

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

N°: 500-11-060613-227

SUPERIOR COURT

(Commercial Division)

(Sitting as a court designated pursuant to the Companies'
Creditors Arrangement Act, R.S.C. 1995, c. 36, as
amended)

***IN THE MATTER OF THE PLAN OF COMPROMISE
OR ARRANGEMENT OF:***

RISING PHOENIX INTERNATIONAL INC.

- and -

10864285 CANADA INC.

- and -

11753436 CANADA INC.

- and -

CDSQ IMMOBILIER INC.

- and -

COLLÈGE DE L'ESTRIE INC.

- and -

**ÉCOLE D'ADMINISTRATION ET DE
SECRÉTARIAT DE LA RIVE SUD INC.**

- and -

9437-6845 QUÉBEC INC.

- and -

9437-6852 QUÉBEC INC.

Applicants

and

RICHTER ADVISORY GROUP INC.

Monitor

**CONTESTATION OF FIRM CAPITAL MORTGAGE FUND INC. TO THE
APPLICANTS' REQUEST FOR AN AMENDED AND RESTATED INITIAL ORDER**

Dated January 13, 2022

**TO THE HONOURABLE JUSTICE DAVID COLLIER, J.S.C. SITTING IN
COMMERCIAL DIVISION, IN AND FOR THE JUDICIAL DISTRICT OF MONTREAL,
FIRM CAPITAL MORTGAGE FUND INC. RESPECTFULLY SUBMITS:**

I. INTRODUCTION

1. By way of the present contestation, Firm Capital Mortgage Fund Inc. (“**Firm Capital**”) contests the Applicants’ request for this Honourable Court to order, by way of the Amended and Restated Initial Order, that the Administration Charge, the Interim Lender’s Charge and the Directors’ Charge (each as defined below, and collectively herein, the “**Priming Charges**”) rank ahead of the herein defined Firm Capital Security on the basis that:
 - a. The Firm Capital Security secures first priority hypothecs on the real property owned by the herein defined Property Applicants, which are each single purpose real estate holding companies;
 - b. The Interim Lending Facility (as defined below) will be used solely to fund the herein defined Operating Applicants’ operations, while being secured by the Real Estate (as defined below) owned by the Property Applicants to the detriment of Firm Capital;
 - c. The Priming Charges, which charge property of the Property Applicants in favour of certain of the herein defined Operating Applicants, would amount to unwarranted substantive consolidation between the assets of the various Applicants, which are all distinct legal entities, with their own assets and liabilities;
 - d. There does not appear to be sufficient equity in the assets of the Applicants to satisfy both the Priming Charges and the Firm Capital Security such that the Priming Charges are highly prejudicial to Firm Capital; and
 - e. The current CCAA proceedings are highly unlikely to result in the continuation of any of the Applicants’ businesses as a viable going concern, such that the implementation of such Priming Charges to the detriment of the first-ranking secured creditor are inappropriate.
2. Alternatively, and for the same reasons, Firm Capital requests that the Property Applicants, which are not insolvent, be excluded from the CCAA proceedings.
3. Subsidiarily, Firm Capital requests that the Court refuse to issue an Amended and Restated Initial Order, due to the fact that the Applicants have not acted in good faith or with due

diligence. The Applicants are seeking nothing more than a liquidating CCAA and, in the context of the serious misconduct carried on by the Applicants and their principals, the investigative powers and remedial remedies available in bankruptcy proceedings would be more appropriate.

4. As will be demonstrated hereafter, the Applicants have not been transparent with the Court and have failed to disclose in their Application for the Issuance of a First-Day Initial Order and an Amended and Restated Initial Order (the “**Initial Application**”) that they selectively excluded from these proceedings, entities and/or assets owned by the principals, Caroline Mastantuono, Christina Mastantuono and Joseph Mastantuono (the “**Principals**”) that could be used to fund the current CCAA process as opposed to attempting to shift the entire burden of these proceedings onto Firm Capital.
5. By way of example only, less than 30 days before the filing of the Initial Application each of:
 - (i) the Caroline Bonneville Trust (to whom a property in St-Adolphe d’Howard was gifted by Caroline (Bonneville) Mastantuono, a personal guarantor of the Firm Capital indebtedness, and thereafter was misrepresented in a personal net worth statement given to Firm Capital as being owned by her personally); and
 - (ii) a related party, owned by and controlled by Joseph Mastantuono, also a personal guarantor of the Firm Capital indebtedness, operating at the RPI premises;

hypothecated two unencumbered properties to RPI’s lawyers, Kaufman Lawyers LLP to secure past and future indebtedness to that firm for legal fees.

6. Notably, the Applicants have not sought to prime their own lawyers’ security.

II. BACKGROUND

A. The Applicants

7. As appears from the Initial Application and in the Monitor’s Amended Pre-Filing Report dated January 6, 2022 (the “**Report**”), the Applicant, Rising Phoenix International Inc. (“**RPI**”), was founded in 2017. It allegedly acts as an advisor for international students from various countries, primarily India, seeking to study in Quebec and assists with the

recruitment of students for placement in private colleges, which in turn, is intended to provide such students with an immigration path to Canada.

8. Numerous allegations have been made in pending litigation that RPI and the Principals engaged in serious misconduct and grossly misappropriated tuition fees paid in advance by primarily foreign students.
9. In or around August 2019, the Principals of RPI established 10864285 Canada Inc. (“**M College**”), and in June 2020, purchased Collège de l’Estrie Inc. (“**CDE**”), which is a technical college, and École D’administration et de Secrétariat de la Rive Sud Inc. (“**CCSQ**”), which is a vocational college.
10. The Applicants 11753436 Canada Inc. (“**Gatineau**”), CDSQ Immobilier Inc. (“**CDSQ**”), 9437-6845 Québec Inc. (“**Immoco CDE**”), and 9437-6852 Québec Inc. (“**Immoco CCSQL**”) (collectively, the “**Property Applicants**”) are single purpose real estate holding companies, which own the following properties (the “**Real Estate**”):

Property Applicant	Address	Use
CDSQ	174 Boul. Sainte-Foy, Longueuil, Quebec (the “ St-Foy Property ”)	CCSQ Jacques Cartier Campus
Gatineau	115 rue Champlain, Gatineau, Quebec (the “ Gatineau Property ”)	This property was allegedly envisioned to be used by M College, which executed a lease with Gatineau in respect of such premises; however, the property is not being used in the operations of any of the Applicants and is presently listed for sale.
Immoco CCSQL	910 boul. Cure-Poirier Ouest, Longueuil, Quebec (the “ Cure-Poirier Property ”)	CCSQ Longueuil Campus
Immoco CDE	37 Wellington, Sherbrooke, Quebec (the “ Wellington Property ”)	CDE Campus

B. The Firm Capital Loan and Security

11. In or around February 2021, Firm Capital Corporation was introduced to RPI who was seeking bridge financing.
12. Firm Capital Corporation is a lender listed on the Toronto Stock Exchange specializing in bridge mortgage lending.
13. Pursuant to a Commitment Letter dated March 29, 2021 (the “**FCC Commitment Letter**”), Firm Capital Corporation agreed to grant a first-ranking hypothecary loan on the

security of the Real Estate (the “**Firm Capital Loan**”) in the maximum principal amount of \$5.75 million to CDSQ, one of the Property Applicants, for a term of 18 months, with interest at the greater of 8.25% per annum, or prime plus 5.5% per annum. The FCC Commitment Letter was assigned to Firm Capital.

14. Pursuant to the terms of the FCC Commitment Letter, Firm Capital held back from the amounts advanced at closing (a) an interest reserve (the “**Interest Reserve**”) in the amount of \$475,000 to pay the monthly interest payments under the Firm Capital Loan for the first 12 months, following which, CDSQ is required to make the monthly interest payments when due from its own resources, and (b) a property tax reserve (the “**Property Tax Reserve**”) and together with the Interest Reserve, the “**Reserves**”) in the amount of \$275,000 to pay the property tax payments for the Real Estate for the first 12 months, which CDSQ is required to top up upon 30 days’ notice.
15. The Firm Capital Loan is guaranteed by each of the other Applicants, save and except for M College, together with the Principals, pursuant to a full recourse guarantee dated April 15, 2021 (the “**Guarantee**”), a copy of which was communicated with the Warner Affidavit as **Exhibit FC-1**.
16. The Firm Capital Loan is secured by way of a first-ranking immovable hypothec on the Real Estate owned by the Property Applicants, namely, the St-Foy Property, the Gatineau Property, the Cure-Poirier Property and the Wellington Property, as appears from the Deed of Hypothecary Loan dated April 15, 2021 (the “**Firm Capital Hypothec**”) communicated with the Initial Application as Exhibit R-11.
17. The Firm Capital Security includes a first-ranking charge on the present and future leases, revenues and insurance proceeds relating to the Real Estate, which hypothec has been duly published in the Register of Personal and Movable Real Rights (the “**RPMRR**”).
18. The Firm Capital Loan is a real estate loan, which was made to, and guaranteed by, single purpose real property holding companies that do not own any other assets and are not in any way involved with the operations of the Operating Applicants.
19. Two of the four Property Applicants, Immoco CCSQ L and Immoco CDE, were incorporated less than one month before the Firm Capital Loan was disbursed, as appears from the Enterprise Registrar reports to such entities, communicated with the Initial Application as Exhibits R-8 and R-9.
20. As appears from their respective indexes of immovables, communicated with the Warner Affidavit as **Exhibit FC-2**, Immoco CCSQ L and Immoco CDE acquired the Cure-Poirier Property and the Wellington Property from CCSQ and CDE, respectively, approximately one week before registration of the Firm Capital Hypothec on April 15 2021.

21. Firm Capital did not have reason to make any assessment of the Operating Applicants' operations, beyond verification that there were leases in place with sufficient rental income associated therewith.
22. The separation of the Operating Applicants from the Property Applicants had the effect of insulating the Property Applicants from any liability for the debts and operations of the Operating Applicants, such that the Principals of the Applicants would benefit from ownership of the Property Applicants even if the Operating Applicants would become insolvent.
23. This structure provided comfort to Firm Capital in its underwriting decision, which decision was made on the basis of the value of the Real Estate. Firm Capital was prepared to lend money secured by the real estate assets of the single purpose Property Applicants without having its real estate security put at risk for the debts and liabilities of the Operating Applicants or due to liquidity concerns relating to their operations.

C. The CCAA Proceedings and the Priming Charges

24. On January 6, 2022, in the middle of the day, Firm Capital was served with the Initial Application which was returnable the following day on January 7, 2022.
25. No advance warning whatsoever was given to Firm Capital prior to January 6, 2022 of the Applicants' intent to institute CCAA proceedings and to seek to prime the Firm Capital Security. The institution of the Initial Application came as a complete surprise to Firm Capital and it was compelled to take extraordinary measures to engage local and Quebec legal counsel to be able to appear the following day in Court.
26. The relief sought by the Applicants in the Initial Application included a request for a super-priority charge to secure the fees of the Applicants' counsel, the Monitor and its counsel, in the amount of \$150,000 (the "**Administration Charge**") and a super-priority charge in favour of the Applicants' directors and officers (the "**Directors' Charge**") in the amount of \$75,000, both of which the Applicants requested to rank in priority to the existing Firm Capital Security over the Real Estate of the Property Applicants.
27. In the Initial Application, the Applicants also provided their proposed form of Amended and Restated Initial Order, wherein they ask the Court to approve, among other things, (i) an increase of the Administration Charge to \$500,000, (ii) an interim term sheet (the "**Interim Financing Term Sheet**") providing for an interim facility in the amount of \$1.75 million (the "**Interim Financing Facility**") from Gestion Levy Inc. (the "**Proposed Interim Lender**"), and (iii) a super priority charge in favour of the Proposed Interim Lender in the amount of \$2.1 million (the "**Interim Financing Charge**" and together with

the Administration Charge and Directors' Charge, the "**Priming Charges**"), which they are also asking that Court order to rank ahead the Firm Capital Security.

28. Further to discussions during the evening of January 6, 2022 between Firm Capital's counsel and counsel to the Applicants and the Monitor, the Applicants agreed that, for the purposes of the Initial Order, the proposed Administration Charge and Directors' Charge would be subordinated to the Firm Capital Security, pending any order from the Court indicating otherwise, so that the parties could engage in discussion regarding the relief being sought at the Comeback Hearing.
29. In particular, the Interim Financing Term Sheet, a copy of which has been provided to Firm Capital on a confidential basis, purportedly creates a "right of first refusal" (the "**ROFR**") for Firm Capital to provide interim facility funding on substantially the same terms as the Interim Financing Term Sheet, with a break fee and costs being payable to the Proposed Interim Lender.
30. Rather than first engaging with Firm Capital to explore the possibility of interim financing, as it would have expected being first-ranking secured creditor, the Applicants entered into a commercially unreasonable transaction with the Proposed Interim Lender to attempt to force Firm Capital to increase its exposure at the risk of being primed.
31. The Court granted the limited first-day relief requested by the Applicants by way of an initial order (the "**Initial Order**") on January 7, 2022, which was not contested, without prejudice to the arguments that any party may wish to make at the Comeback Hearing

III. THE COURT SHOULD NOT GRANT THE PRIMING CHARGES

A. The Applicants' requested relief amounts to unwarranted substantive consolidation

32. The Applicants are all distinct single-purpose legal entities; the Initial Application does not purport to suggest that their operations are intertwined, and there is no valid justification for charging the assets of the Property Applicants, to the detriment of Firm Capital, for the benefit of the Operating Applicants and, more significantly, to assist the Principals in limiting their personal exposure to the student creditors who were egregiously victimized by their misconduct.
33. The Applicants CDE, CCSQ and M College (collectively, the "**Colleges**") are separate schools, with their own students and operating expenses, that operate out of different locations. RPI has a distinct business, with its own premises and employees, and which provides certain services to the Colleges and others.
34. The Property Applicants are all single purpose real property holding companies that are in no way responsible for the debts of the Operating Applicants.

35. However, rather than treating the Applicants' assets and liabilities on an entity-by-entity basis as a matter of first principle, the proceedings amount to a disguised and unwarranted **substantive consolidation** by creating charges on assets belonging to the Property Applicants in order to support the faint hope realization efforts of the Operating Applicants. This is not a restructuring – it is simply a liquidation with the stated goal of finding a going-concern purchaser for some aspect of the Operating Applicants.
36. As appears from the Initial Application, RPI, the Colleges, and their Principals have significant liabilities relating to the misappropriation by them of student funds, including amounts earmarked to pay student insurance premiums, which were used by them in order to pursue ulterior business purposes.
37. The Initial Application suggests that RPI used students' prepaid tuitions to fund the various acquisitions, which it anticipated would be repaid through re-financings that ultimately did not close. According to the Initial Application, the inability of RPI to refinance these assets (largely due to the fact that the Principals have been accused by students and counterparties of fraudulent behavior and charged criminally) "*significantly depleted [RPI's] liquidities*".
38. The Applicants in their materials suggest that the insurers' issuance on December 31, 2021 of a notice of cancellation of the student insurance policies in respect of which RPI collected, but did not pay, the premiums, which would be effective January 14, 2022, prompted the filing of their Initial Application on January 5, 2021. In fact, the insurers had already made demands on RPI in June 2021 for non-payment of premiums, such that this is not a new issue that arose just prior to the filing.
39. In addition to the fact that the Property Applicants are not responsible for the debts of the Operating Applicants, they are not insolvent and do not meet the threshold requirements of a CCAA filing.
40. The Monitor's Report establishes that Immoco CSSQ and Immoco CDE do not have any debts to any creditors other than Firm Capital. There is absolutely no legal basis to justify their inclusion in these CCAA proceedings.
41. In the case of CDSQ and Gatineau, other than their indebtedness to Firm Capital, their debts consist primarily of subordinated and postponed related-party debts which cannot be claimed until Firm Capital is paid in full.
42. Without any Priming Charges, the indebtedness owing to Firm Capital by the Property Applicants is fully secured. However, given the updated valuation letters in respect of the Real Property obtained by Firm Capital dated January 11, 2022, it appears that Firm Capital's security is severely at risk if the Priming Charges are granted.

43. There is accordingly no justification for the Real Estate of the Property Applicants to be diluted by any Priming Charges in order to assist the Operating Applicants as requested in the Initial Application.
44. Firm Capital agreed to grant a first-ranking hypothecary loan based on the value of the Real Estate owned by the Property Applicants and the fact that the grantors were special purpose stand-alone companies. The request for Priming Charges attempts to totally disregard the very basis on which the companies were structured to enable them to borrow from Firm Capital in the first place.
45. Firm Capital provided bridge financing in April 2021, on the basis of sufficient real-property security, which was unencumbered and legally separate from the operations of the Operating Applicants.
46. The Applicants now ask that the Priming Charges rank ahead of the Firm Capital Security, *inter alia*, in respect of the Gatineau Property. This is a totally unfounded request. The stated reason for the relief being sought in the Initial Application is that RPI wants to graduate as many students as possible by the end of February 2022; however, the Gatineau Property is vacant and is not being used in any manner whatsoever for that or any other purpose.
47. As appears from the Cash Flow Forecast, and from certain additional responses to information requests made by Firm Capital to the Monitor, communicated *en liasse* with the Warner Affidavit as **Exhibit FC-3**, the Applicants seek to use the proposed Interim Financing funds to pay, *inter alia*:
 - a. \$129,670 in rent for the M College premises (\$109,090) and RPI (\$20,580, which may be reduced now that such lease has been disclaimed) to third-party landlords. However, **no rents** are forecasted to be paid by CDE or CCSQ to any of the Property Applicants in whose premises they operate during the Cash Flow Period and the Property Applicants have no rent obligations;
 - b. \$136,250, for salaries payable to employees of RPI (\$80,000), M College (\$25,000), CDE (\$18,750) and CCSQ (\$12,500);
 - c. \$75,000 for educational services by M College (\$45,000), CDE (\$20,000), and CCSQ (\$10,000); and
 - d. \$184,000 for student insurance in respect of M College (\$93,000), CDE (\$30,000) for CDE, CCSQ (\$36,000) and RPI (\$25,000, related students at “partner schools” not owned by any of the Applicants).

48. The current CCAA proceedings and requested Priming Charges are for the sole benefit of RPI, the College Applicants, and the Principals. At the same time, such charges will not add any value to the Real Estate, the Property Applicants, or their creditors.
49. The Applicants cannot be permitted to improperly use the CCAA to prime a secured lender, which made its loan in reliance on the distinct legal status of the Property Applicants and the separation of the Real Estate from the operations, and specifically did not lend on such operations.

B. Firm Capital would be Materially Prejudiced by the Priming Charges due to Insufficient Equity on the Real Estate

50. Article 11.2(4) of the CCAA provides the factors that the Court is to consider when ordering interim financing.
51. One of such factors is whether any creditor would be materially prejudiced by such order.
52. The Monitor has filed under seal appraisals of the Real Estate in order to put forward the position that there is little risk to Firm Capital should the Priming Charges be granted due to sufficient equity in these properties.
53. It is ironic that the beneficiaries of the Priming Charges are so adamant that there is sufficient value to justify these charges, but are not prepared themselves to accept charges that are subordinate to the Firm Capital Security. If the values put forward by the Applicants and the Monitor are accurate, the beneficiaries of the Administration Charge and the Directors' Charge as well as the Proposed Interim Lender should have no difficulty being subordinate to the \$5,750,000 Firm Capital Security.
54. The Applicants have not provided sufficient evidence that there is sufficient equity in the Real Estate.
55. The appraisals referenced by the Monitor are stale dated, as they are more than one year old and, moreover, rely on assumptions that are no longer valid.
56. For example, in the case of Gatineau, the appraiser evaluated the property based on the assumption that such property would continue to be used as an educational facility. In fact, the "Appraisal Purpose" was the following:

To estimate the current market value, in use, in consideration of the continuity of the work of teaching and education for mortgage financing purposes. [as translated]

Estimer le valeur marchande actuelle, en usage, en considération de la continuité de l'œuvre d'enseignement et d'éducation pour fins de financement hypothécaire [original]

57. Moreover, Firm Capital has requested and obtained, on an urgent basis, updated valuation letters in respect of the Real Estate which demonstrate that the previous appraisals are no longer reliable, the whole as appears from the letters filed under seal with the Warner Affidavit as **Exhibit FC-4**. Firm Capital has also prepared a waterfall analysis filed under seal with the Warner Affidavit as **Exhibit FC-5** showing the potential shortfall to Firm Capital in the event that such Priming Charges are granted.
58. Finally, it is evident that advancing additional funds to these Applicants, even on a super-priority basis, is extremely high risk as appears from the onerous terms of the Interim Financing.
59. The rate of interest on the Interim Financing Facility, together with other fees, is not commercially reasonable or consistent with the rates applicable in other CCAA proceedings, and reflects that any loans to the Applicants are very high risk. It appears that the Applicants have merely used the proposed Interim Financing Facility as a pressure tactic to force Firm Capital to advance further funds and assume unwarranted risk.
60. As stated above, the fact that the proposed Interim Lender is only prepared to advance funds if its advances are secured in priority to the First Capital Security demonstrates that it would not be comfortable making advances (even bearing extremely high interest rates) that would need to rely on any alleged excess value of the Real Estate.

C. The Priming Charges, including the Interim Lenders' Charge, will not enhance the Prospect of a Going-Concern Transaction or a Viable Compromise or Proposal

61. For numerous reasons, it is apparent at the outset of these proceedings that there is no chance that they will result in a going-concern transaction or a viable plan being accepted by the creditors. Thus, the impact of allowing the Priming Charges would simply be the dilution of the Firm Security in favor of the Principals of the Operating Applicants and certain of their creditors, while providing no corresponding benefit to Firm Capital or any other creditors of the Property Applicants.
62. In reality, the CCAA proceedings are a disguised receivership proceeding, in order to obtain access to financing and priority charges, which would not otherwise be available in the context of an actual receivership.
63. The Monitor is being appointed at the outset of these proceedings with all of the powers of a receiver, including the ability to control the Applicants' accounts and run the Applicants' sale process, due to the fact that all stakeholders have lost complete confidence in the Applicants' management, *inter alia*, because of misappropriation of tuitions and the pending criminal charges against the Principals.

64. The Applicants' bankers closed their accounts on the eve of the issuance of the Initial Order, again indicating a serious loss of confidence in these companies.
65. The Operating Applicants have already entered liquidation mode. The Cash Flow Forecast does not project even a single dollar of revenue or receipts during the Cash Flow Period, other than from the Interim Financing Facility, nearly 40% of which is proposed to be utilized to fund professional and restructuring costs.
66. No new students are being recruited at this time, and the Monitor and Applicants have advised that an important goal during the Cash Flow Period is to graduate as many students as they can and seek solutions for students unable to graduate during the next two months.
67. This appears to be a recognition that a going concern sale is not likely to result from these proceedings, nor is that even the true goal thereof.
68. It is evident that there is no value in the Operating Applicants. None of them purports to have any significant assets, which assets consist largely of intercompany loans and disputed receivables.
69. Collectively, the Operating Applicants owe approximately \$11 million in prepaid tuition to international students, and it is highly unlikely that any purchaser would agree to assume such obligations, and accordingly, the schools would have no students.
70. As well, the going-concern ability of the Operating Applicants' business model is highly questionable, and appears to have been significantly impacted by the rupture of RPI's relationships with recruiting partners, bad publicity relating to not providing refunds to students, and increased difficulties in securing the visas for international students to attend the schools, which has dropped from 80% to 25-30% according to the Initial Application.
71. The Monitor foresees that "*if no going concern materialises, it is expected that these assets will be listed with independent real estate brokers, with all sales of assets to be specifically approved by this Court.*" In this highly likely scenario, the CCAA process will simply be a very expensive Receivership where the secured creditor's security is eroded in favour of third parties.
72. Despite the altruistic framing of these proceedings as being designed to assist the students, who are unfortunately victims of the misappropriation of funds by the Operating Applicants, and their Principals, the end result of this CCAA process, if it continues, will be a reduction of the liabilities of the Operating Applicants and their principals, all at the direct expense of Firm Capital.

IV. ALTERNATIVELY, THE COURT SHOULD EXCLUDE THE PROPERTY APPLICANTS FROM THE CCAA PROCEEDINGS

73. In the alternative, the Property Applicants are not insolvent, and as such they (together with their assets) should be excluded from the CCAA process.

V. SUBSIDIARILY, NO ORDER SHOULD BE GRANTED BECAUSE THE APPLICANTS ARE NOT ACTING IN GOOD FAITH

74. The CCAA requires that the Applicant act in good faith and the actions of the Applicants herein do not support such a finding. Accordingly, no Amended and Restated Initial Order should be granted.

75. Leaving aside the circumstances, which led to the accumulation of debts on the part of the Operating Applicants, which includes the misappropriation of significant international student tuition funds, including the portion thereof that should have paid for their health insurance premiums, the Applicants have not been forthcoming to the Court with respect to material facts in the Initial Applicant.

76. While the Applicants are requesting an Administration Charge to prime the security granted by the Property Applicants to Firm Capital, they failed to disclose that the Principals had already provided security for such fees to them.

77. In fact, Caroline Manstantuono and Giuseppe Manstantuono, as trustees of the Caroline Bonneville Trust, together with 11707868 Canada Inc. ("**11707868**"), which is a non-Applicant company that appears to be owned by Joseph Mastantuono according to the enterprise registrar report for such company communicated with the Warner Affidavit as **Exhibit FC-10**, hypothecated the following two properties in favour of their attorneys, Kaufman Lawyers LLP, for \$750,000 plus an additional hypothec of \$150,000, (the "**Kaufman Hypothec**"), the whole in order to secure RPI's present and future obligations to such lawyers:

- a. 39-42 Ire Street, in St-Adolphe de Howard, Quebec (the "**St-Adolphe Property**");
and
- b. 168 rue Milton in Lasalle, Quebec (the "**Milton Property**").

A copy of the Kaufman Hypothec was communicated with the Warner Affidavit as **Exhibit FC-11**:

78. As appears from the Kaufman Hypothec dated December 7, 2021, the security granted to Kaufman Lawyers LLP secures an existing indebtedness of \$200,000 plus:

“the payment of all future professional fees and any and all obligations, direct and indirect, present and future, of any nature whatsoever, incurred by the Debtor (RPI), whether alone or with others, as the principal debtor, guarantor, or in any other capacity, towards the Creditor (Kaufman Lawyers LLP)”

79. It is also noteworthy that Caroline Manstantuono represented to Firm Capital, in the context of the application for financing and to support the Guarantee, that she personally owned the St-Adolphe Property on April 14, 2021, valued at \$750,000, when in fact, she had gifted such property to the “Caroline Mastantuono Trust” a few weeks prior on March 26, 2021. A copy of Ms. Manstantuono’s personal net worth statement (under seal) and the Deed of Donation were communicated with the Warner Affidavit as **Exhibits FC-8 and FC-9**.
80. As appears from the enterprise registrar report for 11707868, such company’s head office is in the same premises as RPI’s offices located at 2140 de la Montagne Street in Montreal.
81. As also appears therefrom, from the time of its incorporation on October 29, 2019 until December 1, 2020, Caroline Bonneville (Mastantuono) and Christina Manstantuono were also directors of such company, Caroline as President and Christina as Vice President, Secretary and Treasurer.
82. Although owned and controlled by the same parties and operating out of the same premises as RPI, 11707868 was not included as an Applicant in these CCAA proceedings, and was not referenced in the Applicants’ materials
83. In addition to the Milton Property still owned by 11707868, between January 17, 2020, and June 2, 2021, 11707868 bought and sold the following real estate:

Address	Lot	Acquisition	Purchase Price	Sale	Selling Price
139 Larente Street	1930932	17-Jan-20	\$ 393,000.00	16-Dec-20	\$ 356,000
517-519 Oka Street	1930706	17-Jan-20	\$ 615,000.00	16-Dec-20	\$ 675,000
7506 Chouinard Street	4666969	16-Mar-20	\$ 695,000.00	03-May-21	\$ 710,000
2376 Chopin Street	1451126	08-May-20	\$ 505,000.00	12-Mar-21	\$ 540,000
1976 Pigeon Street	4680598	10-Jul-20	\$ 615,000.00	02-Jun-21	\$ 685,000
		Total:	\$ 2,823,000.00	Total:	\$ 2,966,000.00

Copies of the indexes of immovables for these properties are attached hereto *en liasse* as **Exhibit FC-13**.

84. Although the Applicants are seeking to prime the Real Estate to the detriment of Firm Capital and contrary to the very basis on which the Firm Capital Loan was approved and structured, the Applicants failed to disclose in the Initial Application or to the Court:
- (a) the existence and previous activities of 11707868;
 - (b) the two previously unencumbered properties (at least until December 7, 2021) that it owns; and
 - (c) that less than 4 weeks before the filing of the Application, the attorneys who are seeking a priming Administration Charge were granted a hypothec for \$750,000 (plus an additional hypothec of \$150,000) on those properties to secure their past (\$200,000) and future professional fees.

85. The Applicants are not acting in good faith or transparently with the Court, and accordingly, the Amended and Restated Initial Order should be refused.

FOR THESE REASONS, FIRM CAPITAL RESPECTFULLY REQUESTS THAT THIS HONOURABLE COURT:

ORDER that, to the extent that any Interim Lending Charge, Administration Charge and/or Directors' Charge shall be granted by this Court, that such charges shall not be granted any priority over the Firm Capital Security.

ALTERNATIVELY:

REJECT the Applicants' Request for an Amended and Restated Initial Order as it relates to the Property Applicants.

SUBSIDIARILY:

DISMISS the Applicants' Application for an Amended and Restated Initial Order.

THE WHOLE, with costs.

Montreal, January 13, 2022

Fishman Flanz Meland Paquin LLP

**FISHMAN FLANZ MELAND PAQUIN
LLP**

Co-Attorneys for Firm Capital Mortgage
Fund Inc.

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Fund Inc.

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

SUPERIOR COURT

(Commercial Division)

(Sitting as a court designated pursuant to the Companies'
Creditors Arrangement Act, R.S.C. 1995, c. 36, as
amended)

N°: 500-11-060613-227

***IN THE MATTER OF THE PLAN OF COMPROMISE
OR ARRANGEMENT OF:***

RISING PHOENIX INTERNATIONAL INC.

- and -

10864285 CANADA INC.

- and -

11753436 CANADA INC.

- and -

CDSQ IMMOBILIER INC.

- and -

COLLÈGE DE L'ESTRIE INC.

- and -

**ÉCOLE D'ADMINISTRATION ET DE
SECRÉTARIAT DE LA RIVE SUD INC.**

- and -

9437-6845 QUÉBEC INC.

- and -

9437-6852 QUÉBEC INC.

Applicants

and

RICHTER ADVISORY GROUP INC.

Monitor

AFFIDAVIT OF MICHAEL WARNER

**RE CONTESTATION OF FIRM CAPITAL MORTGAGE FUND INC. TO THE
APPLICANTS' REQUEST FOR AN AMENDED AND RESTATED INITIAL ORDER**

Dated January 13, 2022

I, **MICHAEL WARNER**, businessman, domiciled for the purposes hereof at 163 Cartwright Avenue, City of Toronto, solemnly declare as follows:

A. INTRODUCTION

1. I am the Senior Vice President, Lending of Firm Capital Mortgage Fund Inc. (“**Firm Capital**”).
2. I have personal knowledge of the matters to which I hereinafter depose, except where my knowledge is based on information and belief, in which case I believe such information to be true. All capitalized terms not herein defined shall have the meanings set out in the Initial Order (as defined below).
3. The present Affidavit is sworn in support of Firm Capital’s Contestation of the relief sought by Rising Phoenix International Inc. (“**RPI**”), 10864285 Canada Inc. (“**M College**”), 11753436 Canada Inc. (“**Gatineau**”), CDSQ Immobilier Inc. (“**CDSQ**”), Collège de l’Estrie Inc. (“**CDE**”), École D’administration et de Secrétariat de la Rive Sud Inc. (“**CCSQ**”), 9437-6845 Québec Inc. (“**Immoco CDE**”), and 9437-6852 Québec Inc. (“**Immoco CCSQ L**”) (collectively, the “**Applicants**”) under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”).
4. In their Application for an Amended and Restated Initial Order, the Applicants are asking *inter alia* for the Court to order that a proposed Administration Charge, Directors’ Charge and Interim Facility Charge (each as defined below and collectively, the “**Priming Charges**”) rank ahead of the first-ranking immovable hypothec held by Firm Capital (the “**Firm Capital Security**”) over certain immovable properties (the “**Real Estate**”) owned by CDSQ, Gatineau, Immoco CDE and Immoco CCSQ L (collectively, the “**Property Applicants**”). However, the Priming Charges will provide no benefit to the Property Applicants, who are solvent, or their creditors, and in particular Firm Capital. Rather, the Priming Charges will benefit RPI, CDE, CDSQ and M College (collectively, the “**Operating Applicants**”), which are related to, but distinct from, the Property Applicants, by providing such Operating Applicants with working capital to liquidate their business operations, and reduce the liabilities of their principals to the mass of creditors of the Operating Applicants.
5. The Priming Charges, if granted, would diminish the value of the Firm Capital Security, and in effect, result in a substantive consolidation of the Applicants, which is contrary to the legal and operational functions of the Applicants, as well as the basis upon which Firm Capital extended credit to CDSQ.

B. INITIAL APPLICATION AND THE CCAA PROCEEDINGS

6. On January 6, 2022, in the middle of the day, Firm Capital was served with the Applicants' initial application (the "**Initial Application**") to seek an Initial Order from the Quebec Superior Court (Commercial List) (the "**Court**") under the CCAA, which was returnable the following day on January 7, 2022.
7. No advance warning whatsoever was given to Firm Capital prior to January 6, 2022 of the Applicants' intent to institute CCAA proceedings and to seek to prime the Firm Capital Security. The institution of the Initial Application came as a complete surprise to Firm Capital, and we were compelled to take extraordinary measures to engage local and Quebec legal counsel to be able to appear on our behalf the following day in Court.
8. The relief sought by the Applicants in the Initial Application included a request for a super-priority charge to secure the fees of the Applicants' counsel, the Monitor and its counsel, in the amount of \$150,000 (the "**Administration Charge**") and a super priority charge in favour of the Applicants' directors and officers in the amount of \$75,000 (the "**Directors' Charge**"), both of which the Applicants requested to rank in priority to the existing Firm Capital Security over the Real Estate of the Property Applicants.
9. The Applicants failed to disclose to this Court that shortly before the filing of these proceedings by the Applicants, the senior principal of the Applicants (which has also personally guaranteed the Firm Capital Loan (as defined below)) hypothecated an immovable property owned by her family trust (after such property was gifted by her to the trust for no consideration) in favour of Applicants' counsel to secure payment of existing and future legal fees to be incurred by the Applicants in an amount of \$750,000, the whole as is more fully described herein.
10. In the Initial Application, the Applicants also provided their proposed form of Amended and Restated Initial Order, wherein they ask the Court to approve, among other things, (i) an increase of the Administration Charge to \$500,000, (ii) an interim financing facility term sheet (the "**Interim Financing Term Sheet**") providing for an interim facility in the amount of \$1.75 million (the "**Interim Financing Facility**") from Gestion Levy Inc. (the "**Proposed Interim Lender**"), and (iii) a super priority charge in favour of the Proposed Interim Facility Lender in the amount of \$2.1 million (the "**Interim Lender's Charge**") which they are also asking that Court order to rank ahead the Firm Capital Security.
11. Further to discussions during the evening of January 6, 2022 between Firm Capital's counsel and counsel to the Applicants and the Monitor, the Applicants agreed that, for the purposes of the Initial Order, the proposed Administration Charge and Directors' Charge would be subordinated to the Firm Capital Security, pending any order from the Court

indicating otherwise, so that the parties could engage in discussion regarding the relief being sought at the Comeback Hearing.

12. In particular, the Interim Financing Term Sheet, a copy of which has been provided to Firm Capital on a confidential basis, purportedly creates a “right of first refusal” (the “**ROFR**”) for Firm Capital to provide interim facility funding on substantially the same terms as the Interim Financing Term Sheet, with a break fee and costs being payable to the Proposed Interim Lender.
13. Rather than first engaging with Firm Capital to explore the possibility of interim financing, as we would have expected being first-ranking secured creditor, the Applicants entered into a commercially unreasonable transaction with the Proposed Interim Lender to attempt to force Firm Capital to increase its exposure at the risk of being primed.
14. The Court granted the limited first-day relief requested by the Applicants by way of an initial order (the “**Initial Order**”) on January 7, 2022, which was not contested, without prejudice to the arguments that any party may wish to make at the Comeback Hearing, which is scheduled for January 14, 2022.
15. After careful review of the situation, Firm Capital maintains its position that the Priming Charges, which benefit the Operating Applicants and their creditors to the detriment of the Property Applicants, should not rank in priority to the Firm Capital Security over the assets of the Property Applicants, which bear no responsibility for the debts of the Operating Applicants.

C. THE FIRM CAPITAL LOAN

16. In February 2021, Firm Capital Corporation was introduced to RPI who was seeking bridge financing.
17. Firm Capital Corporation is a private lender listed on the Toronto Stock Exchange specializing in bridge mortgage lending.
18. Pursuant to a Commitment Letter dated March 29, 2021 (the “**FCC Commitment Letter**”), Firm Capital Corporation agreed to grant a first-ranking hypothecary loan on the Real Estate (the “**Firm Capital Loan**”) in the maximum principal amount of \$5.75 million to CDSQ, one of the Property Applicants, for a term of 18 months, with interest at the greater of 8.25% per annum, or prime plus 5.5% per annum. The FCC Commitment Letter was assigned to Firm Capital.
19. Pursuant to the terms of the FCC Commitment Letter, Firm Capital held back from the amounts advanced at closing (a) an interest reserve (the “**Interest Reserve**”) in the amount of \$475,000 to pay the monthly interest payments under the Firm Capital Loan

for the first 12 months, following which, CDSQ is required to make the monthly interest payments when due from its own resources, and (b) a property tax reserve (the “**Property Tax Reserve**” and together with the Interest Reserve, the “**Reserves**”) in the amount of \$275,000 to pay the property tax payments for the Real Estate for the first 12 months, which CDSQ is required to top up upon 30 days’ notice.

20. Pursuant to the FCC Commitment Letter, CDSQ was permitted to repay the Firm Capital Loan, without penalty, after nine (9) months, with 30 days’ notice.

D. THE GUARANTEES AND SECURITY

21. The Firm Capital Loan is guaranteed by each of the other Applicants, save and except for M College, together with Caroline Mastantuono, Christina Mastantuono, and Joseph Mastantuono (the “**Principals**”) pursuant to a full recourse guarantee dated April 15, 2021 (the “**Guarantee**”), a copy of which is attached hereto as **Exhibit FC-1**.
22. The Firm Capital Loan is secured by way of a first-ranking immovable hypothec on the Real Estate owned by the Property Applicants, as follows:

Property Applicant	Address
CDSQ	174 Boul. Sainte-Foy, Longueuil , Quebec (the “ St-Foy Property ”)
Gatineau	115 rue Champlain, Gatineau, Quebec (the “ Gatineau Property ”)
Immoco CCSQ L	910 boul. Cure-Poirier Ouest, Longueuil l, Quebec (the “ Cure-Poirier Property ”)
Immoco CDE	37 Wellington, Sherbrooke, Quebec (the “ Wellington Property ”)

A copy of the Deed of Hypothecary Loan dated April 15, 2021 (the “**Firm Capital Hypothec**”) was included with the Initial Application as Exhibit R-11.

23. The Firm Capital Security includes a first-ranking charge on the present and future leases, revenues and insurance proceeds relating to the Real Estate, which hypothec has been duly published in the Register of Personal and Movable Real Rights (the “**RPMRR**”).

E. UNDERWRITING CONSIDERATIONS IN RESPECT OF THE FIRM CAPITAL LOAN

24. The Firm Capital Loan is a real estate loan, which was made to, and guaranteed by, single purpose real property holding companies that do not own any other assets and are not involved with the operations of the Operating Applicants.
25. Two of the four Property Applicants, Immoco CCSQ L and Immoco CDE, were incorporated less than a month before the Firm Capital Loan was disbursed, as appears from the Enterprise Registrar reports to such entities, copies of which were included with the Initial Application as Exhibits R-8 and R-9.
26. As appears from their respective indexes of immovables, attached hereto *en liasse* as **Exhibit FC-2**, Immoco CCSQ L and Immoco CDE acquired the Cure-Poirier Property and the Wellington Property from CCSQ and CDE respectively approximately one week before registration of the Firm Capital Hypothec on April 15, 2021.
27. Firm Capital did not make any assessment of the Operating Applicants' operations beyond verification that there were leases in place with sufficient rental income associated therewith, which leases were also pledged to Firm Capital.
28. The separation of the Operating Applicants from the Property Applicants had the effect of insulating the Property Applicants from any liability for the debts and operations of the Operating Applicants, such that the Principals of the Applicants would benefit from ownership of the Property Applicants even if the Operating Applicants would become insolvent.
29. This structure provided comfort to Firm Capital in its underwriting decision, which decision was made on the basis of the value of the Real Estate. Firm Capital was prepared to lend money secured by the real estate assets of the distinct single purpose Property Applicants without having its real estate security put at risk for the debts and liabilities of the Operating Applicants.
30. The Pre-Filing Report of the Proposed Monitor dated January 6, 2022 (the "**Report**") shows that Immoco CCSQ L and Immoco CDE have no debts to anyone other than in connection with the Guarantee, and while CDSQ and Gatineau have very minor third-party debts, the vast majority of their debts are related party debts, which predate the disbursement of the Firm Capital Loan, and which have been subordinated to Firm Capital. Immoco CCSQ L and Immoco CDE have not produced any year-end financial statements.
31. The purpose of structuring the ownership of the Real Estate by way of single purpose entities in this matter was to avoid a scenario in which the Real Estate would be exposed due to liquidity concerns relating to the Operating Applicants.

F. THE PROPOSED USE OF THE INTERIM FINANCING FACILITY

32. The Cash Flow Forecast (the “**Cash Flow Forecast**”) for the period January 6, 2022 to April 1, 2022 (the “**Cash Flow Period**”) appended as Exhibit C to the Report shows that the proposed use of the Interim Financing Facility is, for the most part, to fund restructuring costs and ongoing operations of the Operating Applicants.
33. The Cash Flow Forecast shows that no revenue whatsoever will be received by the Applicants other than from disbursement of the Interim Financing Facility.
34. Through its counsel, Firm Capital asked the Monitor to clarify certain items in the Cash Flow Forecast and was advised of the breakdown of various forecasted expenses, as appears from the exchange of correspondence attached hereto as **Exhibit FC-3**.
35. As appears therefrom, significant amounts are projected to be spent in connection with M College, which is not a guarantor of the Firm Capital Loan and does not operate in premises owned by any of the Property Applicants, including to pay rent (\$109,090), and this, while the Cash Flow Forecast does not foresee any rent payments being made to the Property Applicants pursuant to the leases.
36. Although the Applicants suggest that one of the objectives is to find a buyer for their assets, this appears to be exceedingly difficult to achieve for the following reasons, *inter alia*:
 - a) The business model of the Applicants does not appear to be viable as a result of changes regarding the processing and acceptance rate for foreign students, which is the *raison d’etre* of the business of the Applicants;
 - b) Serious loss of business as a result of the arrest and fraud charges laid against certain of the Principals;
 - c) The absence of full time, qualified professors at the colleges of the Applicants as opposed to part-time contract workers;
 - d) The international damage to the business and reputation, occasioned by the insolvency of the Operating Applicants, including in India which is the primary source of students attending the colleges of the Applicants; and
 - e) The systematic use of tuition funds for purposes other than the payment of insurance premiums and educational services for its students who specifically paid Applicants in advance for such insurance and educational services.

G. CURRENT STATUS OF THE FIRM CAPITAL LOAN AND DEFAULTS

37. Given that the Cash Flow Forecast does not include monthly interest payments in respect of the Firm Capital Loan, Firm Capital anticipates that the Applicants expect such amounts to be paid from the Interest Reserve, without providing sufficient funding to replenish such reserve once depleted, leaving Firm Capital's security position deteriorated and at risk.
38. As at January 10, 2022:
- (a) the total principal balance outstanding under the Firm Capital Loan owing by CDSQ is \$5,750,000, plus accruing interest and accrued and accruing costs (the "**Indebtedness**"); and
 - (b) the amount remaining in the Interest Reserve is \$156,583.90 and the amount remaining in the Property Tax Reserve is \$127,305.72, both of which are expected to be entirely depleted by May 2022.
39. Furthermore, upon reviewing the Initial Application and Report, Firm Capital learned that two subsequent encumbrances were granted on the Real Estate without Firm Capital's prior approval, in breach of the terms of both the FCC Commitment Letter and the Firm Capital Hypothec, namely:
- (a) A hypothec against the Cure-Poirier Property in favour of Lavery de Billy, LLP in the amount of \$400,000 published on December 22, 2021; and
 - (b) A hypothec against the Gatineau Property in favour of RPI, in the amount of \$1.635 million published on December 9, 2021.

H. INSUFFICIENCY OF THE FIRM CAPITAL SECURITY TO SUPPORT THE INTERIM FINANCING FACILITY

40. The Applicants have not provided any updated appraisals of the Real Estate, and Firm Capital has serious reason to believe that the value thereof does not support the incursion of the additional debts in connection with the Priming Charges.

41. The appraisals, attached as confidential Exhibit D to the Report, are all over a year old, and thus, are stale:

Property	Appraisal Date
St-Foy Property	September 2020
Gatineau Property	October 13, 2020
Cure-Poirier Property	June 2020
Wellington Property	June 2020

42. Moreover, these appraisals rely on various assumptions that are no longer valid, namely, the intended uses of the Real Estate and the existence of operating tenants.
43. For example, in the case of Gatineau, the appraiser evaluated the property based on the assumption that such property would continue to be used as an educational facility. In fact, the “Appraisal Purpose” was the following:

To estimate the current market value, in use, in consideration of the continuity of the work of teaching and education for mortgage financing purposes. [as translated]

Estimer le valeur marchande actuelle, en usage, en considération de la continuité de l'œuvre d'enseignement et d'éducation pour fins de financement hypothécaire [original]

44. Since the service of the Initial Application, Firm Capital has sought and obtained updated valuation letters for the Real Estate, the whole as appears from letters dated January 11, 2022, from Marcus & Millichap, attached hereto under seal, as **Exhibit FC-4**.
45. As appears from Exhibit FC-4, the appraisal values referenced in the Initial Application and in the Report appear to be unrealistic and unreliable. Based on my experience in these matters, the net proceeds from the sale of the Real Estate, even if the targeted values are attained, would be reduced by approximately 7% to take into account real estate commissions, closing costs and adjustments, as well as by legal and professional fees and related expenses. Finally, there is little likelihood that the Real Estate can be sold within 90 days, and any additional delay would necessarily increase the carrying costs associated therewith.

46. Based on a waterfall analysis attached hereto under seal as **Exhibit FC-5**, the Priming Charges, if granted, would very likely result in Firm Capital suffering a loss under the Firm Capital Loan.

I. MISREPRESENTATIONS BY THE APPLICANTS' PRINCIPALS TO FIRM CAPITAL

47. It has very recently come to the attention of Firm Capital that the Applicants and their Principals made serious misrepresentations in the context of the application for the Firm Capital Loan.
48. Firstly, in addition to the related party tenants, the Applicants advised Firm Capital of a third-party lease to a dentist's office located in the St-Foy Property and to a third-party school in the Wellington Property.
49. While the Principals advised Firm Capital in or around March 2021 that the dentist's office had renewed its lease in March 2019 for 5 years, and provided a copy of the renewal notice thereof, the Monitor has since advised us that the Applicants had consented in May 2021 to an earlier termination in or around October 30, 2020. A copy of the renewal notice provided to Firm Capital is attached hereto as **Exhibit FC-6** and the Monitor's January 11, 2022 letter is included with **Exhibit FC-3**.
50. The Monitor's letter also advises that a third-party tenant, École de Secrétariat Notre-Dame-Des-Neiges (1985) Inc. ("**ESNDN**"), which leases space in the Wellington Property, had been paying its monthly rent by setting off such rent against amounts purportedly owed by CDE (and not by Immoco CDE, the current landlord) to such tenants for tuition. This was never disclosed to Firm Capital, which had been advised that ESNDN was a paying rent to Immoco CDE as stipulated in its lease, a copy of which lease is attached hereto as **Exhibit FC-7**.
51. Secondly, the Principals made serious misrepresentations on their net worth statements provided to Firm Capital in support of the Guarantee; in particular, in terms of the purported value of the Applicant companies which have now filed for CCAA protection. Copies of the three personal net worth statements are attached hereto under seal *en liasse* as **Exhibit FC-8**.
52. In addition, and egregiously, in her net worth statement Caroline Mastantuono swore that she owned an unencumbered property in St-Adolphe de Howard, Quebec (the "**St-Adolphe Property**") valued at \$750,000. Although her personal net worth statement was signed on April 14, 2021, Caroline Mastantuono had in fact gifted the St-Adolphe Property to the "Caroline Mastantuono Trust" a few weeks prior on March 26, 2021. A copy of the Deed of Donation is attached hereto as **Exhibit FC-9**.

J. PROPERTY INTENTIONALLY EXCLUDED FROM THE CCAA PROCEEDINGS AND PERTINENT INFORMATION NOT DISCLOSED IN THE INITIAL APPLICATION

53. We have recently learned that Caroline Mastantuono, through her trust, together with RPI and a non-Applicant company 11707868 Canada Inc. (“**11707868**”), which appears to be wholly owned by Joseph Mastantuono as appears from the enterprise registrar report for such company attached hereto as **Exhibit FC-10**, hypothecated the Saint-Adolphe Property in favour of their attorneys, Kaufman Lawyers LLP, for \$750,000 plus an additional hypothec of \$150,000, (the “**Kaufman Hypothec**”), the whole in order to secure RPI’s present and future obligations to such lawyers. A copy of the Kaufman Hypothec is attached hereto as **Exhibit FC-11**.
54. As appears from the Kaufman Hypothec dated December 7, 2021, the security granted to their attorneys secures an existing indebtedness of \$200,000 plus:
- “the payment of all future professional fees and any and all obligations, direct and indirect, present and future, of any nature whatsoever, incurred by the Debtor (RPI), whether alone or with others, as the principal debtor, guarantor, or in any other capacity, towards the Creditor (Kaufman Lawyers LLP)”*
55. The Kaufman Hypothec also hypothecates in favor of Kaufman Lawyers LLP an immovable bearing civic address 168 Milton Street, in Lachine (the “**Milton Property**”).
56. Indexes of immovables in respect of the Saint-Adolphe Property and the Milton Property are attached hereto *en liasse* as **Exhibit FC-12**.
57. The existence of the Kaufman Hypothec was not disclosed in the Initial Application, despite that the Applicants were asking for additional security for their counsel by way of the Administration Charge.
58. As appears from the enterprise registrar report for 11707868, such company’s head office is in the same premises as RPI’s offices located at 2140 de la Montagne Street in Montreal.
59. As also appears therefrom, from the time of its incorporation on October 29, 2019 until December 1, 2020, Caroline Bonneville (Mastantuono) and Christina Manstantuono were also directors of such company, Caroline as President and Christina as Vice President, Secretary and Treasurer.

60. In addition to the Milton Property still owned by 11707868, between January 17, 2020, and June 2, 2021, 11707868 bought and sold the following real estate:

Address	Lot	Acquisition	Purchase Price	Sale	Selling Price
139 Larente Street	1930932	17-Jan-20	\$ 393,000.00	16-Dec-20	\$ 356,000
517-519 Oka Street	1930706	17-Jan-20	\$ 615,000.00	16-Dec-20	\$ 675,000
7506 Chouinard Street	4666969	16-Mar-20	\$ 695,000.00	03-May-21	\$ 710,000
2376 Chopin Street	1451126	08-May-20	\$ 505,000.00	12-Mar-21	\$ 540,000
1976 Pigeon Street	4680598	10-Jul-20	\$ 615,000.00	02-Jun-21	\$ 685,000
		Total:	\$ 2,823,000.00	Total:	\$ 2,966,000.00

Copies of the indexes of immovables for these properties are attached hereto *en liasse* as **Exhibit FC-13**.


61. Although owned and controlled by the same parties and operating out of the same premises as RPI, 11707868 was not included as an Applicant in these CCAA proceedings, and was not referenced in the Applicants' materials.
62. All of the facts alleged herein are true.

AND I HAVE SIGNED




MICHAEL WARNER

Solemnly declared before me by videoconference
this 13th day of January, 2022



Commissioner of Oaths for Quebec



LIST OF EXHIBITS

- FC-1. Full Recourse Guarantee dated April 15, 2021
- FC-2. Index of Immovables for Immoco CCSQ L and Immoco CDE
- FC-3. Exchange of correspondence between counsel to Firm Capital and the Monitor, dated January 8, 2022 and January 9, 2022
- FC-4. Valuation letters from Marcus & Millichap dated January 11, 2021
- FC-5. Waterfall analysis of Firm Capital
- FC-6. Renewal Notice dated March 18, 2019
- FC-7. École de Secrétariat Notre-Dame-Des-Neiges (1985) Inc. Lease
- FC-8. Personal Net Worth Statements of Caroline Mastantuono, Joseph Manstantuono and Christina Mantantuono, *en liasse*
- FC-9. Deed of Donation dated March 26, 2021
- FC-10. Enterpirse registrar report for 11707868 Canada Inc.
- FC-11. Kaufman Hypothec
- FC-12. Index of Immovables in respect of the St-Adolphe Property and the Milton Property
- FC-13. Indexes of Immovables for the properties 11707868

FULL RECOURSE GUARANTEE

This guarantee is made as of April 15, 2021 ("**Guarantee**") by **11753436 CANADA INC., COLLEGE DE L'ESTRIE INC., ÉCOLE D'ADMINISTRATION ET DE SÉCRÉTARIAT DE LA RIVE SUD INC., RISING PHOENIX INTERNATIONAL INC., 9437-6845 QUEBEC INC., 9437-6852 QUEBEC INC., 9437-6829 QUEBEC INC., Joseph MASTANTUONO, Caroline MASTANTUONO, and Christina MASTANTUONO** (the aforementioned corporations and individuals are collectively referred to herein as the "**Guarantor**" and such term refers to each of them individually if applicable) in favour of **FIRM CAPITAL MORTGAGE FUND INC.** (the "**Lender**").

WHEREAS the Lender is making a loan to **CDSQ IMMOBILIER INC.** (the "**Borrower**"), in the original principal amount of FIVE MILLION SEVEN HUNDRED FIFTY THOUSAND Canadian dollars (Cdn \$5,750,000.00) (the "**Loan**") pursuant to a hypothecary loan commitment by FIRM CAPITAL CORPORATION ("**FCC**") dated March 29, 2021, which were accepted by the Borrower and the Guarantor on April 1, 2021, (as the same may be further amended, modified, supplemented, revised, restated or replaced from time to time, hereinafter collectively referred to as the "**Commitment Letter**") and which Commitment Letter has been transferred and / or assigned by FCC to the Lender (and the Guarantor hereby accepts such transfer and / or assignment), and secured by a first priority hypothec dated as of April 15, 2021 (the "**Hypothec**") of certain lands and premises described in Schedule A (as more particular described in the Hypothec, the "**Property**"). As a condition of the Loan, the Guarantor has agreed to provide this Guarantee to the Lender. Unless otherwise defined herein, the capitalized terms and expressions used in this Guarantee have the same meaning as set out in the Hypothec. In this Guarantee "**Province**" means the Province of Québec.

In this Guarantee, unless something in the subject matter or context is inconsistent therewith:

"**Borrower Entity**" means the Borrower, each Guarantor, and each Person having any registered, unregistered or beneficial ownership interest in all or any part of the Property from time to time, and if any Borrower Entity is a general or limited partnership, each general partner and limited partner comprising such partnership;

"**CCQ**" means the *Civil Code of Québec*;

"**Costs**" means all fees, costs, charges and expenses of the Lender for or incidental to (i) preparing, executing and registering the Loan Documents and making each advance of the Loan; (ii) collecting, enforcing and realizing on or under the Loan or the Loan Documents, including any workout or modification of the Loan or the Loan Documents agreed to by the Lender in its sole discretion; (iii) inspecting, protecting, securing, completing, insuring, repairing, equipping, taking and keeping possession of, administering, managing, selling or leasing the Property, the whole in a reasonable manner, and all other protective disbursements or just allowances which may be added to principal or otherwise secured by the Loan Documents; (iv) appointing a manager, an administrator or other Person with similar powers (under the other Loan Documents) in respect of any Person or property and all fees, costs and expenses of such manager, administrator or other Person and their respective agents, as reasonably required; (v) obtaining any environmental audits or other inspections, tests or reports with respect to the Property; (vi) complying with any notices, orders, judgments, directives, permits, licenses, authorizations or approvals with respect to the Property; (vii) performing the obligations of any Borrower Entity under the Loan Documents; (viii) all reasonable legal fees and disbursements in connection with any of the foregoing matters, on a full indemnity or equivalent basis; (ix) without limiting the foregoing, any other amounts, fees, costs, charges or expenses payable or reimbursable to the Lender Entity under or in respect of the Loan, any of the Loan Documents and/or applicable laws; and (x) all applicable taxes on all amounts, fees, costs, charges and expenses otherwise

included in "Costs". "Costs" also include interest at the interest rate set forth in the Hypothec on all such fees, costs, charges and expenses (and applicable taxes) from the date incurred until paid to the Lender;

"Event of Default" means any of the events constituting default under the Hypothec.

"Loan Documents" means, collectively, all documents, instruments, agreements and opinions now or hereafter creating, evidencing, securing, guaranteeing and/or relating to the Loan or any part thereof from time to time, including, without limitation, the Commitment Letter, the Hypothec, and this Guarantee; and

"Person" means any individual, general or limited partnership, joint venture, sole proprietorship, corporation, unincorporated association, trust, trustee, executor, administrator, or legal representative.

NOW THEREFORE in consideration of the premises and the covenants and agreements herein contained, the sum of \$10.00 now paid by the Lender to the Guarantor and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the Guarantor), the Guarantor covenants and agrees with and in favour of the Lender as follows:

ARTICLE 1 - GUARANTEE

Section 1.01 Guarantee.

The Guarantor hereby unconditionally and irrevocably solidarily guarantees payment and performance by the Borrower to the Lender of all the debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to the Lender or remaining unpaid or unsatisfied by the Borrower to the Lender with respect to the Loan (hereinafter collectively referred to as the "**Obligations**"), together with interest thereon at the Interest Rate and all Costs.

Section 1.02 Primary Obligation.

If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 1.01 or the Lender is not indemnified under Section 1.02, in each case, for any reason whatsoever, such Obligations will, as a separate and distinct obligation, be performed by the Guarantor as primary obligor.

Section 1.03 Guarantee Absolute.

The liability of the Guarantor hereunder will be absolute and unconditional and will not be impaired or limited by, or otherwise affected by: (a) any lack of validity or enforceability of any agreements between the Lender and any Borrower Entity, including any of the Loan Documents or any change in the time, manner or place of payment of or in any other term of such agreements or the failure on the part of any Borrower Entity to carry out any of its obligations under such agreements; (b) any impossibility, impracticability, frustration of purpose, illegality, *force majeure* or act of government; (c) the bankruptcy, winding-up, liquidation, dissolution or insolvency of, or any other change in, any Borrower Entity, the Lender or any other party to any agreement to which the Lender is a party, including without limitation, any change in the constitution of any partnership comprising the Lender or any Borrower Entity (including the Guarantor); (d) any lack or limitation of power, incapacity or disability on the part of any Borrower Entity or the Lender or of the directors, partners or agents thereof or any other irregularity, defect or informality on the part of any Borrower Entity in its obligations to the Lender; (e) any extension or renewal of the Loan or other obligation under the Loan Documents; (f) any sale or assignment of the Loan or any transfer of the Property; (g) the withdrawal

or removal of the Guarantor from any current or future position of ownership, management or control of any Borrower Entity or the Property; (h) the accuracy or inaccuracy of the representations and warranties made by any Borrower Entity in any of the Loan Documents; (i) the release of any Borrower Entity or other Person from performance or observance of any obligation contained in any of the Loan Documents, by operation of law, voluntary act or otherwise; (j) the release or substitution in whole or in part of any security or collateral for the Loan, including any defeasance; (k) the failure of any Person to record, register, perfect, protect, secure or ensure the Lender's security; (l) the modification of any Loan Document; (m) the exercise of any remedies against the Property, any Borrower Entity or other Person; (n) any course of dealings by the Lender with the Property, any Borrower Entity or any other Person; or (o) any other law, regulation or other circumstance which might otherwise constitute a defence available to, or a discharge of, any Borrower Entity in respect of any or all of the Obligations.

The liability of the Guarantor hereunder will be for the full amount of the Obligations without apportionment, limitation or restriction of any kind.

If more than one Person is named as or otherwise becomes liable for or assumes the obligations and liabilities of the Guarantor hereunder, then all such Persons will be solidarily (jointly and severally) liable for the payment and performance of such obligations and liabilities and each Person named as Guarantor or who otherwise becomes liable for or assumes the obligations and liabilities of the Guarantor. The liabilities and obligations of the Guarantor hereunder are solidary with each other and with those of the Borrower and the Guarantor hereby expressly renounces the benefit of discussion (article 2347 of the CCQ) the benefit of division (article 2349 of the CCQ) and the application of article 2363 of the CCQ.

Section 1.04 Acknowledgement of Documentation and Environmental Indemnification

The Guarantor acknowledges receipt of a true and complete copy of the Commitment Letter, of the terms and conditions thereof and of the Loan Documents.

ARTICLE 2 - DEALINGS WITH BORROWER AND OTHERS

Section 2.01 No Release.

The liability of the Guarantor hereunder will not be released, discharged, limited or in any way affected by anything done, suffered or permitted by the Lender in connection with any duties or liabilities of any Borrower Entity to the Lender or any security therefor including any loss of or in respect of any security received by the Lender. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability hereunder, the Lender may discontinue, reduce, increase or otherwise vary the credit of any Borrower Entity in any manner whatsoever without the consent of or notice to the Guarantor and may either with or without consideration and both before and after an Event of Default:

- (a) make any change in the time, manner or place of payment under, or in an other term of, any agreement between any Borrower Entity and the Lender;
- (b) grant time, renewals, extensions, indulgences, releases and discharges to any Borrower Entity;
- (c) take or abstain from taking or enforcing securities or collateral from any Borrower Entity or from perfecting securities or collateral of any Borrower Entity;
- (d) accept compromises from any Borrower Entity;

- (e) apply all money at any time received from any Borrower Entity or from securities upon such part of the Obligations as the Lender may see fit or change any such application in whole or in part from time to time as the Lender may see fit; and
- (f) otherwise deal with any Borrower Entity and all other Persons and securities as the Lender may see fit.

Without limiting the foregoing, the Guarantor hereby irrevocably consents to any extension, renewal or amendment of the Loan and/or any of the Loan Documents made by the Lender and the Borrower from time to time and acknowledges and agrees that this Guarantee will remain in full force and effect and will continue to apply and be binding on it for the benefit of the Lender with respect to all of the Obligations (as extended, renewed or amended thereby), notwithstanding any such extension, renewal or amendment.

ARTICLE 3 - CONTINUING GUARANTEE

Section 3.01 Continuing Guarantee.

This Guarantee will be a continuing guarantee of the Obligations and will apply to and secure any ultimate balance due or remaining due to the Lender and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Lender. The Guarantor will not be released or discharged from any of its obligations hereunder except upon payment of the total amount guaranteed hereunder together with interest thereon as provided in Section 4.01 and all Costs. This Guarantee will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Lender upon the occurrence of any action or event including the insolvency, bankruptcy or reorganization of any Borrower Entity or otherwise, all as though such payment had not been made. Any account settled or stated in writing by or between the Lender and the Borrower will be *prima facie* evidence that the balance or amount thereof appearing due to the Lender is so due.

ARTICLE 4 - DEMAND AND INTEREST

Section 4.01 Demand and Interest.

The Lender will be entitled to make demand upon the Guarantor at any time upon the occurrence of any Event of Default that is continuing (as defined in the Hypothec) and upon such Event of Default that is continuing the Lender may treat all Obligations as due and payable and may forthwith collect from the Guarantor the total amount guaranteed hereunder whether or not such Obligations are yet due and payable at the time of demand for payment hereunder. The Guarantor will make payment to the Lender of the total amount guaranteed hereunder forthwith after demand therefor is made to the Guarantor. The Guarantor will pay interest to the Lender at the interest rate (as defined in the Hypothec) on the unpaid portion of all amounts payable by the Guarantor under this Guarantee, such interest to accrue from and including the date of demand by the Lender on the Guarantor. The Lender will not be bound or obligated to exhaust its recourse against any Borrower Entity or other Persons or any securities or collateral it may hold or take any other action before being entitled to demand payment from the Guarantor hereunder. In any claim by the Lender against the Guarantor, the Guarantor may not assert any set-off or counterclaim that either the Guarantor or any Borrower Entity may have against the Lender. The Guarantor will pay all reasonable costs and expenses incurred by the Lender in enforcing this Guarantee.

ARTICLE 5 - ASSIGNMENT, POSTPONEMENT AND SUBROGATION

Section 5.01 Assignment, Postponement and Subrogation.

HEREIN INTERVENES:

GIUSEPPE MASTANTUONO (the “**Intervenant**”);

All debts and liabilities, present and future, of the Borrower to any party comprising the Guarantor or Intervenant are hereby assigned to the Lender and postponed to the Obligations, and all money received by any party comprising the Guarantor or Intervenant in respect thereof will be held in trust for the Lender and forthwith upon receipt will be paid over to the Lender, the whole without in any way lessening or limiting the liability of the Guarantor hereunder and this assignment and postponement is independent of the Guarantee and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and paid in full. The Guarantor or Intervenant will not be entitled to subrogation until the Obligations are performed and paid in full.

ARTICLE 6 - GENERAL

Section 6.01 Benefit of the Guarantee.

The Guarantor acknowledges and agrees that the Lender may hold the Loan, this Guarantee and the other Loan Documents either for its own account and/or as custodian and agent for all Persons having or acquiring an ownership interest in the Loan from time to time and this Guarantee will enure to the benefit of the Lender and each such Person and their respective successors and assigns (whether or not any such Persons are a party hereto). The Guarantor agrees that the Lender will be entitled to hold and enforce all rights and hold the benefit of this Guarantee on behalf and for the benefit of itself and each such Person. Without limiting the foregoing, the Guarantor further agrees that all enforcement actions or proceedings may be brought by the Lender under the Loan and this Guarantee on behalf of itself and all Persons having or acquiring an ownership interest in the Loan from time to time and waives any requirement that any such person be a party to any such actions or proceedings. This Guarantee will be binding upon the Guarantor and its heirs, legal representatives, successors and assigns. Where any reference is made in this Guarantee to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to, a trust, such reference will be construed and applied for all purposes as if it referred to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to, the trustee(s) of the trust. The Loan, the Loan Documents (including this Guarantee) or any interest therein may be sold, transferred or assigned by the Lender and/or any other Person having or acquiring an ownership interest in the Loan from time to time at any time and to any Person as it may determine in its sole discretion without restriction and without notice to or the consent of the Guarantor, any other Borrower Entity or Person.

Section 6.02 Entire Agreement.

This Guarantee constitutes the entire agreement between the Guarantor and the Lender with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties with respect to the subject matter of this Guarantee except as expressly set forth herein. The Lender

will not be bound by any representations or promises made by the Borrower to the Guarantor and possession of this Guarantee by the Lender will be conclusive evidence against the Guarantor that the Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with.

Section 6.03 Amendments and Waivers.

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Lender. No waiver of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

Section 6.04 Severability.

If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

Section 6.05 Notices.

Any demand, notice or other communication to be made or given to the Guarantor in connection with this Guarantee may be made or given by personal delivery or by registered mail addressed to the Guarantor as follows:

2140 rue de la Montagne, 3rd Floor
Montréal Québec H3G 1Z7

(or to the last known address of the Guarantor as shown in the Lender's records). Any demand, notice or communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof, and if given by registered mail, on the third Business Day following deposit thereof in the mail.

Section 6.06 Financial Statements.

The Guarantor will furnish to the Lender promptly upon demand by Lender from time to time financial statements of the Guarantor, in form and substance acceptable to the Lender as more particularly set forth in the Commitment Letter.

Section 6.07 Commitment Letter

The provisions and conditions of the Commitment Letter shall survive the execution and delivery of the Hypothec and the advance of funds under the Loan and shall form part of the Hypothec, and the default of the Borrower in respect of its obligations pursuant to the terms of the Commitment Letter shall constitute a default pursuant to the terms of the Hypothec entitling the Lender to exercise all its rights in virtue of the Hypothec. The terms, conditions, representations and warranties expressed in the Commitment Letter shall continue in effect as long as any part of the Loan remains outstanding and shall bind and enure to the benefit of the personal representatives, heirs, successors and assigns of the Lender, of the Borrower and of each Sureties, if any. Furthermore, the Guarantor recognizes that in the event of any conflict between the provisions of the Commitment Letter, the Hypothec, or any other loan documents, or any discrepancy between any such documents, the provisions of the Commitment Letter shall prevail.

Section 6.08 Governing Law.

This Guarantee will be governed by and construed in accordance with the laws of the Province and the laws of Canada applicable therein without application of any principle of conflict of laws which

may result in laws other than the laws in force in such Province applying to this Guarantee; and the Guarantor consents to the jurisdiction of the courts of such Province and irrevocably agrees that, subject to the Lender's election in its sole discretion to the contrary, all actions or proceedings arising out of or relating to this Guarantee may be litigated in such courts and the Guarantor unconditionally accepts the non-exclusive jurisdiction of the said courts and waives any defense of *forum non-conveniens*, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Guarantee, provided nothing herein will affect the right to serve process in any other manner permitted by law or will limit the right of the Lender to bring proceedings against the Guarantor or the Borrower in the courts of any other jurisdiction.

Section 6.09 General.

The Guarantor acknowledges having received and reviewed a copy of the Commitment Letter (including all amendments thereto made up to and including the Loan advance), the Hypothec, this Guarantee and each of the other Loan Documents.

Section 6.10 Counterparts.

This Guarantee may be executed in several counterparts, each of which when so executed will be deemed to be an original and which counterparts together will constitute one and the same instrument.

Section 6.11 Language.

The parties acknowledge that they have required that this Agreement and all related documents be prepared in English. *Les parties reconnaissent avoir exigé que la présente convention et tous les documents connexes soient rédigés en anglais.*

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the date set out above and acknowledges receipt of a fully executed copy thereof.


11753436 CANADA INC.

Per: 
Name: Joseph Mastantuono
Title: President


COLLEGE DE L'ESTRIE INC.

Per: 
Name: Joseph Mastantuono
Title: President

ÉCOLE D'ADMINISTRATION ET DE SECRÉTARIAT DE LA RIVE SUD INC.

Per: 
Name: Joseph Mastantuono
Title: President


RISING PHOENIX INTERNATIONAL INC.

Per: 
Name: David J. Dropsy
Title: Authorized signatory

9437-6845 QUEBEC INC.

Per: 
Name: Joseph Mastantuono
Title: President

9437-6852 QUEBEC INC.

Per: 
Name: Joseph Mastantuono
Title: President

9437-6829 QUEBEC INC.

Per: 
Name: Joseph Mastantuono
Title: President



JOSEPH MASTANTUONO



CAROLINE MASTANTUONO



CHRISTINA MASTANTUONO



GIUSEPPE MASTANTUONO

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Circonscription foncière : Chambly	Dates de mise à jour du Registre
Cadastre : Cadastre du Québec	Droits : 2022-01-05 15:13
Lot : 3 224 001	Radiations : 2021-09-16 14:42
Date d'établissement : 2008-02-28 09:00	Soumis à l'article 19 de la Loi sur le cadastre
Plan : Liste des plans	
Concordance : Lot(s) 141-668-1 , 141-669 , 141-670 et 141-691-2-1 Paroisse de Saint-Antoine-de-Longueuil.	

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2015-12-03	22 005 268	Hypothèque	Créancier Débiteur	BANQUE NATIONALE DU CANADA ÉCOLE D'ADMINISTRATION ET DE SECRÉTARIAT DE LA RIVE SUD INC.	750 000,00 \$	6 003 689	T 25 482 717
2020-06-02	25 420 653	Hypothèque	Créancier Constituant	ÉCOLE D'ADMINISTRATION ET DE SECRÉTARIAT DE LA RIVE SUD INC. RISING PHOENIX INTERNATIONAL INC. / PHÉNIX ASCENDANT INTERNATIONAL INC.	10 970 000,00 \$-	7 036 148 7 036 018	
Inscription 25 420 653 du 2020-06-02 raturée et modifiée le 2020-10-21 à 15:11							
2020-06-02	25 420 653	Hypothèque	Créancier Constituant	RISING PHOENIX INTERNATIONAL INC. / PHÉNIX ASCENDANT INTERNATIONAL INC. ÉCOLE D'ADMINISTRATION ET DE SECRÉTARIAT DE LA RIVE SUD INC.	10 970 000,00 \$	7 036 148 7 036 018	
Inscription 25 420 653 du 2020-06-02 modifiée le 2020-10-21 à 15:11 (Parties)							
2020-10-21	Inscription 25 420 653 du 2020-06-02 modifiée à 15:11						
2020-11-20	25 864 215	Hypothèque	Créancier Constituant	BUSINESS DEVELOPMENT BANK OF CANADA / BANQUE DE DÉVELOPPEMENT DU CANADA ÉCOLE D'ADMINISTRATION ET	5 500 000,00 \$	6 000 349	T 26 096 894

				DE SECRÉTARIAT DE LA RIVE SUD INC.			
2020-11-20	25 864 215	Cession de rang hypothécaire	Cédant Cessionnaire	RISING PHOENIX INTERNATIONAL INC. / PHÉNIX ASCENDANT INTERNATIONAL INC. BUSINESS DEVELOPMENT BANK OF CANADA / BANQUE DE DÉVELOPPEMENT DU CANADA	Réf. : 25 420 653		T 26 096 894
2021-02-22	26 079 982	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 500 000,00 \$	7 068 664	T 26 303 389
2021-02-22	26 079 982	Cession de rang hypothécaire	Cédant Cessionnaire	RISING PHOENIX INTERNATIONAL INC. 9435-5831 QUEBEC INC.	Réf. : 25 420 653, 25 420 659, 25 420 665		T 26 303 389
2021-03-01	26 099 108	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 000 000,00 \$	7 068 664	T 26 303 389
2021-03-01	26 099 108	Cession de rang hypothécaire	1re part 2e part	9435-5831 QUEBEC INC. 9435-5831 QUEBEC INC.	Réf. : 26 079 982 Égalité de rang		T 26 303 389
2021-03-01	26 099 108	Cession de rang hypothécaire	Cédant Cessionnaire	RISING PHOENIX INTERNATIONAL INC. 9435-5831 QUEBEC INC.	Réf. : 25 420 653, 25 420 659, 25 420 665		T 26 303 389
2021-04-07	26 195 227	Vente	Vendeur Acheteur	École d'administration et de secrétariat de la Rive-Sud inc. 9437-6852 Québec inc.	965 000,00 \$		
2021-04-15	26 216 044	Hypothèque	Créancier Constituant	FIRM CAPITAL MORTGAGE FUND INC. CDSQ IMMOBILIER INC. 9437-6852 QUEBEC INC. et autres	5 750 000,00 \$	6 760 251	
2021-12-23	26 925 380	Hypothèque	Créancier Constituant	LAVERY, DE BILLY, LIMITED LIABILITY PARTNERSHIP 9437-6852 QUEBEC INC.	400 000,00 \$		
2021-12-23	26 925 380	Cession de rang hypothécaire	Cédant Cessionnaire	RISING PHOENIX INTERNATIONAL INC. LAVERY, DE BILLY, LIMITED LIABILITY PARTNERSHIP	Réf. : 25 420 653		

	Radiations	Mention
T	25 482 717	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 22 005 268 est supprimée.

	Radiations	Mention
T	26 096 894	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 25 864 215 est supprimée pour la circonscription foncière de Chambly.

	Radiations	Mention
T	26 096 894	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 25 864 215 est supprimée pour la circonscription foncière de Chambly.

	Radiations	Mention
T	26 303 389	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée pour la circonscription foncière de Chambly.

	Radiations	Mention
T	26 303 389	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée pour la circonscription foncière de Chambly.

	Radiations	Mention
T	26 303 389	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la circonscription foncière de Chambly.

	Radiations	Mention
T	26 303 389	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la circonscription foncière de Chambly.

	Radiations	Mention
T	26 303 389	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la circonscription foncière de Chambly.

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Circonscription foncière : Sherbrooke	Dates de mise à jour du Registre
Cadastre : Cadastre du Québec	Droits : 2022-01-05 14:19
Lot : 1 030 881	Radiations : 2021-09-16 16:00
Date d'établissement : Soumis à l'article 19 de la Loi sur le cadastre	
Plan : Liste des plans	
Concordance :	

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
Voir section numérisée pour les inscriptions antérieures à 2002-05-21							
2009-01-21	15 906 526	Hypothèque	Créancier Débiteur	Banque Nationale du Canada Collège de l'Estrie Inc.	750 000,00 \$	6 003 689	T 25 482 717
2009-01-27	15 917 789	Vente	Vendeur Acheteur	9039-3208 Québec Inc. Collège de L'Estrie Inc.	1 100 000,00 \$		
2009-01-27	15 917 789	Hypothèque	Créancier Débiteur	9039-3208 Québec Inc. Collège de L'Estrie Inc.	350 000,00 \$	6 448 853	T 19 281 333
2009-01-27	15 917 789	Droit de résolution	Vendeur Acheteur	9039-3208 Québec Inc. Collège de L'Estrie Inc.			T 19 281 333
2009-01-27	15 917 789	Cession de rang hypothécaire	Cédant Cessionnaire	9039-3208 Québec Inc. Banque Nationale du Canada	Réf. : 15 906 526		
2020-06-02	25 420 659	Hypothèque	Créancier Constituant	COLLÈGE DE L'ESTRIE INC. RISING PHOENIX INTERNATIONAL INC. / PHÉNIX ASCENDANT INTERNATIONAL INC.	10 970 000,00 \$-	- 7 036 148 - 7 036 019	-
Inscription 25 420 659 du 2020-06-02 raturée et modifiée le 2020-10-21 à 15:06							
2020-06-02	25 420 659	Hypothèque	Créancier Constituant	RISING PHOENIX INTERNATIONAL INC. / PHÉNIX ASCENDANT INTERNATIONAL INC. COLLÈGE DE L'ESTRIE INC.	10 970 000,00 \$	7 036 148 7 036 019	
Inscription 25 420 659 du 2020-06-02 modifiée le 2020-10-21 à 15:06 (Parties)							
2020-10-21	Inscription 25 420 659 du 2020-06-02 modifiée à 15:06						
2020-11-20	25 864 239	Hypothèque	Créancier	BUSINESS DEVELOPEMENT BANK OF CANADA / BANQUE	5 500 000,00 \$	6 000 349	T 26 096 905

			Constituant	DE DÉVELOPPEMENT DU CANADA COLLÈGE DE L'ESTRIE INC.			
2020-11-20	25 864 239	Cession de rang hypothécaire	Cédant	RISING PHOENIX INTERNATIONAL INC. / PHÉNIX ASCENDANT INTERNATIONAL INC.	Réf. : 25 420 659		I 26 096 905
			Cessionnaire	BUSINESS DEVELOPEMENT BANK OF CANADA / BANQUE DE DÉVELOPPEMENT DU CANADA			
2021-02-22	26 079 982	Hypothèque	Créancier	9435-5831 QUEBEC INC.	1 500 000,00 \$	7 068 664	I 26 303 468
			Constituant	11753436 CANADA INC. 11707868 CANADA INC. et autres			
2021-02-22	26 079 982	Cession de rang hypothécaire	Cédant	RISING PHOENIX INTERNATIONAL INC.	Réf. : 25 420 653, 25 420 659, 25 420 665		I 26 303 468
			Cessionnaire	9435-5831 QUEBEC INC.			
2021-03-01	26 099 108	Hypothèque	Créancier	9435-5831 QUEBEC INC.	1 000 000,00 \$	7 068 664	I 26 303 468
			Constituant	11753436 CANADA INC. 11707868 CANADA INC. et autres			
2021-03-01	26 099 108	Cession de rang hypothécaire	1re part	9435-5831 QUEBEC INC.	Réf. : 26 079 982		I 26 303 468
			2e part	9435-5831 QUEBEC INC.	Égalité de rang		
2021-03-01	26 099 108	Cession de rang hypothécaire	Cédant	RISING PHOENIX INTERNATIONAL INC.	Réf. : 25 420 653, 25 420 659, 25 420 665		I 26 303 468
			Cessionnaire	9435-5831 QUEBEC INC.			
2021-04-07	26 195 275	Vente	Vendeur	Collège de l'Estrée inc.	1 215 000,00 \$		
			Acheteur	9437-6845 Québec inc.			
2021-04-15	26 216 044	Hypothèque	Créancier	FIRM CAPITAL MORTGAGE FUND INC.	5 750 000,00 \$	6 760 251	
			Constituant	CDSQ IMMOBILIER INC. 9437-6852 QUEBEC INC. et autres			

	Radiations	Mention
T	25 482 717	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 15 906 526 est supprimée.

	Radiations	Mention
T	19 281 333	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 15 917 789 est supprimée.

	Radiations	Mention
T	19 281 333	L'inscription du droit de résolution résultant du document ou de la réquisition N° 15 917 789 est supprimée.

	Radiations	Mention
T	26 096 905	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 25 864 239 est supprimée.

	Radiations	Mention
T	26 096 905	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 25 864 239 est supprimée.

	Radiations	Mention
T	26 303 468	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée pour la circonscription foncière de Sherbrooke.

	Radiations	Mention
T	26 303 468	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée pour la circonscription foncière de Sherbrooke.

	Radiations	Mention
T	26 303 468	L'inscription des droits hypothécaires résultant du document ou de

	la réquisition N° 26 099 108 est supprimée pour la circonscription foncière de Sherbrooke.
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	Radiations	Mention
T	26 303 468	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la circonscription foncière de Sherbrooke.

	Radiations	Mention
T	26 303 468	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la circonscription foncière de Sherbrooke.

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Section référence : Sherbrooke - Cadastre du Québec - 1 030 881

Numéro d'inscription	Remarques	Avis d'adresse	Radiations
Acte au long			
477 805			I 15 960 320

INDEX DES IMMEUBLES

FC-2

CIRCONSCRIPTION FONCIERE DE: Sherbrooke

CADASTRE DU QUEBEC

LOT N°: 1 030 881

CONCORDANCE AVEC LE(S) LOT(S) SUR LEQUEL (LESQUELS) LE TITRE S'EXERÇAIT:

N° DE FEUILLET CARTOGRAPHIQUE

ZONE DE REPERAGE

Ville de Sherbrooke (quartier centre)
193-2

21E05-010-2509


C-6

DATE D'ÉTABLISSEMENT: **1996 -09- 19 à 9 heures**

SIGNATURE DE L'OFFICIER:

(Voir le document joint au plan pour le nom du propriétaire, le mode d'acquisition, le numéro d'inscription du titre de propriété et la concordance avec le lot mentionné au titre d'acquisition)



AVIS D'ADRESSE	NOMS DES PARTIES	NATURE DE L'ACTE	INSCRIPTION		REMARQUES	RADIATIONS
			DATE	N°		
	<i>Soc. Immo. I. O. M. / Pact. F. L. Inc.</i>	<i>vente</i>	<i>96-9-24</i>	<i>459762</i>	<i>cad.</i>	
	<i>" " " " i.a. 9039-3208 Côte Monté"</i>	<i>"</i>	<i>"</i>	<i>459763</i>	<i>195.000 "payé"</i>	
	<i>Soc. Immo. I. O. M. / Pact. F. L. Inc. " " " "</i>	<i>Ratification</i>	<i>96-9-24</i>	<i>459786</i>	<i>re: 459763, 459762</i>	
<i>87824</i>	<i>Ben. Nat. Can. de 9039-3208 Québec Tr.</i>	<i>Hypo</i>	<i>98-05-29</i>	<i>477805</i>	<i>350,000⁰⁰⁰</i>	
	<i>9039-3208 Qué Inc à re collège de l'Escluse Inc</i>	<i>Avis bail</i>	<i>2002-05-07</i>	<i>514631</i>	<i>9 ans</i>	
Index aux immeubles  2002876017						

INDEX DES IMMEUBLES

FC-2

CIRCONSCRIPTION FONCIÈRE DE

CADASTRE DU QUÉBEC LOT N°:

AVIS D'ADRESSE	NOMS DES PARTIES	NATURE DE L'ACTE	INSCRIPTION		REMARQUES	RADIATIONS
			DATE	N°		

	Radiations	Mention
T	15 960 320	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 477 805 est supprimée.

BY EMAIL

January 8, 2022

Me Joseph Reynaud
STIKEMAN ELLIOTT S.E.N.C.R.L., S.R.L.
1155 René-Lévesque Blvd. West
41st Floor
Montréal, Québec, H3B 3V2

-and-

Olivier Benchaya
RICHTER ADVISORY GROUP INC.
The Richter Tower
1981 McGill College, #1100
Montreal, QC, H3A 0G6

Re: 500-11-060613-227 - In the matter of the plan of arrangement and
compromise of: Rising Phoenix International Inc. and al.
(collectively, the “**Applicants**”)
Request for information and documents

Dear colleagues,

As you are aware, we are counsel to Firm Capital Corporation/Firm Capital Mortgage Fund Inc. in respect of the above-referenced matter.

Further to our review of the Monitor’s Amended Pre-Filing Report (the “**Report**”), we require from the Monitor the following additional information and/or responses to the following preliminary questions:

1. In respect of the consolidated cash-flow projections (the “**Cash Flow**”) of the Applicants for the period January 6, 2022 to April 1, 2022 (the “**Cash Flow Period**”) attached as

Exhibit “C” to the Report, please provide a breakdown of the following line items by Applicant, and provide the additional information hereafter requested in respect of same:

- Rent
 - Without limitation, indicate whether the rent forecasted to be paid is the rent for the premises leased by 10864285 Canada Inc. (“**M College**”).
 - Salaries
 - Indicate the number of active employees per Applicant and the total salaries each Applicant is responsible for during the Cash Flow Period.
 - Educational Services
 - Indicate what services are being provided, and provide a breakdown of these costs by the applicable Applicant.
 - Municipal Taxes
 - Indicate for which property or properties the referenced municipal taxes relate, and provide a breakdown of these costs by the applicable Applicant.
 - Utilities
 - Indicate for which property or properties the referenced utilities relate, and provide a breakdown of these costs by the applicable Applicant.
 - Other operating expenses
 - Provide details of these expenses, and which Applicants are responsible for which components thereof.
 - Student Insurance
 - Provide the breakdown of these expenses by the number of students at each of the Applicant colleges, being the M College, Collège de L’Estrie Inc., and École d’Administration et de Secrétariat de la Rive Sud Inc..
2. Explain why no revenue is shown in the Cash Flow in respect of the leases to third parties at the property located at 174 Boulevard St-Foy, in Longueil.

3. We note that there are differences in the presentation of the Cash Flow in the Report and in the Interim Financing Term Sheet (R-23). Would you indicate whether the cash flow in R-23 is superseded by the Cash Flow filed by the Monitor with the Court?
 - a. There is no line item for property insurance on the Cash Flow included in the Report. Using the cash flow in R-23, provide a breakdown by Applicant of the property insurance to be paid over the Cash Flow Period.
 - b. Please explain the change in the forecasted projection regarding student insurance in the cash flow in R-23 and the Cash Flow in the Report.
4. In the chart at paragraph 41 of the Report, provide a breakdown of the non-related party trade-payables owed by 11753436 Canada Inc. (i.e., “Gatineau”) and CDSQ Immobilier Inc.
5. Is there or has there ever been a relationship, business or personal, between any of the Applicants and/or their directors, and the owner/landlord of the premises in which M College operates? If so, provide the details of such relationship(s).
6. Are all of the colleges currently operational? Are the number of students per college in the first two columns of the chart at paragraph 17 of the Report all currently active students taking classes at each of the four colleges?
7. It was asserted before the Court that the names of the student creditors were being kept confidential so as to preserve the possibility that the colleges could be sold as a going concern without the possibility of another party attempting to “poach” those students. Are we to understand that there is an expectation that a potential purchaser on a going concern basis will assume the colleges’ obligations to the students who have already pre-paid their tuition?
8. The expiry date for the due diligence period provided for in the letter of intent in respect of the property located at 115 Champlain Street in Gatineau (Exhibit R-22) is nearly over. What indication, if any, has the potential purchaser provided that it intends to proceed with an offer and sale?

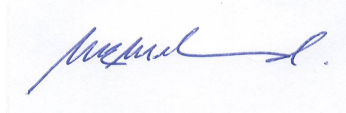
Given the compressed timeframe in this matter, we would appreciate being provided with the additional information requested herein by Monday morning. If anything requested in this letter is not readily available, would you please provide the responses to us on a rolling basis.

We wish to inform you that our client is in the process of seeking valuation updates from the appraisers of the properties on which it holds security. If our client receives such updates, we will provide them to you on a confidential basis when received.

The updated valuations and the responses to this letter are required by our client in order to pursue discussions concerning the CCAA proceedings and any potential interim financing.

Yours truly,

FISHMAN FLANZ MELAND PAQUIN LLP



Mark E. Meland

MEM/

c.c. Me Tina Silverstein, Fishman Flanz Meland Paquin LLP
D.J. Miller and Rachel Nicholson, Thornton Grout Finnigan LLP
Martin P. Jutras and Steven M. Shein, Kaufman Lawyers LLP
Nathalie Nouvet and William Rodier-Dumais, Stikeman Elliott LLP
Andrew Adessky and Shawn Travitsky, Richter Advisory Group Inc.

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January 9, 2022

BY EMAIL

Mark E. Meland
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 1250, boul. René-Lévesque Ouest, Suite
 4100
 Montreal, Quebec, H3B 4W8

RE: 500-11-060613-227, In the matter of the plan of arrangement and compromise of Rising Phoenix International Inc. and al (collectively, the "Applicants")

Dear Colleague:

Our client, Richter Advisory Group Inc. (the "**Monitor**" or "**Richter**"), in its capacity as Monitor to the Applicants, has instructed us to send you this letter in response to your letter and request for information and documents dated January 8, 2022.

More specifically, this letter outlines the answers to the following questions.

Question 1: In respect of the consolidated cash-flow projections (the "Cash Flow") of the Applicants for the period January 6, 2022 to April 1, 2022 (the "Cash Flow Period") attached as Exhibit "C" to the Report, please provide a breakdown of the following line items by Applicant, and provide the additional information hereafter requested in respect of same.

a) Rent: Without limitation, indicate whether the rent forecasted to be paid is the rent for the premises leased by 10864285 Canada Inc. ("M College").

The rent included in the Cash Flow is for (i) a period of three (3) months for M College and (ii) a period of two (2) months for the head office for Rising Phoenix International Inc. ("**RPI**"). It has been estimated that a three (3) month period is required for M College, since this will be the time required to graduate as many students as possible and conduct a sale process. The other premises are owned by the Applicants and accordingly no rent disbursement has been reflected.

The rent breakdown is as follows:

Rising Phoenix International Inc. ("RPI")	20,580
10864285 Canada Inc. ("M College")	109,090
Total	<u>\$ 129,670</u>

- b) *Salaries: Indicate the number of active employees per Applicant and the total salaries each Applicant is responsible for during the Cash Flow Period.*

The Cash Flow, as broken down below, reflects salaries for seven (7) key employees (in administration, student services, accounting and education) who will provide services in the various schools in order to handle all student matters and graduate students over a period of two (2) months, starting as of the return to classes (which, as explained below, is scheduled to commence on January 17, 2022).

RPI	80,000
M College	25,000
College de l'Estrie Inc. ("CDE")	18,750
Ecole d'Administration et de Secretariat de la Rive-Sud Inc. ("CCSQ")	12,500
Total	<u>\$ 136,250</u>

Caroline Bonneville Mastantuono, Christina Manstantuono and Joseph Mastantuono continue to oversee the administration of the Applicants and will not be drawing any salaries throughout the Cash Flow Period.

- c) *Educational Services: Indicate what services are being provided, and provide a breakdown of these costs by the applicable Applicant.*

The amount for Educational Services, broken down below, reflects the direct costs that are required in order to graduate students over the next two (2) months. These costs include, *inter alia*, teaching hours, hours for correcting, remedial work hours, as well as grading and submission of grades.

M College	45,000
CDE	20,000
CCSQ	10,000
Total	<u>\$ 75,000</u>

- d) *Municipal Taxes: Indicate for which property or properties the referenced municipal taxes relate, and provide a breakdown of these costs by the applicable Applicant.*

The amounts reproduced below and contained in the Cash Flow for municipal taxes reflects the first instalment of municipal taxes due in the Cash Flow Period, which estimate is based on the amounts owing for this same period in 2021.

11753436 Canada Inc. ("Gatineau")	88,000	First of 2 instalments
CDSQ Immobilier Inc. ("CDSQ")	13,000	First of 4 instalments
9437-6852 Quebec Inc. ("Immoco CCSQ L")	3,500	Annual
9437-6845 Quebec Inc. ("Immoco CDE")	-	First instalment due in June 2022
Total	<u>\$ 104,500</u>	

- e) *Utilities: Indicate for which property or properties the referenced utilities relate, and provide a breakdown of these costs by the applicable Applicant.*

The below breakdown for each of the properties and Applicants is based on most recent run rates and includes a one-month deposit to the utility companies.

RPI	4,300
M College	12,000
Gatineau	28,000
Immoco CCSQ L / CDSQ / CCSQ	20,000
Immoco CDE / CDE	16,000
Total	<u>\$ 80,300</u>

- f) *Other operating expenses: Provide details of these expenses, and which Applicants are responsible for which components thereof.*

The other operating expenses, broken down below, reflect the estimated operating costs to graduate students over the next two (2) months, as well as maintenance of the buildings. These costs include education and accounting software, building maintenance and insurance as well as a general operating cost provision of \$45,000 for unexpected issues.

RPI	43,000
M College	20,000
CDE	25,000
CCSQ	25,000
Gatineau	29,800
Total	<u>\$ 142,800</u>

- g) *Student Insurance: Provide the breakdown of these expenses by the number of students at each of the Applicant colleges, being the M College, Collège de L'Estrie Inc., and École d'Administration et de Secrétariat de la Rive Sud Inc..*

This amount, broken down below, reflects post-filing emergency hospital and medical insurance for active students (which includes 484 students for January from partner schools) at an estimated cost of approximately \$1.50 per day.

	Number of students		
M College	688	93,000	3 months of insurance
CDE	220	30,000	3 months of insurance
CCSQ	269	36,000	3 months of insurance
RPI (ISI and CCSQ Sherbrooke partner schools)	484	25,000	1 month of insurance
	<u>1,661</u>	<u>\$ 184,000</u>	

Question 2: Explain why no revenue is shown in the Cash Flow in respect of the leases to third parties at the property located at 174 Boulevard St-Foy, in Longueil.

The Monitor is advised that the company has no third party tenants at the St-Foy location. The lease for the previous tenant (a dentist office) expired in May 2021.

Question 3: We note that there are differences in the presentation of the Cash Flow in the Report and in the Interim Financing Term Sheet (R-23). Would you indicate whether the cash flow in R-23 is superseded by the Cash Flow filed by the Monitor with the Court?

The Cash Flow filed by the Monitor in the Amended Pre-Filing Report is the most up-to-date Cash Flow and the one that should be referred to. The primary difference pertains to student insurance costs (see our answer to your question 3(b) below), as well as an updated opening cash balance.

- a) There is no line item for property insurance on the Cash Flow included in the Report. Using the cash flow in R-23, provide a breakdown by Applicant of the property insurance to be paid over the Cash Flow Period.**

The proposed Interim Lender requested that the property insurance be shown separately as part of the signed interim financing agreement. Due to the immaterial amount of the property insurance, it was grouped with 'Other operating expenses' in the Cash Flow contained in the Monitor's Amended Pre-Filing Report.

- b) Please explain the change in the forecasted projection regarding student insurance in the cash flow in R-23 and the Cash Flow in the Report.**

The difference pertains to the additional amount that was projected in January for ISI and CCSQ Sherbrooke students that were recruited by RPI.

Question 4: In the chart at paragraph 41 of the Report, provide a breakdown of the non-related party trade-payables owed by 11753436 Canada Inc. (i.e., "Gatineau") and CDSQ Immobilier Inc.

The breakdown of non-related trade payables for each of Gatineau and CDSQ is as follows:

Gatineau

Centre de Service scolaire des Portages-de-l'Outaousis	5,242
Revenu Quebec	1,060
Lavery Law	374
	\$ 6,676

CDSQ

De Grandpre Chait	119,576
9359-1295 Quebec Inc. (Fortex)	9,986
Deneigement Rafale	1,207
	\$ 130,769

Question 5: Is there or has there ever been a relationship, business or personal, between any of the Applicants and/or their directors, and the owner/landlord of the premises in which MCollege operates? If so, provide the details of such relationship(s).

To the best of the Monitor's knowledge, having consulted with the Applicants, no such relationship exists.

Question 6: Are all of the colleges currently operational? Are the number of students per college in the first two columns of the chart at paragraph 17 of the Report all currently active students taking classes at each of the four colleges?

While all colleges are technically operational, they have been on holiday break since November 30, 2021. The students in the first two columns of the chart at paragraph 17 of the Amended Pre-Filing Report were expected to return on January 10, 2022, however, in light of the rising Covid cases, as well as the recent government guidelines and restrictions, the start of classes has been postponed to January 17, 2022. The costs in the Cash Flow reflect only the graduation of 501 students over the next two (2) months, the current expectation is therefore that only these 501 students will return to complete their studies. However, the Monitor, working with the Applicants, is also assessing whether any additional students can graduate by the end of March 2022.

Question 7: It was asserted before the Court that the names of the student creditors were being kept confidential so as to preserve the possibility that the colleges could be sold as a going concern without the possibility of another party attempting to “poach” those students. Are we to understand that there is an expectation that a potential purchaser on a going concern basis will assume the colleges’ obligations to the students who have already pre-paid their tuition?

The Monitor is already in the process of setting up discussions with parties who have expressed some preliminary interest in purchasing the colleges on a going concern basis, and accordingly, all options, including the assumption of students by a potential purchaser are being explored.

Question 8: The expiry date for the due diligence period provided for in the letter of intent in respect of the property located at 115 Champlain Street in Gatineau (Exhibit R-22) is nearly over. What indication, if any, has the potential purchaser provided that it intends to proceed with an offer and sale?

The Applicants have reached out to the potential purchaser to confirm his most recent intentions, however have not received any response as of yet.

We remain available should you have any questions in relation to the above.

Yours Truly,

STIKEMAN ELLIOTT LLP



Nathalie Nouvet

BY EMAIL

January 11, 2022

Me Joseph Reynaud
Me Nathalie Nouvet
STIKEMAN ELLIOTT S.E.N.C.R.L., S.R.L.
1155 René-Lévesque Blvd. West
41st Floor
Montréal, Québec, H3B 3V2

Re: 500-11-060613-227 - In the matter of the plan of arrangement and
compromise of: Rising Phoenix International Inc. and al.
(collectively, the “**Applicants**”)

Dear colleagues,

We are writing to advise you that following our review of the Applicants’ Application for an Initial Order and an Amended and Restated Initial Order (the “**Application**”), the Monitor’s Amended Pre-Filing Report (the “**Report**”), as well as the additional answers and information received from the Monitor’s counsel, our instructions are to contest the Applicants’ Application on behalf of our client, Firm Capital Mortgage Fund Inc. (“**Firm Capital**”).

As you are aware, in April 2021 (well after the challenges arose relating to COVID-19 that are now used as a pretext to justify the current filing), Firm Capital made a loan to CDSQ Immobilier Inc. (“**CDSQ**”) in the amount of \$5,750,000 (the “**CDSQ Loan**”), which loan is guaranteed, *inter alia*, by 11753436 Canada Inc. (“**Gatineau**”), 9435-6852 Québec Inc. (“**Immoco CCSQ L**”), and 9437-6845 Québec Inc. (“**Immoco CDE**”) (collectively with CDSQ, the “**Property Applicants**”) and secured by first ranking immovable hypothecs on the properties located at 174 St-Foy Street (the “**St-Foy Property**”), 115 Champlain Street (the “**Gatineau Property**”), 910 Curé-Poirier (the “**Cure-Poirier Property**”) and 29-37 Wellington Street North (the “**Wellington Property**”) (collectively the “**Real Estate**”), all of which are owned by the Property Applicants respectively.

As you are also aware, our client did not lend to Rising Phoenix International Inc. (**RPI**), nor to any of the three colleges owned by the other Applicant companies, namely, École d'Administration et de Secrétariat de la Rive-Sud Inc. (“**CCSQ**”), Collège de l'Estrie Inc. (“**CDE**”), and 10864285 Canada Inc. (“**M College**”) (collectively with RPI, the “**Operating**

Applicants”) and the Operating Applicants do not have any ownership interest whatsoever in the Real Estate which secures the CDSQ Loan.

Firm Capital’s underwriting decision in respect of the CDSQ Loan was based on the value of the Real Estate, whose owners (the Property Applicants) are both legally and operationally distinct from the Operating Applicants. Firm Capital relied on these separate corporate identities when extending credit, and accepting the security over the Real Estate as a condition of the loan.

In this context, the Applicants’ request to implement the proposed interim financing (the “**DIP**”) charge, the administration charge and the directors’ and officers’ charge (collectively the “**Priming Charges**”) in the Amended and Restated Initial Order, in order to provide funding for the operations of the Operating Applicants is clearly improper. Indeed, the Priming Charges would divert value from the assets of the solvent Property Applicants for the benefit of legally and operationally distinct and insolvent Operating Applicants, at the direct expense of Firm Capital, which never agreed to assume any risks in connection with the Operating Applicants’ activities. This is, in effect, an attempt at substantive consolidation, which is clearly inappropriate in these circumstances.

Furthermore, the Property Applicants have no liability whatsoever to the creditors of the Operating Applicants, including the students, who, unfortunately, are the victims of the misappropriation of funds by the Operating Applicants and their principals, Caroline Mastantuono, Christina Mastantuono and Joseph Mastantuono (the “**Principals**”).

Moreover, the Property Applicants are not insolvent, and their inclusion as Applicants is unfounded on this basis alone. Indeed, Immoco CSSQ L and Immoco CDE do **not** have any debts to any creditors other than in connection with their guarantees to Firm Capital. In the case of CDSQ and Gatineau, these entities owe relatively small amounts to third parties, with their most significant debt being owed exclusively to related parties and fully subordinated to Firm Capital in the CDSQ Loan documentation. There is no justification for the secured creditor of these entities to be primed in favor of creditors of legally and operationally distinct entities as is being proposed by the Applicants.

While the Monitor has suggested that the Property Applicants were included as applicants in order to facilitate a “going concern sale” of the colleges, there is nothing preventing the Applicants from selling the Real Estate and they do not require a stay of proceedings (or the Priming Charges) in order to do so. Such argument also lacks credibility in that none of the Property Applicants or the Operating Applicants own the real estate associated with M College, which has by far the largest operation (and the most debt) of the Operating Applicants.

Similarly, the property with the most significant value, namely, the Gatineau Property, is **unoccupied** and is not being used by the Applicants in any manner whatsoever. Accordingly, it is clear that its inclusion in the CCAA proceedings will not assist the Operating Applicants to sell their businesses as a going concern. The sole reason for the inclusion of CDSQ, and indeed, all of the Property Applicants as Applicants, was the improper attempt to dilute Firm Capital’s security over the Real Estate in favor of the Operating Applicants and the Principals, who face significant personal exposure as a result of apparently egregious misconduct.

While the proceedings are framed as an altruistic attempt to secure insurance for the students and graduate as many of them as possible; in reality, it is simply intended to delay the inevitable closure of such businesses, and reduce the personal liabilities of the very Principals that failed to pay the students' health insurance premiums and misappropriated their tuition fees in the first place, the whole at the expense of Firm Capital.

It is clear that this proceeding is not a restructuring, but rather, a disguised receivership. It is extremely unlikely that any of the Operating Applicants' operations can be sold as a going-concern. Indeed, none of the Applicants are projected to earn any revenue whatsoever during the Cash Flow forecast period, in which it is foreseen that the operations will be financed exclusively by the DIP. Moreover, the DIP itself is not even based on the operations of the Operating Applicants (which have been unable to obtain financing to date and whose banker closed their accounts on the eve of the filing), but rather is predicated on obtaining first-ranking security on the Real Estate. Furthermore, the terms of the DIP are not commercially reasonable, which further suggests that there is no viable going-concern transaction that will result from these proceedings and that the loan would be of a very high risk nature.

Indeed, even the Applicants' counsel (Kaufman Lawyers LLP) registered a conventional hypothec in the amount of \$750,000 over two (2) properties owned by entities related to two of the Applicants' Principals less than a month before the filing of the current CCAA proceedings to secure the payment of \$200,000 of current indebtedness of RPI to their firm as well as future legal fees, suggesting a lack of confidence in the ability of the Applicants to satisfy their obligations to them. Notably, the Applicants are not asking that their own legal counsel be primed on the "fresh" security that they hold to secure their own claims against the Applicants. It will be brought to the Court's attention that although the Applicants are seeking a priming Administration Charge, the existence of this security was not disclosed in the Application.

In addition, it appears that the Applicants and the Principals made false representations to Firm Capital in connection with the CDSQ Loan which will be described at greater length in the responding materials.

For the foregoing reasons, and others to be detailed at length in our responding materials which will be circulated in due course, our client is confident that it will prevail in its contestation of the Application.

Yours truly,

FISHMAN FLANZ MELAND PAQUIN LLP



Mark E. Meland
MEM/

cc: D.J. Miller, Thornton Grout Finnigan LLP
Martin Jutras, Kaufman Lawyers LLP

Nathalie Nouvet
Direct: 514 397 3128
nnouvet@stikeman.com

January 11, 2022

BY EMAIL

Mark E. Meland
Fishman Flanz Meland Paquin LLP
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Suite 4100
Montreal, Quebec, H3B 4W8

RE: 500-11-060613-227, In the matter of the plan of arrangement and compromise of Rising Phoenix International Inc. and al (collectively, the “Applicants”)

Dear Colleague:

Our client, Richter Advisory Group Inc. (the “**Monitor**” or “**Richter**”), in its capacity as Monitor to the Applicants, has instructed us to send you this letter in response to your additional letter and request for information and documents dated January 10, 2022.

More specifically, this letter outlines the answers to the following questions. These answers are based on information and documentation provided by the Applicants to the Monitor.

Question 1: On the issue of the third party leases, contrary to the assertion that the lease expired in May 2021, our client was advised that the lease for the dentist office in the St. Foy property was renewed in March 2019 for an additional five year term, namely, from September 1, 2019 to August 31, 2024. Would you advise why the dentist is no longer occupying the premises and paying any rent.

The Monitor, having consulted with the Applicants, understands that the lease was terminated prior to its expiry.

On October 30, 2020, the dentist informed the Applicants that it was seeking to terminate the lease as at May 31, 2021. Accordingly, the Applicants, who had previously informed the dentist that they would not renew the lease upon its termination, and that they were looking to occupy the space themselves, agreed to the proposed termination date. As a result, since May 31, 2021, the dentist has no longer been occupying the premises and paying rent.

Question 2: We are further advised that the Wellington property also has a third-party tenant, École de Secrétariat Notre-Dame-Des-Neiges (1985) Inc., which has a 10 year lease from August 1, 2012 to July 31, 2022. Would you advise whether this tenant is still occupying the premises

Stikeman Elliott

and paying rent. If the tenant is no longer occupying the premises, when did it vacate the premises and on what conditions?

Up until recently, the monthly rent of \$5,000 owing by the École de Secrétariat Notre-Dame-Des-Neiges (1985) Inc. (“**ESNDN**”), was set-off against amounts owing by CDE to ESNDN for tuition. ESNDN is a non-profit, and according to the Applicants, has very little financial capabilities to pay the rent going forward. In particular, CDE plays an important management role for ESNDN, and its own financial difficulties have had corresponding impacts on ESNDN. As a result, the Monitor is in the process of assessing the situation, but due to the uncertainty regarding the ability to collect any rent from ESNDN, these amounts have not been included in the current cash flows.

Question 3: On the issue of the student health insurance premiums, would you advise as to when the last premium payments were made by any of the Applicants and for how long payments have been due and unpaid? Please also provide us with copies of any payment schedule, or invoices received from the insurer in respect of the subject insurance.

As at June 2, 2021, an amount of \$620,020.40 in outstanding premiums was owing by RPI to JF Insurance Agency Group Inc. (“**JF Insurance**”). It was agreed that RPI would pay \$125,000 on a monthly basis in order to cover these outstanding amounts. As a result, RPI made the following payments:

Payment Due Date	Payment Received date	Premium Owing	Premium Received
September 1, 2021	August 30, 2021	\$125,000.00	\$125,000.00
October 1, 2021	October 4, 2021	\$125,000.00	\$125,000.00
November 1, 2021	November 5, 2021	\$125,000.00	\$125,000.00
December 1, 2021		\$125,000.00	
January 1, 2022		\$125,000.00	
February 1, 2022		\$66,086.50	

As appears from the foregoing, the last premium paid was on November 5, 2021. RPI was not able to pay the December 1, 2021 premium, and accordingly, on December 10, 2021, JF Insurance informed RPI that it was on notice to pay the total outstanding premiums of \$620,020.40, broken down as follows:

Invoice Sent Date	Invoices #	Total Premium Amount	Premium Paid	Outstanding Premium
June 2, 2021*		\$691,086.50	\$375,000.00	\$316,086.50
September 23, 2021	S3654-2109-01 S3661-2111-01 S3662-2109-01 S3653-2109-01 S3655-2109-01	\$201,468.50	\$0	\$201,468.50
December 2, 2021	S2655-2112-01 S3654-2112-01 S3661-2112-01 S3662-2112-01 S3653-2112-01 S3655-2112-01 S3656-2112-01	\$102,465.40	\$0	\$102,465.40
Total Premium Outstanding				\$620,020.40

Stikeman Elliott

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A copy of the December 10, 2021 notice sent by JF Insurance is attached hereto as **Schedule A**. In addition, notices were also sent by JF Insurance on December 23 and December 31, 2021, which are attached as **Schedule B** and **C** hereto.

Question 4: On the issue of the premises in which RPI and M College operate, and for which rent is projected to be paid during the stay period, is there an expectation that the students will physically return to the classroom over such period and/or employees will return to the office?

First, we would like to clarify that although we noted in our letter dated January 9, 2022, that students would be returning to classes on January 17, 2022, we have been informed that in fact, certain students were able to restart classes online as of January 10, 2022.

For the time being, it is anticipated that these classes will continue online, as required by current government guidelines and rules, although students could return to in-person learning as early as January 17, 2022 (if permissible and recommended by Public Health and current rules and guidelines). In any event, teachers are expected to return physically to the classroom in the coming days, if not already.

As for the head offices situated at 2140 de la Montagne, on January 10, 2022, a lease disclaimer was issued pursuant to Section 32(1) of the CCAA. A copy of the lease disclaimer is attached as **Schedule D** hereto.

Question 5: In respect of the payments projected to be made during the proposed interim financing period, do any of the parties to whom such payments would be made hold guarantees from the principals of the Applicants?

The parties who will be paid during the proposed interim financing period do not hold any guarantees from the principals of the Applicants.

Question 6: Finally, would you provide us with further information regarding the parties who have expressed interest in purchasing the colleges as a going concern, such as their names, when they expressed such interest, whether they have signed NDAs, the current status of discussions, and what preliminary terms, if any, have been discussed.

The Monitor held an introductory call with an interested party today, and is in the process of pursuing these discussions. Additional calls are expected to occur in the coming days, and the intention is to sign NDAs with the interested parties. These can be shared with your client as they, along with any potential sale process, are finalized. In this regard, we will continue to keep you updated on the advancement of these efforts, as well as next steps.

We remain available should you have any questions in relation to the above.

Yours Truly,

STIKEMAN ELLIOTT LLP



Nathalie Nouvet

500-11-060613-227

EXHIBIT FC-4

UNDER SEAL

500-11-060613-227

EXHIBIT FC-5

UNDER SEAL

Dre Julie Messier
174 Boul. Ste-Foy, bureau 203
J4J 1W9, Longueuil
Tel : 450 674-1504
drejuliemessier@gmail.com

M. Hugues Gaudreault
910 Boul Curé-Poirier Ouest
J4K 2C7, Longueuil
514 809-2037
À Longueuil le 18 mars 2019

Objet : Option de renouvellement de mon bail commercial
Lettre recommandé avec accusé de réception

Monsieur Gaudreault,

Par la présente, je vous informe de ma décision d'exercer mon option de renouvellement pour une période de 5 ans, tel qu'indiqué par le point 26.1 du bail commercial qui concerne le local situé au 174 Boul Ste-foy, bureau 203, Longueuil.

Je vous prie d'agréer l'expression de mes sentiments distingués.



Julie Messier

BAIL

(ADVENANT L'ACQUISITION DU CDE COLLÈGE
PAR L'ÉAS DE LA RIVE-SUD INC.)

BAIL INTERVENU

entre

COLLÈGE DE L'ESTRIE INC., ayant sa place d'affaires au 35, rue Wellington Nord, Sherbrooke (Québec) J1E 2E7, ici agissant et représentée par Lucien Gaudreault, président dûment autorisé aux termes d'une résolution du conseil d'administration en date du 1^{er} juin 2012, dont copie est annexée aux présentes.

Ci-après nommée :

«LE LOCATEUR»

ET

ECOLE DE SECRÉTARIAT NOTRE-DAME-DES-NEIGES (1985), ayant sa place d'affaires au 265, rue du CÉGEP, Sherbrooke (Québec) J1E 2J8, ici agissant et représentée par Hélène Martin, présidente, dûment autorisée aux termes d'une résolution du conseil d'administration en date du 28 mai 2012 dont copie demeure annexée aux présentes.

Ci-après nommée :

«LE LOCATAIRE»

ARTICLE 1 OBJET DE LA CONVENTION (BAIL)

Le locateur, par les présentes, loue au locataire, à ce présent et acceptant, les lieux connus et désignés comme suit :

LIEUX LOUÉS :

Un espace d'une superficie de cinq mille sept cents pieds carrés (5 700 p.c.), situé dans les locaux du CDE, au 37, rue Wellington Nord, Sherbrooke (Québec), J1H5A9, et plus amplement décrit comme suit :

Un immeuble connu et désigné comme étant le lot numéro **quatre millions cinq cent douze mille cent soixante et (4 512 161)** cadastre du Québec, circonscription foncière de Sherbrooke.

UTILISATION DES LIEUX LOUÉS

Le locataire s'oblige, pendant toute la durée du bail, à moins de convention contraire avec le locateur, à utiliser les lieux loués pour les fins d'une maison d'enseignement.



ARTICLE 2 DURÉE

Le présent bail est consenti pour une période de cent vingt (120) mois, commençant le 1er août 2012 et se terminant à le 31 juillet 2022.

ARTICLE 3 LOYER

Le présent bail est consenti pour un loyer total **soixante-dix-neuf cinq cent dollars (79 500,00 \$)** par année que le locataire s'engage à payer au locateur au moyen de versements mensuels, égaux et consécutifs de **six mille six cent vingt-cinq dollars (6 625,00 \$)**, le premier versement dû le 1^{er} août 2012 et mensuellement par la suite le même jour de chaque mois jusqu'à l'échéance du bail .

ARTICLE 4 TAXES

Le locateur acquittera toutes les taxes foncières, générales ou spéciales, taxes scolaires et autres cotisations qui pourraient être imposées sur l'immeuble.

ARTICLE 5 CESSION ET SOUS-LOCATION

Le locataire ne peut donner, transférer ou autrement céder ce bail, sans avoir obtenu le consentement préalable et par écrit du locateur.

ARTICLE 6 ASSURANCES

Le locataire doit contracter, à ses frais, les polices d'assurance suivantes et les maintenir en vigueur pendant toute la durée de ce bail:

- Une police d'assurance tous risques pour une somme couvrant la valeur de remplacement de tous les biens assurés dans les lieux loués, tels l'ameublement, les améliorations locatives et le stock de marchandises, propriété du locataire ou pour lequel il est responsable. Cette police doit comprendre un avenant par lequel l'assureur renonce à ses droits de subrogation contre le locateur, ses employés, agents et préposés, et un avenant indiquant que l'assureur donnera un préavis écrit de trente (30) jours au locateur en cas d'annulation, de non-renouvellement ou de modification importante à la police.
- Une police d'assurance responsabilité civile couvrant les dommages corporels, y compris le décès, et les dommages matériels à des tiers pour une somme de **cinq million de dollars (5 000 000,00 \$)** par sinistre. Cette police devra couvrir, entre autres, la responsabilité civile indirecte des propriétaires et des entrepreneurs, la responsabilité assumée par contrat, la responsabilité civile pour préjudice personnel et la responsabilité patronale éventuelle.
- Une police d'assurance contre le bris de glaces d'un montant suffisant pour remplacer tout vitrage compris dans les lieux loués et les portes et fenêtres desdits lieux loués ; cette police doit contenir une renonciation à la subrogation, en faveur du locateur, ses employés, agents et préposés.

Le locataire doit fournir des copies certifiées des polices d'assurances qu'il maintient en vigueur aux termes du présent article et une preuve satisfaisante du paiement effectif de ces primes avant la prise de possession aux fins d'aménagement et, par la suite, pendant la durée du présent bail, au plus tard à la date d'expiration des polices d'assurance exigées aux présentes. Dans le cas où le locataire omettrait de souscrire les assurances ou de remettre au locateur une copie des polices d'assurances, ou la preuve satisfaisante du paiement des primes, le locateur pourra, après avoir avisé le locataire, souscrire cette assurance et recouvrer, sur-le-champ, à titre de loyer supplémentaire, toute prime ainsi versée.

Toute assurance exigée aux termes des présentes doit être souscrite aux conditions et auprès des assureurs que le locateur ou le créancier hypothécaire juge satisfaisants.

Sauf dans le cadre normal de ses activités commerciales, le locataire ne doit pas introduire dans les lieux loués de matières ou de substances inflammables, explosives ou autres qui augmenteraient le risque d'incendie ou les primes d'assurances payées par le locateur concernant l'immeuble. Le locataire doit se conformer aux règlements et exigences de ses assureurs et des assureurs du locateur, de tout inspecteur effectuant l'inspection des lieux loués à la demande du locateur ou de toute association d'assureurs relativement aux assurances de l'immeuble.

Dans le cas où les primes d'assurance relatives à l'une ou l'autre des polices concernant tout ou partie de l'immeuble seraient augmentées à la suite de toute violation des dispositions du bail par le locataire ou en raison de la nature du commerce ou des activités du locataire, le locateur pourra, en plus de tous les autres recours à sa disposition, payer le montant de toute telle augmentation de prime et le locataire devra rembourser cette somme au locateur, à titre de loyer supplémentaire.

Si une police d'assurance couvrant tout ou partie de l'immeuble est annulée ou sur le point de l'être, ou si la couverture aux termes de ladite police est diminuée de quelque façon par l'assureur, en raison de l'usage et de l'occupation des lieux loués et si le locataire ne remédie pas à la cause qui entraîne l'annulation, la menace d'annulation ou la réduction de couverture dans les vingt-quatre (24) heures après en avoir été avisé par le locateur, le locateur, peut, à sa discrétion, soit :

- reprendre immédiatement possession des lieux loués et donner au locataire un avis écrit de ses intentions, le tout conformément aux dispositions de l'article intitulé « MANQUEMENTS » ; ou

- pénétrer dans les lieux loués et remédier à la situation donnant lieu à ladite annulation, menace d'annulation ou réduction de couverture ; le locataire doit alors en payer immédiatement le coût au locateur, coût qui sera perçu à titre de loyer supplémentaire ; à l'occasion d'une telle pénétration dans les lieux loués, le locateur ne saurait être tenu responsable des dommages ou dégâts causés aux biens se trouvant dans les lieux loués, qu'ils appartiennent au locataire ou à quelqu'un d'autre.



Le locataire doit immédiatement aviser le locateur en cas d'incendie ou d'accident dans les lieux loués ou dans l'immeuble ou de l'existence de quelque défaut dans les lieux loués, ou dans son équipement commercial ou ses installations, nonobstant le fait que lesdits défauts n'engendrent aucune responsabilité de la part du locateur.

Pendant la durée du présent bail, le locateur ainsi que ses préposés, employés et mandataires peuvent, après avis donné au locataire et en sa présence ou en présence de son mandataire (un tel avis n'étant cependant pas nécessaire en cas d'urgence ou de force majeure), pénétrer légalement dans les lieux loués afin de vérifier l'état des lieux loués et des réparations, décorations, équipements, accessoires et améliorations qui y sont apportés, d'effectuer les modifications ou les réparations qu'il estime nécessaires pour la sécurité, la conservation, la bonne administration ou l'amélioration des lieux loués ainsi que des espaces locatifs attenants aux lieux loués. De plus, il est entendu que si des travaux de réparation et d'entretien se révèlent nécessaires à la suite d'un tel examen et pour lesquels le locataire est responsable en vertu des présentes, ces travaux devront être effectués convenablement par le locataire dans les sept (7) jours suivant la notification qui lui en aura été donnée. Si le locataire néglige de réparer et d'assurer l'entretien exigé dans le présent bail, le locateur, sans préjudice de tous ses autres droits ou recours, pourra, mais sans y être obligé, effectuer les travaux de réparation ou d'entretien nécessaires et le locataire devra immédiatement rembourser, à titre de loyer supplémentaire, tous les montants déboursés. En aucun cas, le locateur, ses entrepreneurs, sous-entrepreneurs, agents ou employés ne doivent être tenus responsables des dommages, contractuels ou extra-contractuels, occasionnés aux lieux loués ou à toute chose qui s'y trouve, en raison de l'entrée, de l'examen et des travaux précités, et le locataire n'a pas le droit d'exiger ou de réclamer une diminution ou une remise de loyer.

ARTICLE 7 **DESTRUCTION ET PERTE DE JOUISSANCE**

En cas de dommage à l'immeuble, aux lieux loués ou aux deux, ou en cas de leur destruction partielle ou totale, causée par l'incendie, la foudre, la tempête, cas fortuit ou par tout autre accident ou événement semblable, alors :

- a) **DESTRUCTION PARTIELLE** : Si les lieux loués sont partiellement détruits ou endommagés, les dommages aux lieux loués seront réparés par le locateur dès que possible eu égard aux circonstances, et le loyer payable par le locataire sera diminué en proportion du temps et de la partie des lieux loués rendue inutilisable.
- b) **DESTRUCTION TOTALE** : Si les lieux loués sont détruits totalement ou s'ils deviennent en grande partie ou entièrement inutilisables et si le locateur décide de ne pas reconstruire ou réparer les lieux loués, ou si l'édifice est tellement endommagé que le locateur décide de ne pas le reconstruire ou le réparer (que les lieux loués soient endommagés ou non), le locateur aura le droit, dans un délai de quatre-vingt-dix (90) jours après un tel incendie ou autre cause de destruction et sans aucune responsabilité envers le locataire, d'aviser le locataire de telle décision, et à partir de ce moment le présent bail sera résilié et le

locataire devra alors quitter et remettre les lieux loués au locateur. Si le locataire n'est pas en défaut selon les dispositions de ce bail, le loyer cessera à partir du jour suivant l'accident.

ARTICLE 8 DROIT D'ACCÈS

Pendant les six (6) mois précédant l'expiration du terme du présent bail, le locateur peut faire visiter, avec l'accord du locataire sur le temps de la visite, les lieux loués aux locataires éventuels et placer dans les lieux loués l'enseigne habituelle "À LOUER" et le locataire convient de tolérer une telle enseigne sur une fenêtre extérieure.

ARTICLE 9 AFFICHAGE

Le locataire pourra afficher et annoncer sa présence selon les normes acceptables par le locateur, en conformité avec la réglementation municipale applicable.

ARTICLE 10 OBLIGATIONS DU LOCATAIRE

Outre les obligations déjà assumées en vertu du présent bail, le locataire s'engage à :

- payer le loyer stipulé aux présentes, toutes taxes afférentes incluses ;
- garder les lieux loués propres et en bon état de réparation, comme le ferait un propriétaire prudent, à l'exception des réparations de structure, et des réparations attribuables à une défectuosité (non attribuable à une négligence) telle que : bris de fournaise, bris électrique, bris de climatisation et bris de plomberie, qui seront effectuées par le locateur à ses frais ;
- s'occuper de l'aménagement intérieur des lieux ;
- ne rien faire qui puisse nuire aux droits du locateur;

ARTICLE 11 SUBORDINATION

Le présent bail ainsi que tous les droits du locataire aux termes des présentes sont en tout temps assujettis et subordonnés aux droits de tout créancier hypothécaire. Sur demande et à la condition que tel créancier respecte le présent bail, le locataire doit subordonner le présent bail ainsi que tous ses droits aux termes des présentes aux droits de tout créancier hypothécaire de la façon à ce que le locateur pourra exiger et, si on le lui demande, le locataire deviendra le locataire de ce créancier hypothécaire. Chaque fois que la propriété de l'immeuble change de mains, peu importe la circonstance, le locataire doit reconnaître les droits du nouveau propriétaire de l'immeuble et devenir son locataire comme si ce nouveau propriétaire était le locateur en vertu du présent bail et les obligations et engagements du locateur en vertu des présentes prennent fin ipso facto dans la mesure où le nouveau propriétaire les assume.



ARTICLE 12 MANQUEMENTS

12.1 CAS DE RÉSILIATION

Le locataire enfreint les dispositions de ce bail et il encourt les pénalités stipulées au présent article en sus des pénalités prévues par les lois en vigueur :

12.1.1 s'il fait défaut de payer tout loyer à son échéance ;

12.1.2 s'il devient insolvable, fait une cession générale de ses biens en faveur de ses créanciers, fait faillite ou liquide ses affaires, ou tire avantage de toute loi concernant l'insolvabilité ou la faillite, ou si un séquestre ou un syndic est nommé pour prendre en main les biens du locataire ou partie de ceux-ci, ou s'il est procédé à quelque action contre le locataire à la suite d'un jugement ou en conformité avec les dispositions du bail ;

12.1.3. si une demande, une requête, un certificat ou une ordonnance est fait ou est accordé pour la liquidation ou la dissolution des biens du locataire, que celle-ci soit volontaire ou non ;

12.1.4 si les lieux loués deviennent vacants n'importe quand pendant la durée du bail en raison de leur abandon par le locataire ou à la suite de son expulsion par procédure judiciaire pour non-paiement de loyer, violation d'un engagement ou pour toute autre cause ;

12.1.5 si, dans les cinq (5) jours suivant l'avis écrit du locateur, le locataire omet de remédier à tout manquement d'observation et d'exécution de l'un ou l'autre des engagements, dispositions, stipulations et conditions non monétaire contenus dans le présent bail ou si le locataire ou un de ses agents falsifie un relevé devant être fourni au locateur ;

12.1.6 si une police d'assurance couvrant l'immeuble est annulée ou menacée d'annulation en raison de l'utilisation et de l'occupation des lieux loués ou d'une partie de ces lieux loués par le locataire ;

12.1.7 si le locataire fait défaut de respecter les dispositions des présentes concernant la cession ou la sous-location ;

12.2 DROIT DU LOCATEUR DE METTRE FIN AU BAIL

Dans le cas de tout manquement de la part du locataire, tel que cela est précisé au présent article, le locateur peut, à son choix, donner un avis écrit au locataire de son intention de mettre fin au bail et le terme du bail expirera (i) à compter du cinquième (5^e) jour de la date de l'avis, dans le cas d'un manquement à payer le loyer de base, ou (ii) à compter du seizième (16^e) jour de la date de l'avis ainsi donné dans tous les autres cas de manquement, tout comme si ce cinquième (5^e) ou ce seizième (16^e) jour était la date indiquée pour l'expiration du terme du bail, le tout sans mise en demeure ou procédure, mais sous réserve, dans tous les cas, de l'obligation pour le locataire de payer des dommages-intérêts à la suite de son manquement, ainsi que le loyer impayé, pour toute la durée du bail tel que cela est stipulé aux présentes.

12.3 OBLIGATION DU LOCATAIRE DE NE PLUS OCCUPER LES LIEUX

Dans le cas où il serait mis fin au bail en conformité avec les dispositions du présent article, le locataire doit abandonner les lieux loués ou, s'il n'en a pas déjà pris possession, il doit renoncer à son droit de les occuper. Le locateur, ses agents et employés peuvent, sans délai et à tout moment par la suite, reprendre possession des lieux loués et déposséder le locataire et toutes autres personnes des lieux loués et de tous les biens qui s'y trouvent; ces biens peuvent être enlevés et entreposés dans un entrepôt public ou ailleurs aux frais du locataire, le tout sans avis et sans recours à des poursuites judiciaires, et le locataire ne saurait être tenu responsable d'être entré sans permission ni être tenu responsable des pertes ou dommages pouvant en résulter.

ARTICLE 13 RENONCIATION

Toute renonciation ou modification aux termes et conditions du bail ne peuvent être effectuées que par écrit, sous réserve du droit du locateur d'établir des règles et règlements, tel que cela est stipulé aux présentes et sans préjudice de ce droit.

Tout avis donné ou toute demande faite conformément à ce bail, par le locateur au locataire, seront considérés comme ayant été dûment donnés ou dûment faits lorsqu'ils auront aux parties aux adresses suivantes:

Le locateur:

37, rue Wellington Nord, Sherbrooke (Québec) J1H 5A9

Le locataire:

35, rue Wellington Nord, Sherbrooke (Québec) J1H 5A9

ou à toute autre adresse que les parties pourront indiquer par écrit à l'autre partie.

ARTICLE 14 ÉLECTION DE DOMICILE PAR LE LOCATAIRE

Aux fins de livraison de tous avis, procédures légales ou autres documents légaux concernant toute action en droit ou procédure que le locateur peut intenter au locataire, ce dernier élit domicile dans les lieux loués ou au bureau du greffier du district de Saint-François.

ARTICLE 15 CONDITIONS SPÉCIALES

- a) Le locateur devra fournir sans aucune indemnisation au locataire l'utilisation de l'espace de la cafétéria et des toilettes adjacentes durant les heures normales de cours du locataire.
- b) Les coûts relatifs au chauffage et à l'entretien extérieur seront au frais du locateur. Les coûts relatifs à l'électricité, à la conciergerie et l'entretien intérieur des espaces utilisés par le locataire seront également au frais du locateur. Le locateur devra fournir 2 espaces de stationnement situés à l'arrière du Collège.

- c) Les frais de loyer exigés au locataire et mentionnés à l'article 3 inclus toute pénalité, frais de loyer, frais d'entretien, ou tout autre frais inhérent aux locaux situés au 265, rue du Cégep, et ce à compter 1^{er} août 2012, tant et aussi longtemps que le bail entre l'ESNDDN et le CPE Le Bilboquet n'aura pas été résilié.

ARTICLE 16 PRÉFÉRENCE DE LOCATION

À la fin de la durée du bail, si le locateur décidait de louer l'espace ou une partie de celui-ci dans l'immeuble, le locataire aura, avant tous autres, la préférence de s'en porter locataire. Par conséquent, le locateur s'engage à aviser le locataire par écrit de toute offre qui pourrait lui être faite ou qu'il pourra faire lui-même en lui faisant parvenir une copie de telle offre. Le locataire aura un délai de vingt (20) jours de la réception de cet avis pour informer le locateur de son intention de louer cet espace dans l'immeuble pour le même prix et aux mêmes conditions énoncées dans l'offre. À défaut d'informer le locateur dans ledit délai et de la façon précitée de son intention de se prévaloir de ce droit de préférence de location, le locateur aura le droit de donner suite à l'offre en question.

ARTICLE 18 CLAUSE INTERPRÉTATIVE

Aux termes de la présente convention selon que le contexte le requerra, le masculin comprendra le féminin et le singulier comprendra le pluriel et vice versa s'il y a lieu.

Signé à Sherbrooke ce premier juin deux mille douze
(01-06-2012)

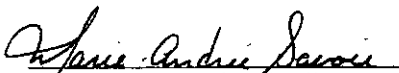
COLLÈGE DE L'ESTRIE INC.

par :


Ovide Gaudreault, trésorier-président.

ÉCOLE DE SECRÉTARIAT
NOTRE-DAME-DES-NEIGES (1985)

par :


Marie-Andrée Savoie, trésorière

500-11-060613-227

EXHIBIT FC-8

UNDER SEAL

INTER VIVOS GIFT OF AN IMMOVABLE

THE YEAR TWO THOUSAND TWENTY-ONE, THIS TWENTY-SIXTH DAY OF MARCH.

BEFORE Mtre. Kay-Sandra BOYER, Notary in Town of Sherbrooke, district of Saint-François, Province of Quebec.

APPEARED

Caroline BONNEVILLE, businesswoman, residing and domiciled at 2384, Chopin Street, in the City of Montreal, Province of Quebec, H8N 2H6.

Hereinafter referred to as the “**Doner**”.

AND

Caroline BONNEVILLE and **Giuseppe MASTANTUONO**, both residing and domiciled at 2384, Chopin Street, in the City of Montreal, Province of Quebec, H8N 2H6, herein acting as trustees of **CAROLINE BONNEVILLE TRUST**, a personal trust duly established under the provision of the *Civil Code of Quebec* by a deed of trust received before the undersigned notary on this day, under minute 343 of her record, having its elected domicile at 2384, Chopin Street, in the City of Montreal, Province of Quebec, H8N 2H6.

Hereinafter referred to as the “**Donee**”.

WHO HAVE AGREED AS FOLLOWS:

OBJECT OF THE CONTRACT

The Donor gives *inter vivos* to the Donee, hereby accepting, the immovable described hereinbelow:

DESCRIPTION

An immovable known and designated as lot number **THREE MILLION NINE HUNDRED FIFTY-EIGHT THOUSAND FIVE HUNDRED TWENTY-FIVE (3 958 525)** on the Cadastre of Quebec, registration division of Argenteuil.

With the building thereon erected bearing number 39-41, 1st Street, Saint-Adolphe-d’Howard, Quebec, J0T 2B0.

This gift also includes all the furniture and movable effects found in the immovable presently given.

ORIGIN OF THE RIGHT OF OWNERSHIP

The Donor is the owner of the immovable having acquired same from 9084-8292 *Québec inc.*, under the terms of a deed of sale executed before Mtre. Frederique Guertin, notary, on June 11, 2020, and published at the Registry Office of the Registration Division of Argenteuil under the number 25 451 806.

WARRANTY

This gift is made with the legal warranty.

TITLE DEEDS

The Donor undertakes to deliver to the Donee only the title deeds in her possession.

POSSESSION

The Donee shall be the owner of the immovable from this day, with immediate possession and occupancy.

TRANSFER OF RISK

Notwithstanding paragraph 2 of article 1456 of the *Civil Code of Québec*, the Donee shall assume the risks attached to the immovable, in accordance with article 950 of the *Civil Code of Québec*, as of the date hereof.

DECLARATIONS OF THE DONOR

The Donor makes the following declarations and warrants that:

1. The immovable is free of all hypothecs, taxes, prior claims, and encumbrances whatsoever.
2. The movable effects furnishing the immovable belong to her and are free of any debt.
3. There are no servitudes other than those mentioned in the previous titles.
4. All property taxes which are due have been paid without subrogation.
5. All transfer duties have been paid.
6. The immovable is not subject to an option to purchase or right of first refusal binding on her personally in any lease or other document.

7. The immovable is not situated in an agricultural zone.
8. The immovable is not part of a housing complex.
9. The immovable has not formed part of a housing complex from which it has been subsequently separated as a result of an alienation since the coming into force of the provisions of the law prohibiting such alienation.
10. The immovable is not a recognized or a classified cultural property and is not situated in a historic or natural district, within a classified historic site, or in a protected area, within the meaning of the *Cultural Property Act*.
11. The immovable does not derogate from the laws and regulations concerning the protection of the environment.
12. No declaration of family residence affects the immovable.
13. She is not a non-resident of Canada within the meaning of the *Income Tax Act* and the *Taxation Act*, and has no intention of changing such residence.

OBLIGATIONS

The Donee undertakes to:

1. take the immovable in its present condition, declaring having seen and examined same to its satisfaction;
2. pay all property taxes due and to become due, including the proportion for the current year from the date hereof and also to pay, from the same date, all future instalments in capital and interest of all special taxes imposed before this day, payment of which is spread over a period of years.

COSTS AND ADJUSTMENTS

The Donor shall pay the costs and fees hereof, including publication and copies for all parties.

The parties declared that they have made the usual adjustments between them as at the date hereof in accordance with the statements of account supplied. If other adjustments become necessary, they shall be made as of the same date.

CONSIDERATION

This gift is granted strictly by gratuitous title and subject to no charges whatsoever.

EXEMPTION FROM SEIZURE

In order to protect the right of the Donee, the immovable and all other property presently given, or that which may subsequently represent it, and the fruits and revenues arising therefrom shall be exempt from seizure for the payment of any debt whatsoever of the Donee.

CIVIL STATUS AND MATRIMONIAL REGIME

The Doner declares that she is married with Giuseppe MASTANTUONO under the matrimonial regime of separation as to property by marriage contract received by Mtre. John Everett Todd, notary, on March 10, 1980, which is registered to the *Register of Personal and Movable Real Rights* under number 94-0004462-010. She also declares that it is her first marriage and her civil status nor her matrimonial regime has changed or is in the process of being changed.

INTERVENTION OF THE SPOUSE

Giuseppe MASTANTUONO, businessman, residing and domiciled at 2384, Chopin Street, in the City of Montreal, Province of Quebec, H8N 2H6, intervenes to this deed to consent to the transfer of the immovable in favour of the Donee and to confirm his understanding of the potential consequence of this transfer on his rights in the family patrimony in the even of a marriage breakdown.

DECLARATIONS OF THE PARTIES CONCERNING THE GOODS AND SERVICES TAX (GST) AND THE QUEBEC SALES TAX (QST)

The Doner declared that the residential immovable which is the subject of this gift is occupied exclusively as a place of residence, that she has made no enlargement or substantial renovations to it, and that she has not claimed and will not claim an input tax credit or an input tax refund with respect to the acquisition of or improvements made to the immovable.

Accordingly, this gift is exempt from GST and QST under the *Excise Tax Act* and the *Act respecting the Québec Sales Tax*.

MENTIONS REQUIRED UNDER SECTION 9 OF THE *ACT RESPECTING DUTIES ON TRANSFERS OF IMMOVABLES*

The parties, hereinafter called the "transferor" and "transferee", each make for herself or jointly, as the case may be, the following declarations

1. The given name, surname and address of the principal residence of the transferor (Doner) are as follows:

Caroline BONNEVILLE
2384, Chopin Street, Montreal, Quebec, H8N 2H6

2. The given name, surname and address of the principal residence of the transferee (Donee) are as follows:

Caroline Bonneville Trust
2384, Chopin Street, Montreal, Quebec, H8N 2H6
3. The immovable which is the object of the present transfer is situated in Saint-Adolphe-d'Howard.
4. The amount of the consideration for the transfer of these movables is zero dollar.
5. The amount constituting the basis of imposition of the transfer duties is six hundred ninety-three thousand five hundred dollars (\$ 693 500).
6. The amount of the transfer duties is nine thousand seven hundred eight-six dollars (\$ 9 786).
7. There is an exemption from payment of transfer duties in virtue of section 20e) of the Act, the transferor (Doner) being the sole beneficiary of the transferee (Donee).
8. The transfer does not constitute a transfer of corporeal immovable and movables referred to in section 1.0.1. of the Act.

WHEREOF ACT executed at the Town of Sherbrooke, under the number of the minute three hundred forty-four (344) of the undersigned Notary.

AND AFTER DUE READING HEREOF, the parties and the intervener declared accepting the use of technologies to execute these presents as authorized by Order 2020-4304 of the Minister of Justice dated August 31, 2020 and signed remotely in the presence of the undersigned Notary.

Caroline BONNEVILLE, Doner

Caroline BONNEVILLE, Trustee of the Donee

Giuseppe MASTANTUONO, Trustee of the Donee

Giuseppe MASTANTUONO, Intervener

Mtre Kay-Sandra BOYER, Notary

TRUE COPY OF THE ORIGINAL REMANING IN MY RECORD.
Mtre Kay-Sandra Boyer, notary

Rechercher une entreprise au registre

État de renseignements d'une personne morale au registre des entreprises

Renseignements en date du 2022-01-12 09:38:16

État des informations

Identification de l'entreprise

Numéro d'entreprise du Québec (NEQ)	1174971268
Nom	11707868 CANADA INC.

Adresse du domicile

Adresse	2140 rue de la Montagne, 3rd Floor Montréal Québec H3G1Z7 Canada
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Adresse du domicile élu

Adresse	Aucune adresse
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Immatriculation

Date d'immatriculation	2019-10-31
Statut	Immatriculée
Date de mise à jour du statut	2019-10-31
Date de fin d'existence prévue	Aucune date de fin d'existence n'est déclarée au registre.

Forme juridique

Forme juridique	Société par actions ou compagnie
Date de la constitution	2019-10-29 Constitution
Régime constitutif	CANADA: Loi canadienne sur les sociétés par actions, L.R.C. (1985), c. C-44
Régime courant	CANADA: Loi canadienne sur les sociétés par actions, L.R.C. (1985), c. C-44

Dates des mises à jour

Date de mise à jour de l'état de renseignements	2021-03-16
Date de la dernière déclaration de mise à jour annuelle	2021-03-16 2020
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2022	2023-07-01
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2021	2022-07-01

Faillite

L'entreprise n'est pas en faillite.

Fusion, scission et conversion

Aucune fusion ou scission n'a été déclarée.

Continuation et autre transformation

Aucune continuation ou autre transformation n'a été déclarée.

Liquidation ou dissolution

Aucune intention de liquidation ou de dissolution n'a été déclarée.

Activités économiques et nombre de salariés**1^{er} secteur d'activité**

Code d'activité économique (CAE)	7599
Activité	Autres exploitants immobiliers
Précisions (facultatives)	-

2^e secteur d'activité

Aucun renseignement n'a été déclaré.

Nombre de salariés

Nombre de salariés au Québec
Aucun

Convention unanime, actionnaires, administrateurs, dirigeants et fondé de pouvoir**Actionnaires****Premier actionnaire**

Le premier actionnaire est majoritaire.

Nom de famille

Mastantuono

Prénom	Joseph
Adresse	510 Beaurepaire Dr. Beaconsfield (Québec) H9W3C6 Canada

Convention unanime des actionnaires

Il n'existe pas de convention unanime des actionnaires conclue en vertu d'une loi du Québec ou d'une autre autorité législative du Canada.

Liste des administrateurs

Nom de famille	Mastantuono
Prénom	Joseph
Date du début de la charge	2019-10-29
Date de fin de la charge	
Fonctions actuelles	Président, Secrétaire
Adresse	510 Beaurepaire Dr. Beaconsfield (Québec) H9W3C6 Canada

Nom de famille	Bonneville
Prénom	Caroline
Date du début de la charge	2019-10-29
Date de fin de la charge	2020-12-01
Fonctions actuelles	Président
Adresse	2384 rue Chopin Montréal (Québec) H8N2H6 Canada

Nom de famille	Mastantuono
Prénom	Joseph
Date du début de la charge	2019-10-29
Date de fin de la charge	2020-12-01
Fonctions actuelles	Vice-président
Adresse	510 Beaurepaire Dr. Beaconsfield (Québec) H9W3C6 Canada

Nom de famille	Mastantuono
Prénom	Christina
Date du début de la charge	2019-10-29
Date de fin de la charge	2020-12-01
Fonctions actuelles	Vice-président, Secrétaire, Trésorier
Adresse	878 95e Avenue Laval (Québec) H7W3V4 Canada

Dirigeants non membres du conseil d'administration

Aucun dirigeant non membre du conseil d'administration n'a été déclaré.

Fondé de pouvoir

Aucun fondé de pouvoir n'a été déclaré.

Administrateurs du bien d'autrui

Aucun administrateur du bien d'autrui n'a été déclaré.

Établissements

Aucun établissement n'a été déclaré.

Documents en traitement

Aucun document n'est actuellement traité par le Registraire des entreprises.

Index des documents

Documents conservés

Type de document	Date de dépôt au registre
DÉCLARATION DE MISE À JOUR ANNUELLE 2020	2021-03-16
Déclaration de mise à jour courante	2020-12-04
Déclaration de mise à jour courante	2020-12-03
Déclaration de mise à jour courante	2020-10-07
Déclaration d'immatriculation	2019-10-31

Index des noms

Date de mise à jour de l'index des noms 2019-10-31

Nom

Nom	Versions du nom dans une autre langue	Date de déclaration du nom	Date de déclaration du retrait du nom	Situation
11707868 CANADA INC.		2019-10-31		En vigueur

Autres noms utilisés au Québec

Aucun autre nom utilisé au Québec n'a été déclaré.



© Gouvernement du Québec

DEED OF HYPOTHEC

**IN THE YEAR TWO THOUSAND TWENTY-ONE
ON THE SEVENTH DAY OF DECEMBER.**

BEFORE Mtre **Michael CHRIQUI**, Notary, practicing in the City of Montreal, Province of Quebec.

APPEARED:

KAUFMAN AVOCATS S.E.N.C.R.L./ KAUFMAN LAWYERS L.L.P., a partnership duly constituted under the *Civil Code of Quebec*, registered at the Registre des entreprises (Québec) under number 3375884007, having its head office at 2220-800, René-Lévesque Boulevard, Montreal, Quebec, H3B 1X9, Canada, represented herein by Bruno BURROGANO, notary, duly authorized for the purposes hereof as he so declares.

The notice of address for said establishment will be registered at the registry office of the registration division of Montreal, under number forthwith.

(herein referred to as the “**Creditor**”)

AND:

11707868 CANADA INC., a legal person duly constituted under the *Canada Business Corporations Act*, registered at the Registre des entreprises (Québec) under number 1174971268, having its head office at 2140, de la Montagne Street, Montreal, Québec, H3G 1Z7, herein represented by Joseph MASTANTUONO, its President, duly authorized for the purposes hereof in virtue of a resolution of its sole director dated December 7th, 2021, which remains annexed to the original of these presents after having been acknowledged as true and signed for identification by the said representative in the presence of the undersigned notary;

AND

Caroline BONNEVILLE and **Giuseppe MASTANTUONO**, both residing and domiciled at 2384, Chopin Street, in the City of Montreal, Province of Quebec, H8N 2H6, herein acting as trustees of **CAROLINE BONNEVILLE TRUST**, a personal trust duly established under the provision of the *Civil Code of*

Quebec by a deed of trust received before Mtre. Kay-Sandra BOYER, on the twenty-sixth day of March Two Thousand Twenty-One (March 26th, 2021), under minute 343 of her record, and having its elected domicile at 2384, Chopin Street, in the City of Montreal, Province of Quebec, H8N 2H6.

(herein collectively referred to as the “Grantor”)

AND:

RISING PHOENIX INTERNATIONAL INC., a legal person duly constituted under the *Canada Business Corporations Act*, registered at the Registre des entreprises (Québec) under number 1172583222, having its head office at 2140, de la Montagne Street, Montreal, Québec, H3G 1Z7, herein represented by Caroline Bonneville, its President, duly authorized for the purposes hereof in virtue of a resolution of its sole director dated December 7th, 2021, which remains annexed to the original of these presents after having been acknowledged as true and signed for identification by the said representative in the presence of the undersigned notary;

(herein referred to as the “Debtor”)

WHO HAVE DECLARED AND AGREED AS FOLLOWS:

1. ACKNOWLEDGMENT OF DEBT

The Debtor hereby acknowledges to be indebted to the Creditor for an amount of **TWO HUNDRED THOUSAND DOLLARS (\$200,000.00)** (the “Debt”) at the date hereof.

2. PRINCIPAL HYPOTHEC

To secure the obligations described in Section 3 hereinafter, the Grantor hypothecates the following immovable properties for the principal amount of **SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00)**, and interest at the rate of twenty-five percent (25%) per annum from the date hereof:

DESCRIPTION

An immovable property known and designated as being lot number **THREE MILLION NINE HUNDRED SIXTY-FIVE THOUSAND FOUR**

HUNDRED FIFTY-FOUR (3 965 454) of the **Cadastre of Quebec**,
Registration Division of **Montreal**.

With the building thereon erected bearing number **168, Milton Avenue,**
Montreal (Borough of Lachine), Province of Quebec, H8R 0A1.

(herein referred to as the “**Immovable I**”)

An immovable property known and designated as being lot number
THREE MILLION NINE HUNDRED FIFTY-EIGHT
THOUSAND FIVE HUNDRED TWENTY-FIVE (3 958 525) on
the **Cadastre of Quebec**, registration division of **Argenteuil**.

With the building thereon erected bearing number **39-41, 1st Street,**
in the City of Saint-Adolphe-d’Howard, Province of Quebec,
J0T 2B0.

(herein referred to as the “**Immovable II**”)

The Immovable I and the Immovable II are collectively called the
“**Immovable**”.

The Grantor also hypothecates the following property for the
principal amount (and interest) indicated in this Section 2
hereinabove:

- a) all present and future rents and revenues of the Immovable;
- b) all present and future movable property which is now or
hereafter physically attached or joined to the Immovable;
- c) the indemnities payable under all insurance policies covering
the Immovable.

The Immovable and the other property mentioned hereinabove are
collectively called the “**Hypothecated Property**”.

3. OBLIGATIONS SECURED

This hypothec is granted to secure the Debt, the payment of all
future professional fees and any and all obligations, direct and
indirect, present and future, of any nature whatsoever, incurred by
the Debtor, whether alone or with others, as the principal debtor,
guarantor, or in any other capacity, towards the Creditor.

4. REPRESENTATIONS OF THE GRANTOR

The Grantor represents and warrants the following:

- a) The Grantor owns the Immovable and the Hypothecated Property is free and clear of all real rights, hypothecs, security or collateral in favour of third parties.
- b) The rents and revenues of the Immovable have not been assigned to any third party.
- c) More than six (6) months have elapsed since the Immovable underwent any construction, reconstruction or renovation, except as disclosed to the Creditor in writing, where applicable.
- d) All the property taxes (municipal and school taxes) due as the date hereof have been paid.
- e) The Immovable is duly insured against usual risks, damages and responsibility.

5. COVENANTS OF THE GRANTOR/DEBTOR

The Grantor shall deliver to the Creditor, on demand, a copy of all leases relating to the Immovable and shall furnish any and all information regarding the rents of the Immovable.

The Grantor shall pay, when due, all duties, taxes and charges relating to the Hypothecated Property, as well as any debt which could rank prior to the hypothec constituted hereby and will furnish to the Creditor, on demand, evidence that the payments stipulated in this paragraph have been made. If required by the Creditor, the Grantor undertakes to pay to the Creditor, at the frequency it stipulates, a provision for the payment of property taxes, and this provision is hypothecated with delivery and control in the hands of the Creditor for the amount provided for in Section 2, and for further securing the Debtor's obligations under Section 3 of this Deed of Hypothec and under this Section 5.

The Grantor shall insure the Hypothecated Property and keep it constantly insured for its full insurable value against loss or damage by theft, fire and all other perils against which a diligent administrator would insure the Hypothecated Property. The Grantor shall also obtain insurance covering loss of revenue resulting from loss of or damage to the Hypothecated Property and covering machinery breakdowns, as applicable. The Creditor is hereby designated as the beneficiary of the indemnities payable under such policies. The Grantor shall cause such designation to be inscribed in the policies, which must also contain the customary protection clauses for hypothecary creditors in the form approved by the Insurance Bureau of Canada. The Grantor shall provide the Creditor

with a copy of each policy and, at least thirty (30) days prior to the expiration or cancellation of a policy, with evidence of the renewal or replacement thereof.

The Grantor shall do all things and sign all documents necessary for the hypothec constituted hereunder to have full effect and be perfected and constantly enforceable against third parties.

The Grantor shall adequately protect and maintain the Hypothecated Property and exercise its activities in such a manner as to preserve the value thereof. The Grantor shall fully comply with all laws and regulations applicable to the operation of its enterprise and to the Hypothecated Property, including environmental laws and regulations.

The Grantor shall keep all books, records and accounts that a diligent administrator would keep with respect to the Hypothecated Property and shall permit the Creditor to examine said books, records and accounts and obtain copies of same.

The Grantor shall keep the Hypothecated Property free and clear of all real rights, hypothecs, mortgages and security interest, save and except those to which the Creditor has consented in writing. The Grantor shall not assign the rents or revenues of the Immovable, in whole or in part, and shall not give any release in advance of more than one (1) month's rent.

The Grantor shall not dispose of the Hypothecated Property or lease same on terms inferior to market conditions, without the prior written consent of the Creditor. The Grantor shall remain liable for the payment of the obligations secured hereunder, and this Deed of Hypothec shall remain in full force and effect notwithstanding any disposal.

The Debtor and the Grantor being corporations, no changes to them effective control are allowed, and they shall not amalgamate with another person nor commence dissolution or winding-up proceedings, without the written consent of the Creditor.

The Grantor shall neither change the use, destination or nature of the Hypothecated Property nor allow any construction or renovation work to be performed on the immovable without the prior written consent of the Creditor.

The Grantor and the Debtor shall furnish to the Creditor all information reasonably required by it to allow the Creditor to verify if the Grantor or the Debtor is in compliance with the covenants contained herein. The Grantor shall inform the Creditor of any fact

or event which could adversely affect the value of the Hypothecated Property or the financial condition of the Grantor.

The Grantor shall pay, on demand, the amount of any loss suffered by the Creditor because of a prepayment of all or part of the principal of the obligations secured hereunder, regardless of the cause of such prepayment (including if the repayment was made following an event of default). The amount of such loss shall form part of the obligations secured.

The Grantor shall pay all costs related hereto and to any legal opinion the Creditor may require with respect to the validity and rank of the hypothec constituted hereunder.

The Grantor shall furnish to the Creditor, on demand, a certificate of location of recent date addressed to the Creditor.

The Grantor shall reimburse the Creditor for all costs and expenses incurred by the Creditor to exercise its rights or to fulfil the covenants of the Grantor or Debtor, with interest at the annual prime rate of the Creditor in effect from time to time, plus 3%. The annual prime rate of the Creditor is the annual rate it announces as its reference rate for determining the interest rate on loans made in Canadian dollars by the Creditor in Canada.

6. RIGHTS OF THE CREDITOR

The Creditor may, from time to time and at the Grantor's expense, inspect the Hypothecated Property or have it appraised. The Grantor shall permit the Creditor to have access to the Hypothecated Property for such purpose.

The Creditor may, without being bound to do so, fulfil any or all of the covenants made by the Grantor or the Debtor hereunder or under any document evidencing the obligations secured herein.

The Grantor may collect all rents and revenues of the Immovable until the Creditor withdraws its authorization for the Grantor to do so. Upon such withdrawal, the Creditor may collect such rents and revenues and shall be entitled to a reasonable commission which it may deduct from any amounts collected.

If the Creditor has possession of the Hypothecated Property, it shall have no obligation to maintain the use for which such property is normally intended, to make it productive or to continue its use or operation.

The Grantor and the Debtor constitute and appoint the Creditor their irrevocable mandatary or attorney, with power of substitution, in order to perform any act and to sign any document necessary or useful for the exercise of the rights conferred on the Creditor hereunder.

The rights conferred on the Creditor under this Section 5 may be exercised by the Creditor irrespective of whether the Grantor or the Debtor is or is not in default hereunder.

7. DEFAULTS AND REMEDIES

The Grantor and the Debtor shall be in default in each and every one of the following events:

- a) If any or all of the obligations secured hereunder are not discharged when due;
- b) If any of the representations made in Section 3 is untrue;
- c) If the Grantor or the Debtor fails to fulfil any of its covenants hereunder;
- d) If the Grantor or the Debtor is in default under any other contract or agreement between it and the Creditor or under any other hypothec or security interest encumbering the Hypothecated Property;
- e) If the Grantor or the Debtor ceases to carry on its activities and/or to operate the immovable or its business, or becomes insolvent or Creditrupt; or
- f) If any or all of the Hypothecated Property is seized or is subject to a taking of possession by a creditor, a receiver or any other person performing similar duties.

Upon the Grantor's or the Debtor's default, the Creditor may terminate any obligation it may have to grant credit or make advances to the Debtor and declare the obligations secured hereunder to be exigible if not yet due and payable. The Creditor may also exercise all legally available remedies, including realizing on its hypothec and enforcing the hypothecary rights provided in the *Civil Code of Québec*.

Upon the Grantor's or the Debtor's, the Creditor may use and manage the Hypothecated Property at the Debtor's expense with full authority to grant new leases or renew existing leases upon such terms and conditions as the Creditor may deem appropriate. The

Creditor may also make accommodations or transact with the debtors of the rents and revenues of the immovable and may grant releases and discharges.

8. ADDITIONAL HYPOTHEC

To secure the payment of interest not already secured by the hypothec created in Section 2 and to further secure the discharge of the obligations hereunder, the Grantor hypothecates the Immovable and all other property described in Section 2 for an additional amount equal to twenty percent (20%) of the principal amount of the hypothec set forth in Section 2.

9. GENERAL PROVISIONS

The hypothec created hereunder is in addition to and not in substitution for any other hypothec or security interest held by the Creditor.

This hypothec is a continuing security and shall subsist notwithstanding the payment from time to time, in whole or in part, of any of the obligations secured hereby. Any future obligation secured hereunder shall be considered an obligation for which the Debtor and the Grantor shall again be obligated hereunder, as defined in article 2797 of the *Civil Code of Québec*. The Grantor shall not, without the written authorization of the Creditor, subrogate a third party in the hypothec and the rights of the Creditor hereunder.

In each case provided in Section 6, the Debtor and the Grantor shall be in default by the mere lapse of time, without the necessity of any notice or demand.

Any sum collected by the Creditor in the exercise of its rights may be held by the Creditor as Hypothecated Property or may be applied to the payment of the obligations secured hereby, whether or not due. The Creditor shall have discretion as to how any such collected sum shall be applied.

The Creditor shall not be bound to exercise its rights hereunder and shall not be liable for the non-exercise of such rights. The Grantor undertakes to do all things in its power to ensure that the lessees of the Immovable regularly pay their rent, and the Creditor shall have no obligation to inform the Grantor of any payment irregularity of which it is aware.

The exercise by the Creditor of its rights shall not preclude the Creditor from exercising any other rights. All the rights of the

Creditor are cumulative and not alternative. The failure of or forbearance by the Creditor to exercise any of its rights hereunder shall not constitute a waiver of the subsequent exercise of such right. The Creditor may exercise its rights hereunder without being required to exercise any other remedies against the Grantor or any other person liable for the payment of the obligations secured hereunder or to realize on any other security or collateral securing such obligations.

The Creditor shall only be required to exercise reasonable care in the exercise of its rights and the performance of its obligations. Moreover, the Creditor shall only be liable for its intentional or gross fault.

The Creditor may delegate the exercise of its rights or the performance of its obligations hereunder to another person. In such event, the Creditor may furnish that person with any information it may have concerning the Debtor, the Grantor or the Hypothecated Property.

This Deed of Hypothec shall be binding upon the Grantor and enure to the benefit of the Creditor and any successor thereof by way of amalgamation or otherwise.

10. INTERPRETATION

The Grantor and the Debtor shall be solidarily liable for all the obligations set forth in this Deed of Hypothec.

The rights and remedies of the Creditor may be exercised against all the Hypothecated Property or separately against any portion thereof.

This Deed of Hypothec and the obligations it secures are governed and construed in accordance with the laws in force in the Province of Quebec and any litigation, misunderstanding or problem regarding the interpretation or execution of this Deed of Hypothec must be brought before the courts of the Province of Quebec, and the parties attorn to the exclusive jurisdiction of the courts of the Province of Quebec to hear any litigation, misunderstanding or problem regarding the interpretation or execution of this Deed of Hypothec.

11. ELECTION OF DOMICILE

The parties elect domicile at their head office's address.

12. SPECIAL DECLARATIONS

Considering that each of the Grantor and the Debtor is a corporation, the following provisions apply:

- a) Each of the Debtor and the Grantor declares being a Canadian corporation that is a resident in Canada within the meaning of the *Income Tax Act* and the *Taxation Act* and that it has no intention of modifying such status. It is a corporation operated and controlled primarily in Canada; it is a valid corporation that is in good standing and there are no provisions in its constating documents or by-laws or in any unanimous shareholder agreement that restricts, limits or regulates in any way whatsoever its powers to hypothecate or otherwise encumber with a charge the above Hypothecated Property, through the directors' representative(s) acting herein, Hypothecated Property with further formalities other than those already fulfilled.
- b) The Grantor also hereby declares and certifies that there are no provisions in its constating documents, by-laws or any unanimous shareholder agreement that restricts, limits or regulates in any way whatsoever its powers to create security by way of a hypothec, pledge or otherwise on all or part of its current or future assets to secure its obligations hereunder, without any further formalities other than those already fulfilled by the representative(s) of the directors acting herein.

WHEREOF ACT done and passed in Montreal, under the number four thousand five hundred twenty-eight (4528) of the minutes of the undersigned Notary.

AND AFTER DUE READING HEREOF, the parties have signed in the presence of the undersigned Notary.

KAUFMAN AVOCATS S.E.N.C.R.L./ KAUFMAN LAWYERS L.L.P

per: **Bruno BURROGANO**

11707868 CANADA INC.

per: **Joseph MASTANTUONO**

CAROLINE BONNEVILLE TRUST

per: **Caroline BONNEVILLE**

per: **Giuseppe MASTANTUONO**

RISING PHOENIX INTERNATIONAL INC.

per: **Caroline BONNEVILLE**

Mtre Michael CHRQUI, Notary

True copy of the original remaining in my office

Index des immeubles

Circonscription foncière : Argenteuil	Dates de mise à jour du Registre
Cadastre : Cadastre du Québec	Droits : 2022-01-10 14:47
Lot : 3 958 525	Radiations : 2021-09-21 16:00
Date d'établissement : 2009-05-06 09:00 Soumis à l'article 19 de la Loi sur le cadastre	
Plan : Liste des plans	
Concordance : Lot(s) 7-921 Rang 6 Canton de Howard.	

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2014-04-11	20 667 932	Hypothèque	Créancier Constituant	Banque de Montréal Haquin, Michel Yves	420 000,00 \$	6 000 107	I 21 139 054
2014-09-16	21 054 797	Servitude	Requérant	HAQUIN, Michel Yves (Michel)			
2014-09-22	21 065 054	Vente	Vendeur Acheteur	HAQUIN, Michel Yves (Michel) 9084-8292 QUÉBEC INC.			
2020-06-12	25 451 806	Vente	Vendeur Acheteur	9084-8292 Québec Inc. Bonneville, Caroline	719 000,00 \$		
2020-07-21	25 554 149	Servitude - annulation	1re part 2e part	BONNEVILLE, Caroline POIRIER, Francine LÉPINE, Richard et autres	Réf. : 21 054 797		
2021-03-26	26 167 733	Donation	Donateur Donataire	Bonneville, Caroline Bonneville, Caroline Fiduciaire à la fiducie de CAROLINE BONNEVILLE TRUST Mastantuono, Giuseppe Fiduciaire à la fiducie de CAROLINE BONNEVILLE TRUST			
2021-12-07	26 877 067	Hypothèque	Créancier Constituant	KAUFMAN AVOCATS S.E.N.C.R.L./ KAUFMAN LAWYERS L.L.P. 11707868 CANADA INC. BONNEVILLE, Caroline Fiduciaire à CAROLINE BONNEVILLE TRUST et autres	750 000,00 \$		

	Radiations	Mention
T	21 139 054	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 20 667 932 est supprimée.

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Circonscription foncière :	Montréal	Dates de mise à jour du Registre
Cadastre :	Cadastre du Québec	Droits : 2022-01-10 10:42
Lot :	3 965 454	Radiations : 2021-09-17 15:55
Date d'établissement :	2007-05-25 09:00	Soumis à l'article 19 de la Loi sur le cadastre
Plan :	Liste des plans	
Concordance :	Partie du (des) lot(s) <u>1 706 373</u> .	

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2009-09-16	<u>16 548 968</u>	Préavis vente défaut de paiement impôt foncier	Municipalité Propriétaire	Ville de Montréal 9170-4569 Quebec Inc			I <u>16 737 990</u>
2009-11-12	<u>16 712 726</u>	Vente	Vendeur Acquéreur	9170-4569 QUÉBEC INC. SOCIÉTÉ IMMOBILIÈRE CAMPIZ LTÉE	500 000,00 \$		
2009-11-12	<u>16 712 726</u>	Hypothèque	Créancier Débiteur	9170-4569 QUÉBEC INC. SOCIÉTÉ IMMOBILIÈRE CAMPIZ LTÉE	296 000,00 \$	<u>6 456 651</u>	I <u>17 855 842</u>
2009-11-12	<u>16 712 726</u>	Droit de résolution	Vendeur Acheteur	9170-4569 QUÉBEC INC. SOCIÉTÉ IMMOBILIÈRE CAMPIZ LTÉE			I <u>17 855 842</u>
2011-05-10	<u>18 107 310</u>	Hypothèque	Créancier Constituant	BANK OF MONTREAL ZHU, Yun Tao XU, Juan	248 500,00 \$	<u>6 000 107</u>	I <u>25 461 899</u>
2011-05-17	<u>18 126 909</u>	Vente	Vendeur Acquéreur	SOCIÉTÉ IMMOBILIÈRE CAMPIZ LTÉE ZHU, Yun Tao XU, Juan	355 000,00 \$ Payé		
2016-05-25	<u>22 329 247</u>	Servitude	Constituant	HU, Xiulan CHAUBEY, Anand et autres			
2019-11-26	<u>25 060 389</u>	Saisie - procès-verbal	Créancier Débiteur	La Corporation de Services Financiers Mercedes-Benz Canada Yun Tao, Zhu			I <u>25 146 666</u>
2020-03-13	<u>25 266 907</u>	Vente	Vendeur	XU, Juan	519 000,00 \$		

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			Acheteur	ZHU, Yun Tao 11707868 CANADA INC.			
2021-02-22	<u>26 079 982</u>	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 500 000,00 \$	<u>7 068 664</u>	T <u>26 303 443</u>
2021-03-01	<u>26 099 108</u>	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 000 000,00 \$	<u>7 068 664</u>	T <u>26 303 443</u>
2021-03-01	<u>26 099 108</u>	Cession de rang hypothécaire	1re part 2e part	9435-5831 QUEBEC INC. 9435-5831 QUEBEC INC.	Réf. : 26 079 982 Égalité de rang		T <u>26 303 443</u>
2021-12-07	<u>26 877 067</u>	Hypothèque	Créancier Constituant	KAUFMAN AVOCATS S.E.N.C.R.L./ KAUFMAN LAWYERS L.L.P. 11707868 CANADA INC. BONNEVILLE, Caroline Fiduciaire à CAROLINE BONNEVILLE TRUST et autres	750 000,00 \$		

Mention de radiation - Section informatisée

	Radiations	Mention
T	16 737 990	L'inscription du préavis vente défaut de paiement impôt foncier résultant du document ou de la réquisition N° 16 548 968 est supprimée sur le(s) bien(s) visé(s) 3 965 141, 3 965 449, 3 965 452, 3 965 453, 3 965 454, 3 965 455, 3 965 456, 3 965 459, 3 965 460, 3 966 957 Cadastre du Québec.

	Radiations	Mention
T	17 855 842	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 16 712 726 est supprimée.

	Radiations	Mention
T	17 855 842	L'inscription du droit de résolution résultant du document ou de la réquisition N° 16 712 726 est supprimée.

	Radiations	Mention
T	25 461 899	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 18 107 310 est supprimée.

	Radiations	Mention
T	25 146 666	L'inscription de la saisie - procès-verbal résultant du document ou de la réquisition N° 25 060 389 est supprimée.

	Radiations	Mention
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée pour la C.F. de Montréal.

	Radiations	Mention
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la C.F. de Montréal.

Mention de radiation - Section informatisée

	Radiations	Mention
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la C.F de Montréal.

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Circonscription foncière : Montréal	Dates de mise à jour du Registre
Cadastre : Cadastre du Québec	Droits : 2022-01-11 11:32
Lot : 1 451 126	Radiations : 2021-09-21 14:06
Date d'établissement : 1999-11-23	Soumis à l'article 19 de la Loi sur le cadastre
Plan : Liste des plans	
Concordance :	

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
1999-11-23	À 09:00.DEPOSE, CF.LOT (S) REMPLACE (S), (RENOVATION) 971-842, 972-70 PAROISSE DE LACHINE						
2018-03-01	23 681 959	Déclaration de transmission	Défunt Légataire	D'ANGELO, Nicola CASCANTE (D'ANGELO), Nella			
2020-05-08	25 365 121	Vente	Vendeur Acheteur	Cascante D'Angelo, Nella 11707868 Canada Inc.	505 000,00 \$		
2021-02-22	26 079 982	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 500 000,00 \$	7 068 664	T 26 137 640 T 26 303 443
2021-03-01	26 099 108	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 000 000,00 \$	7 068 664	
Inscription 26 099 108 du 2021-03-01 raturée et modifiée le 2021-07-08 à 12:11							
2021-03-01	26 099 108	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 000 000,00 \$	7 068 664	T 26 137 640 T 26 303 443
Inscription 26 099 108 du 2021-03-01 modifiée le 2021-07-08 à 12:11							
2021-03-01	26 099 108	Cession de rang hypothécaire	1re part 2e part	9435-5831 QUEBEC INC. 9435-5831 QUEBEC INC.	Réf. : 26 079 982 Égalité de rang		T 26 303 443
2021-03-12	26 129 140	Hypothèque	Créancier Constituant	ROYAL BANK OF CANADA D'Amato, Antonietta Tassiello, Gaetano	540 000,00 \$	6 000 850	

2021-03-16	26 138 305	Vente	Vendeur Acquéreur	11707868 CANADA INC. D'Amato, Antonietta Tassiello, Gaetano	540 000,00 \$		
2021-07-08	Inscription 26 099 108 du 2021-03-01 modifiée à 12:11						

	Radiations	Mention
T	26 137 640	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée du lot 1 451 126 & 1 930 706 au Cadastre du Québec, C.F de Montréal.
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée pour la C.F. de Montréal.

	Radiations	Mention
T	26 137 640	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée sur les lots 1 451 126 et 1 930 706 Cadastre du Québec, Circonscription foncière de Montréal.
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la C.F de Montréal.

	Radiations	Mention
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la C.F de Montréal.

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Circonscription foncière :	Montréal	Dates de mise à jour du Registre
Cadastre :	Cadastre du Québec	Droits : 2022-01-11 11:06
Lot :	4 666 969	Radiations : 2021-09-21 14:06
Date d'établissement :	2010-12-27 09:00	Soumis à l'article 19 de la Loi sur le cadastre
Plan :	Liste des plans	
Concordance :	Partie du (des) lot(s) 4 605 574 .	

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2011-01-14	17 844 093	Servitude	Requérant	9181-5712 Québec Inc.			
2011-01-21	17 857 235	Déclaration de copropriété	Requérant	9181-5712 Québec Inc.	Partie privative		
2011-01-21	17 857 235	Servitude	Requérant	9181-5712 Québec Inc.	Partie privative		
2011-03-18	17 977 684	Vente	Vendeur Acquéreur	9181-5712 QUÉBEC INC. SAPOROSHSKI, Andrej AZORSKY (CHEKHUNOV / CHEHUNOVA), Marina	450 675,52 \$ payé		
2011-03-18	17 978 734	Hypothèque	Créancier Constituant	THE TORONTO-DOMINION BANK SAPOROSHSKI, Andrej AZORSKY (also known as CHEKHUNOV) (also known as C, Marina	215 000,00 \$	6 000 062	I 19 921 854
2011-09-26	18 504 005	Servitude	Cédant Cessionnaire	9181-5712 Québec Inc Ville de Montréal			
2012-07-30	19 304 050	Hypothèque	Créancier Constituant	INVESTORS GROUP TRUST CO. LTD FAGE, GEOFFREY AZORSKY, MARINA also known as CHEKUNOV or CHENHUNOVA	590 000,00 \$	6 000 121	I 25 697 517
2012-08-03	19 313 358	Vente	Vendeur Acquéreur	SAPOROSHSKI, ANDREJ FAGE, GEOFFREY	333 577,44 \$ Payé		
2013-01-22	19 696 039	Servitude amendement	Requérant	Le SYNDICAT DE LA COPROPRIÉTÉ LE BOIS DES CARYERS, PHASE 1	Réf. : 17 844 093		

				LIU, Jian Rong aussi connu sous le prénom de «Jenny» et autres			
2017-10-19	23 443 047	Hypothèque légale	Créancier Débiteur	MINISTRE DU REVENU DU QUÉBEC FAGE, Geoffrey	81 911,73 \$	6 000 329	T 25 061 271
2017-11-03	23 474 915	Hypothèque	Créancier Constituant	CIBC MORTGAGES INC. AZORSKY, Marina partie aussi connue sous CHEKHUNOV or CHENHUNOVA	495 600,00 \$	6 064 028	T 25 453 678
2017-11-03	23 477 071	Vente	Vendeur Acheteur	FAGE, Geoffrey AZORSKY, Marina aussi connue sous CHEKHUNOV or CHENHUNOVA	droits indivis 223 355,45 \$		
2020-03-16	25 268 528	Vente	Vendeur Acheteur	AZORKSY, Marina 11707868 CANADA INC.	695 000,00 \$		
2021-02-22	26 079 982	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 500 000,00 \$	7 068 664	T 26 247 355 T 26 303 443
2021-03-01	26 099 108	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 000 000,00 \$	7 068 664	T 26 247 355 T 26 303 443
2021-03-01	26 099 108	Cession de rang hypothécaire	1re part 2e part	9435-5831 QUEBEC INC. 9435-5831 QUEBEC INC.	Réf. : 26 079 982 Égalité de rang		T 26 247 355 T 26 303 443
2021-04-28	26 251 619	Hypothèque	Créancier Débiteur	Banque Royale du Canada SANHAJI, Salma ILARZEG, Ali	710 000,00 \$	6 000 850	
2021-05-03	26 267 017	Vente	Vendeur Acheteur	11707868 CANADA INC SANHAJI, Salma ILARZEG, Ali	710 000,00 \$		

	Radiations	Mention
T	19 921 854	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 17 978 734 est supprimée.

	Radiations	Mention
T	25 697 517	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 19 304 050 est supprimée.

	Radiations	Mention
T	25 061 271	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 23 443 047 est supprimée.

	Radiations	Mention
T	25 453 678	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 23 474 915 est supprimée.

	Radiations	Mention
T	26 247 355	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée du lot 4 666 969 au Cadastre du Québec, C.F de Montréal.
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée pour la C.F. de Montréal.

	Radiations	Mention
T	26 247 355	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée du lot 4 666 969 au Cadastre du Québec, C.F de Montréal.
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la C.F de Montréal.

	Radiations	Mention
T	26 247 355	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée du lot 4 666 969 au Cadastre du Québec, C.F de Montréal.
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la C.F de Montréal.

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Circonscription foncière : Montréal	Dates de mise à jour du Registre
Cadastre : Cadastre du Québec	Droits : 2022-01-11 11:06
Lot : 1 930 932	Radiations : 2021-09-21 14:06
Date d'établissement : 2001-10-15	Soumis à l'article 19 de la Loi sur le cadastre
Plan : Liste des plans	
Concordance :	

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2001-10-15	À 09:00.DEPOSE, CF.LOT (S) REMPLACE (S), (RENOVATION) 960-96-40 PAROISSE DE LACHINE						
2002-03-22	5 331 643	Hypothèque conventionnelle	Créancier Débiteur	CSSE POP DE LASALLE GRENIER, MADELEINE	75 000,00 \$ avec intérêts	1 066 323	T 22 432 315
2002-03-27	5 333 028	Vente	Vendeur Acquéreur	ROULEAU, PIERRE GRENIER, MADELEINE	57 000,00 \$ comptant	1 247 612	
2009-07-02	16 331 018	Hypothèque	Créancier Débiteur	Caisse populaire Desjardins de Lasalle Grenier, Madeleine	130 000,00 \$	6 016 864	T 22 432 315
2016-06-17	22 404 333	Hypothèque	Créancier Constituant	CAISSE DESJARDINS DE LASALLE Rouleau, Yanik	480 000,00 \$	6 016 864	T 25 279 428
2016-06-20	22 410 022	Déclaration de transmission	Défunt Légataire	GRENIER, Madeleine ROULEAU, Benoit ROULEAU, Yanik et autres			
2016-06-20	22 410 087	Cession d'un immeuble	Cédant Cessionnaire	ROULEAU, Benoit ROULEAU, Eric ROULEAU, Yanik			
2020-01-17	25 159 865	Vente	Vendeur Acheteur	ROULEAU, Yanik 11707868 CANADA INC.	393 000,00 \$		
2020-12-16	25 942 686	Vente	Vendeur Acheteur	11707868 Canada Inc. Immeubles Avenue Lockwood Inc. - Lockwood Avenue Properties Inc.	356 000,00 \$		

	Radiations	Mention
T	22 432 315	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 5 331 643 est supprimée.

	Radiations	Mention
T	22 432 315	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 16 331 018 est supprimée.

	Radiations	Mention
T	25 279 428	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 22 404 333 est supprimée.

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Circonscription foncière : Montréal	Dates de mise à jour du Registre
Cadastre : Cadastre du Québec	Droits : 2022-01-11 11:06
Lot : 1 930 706	Radiations : 2021-09-21 14:06
Date d'établissement : 2001-10-15	Soumis à l'article 19 de la Loi sur le cadastre
Plan : Liste des plans	
Concordance :	

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2001-10-15	À 09:00.DEPOSE, CF.LOT (S) REMPLACE (S), (RENOVATION) 960-141 PAROISSE DE LACHINE						
2010-02-16	16 937 505	Hypothèque	Créancier Constituant	Caisse populaire Desjardins de la Maison de Radio-Canada LE, Thuy Nga LECLERC, Antoine	325 200,00 \$	6 004 588	T 21 892 325
2010-02-16	16 937 507	Vente	Vendeur Acheteur	DESSUREAULT, Gérald LE, Thuy Nga LECLERC, Antoine	406 500,00 \$ payé		
2015-09-09	21 822 148	Hypothèque	Créancier Débiteur	Banque Manuvie du Canada LECLERC, Antoine LE, Thuy Nga	400 000,00 \$	6 002 007	T 25 461 897
2020-01-27	25 176 140	Vente	Vendeur Acheteur	Leclerc, Antoine Le, Thuy Nga 11707868 Canada Inc.	615 000,00 \$		
2021-02-22	26 079 982	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 500 000,00 \$	7 068 664	T 26 137 640 T 26 303 443
2021-03-01	26 099 108	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 000 000,00 \$-	7 068 664	-
Inscription 26 099 108 du 2021-03-01 raturée et modifiée le 2021-07-08 à 12:11							
2021-03-01	26 099 108	Hypothèque	Créancier	9435-5831 QUEBEC INC.	1 000 000,00 \$	7 068 664	T 26 137 640

			Constituant	11753436 CANADA INC. 11707868 CANADA INC. et autres			T 26 303 443
	Inscription 26 099 108 du 2021-03-01 modifiée le 2021-07-08 à 12:11						
2021-03-01	26 099 108	Cession de rang hypothécaire	1re part 2e part	9435-5831 QUEBEC INC. 9435-5831 QUEBEC INC.	Réf. : 26 079 982 Égalité de rang		T 26 303 443
2021-04-23	26 237 059	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11707868 CANADA INC.	2 500 000,00 \$	7 068 664	T 26 497 055
2021-07-07	26 485 630	Hypothèque	Créancier Constituant	LA BANQUE TORONTO-DOMINION BALDE, Mariama Seray	700 000,00 \$	6 000 062	
2021-07-08	Inscription 26 099 108 du 2021-03-01 modifiée à 12:11						
2021-07-12	26 498 395	Vente	Vendeur Acquéreur	11707868 CANADA INC BALDE, Mariama Seray	675 000,00 \$		

	Radiations	Mention
T	21 892 325	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 16 937 505 est supprimée.

	Radiations	Mention
T	25 461 897	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 21 822 148 est supprimée.

	Radiations	Mention
T	26 137 640	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée du lot 1 451 126 & 1 930 706 au Cadastre du Québec, C.F de Montréal.
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée pour la C.F. de Montréal.

	Radiations	Mention
T	26 137 640	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée sur les lots 1 451 126 et 1 930 706 Cadastre du Québec, Circonscription foncière de Montréal.
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la C.F de Montréal.

	Radiations	Mention
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la C.F de Montréal.

	Radiations	Mention
T	26 497 055	L'inscription des droits hypothécaires résultant du document ou de

la réquisition N° 26 237 059 est supprimée.

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Circonscription foncière : Montréal	Dates de mise à jour du Registre
Cadastre : Cadastre du Québec	Droits : 2022-01-11 11:06
Lot : 4 680 598	Radiations : 2021-09-21 14:06
Date d'établissement : 2011-01-18 09:00 Soumis à l'article 19 de la Loi sur le cadastre	
Plan : Liste des plans	
Concordance : Partie du (des) lot(s) 4 605 575 .	

Date de présentation d'inscription	Numéro	Nature de l'acte	Qualité	Nom des parties	Remarques	Avis d'adresse	Radiations
2011-05-10	18 109 402	Déclaration de copropriété	Requérant	9181-5712 Québec Inc.	Partie privative		
2011-05-10	18 109 402	Servitude	Requérant	9181-5712 Québec Inc.	Partie privative		
2011-06-16	18 229 990	Hypothèque légale (construction)	Créancier Débiteur	9212-7513 Québec Inc. 9181-5712 Québec Inc. Propriétaire Catalogna & Freres Ltee	22 768,58 \$	6 604 067	T 18 249 431
2011-07-20	18 335 009	Servitude	Requérant	SYNDICAT DE LA COPROPRIÉTÉ LE BOIS DES CARYERS, PHASE II 9181-5712 QUÉBEC INC. et autres			
2012-05-02	19 022 040	Hypothèque	Créancier Constituant	ROYAL BANK OF CANADA LIU, Qingrong SAIDI, Khalid	479 000,00 \$	6 000 850	T 25 623 140
2012-05-02	19 022 163	Vente	Vendeur Acquéreur	9181-5712 QUÉBEC INC. SAIDI, Khalid LIU, Qing Rong	418 502,30 \$ Payé		
2013-05-14	19 931 239	Servitude amendement	Requérant	SYNDICAT DE LA COPROPRIÉTÉ LE BOIS DES CARYERS, PHASE II TROISIÈME GROUPE DE COPROPRIÉTAIRES	Réf. : 18 335 009		
2020-07-10	25 529 904	Vente	Vendeur Acheteur	LIU, Qing Rong SAIDI, Khalid 11707868 CANADA INC.	645 000,00 \$		

2021-02-22	26 079 982	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 500 000,00 \$	7 068 664	T 26 303 443
2021-03-01	26 099 108	Hypothèque	Créancier Constituant	9435-5831 QUEBEC INC. 11753436 CANADA INC. 11707868 CANADA INC. et autres	1 000 000,00 \$	7 068 664	T 26 303 443
2021-03-01	26 099 108	Cession de rang hypothécaire	1re part 2e part	9435-5831 QUEBEC INC. 9435-5831 QUEBEC INC.	Réf. : 26 079 982 Égalité de rang		T 26 303 443
2021-05-28	26 343 436	Hypothèque	Créancier Débiteur	THE TORONTO-DOMINION BANK YANG, QINGZHOU ZANG, Qing	685 000,00 \$	6 000 062	
2021-06-02	26 361 013	Vente	Vendeur Acheteur	11707868 CANADA INC. YANG, Qingzhou ZANG, Qing	685 000,00 \$		

	Radiations	Mention
T	18 249 431	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 18 229 990 est supprimée.

	Radiations	Mention
T	25 623 140	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 19 022 040 est supprimée.

	Radiations	Mention
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 079 982 est supprimée pour la C.F. de Montréal.

	Radiations	Mention
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la C.F de Montréal.

	Radiations	Mention
T	26 303 443	L'inscription des droits hypothécaires résultant du document ou de la réquisition N° 26 099 108 est supprimée pour la C.F de Montréal.

NO: 500-11-060613-227

SUPERIOR COURT

(Commercial Division)

(Sitting as a court designated pursuant to the Companies'
Creditors Arrangement Act, R.S.C. 1995, c. 36, as
amended)

***IN THE MATTER OF THE PLAN OF COMPROMISE
OR ARRANGEMENT OF:***

**RISING PHOENIX INTERNATIONAL INC.,
10864285 CANADA INC,
11753436 CANADA INC.,
CDSQ IMMOBILIER INC.,
COLLÈGE DE L'ESTRIE INC.,
ÉCOLE D'ADMINISTRATION ET DE
SECRÉTARIAT DE LA RIVE SUD INC.,
9437-6845 QUÉBEC INC.**

- and -

9437-6852 QUÉBEC INC.

Applicants

and

RICHTER ADVISORY GROUP INC.

Monitor

**CONTESTATION OF FIRM CAPITAL
MORTGAGE FUND INC,
AFFIDAVIT OF MICHAEL WARNER
and EXHIBITS FC-1 to FC-13
(JANUARY 13, 2022)**

ORIGINAL

File: thorn.47

Nature:

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