/C	KING WEST Owners A/c	SUITES AT 1 KING WEST FF&E	2076564 HOUSEKEEPING	DOMINION CLUB	TOTAL
Opening Bank Balance August 25, 2007	\$ 1,323,926	\$ 340,321	\$ 67,720	\$ 44,253	\$ 39,114	\$ 1,815,334
REVENUE & A/R COLLECTIONS	2,014,320	481,603	697,052	236,774	490,172	2,741,266
Transfer					7,215	1,185,870
TOTAL RECEIPTS	2,014,320	481,603	764,772	281,027	536,501	4,078,223
EXPENSES UNDER \$5000	6,407				2,108	8,515
DOMINION CLUB	172,193			7,215	81,239	179,408
FOOD & BEVERAGE						81,239
LEASE PAYMENTS						3,625
LINEN & LAUNDRY						26,361
GENERAL EXPENSE	22,290				3,625	211,541
HOUSEKEEPING	211,541				4,071	912,692
PAYROLL & SOURCE DEDUCTIONS	390,783			230,971	1,698	1,698
PARKING				14,978	4,619	73,884
RECEIVER GENERAL - GST	54,087					48,721
INSURANCE	48,721					714,553
TRANSFER TO FF&E	697,052				17,501	68,799
MINISTRY OF FINANCE - PST	68,799					481,603
OWNER DISTRIBUTION ACCOUNT	481,603					559,977
DISTRIBUTION TO OWNERS		559,977				26,430
CREDIT CARD COMMISSION						19,627
MAINTENANCE	21,428				5,002	25,449
EQUIPMENT LEASES	19,627					33,164
CUT OFF ERRORS BY 1 KING WEST STAFF	33,164					12,038
GROUP INSURANCE				4,339	7,699	33,554
GREATER T.O. HOTEL ASSOCIATION	33,554					
TOTAL DISBURSEMENTS	2,261,249	559,977	-	257,503	443,949	3,522,678
Ending Bank Balance Sept 29, 2007 (Note 1)	\$ 1,076,997	\$ 261,947	\$ 764,772	\$ 23,524	\$ 92,552	\$ 2,219,792

NOTE 1: SHI is not included in the above statement of receipts and disbursements as the Receiver is now effectively acting as the rental manager and SHI is not conducting any banking transactions. The SHI bank account, which had a nominal balance, has been frozen.

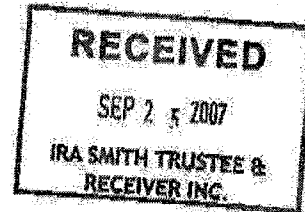
Tab M

T.S.C.C. No. 1703

1 KING STREET WEST • TORONTO, ONTARIO • M5H 1A1
T 416.548.8219 • F 416.548.8229 • tcc1703@onekingwest.com

September 25, 2007

Ira Smith
Trustee & Receiver Inc.
Suite 6 - 167 Applewood Crescent
Concord, Ontario
L4K 4K7



Dear Mr. Smith:

We are in receipt of your letter of September 21 addressed the owners of units in TSCC 1703.

On your main point, which seems to have prompted a so-called change in policy, we deny your implication that the Board of Directors authorized a meeting with the Trustee in Bankruptcy before the application was filed. The Board is well aware that Mr. Verdun, in addition to his roles as president and director of TSCC 1703, works on a voluntary and personal basis with a group of owners whose suites are in the hotel pool, and has met on numerous occasions with many of the parties in this complex affair. If Mr. Verdun attended a meeting with the Trustee in Bankruptcy (and we have since learned that he did), he did so in his private capacity as a concerned owner and neither sought the Board's permission to attend the meeting, nor briefed us on its content or outcome.

This, we would have thought, would have been clear from the Board's stance in court last week. You noted that TSCC 1703 was represented at the hearing, but failed to acknowledge that we made no submission for or against the motion that the Stinson bankruptcy be annulled.

T.S.C.C. No. 1703

1 KING STREET WEST • TORONTO, ONTARIO • M5H 1A1
T 416.548.8219 • F 416.548.8229 • tsc1703@onekingwest.com

In your communication to owners, you also said you had reached the following "regrettable" conclusion:

[T]he Receiver can no longer be involved in open communication with the Board of Directors of TSCC 1703 on anything that the Receiver, in its sole and unfettered discretion, believes might be confidential in nature, or otherwise provide your Board of Directors with information that would give it an advantage over any other potential purchaser of the assets, properties and undertakings of SHI, DCC, Housekeeping and Suites.

What was "regrettable" about your assertion was the suggestion that this constituted a "change in policy" and that "such a relationship with your Board could exist." To provide any stakeholder with an advantage would be, at minimum, inappropriate and, more likely, illegal, and would certainly cast doubt on your suitability to perform your role objectively as a Court appointed officer.

We do insist, however, that you continue to have an obligation to communicate with the Board openly on all matters related to the care, maintenance and management of our building. While we recognize that you represent the interests of the secured creditors of SHI, DCC, Housekeeping and Suites, the owners of suites in the residential condominium remain the single largest group of stakeholders in One King West, and the condominium board is the sole legal representative of all unit owners.

Yours truly,

Board of Directors, TSCC 1703

c.c.: All unit owners

Ira Smith

TRUSTEE & RECEIVER INC.
Suite 6 – 167 Applewood Crescent, Concord, Ontario Canada L4K 4K7

Ira Smith

Tel. (905) 738-4167

Fax (905) 738-9848

Email: ira@irasmithinc.com

Website: www.irasmithinc.com

September 26, 2007

By Facsimile

The Board of Directors of T.S.C.C. No. 1703
1 King Street West, Toronto, Ontario M5H 1A1

Dear Sirs

**RE: LETTER DATED SEPTEMBER 25, 2007 OF THE
BOARD OF DIRECTORS OF T.S.C.C. NO. 1703 (the “Board”)**

We are in receipt of your letter dated September 25, 2007 (the “Board Letter”) regarding our letter of September 21, 2007 addressed to owners of the units in T.S.C.C. No. 1703 (the “Receiver’s Letter”). While we will not address all of the points raised in the Board Letter, we do wish to clarify the intent and nature of the Receiver’s Letter as we recognize that we could have been clearer in describing our concerns therein regarding our communications with the Board and the sharing of information with the Board.

As you will recall, on August 28, 2007, the Receiver and the Board had a very open and productive meeting wherein we agreed to work cooperatively and exchange information, which, frankly, could have included financial information relating to the hotel operations and financial projections. At that time, the Receiver’s discussions with the Board were more as a stakeholder representing unit owners than as a formal buyer because no sales process was in place and, though the Board had expressed interest through the letter of intent earlier, this was neither the time nor the place for real expressions of interest to purchase. Accordingly, the Receiver expressed a willingness to continue very open discussions with the Board.

As you are well aware, the Receiver is a court officer mandated to operate the hotel and to run a sales process. Although the Receiver has yet to establish and commence that sales process, events in the past week have forced the Receiver to deal with the Board as if it were a bidder for the hotel operations and assets (collectively, the “Hotel Assets”). In particular, Mr. Verdun has made comments to the press and to the Receiver’s staff that confirm his goal is to acquire the Hotel Assets by any means. Therefore, the Receiver must now treat the Board more as a potential purchaser than an ordinary interested

stakeholder. That decision does cause a change in the Receiver's approach because, given that there is no formal sales process in place, and thus no data room or confidentiality agreements, the Receiver must now stop and carefully consider whether any non-public information requested by the Board would give the Board an advantage over other bidders. Let us be clear that, notwithstanding Mr. Verdun's public comments or his comments to the Receiver's staff, we are not suggesting that the Board has improperly sought (or would seek) any advantage. Rather, even certain otherwise legitimate requests from the Board (e.g. to see a budget for hotel operations) could give a real or perceived advantage to the Board by giving them information that could be used to advance their bid, well before any other bidder obtains such information. Simply put, the Receiver must conduct itself accordingly and take steps to ensure that the Board does not receive information which may in any way prejudice or disrupt the Receiver's future sales process. The Receiver must ensure that it runs a fair and open sales process in order to increase the likelihood that the Receiver's recommendations regarding a potential sale will be approved by the Court.

In addition to its concern regarding confidential information being provided to the Board, the Receiver is concerned about confidential information that may flow through to Mr. Harry Stinson. You have advised that the Board did not authorize Mr. Verdun's attendance at a meeting with Mr. Stinson and the proposed trustee in bankruptcy and we appreciate and accept your clarification on that point. However, it is clear to the Receiver that Mr. Verdun, the President of the Board, has close relations with and is very loyal to Mr. Stinson. The Receiver is concerned that information in Mr. Verdun's possession may make its way into Mr. Stinson's possession. This is troubling to the Receiver as, among other things, Mr. Stinson may emerge as a potential bidder in the Receiver's sales process and he likewise must not be or be perceived to be given an advantage over other potential bidders.

Accordingly, while the Receiver has indicated in the past a willingness to discuss confidential matters relating to the hotel operations, it is no longer in a position to share with the Board any information that the Receiver, in its sole discretion, believes may impact the Board's offer or give the Board, or Mr. Stinson, a real or perceived advantage over other potential bidders. The Receiver's decision to deal with the Board in a more arm's length manner does not mean that it will not share any information with the Board. Rather, it is a matter of reserving the Receiver's right to refuse to provide information, even if requested by the Board for quite legitimate reasons, by considering and assessing all requests on a document by document basis with a view to protecting the integrity of the future sales process.

The Receiver's view is consistent with the comments made by Mr. Latham of Goodmans LLP in response to a quite appropriate question posed by Mr. Brian Smith at the meeting of unit owners on September 10, 2007. At that meeting, Mr. Latham stated that the Receiver would have to be careful in communicating with and disseminating confidential information to the Board if the Board wished to be a bidder.

Further, we wish to clarify a couple of misstatements made by the Board in its communication to unit owners of September 25, 2007. The Board indicated that the

Receiver represents only the interests of secured creditors. That is not the case. The Receiver represents all interested stakeholders, including T.S.C.C. 1703. As you are aware, on August 27, 2007, Madam Justice Pepall wrote an Endorsement which she read out loud in open Court and that states as follows: "As I have stressed before, the Receiver is a court appointed officer and acts under the court's supervision. It is expected that it will act reasonably in the interests of all stakeholders." The Receiver understands the directions Madam Justice Pepall gave to it, and it is for this reason that the Receiver felt obliged to communicate with the unit owners regarding its concerns and issued the Receiver's Letter.

With respect to Madam Justice Pepall's annulment of the bankruptcies, suffice it to say that we disagree with the legal conclusions drawn in your communication to unit owners of September 25, 2007, in that regard.

We trust that the foregoing provides clarification of the Receiver's position and the intent of the Receiver's Letter and apologize for any confusion the Receiver's Letter may have generated. Notwithstanding the foregoing issues and challenges, we are committed to continuing communications with the Board within the parameters set out herein and will continue to keep the Board apprised generally of matters relating to the hotel operations.

Finally, we confirm that we were informed of, but not invited to, the meeting of unit owners being held by you this coming Saturday, September 29, 2007. We respect your decision to have it as a private meeting of unit owners, and we do not need to attend. However, should you wish the Receiver to be in attendance to aid in our communication process, please advise accordingly and we would be pleased to.

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.,
Receiver and Manager of Stinson Hospitality Inc.,
Dominion Club of Canada Corporation, 2076564 Ontario Inc. and
The Suites at 1 King West Inc.

Per:



Ira Smith
President

cc Owners of Residential Condominium
Units at 1 King West – Via email

**Ira
Smith**
TRUSTEE & RECEIVER INC.

Tab N

Ira Smith

From: Steve O'Brien [steve.obrien@onekingwest.com] **Sent:** Fri 24/08/2007 9:15 PM
To: Ira Smith
Cc:
Subject: Message from Steve O'Brien & Ira Smith Trustee & Receiver Inc.
Attachments:



Message From Steve O'Brien & Ira Smith Trustee & Receiver Inc.

August 24th, 2007

Greetings!

Dear owners of condominium units at 1 King West:

We wish to advise you that we have reviewed the message to you from TSCC 1703 and confirm that this afternoon, Madam Justice Pepall released her reasons for her decision appointing Ira Smith Trustee & Receiver Inc. as receiver of Stinson Hospitality Inc. and Dominion Club of Canada Corporation.

The receiver has been directed by the court to create stability and for the current time, control the business operations. We are pleased to advise you that, working together, we are committed to seeing this great property reach its full potential.

We are planning to hold an owner's meeting with myself and Ira Smith to explain to you how operations will be maintained.

We will of course give you ample notice.

Sincerely,

Steve O'Brien Ira Smith

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The Suites at 1 King West | 1 King Street West | Toronto | Ontario | M5H 1A1 | Canada

EMAIL TO ALL UNIT OWNERS RE MEETING ON SEPTEMBER 10, 2007

Subject: Owner's Meeting September 10th, 2007

1KW Header

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Owner's Meeting

August 30th, 2007

Dear Denis,

Please be advised that we will be holding an owner's meeting on Monday, September 10th, 2008 at 8pm in the 2nd floor Grand Banking Hall.

The purpose of this meeting is to bring all of you current on the developments since our appointment as receiver by Order of the Honorable Madam Justice Pepall dated August 24th, 2007, as well as walking you through our short and long terms plans.

Should you have any items you would like to see on the agenda for this meeting, please respond to Steve O'Brien next week, and we will do our best to address each and every item.

This meeting will be recorded, so in the event that you are not able to attend, a copy of the recording will be made available to you.

We look forward to you seeing you on the 10th.

Yours Truly,

IRA SMITH TRUSTEE & RECEIVER INC.
Receiver and Manager of Stinson Hospitality Inc.,
Dominion Club of Canada Corporation, 2076564 Ontario Inc, and
The Suites at 1 King West Inc.

Per:

Ira Smith
President

September 21, 2007

VIA EMAIL

**TO THE OWNERS OF RESIDENTIAL
CONDOMINIUM UNITS AT 1 KING WEST**

Introduction

I am writing to provide you today with factual information concerning events over the last two days, which many of you may have read about in the article by Ms. Jennifer Wells in today's Toronto Star titled "**Odd moves in battle for 1 King West**" (<http://www.thestar.com/columnists/article/258878>).

At the owners' meeting held by the Receiver on September 10, 2007 in the Dominion Club, I advised that it is the Receiver's goal to keep open and honest communications with the owners (and all stakeholders), and it is precisely for that reason that I am writing to you today.

I am also regrettably, having to write to you to advise of a change in policy over one specific decision of the Receiver previously described to you at the owners' meeting.

The annulment of the corporate bankruptcies

In the late afternoon of September 18, 2007, Mr. Harry Stinson filed purportedly valid assignments in bankruptcy for Stinson Hospitality Inc. ("SHI"), Dominion Club of Canada Corporation ("DCC"), 2076564 Ontario Inc. ("Housekeeping") and The Suites at 1 King West Inc. ("Suites"). In the morning of September 19, 2007, Mr. Robert Link of my staff and I met with two representatives of the trustee in bankruptcy who consented to act in these matters. We had an excellent meeting and we agreed that the bankruptcy filings had no effect on either our appointment as Receiver appointed by the Order of the Court, or on our activities as Receiver. We also agreed on some other technical matters.

I further advised the trustee in bankruptcy that, in my view, Housekeeping and Suites do not even qualify to be bankrupts as they are not insolvent, and that no one had the authority to file assignments in bankruptcy without an Order of the Court. Accordingly, it was the Receiver's view that the bankruptcies were a nullity.

Later on September 19, I learned that Mirvish Enterprises Limited and 1 King West Inc. (the "Applicants") were bringing an emergency application before Madam Justice Sarah Peppard of the Ontario Superior Court of Justice (Commercial List) on September 20, 2007. Given her pre-existing Court calendar that day, and the submissions of legal counsel for the Applicants, the trustee in bankruptcy, Mr. Stinson, SHI, DCC,

Housekeeping and Suites, TSCC No. 1703 and Mr. Joseph Latham of Goodmans LLP on behalf of the Receiver, the proceedings took the entire day.

At the end of the day, her Honour reserved her decision and advised that it would be released today. She also directed in her endorsement that the trustee in bankruptcy and Mr. Stinson, either on his own behalf or on behalf of the four corporations, are not to take any further steps in connection with the bankruptcies, until her Decision is released.

Today, her Honour released her Decision annulling all four corporate bankruptcies. What that means is **it is as if the bankruptcies never occurred and the status quo of receivership activities remain.** This confirms the Receiver's and Goodmans' view, as submitted to the Court yesterday by Mr. Latham, that the Court, (and as appropriate, its officer, the Receiver), has sole jurisdiction over these types of issues. Her Honour advised that her Reasons for Decision will be released next week.

The regrettable decision

At the meeting held on September 19, 2007 with the (then) trustee in bankruptcy described above, I was advised by their representatives that at one specific meeting held with Mr. Stinson in discussing the possibility of the bankruptcies of the four corporations, Mr. Robert Verdun, who is also President of TSCC No. 1703, was in attendance at that same meeting.

As a veteran trustee in bankruptcy, I can assure you that at any such meeting, a trustee in bankruptcy will want to ensure that a discussion is held on the potential effect and results a bankruptcy will have on the debtor corporation considering filing for bankruptcy, its Directors, its creditors, be they secured, preferred or ordinary unsecured, and any other stakeholders, will be discussed. As a result, Mr. Verdun was taking part in such discussions with at least Mr. Stinson and the proposed trustee in bankruptcy.

Accordingly, and regrettably, as a result of this information provided to me on September 19, today I have made the decision that the Receiver can no longer be involved in open communication with the Board of Directors of TSCC No. 1703 on anything that the Receiver, in its sole and unfettered discretion, believes might be confidential in nature, or otherwise provide your Board of Directors with information that would give it an advantage over any other potential purchaser of the assets, properties and undertakings of SHI, DCC, Housekeeping and Suites. Notwithstanding that my belief on September 10, as I described to you, was that such a relationship with your Board could exist, the actions of Mr. Verdun, as described to me by a fellow Officer of the Court, has forced me to make this hard decision.

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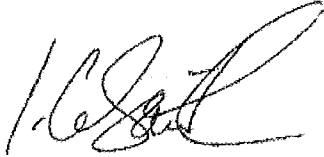
As always, if any owner has any concerns, comments or helpful suggestions for the Receiver, please feel free to communicate directly with either me, Mr. Robert Link or Mr. Martin Wolfe, of the receivership team.

Best regards.

Yours sincerely,

IRA SMITH TRUSTEE & RECEIVER INC.,
Receiver and Manager of Stinson Hospitality Inc.,
Dominion Club of Canada Corporation, 2076564 Ontario Inc.
and The Suites at 1 King West Inc.

Per:



Ira Smith
President