

February 14, 2013

TO THE CREDITORS OF 761735 Ontario Limited

Please be advised that **761735 Ontario Limited** filed a *Notice of Intention to Make a Proposal* on February 14, 2013 under the *Bankruptcy and Insolvency Act*. A copy of this Notice of Intention is enclosed herewith.

This is a procedure whereby a debtor, with creditor and Court approval, reorganizes its financial affairs. Our role as Trustee in this matter is to assist the debtor with the development of the Proposal, to liaise with creditors so as to fully explain the Proposal to them and to support and facilitate the decision-making process which creditors will ultimately undertake, ending with their acceptance or rejection of the Proposal.

All liabilities, actual and contingent, of **761735 Ontario Limited** as at February 14, 2013 are subject to the Notice of Intention to Make a Proposal mentioned above and are fixed as at that date.

All creditors are **STAYED** from commencing or continuing any actions as against **761735 Ontario Limited** until the Proposal is dealt with by the creditors.

761735 Ontario Limited has thirty (30) days from the date of filing the **Notice of Intention to Make a Proposal** (subject to Court approved extensions of this time period) to lodge a Proposal with us so that we may file it with the Official Receiver.

We will be calling a meeting of creditors to consider the Proposal within twenty-one (21) days of the date on which the Proposal is filed. You will receive Notice of the meeting along with all other necessary documents including the proof of claim form, and voting letter, at least ten days in advance of the meeting.

Please feel free to contact the Trustee, Joanne Russo, 905-503-3328 ext. 101 or 103 if you require any further information with respect to this matter.

**Trustee acting in re: the Matter
of the Proposal of 761735 Ontario Limited, a debtor**

Per: 
Joanne Russo, CIRP

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

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

In the matter of the proposal of
761735 ONTARIO LIMITED
of the Town of Aurora, in the Province of Ontario

Take notice that:

1. I, 761735 ONTARIO LIMITED, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Russo Corp. of 78 Wellington St E, Aurora, ON, L4G 1H8, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the Town of Aurora in the Province of Ontario, this 14th day of February 2013.


761735 ONTARIO LIMITED
Insolvent Person

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

FORM 78 -- Continued

List "A"
 Unsecured Creditors

761735 ONTARIO LIMITED

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---------------|--|--|-------------------|---------------------|---------------------|
| 1 | 888517 ONTARIO LIMITED | 400 INDUSTRIAL PARKWAY SOUTH Aurora ON L4G 6E2 | 200,000.00 | 0.00 | 200,000.00 |
| 2 | CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insol | 451 Talbot St., 3rd Floor, CP 5548 London ON N6A 4R3 | 40,000.00 | 0.00 | 40,000.00 |
| 3 | DiNardo, Elena | | 344,000.00 | 0.00 | 344,000.00 |
| 4 | DIVERSIFIED CAPITAL INC. Attn: KENNETH G. HOOD MORTGAGEE & GSA | c/o BAKER SCHNEIDER RUGGIERO LLP 120 ADELAIDE STREET WEST SUITE 100 Toronto ON M5H 3V1 | 0.00 | 2,154,919.00 | 2,154,919.00 |
| 5 | Gold Card Leasing Attn: Thomas Bates | 103 - 1120 Finch Avenue West North York ON M3J 3H7 | 0.00 | 1.00 | 1.00 |
| 6 | Highland Chevrolet Buick GMC Cadillac Attn: Jonathan Richardson | 15783 Yonge Street Aurora ON L4G 3H4 | 0.00 | 2,000.00 | 2,000.00 |
| 7 | Ruben & Christie LLP Attn: DAVID RUBIN | 2nd Floor - 219 Finch Ave W North York ON M2R 1M2 | 7,000.00 | 0.00 | 7,000.00 |
| 8 | THE 7 NORTH CATERING CORPORATION | 400 INDUSTRIAL PARKWAY SOUTH Aurora ON L4G 6E2 | 1.00 | 0.00 | 1.00 |
| 9 | Town of Aurora | Aurora Town Hall, 100 John West Way, Box 1000 Aurora ON L4G 6J1 | 0.00 | 331,497.56 | 331,497.56 |
| Total: | | | 591,001.00 | 2,488,417.56 | 3,079,418.56 |

14-Feb-2013

Date

JOSEPH DINARDO

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

FORM 78 -- Continued

List "D"
Contingent or Other Liabilities

761735 ONTARIO LIMITED

| No. | Name of creditor or claimant | Address and occupation | Amount of liability or claim | Amount expected to rank for dividend | Date when liability incurred | Nature of liability |
|---------------|------------------------------|------------------------|------------------------------|--------------------------------------|------------------------------|---------------------|
| 1 | SHAREHOLDER LOANS | | 828,000.00 | 0.00 | | |
| Total: | | | 828,000.00 | 0.00 | | |

14-Feb-2013

Date

JOSEPH DINARDO

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

FORM 78 -- Continued

List "B"
 Secured Creditors

761735 ONTARIO LIMITED

| No. | Name of creditor | Address | Amount of claim | Particulars of security | When given | Estimated value of security | Estimated surplus from security | Balance of claim unsecured |
|---------------|---|--|---------------------|-------------------------|------------|-----------------------------|---------------------------------|----------------------------|
| 1 | DIVERSIFIED CAPITAL INC. Attn: KENNETH G. HOOD MORTGAGEE & GSA | c/o BAKER SCHNEIDER RUGGIERO LLP 120 ADELAIDE STREET WEST SUITE 100 Toronto ON M5H 3V1 | 2,154,919.00 | | | 0.00 | | 2,154,919.00 |
| 2 | Gold Card Leasing Attn: Thomas Bates | 103 - 1120 Finch Avenue West North York ON M3J 3H7 | 1.00 | | | 0.00 | | 1.00 |
| 3 | Highland Chevrolet Buick GMC Cadillac Attn: Jonathan Richardson | 15783 Yonge Street Aurora ON L4G 3H4 | 2,000.00 | | | 0.00 | | 2,000.00 |
| 4 | Town of Aurora | Aurora Town Hall, 100 John West Way, Box 1000 Aurora ON L4G 6J1 | 331,497.56 | | | 0.00 | | 331,497.56 |
| Total: | | | 2,488,417.56 | | | 0.00 | 0.00 | 2,488,417.56 |

14-Feb-2013

Date

JOSEPH DINARDO

IN THE MATTER OF THE PROPOSAL OF
761735 ONTARIO LIMITED
OPERATING IN THE TOWN OF AURORA
IN THE PROVINCE OF ONTARIO

STAY OF PROCEEDINGS

TAKE NOTICE THAT 761735 ONTARIO LIMITED has filed a "Notice of Intention to make a Proposal" with the Official Receiver on February 14, 2013 a copy of which is attached.

And further take Notice that under Section 69(1)(a) of the *Bankruptcy and Insolvency Act (Canada)*:

No creditor has any remedy against the insolvent person or the insolvent person's property, or shall commence or continue any action, execution or other proceedings for the recovery of a claim provable in Bankruptcy.

And that under Section 69(1)(b):

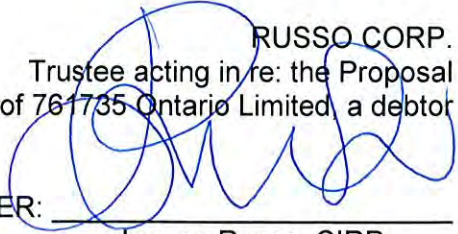
No provision of a security agreement between the insolvent person and a secured creditor that provides, in substance, that on

- i) the insolvent person's insolvency,***
- ii) the default by the insolvent person of an obligation under the security agreement, or***
- iii) the filing by the insolvent person of a notice of intention under Section 50.4,***

the insolvent person ceases to have such rights to use or deal with assets secured under the agreement as the Debtor would otherwise have, has any force or effect.

This Stay of Proceedings will be in effect until the Proposal is dealt with by the creditors, or if the company becomes Bankrupt.

RUSSO CORP.
Trustee acting in re: the Proposal
of 761735 Ontario Limited, a debtor

PER: 
Joanne Russo, CIRP