

ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST

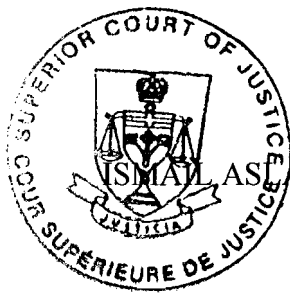
THE HONOURABLE) TUESDAY, THE 20th
MR. JUSTICE D. BROWN) DAY OF MARCH, 2012

BETWEEN:

ISLAMIC SOCIETY OF TORONTO

Applicant

- and -



SHAM ABOWAT, SHAMIM ABOWAT, BILAL DIWAN, ABDUL RAHIM
JOGIAT, ILYAS MULLABHAI, and M. WASIM VANIA

Respondents

ORDER

THIS APPLICATION, made by the Islamic Society of Toronto ("IST") for the appointment of an independent monitor and other injunctive relief was heard this day, at 330 University Avenue, Toronto, Ontario.

ON READING the application record and on hearing the submissions of the lawyers for the Applicant and the Respondents;

1. THIS COURT ORDERS that the action in Civil Court File No. CV-11-437593 is hereby transferred to the Commercial List;
2. THIS COURT FURTHER ORDERS that the Motion scheduled for April 19, 2012, brought by the Applicant in Civil Court File No. CV-11-437593, shall proceed before the Honourable Mr. Justice Brown on the Commercial List and is hereby scheduled for two hours;

3. THIS COURT FURTHER ORDERS that no meetings of the IST members may be held pending the determination of the April 19, 2012 Motion referred to above;

4. THIS COURT FURTHER ORDERS that on the consent of both parties, BDO Canada Limited, is hereby appointed pursuant to section 101 of the Courts of Justice Act as the Monitor, an officer of this Court, to monitor the business and financial affairs of the IST with the powers and obligations set forth herein. The IST and its members, officers, directors, and employees shall advise the Monitor of all material steps taken pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

5. THIS COURT FURTHER ORDERS that the Monitor is hereby directed and empowered to:

- (a) monitor any and all funds received or disbursed by the IST;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the property of the IST (the "**Property**"), its business, and such other matters as may be relevant to the proceedings herein;
- (c) have full and complete access to the Property, including the Premises at 4 Thorncliffe Park Drive, Toronto, books, records, data, and any financial documents of the IST, including receipts and bank statements, whether in paper or electronic form, to the extent that it is necessary to adequately assess the IST's business and financial affairs or to perform its duties arising under this Order;
- (d) assess the state of accounts and on-going record-keeping practices of the IST during the period of January 1, 2011 until the termination of the Monitor's appointment and to ensure that the accounts and financial records of the IST are being kept in accordance with its obligations as a charitable organization;

- (e) assist and oversee the issuance of all outstanding charitable tax receipts for the 2011 fiscal year to the IST's donors forthwith. In completing this obligation, the Monitor shall make best efforts to use the volunteer staff of the IST, including, but not limited to Mr. Ismail Bhayat and Mr. Abdul Khaliq Gosla, who have previous experience with the issuance of charitable tax receipts on behalf of the IST;
- (f) perform such other duties as are required by this Order or by this Court from time to time.

6. THIS COURT FURTHER ORDERS that to facilitate the Monitor's ability to carry out its obligations under this Order and in the aim of causing as little disruption to the IST community and its normal business operations as possible, that:

- (a) there shall be one contact person for the Applicant and the Respondents who shall be the primary point of contact for the Monitor in carrying out its duties under this Order (the "**Contact Person**"). For greater clarity:
 - (i) the Contact Person on behalf of the Applicant shall be Ismail Bhayat;
 - (ii) the Contact Person on behalf of the Respondents shall be Wasim Vania;
and
 - (iii) any inquiry of the Monitor from the IST membership or employees shall be directed through a Contact Person.
- (b) All documentary and electronic financial records, hardware and related software belonging to the IST that are in the possession of any other members of the IST shall be delivered forthwith to the IST office and delivered to the Monitor;
- (c) all keys or combinations to the IST office, any storage space, filing cabinets, or vault within the IST Administrative Office shall be delivered to the Monitor forthwith. The Monitor shall ensure that one set of keys to the IST Administrative Office is provided to:

- (i) each of the three (3) Imams employed by the IST;
- (ii) the IST's evening school administrator, Umer Taliya; and
- (iii) The Contact Person for the Respondents.

7. THIS COURT FURTHER ORDERS that on or before 12 noon, Thursday, March 22, 2012, the Monitor shall ensure that all the books, records and other financial documents of the IST are placed in a separate, secure, locked room at the Premises to which only the Monitor shall have the keys. The Monitor shall provide access to the financial records of IST to those persons whom the Monitor considers necessary and appropriate for the proper maintenance of IST's financial books and records, but such persons may only access such financial records in the presence of the Monitor.

8. THIS COURT FURTHER ORDERS that the Monitor shall not take possession of any property of the IST and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of any property or other asset of IST. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in possession of any of the property within the meaning of any environmental legislation, unless it is actually in possession.

9. THIS COURT FURTHER ORDERS that, in addition to the rights and protections afforded the Monitor as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by any applicable legislation.

10. THIS COURT FURTHER ORDERS that the Monitor shall be paid their reasonable fees and disbursements at their standard rates and charges by the IST as part of the costs of these proceedings. The IST is hereby authorized and directed to pay the accounts of the Monitor on a bi-weekly basis from the IST bank account, and, in addition, the IST if hereby directed to pay to the Monitor a retainer in the amount of \$15,000, to be held by them as security for payments of their fees and disbursements outstanding from time to time.

11. THIS COURT FURTHER ORDERS that the Monitor shall pass its accounts from time to time, and for this purpose the accounts of the Monitor are hereby referred to the Honourable Mr. Justice Brown of the Commercial List of the Ontario Superior Court of Justice.

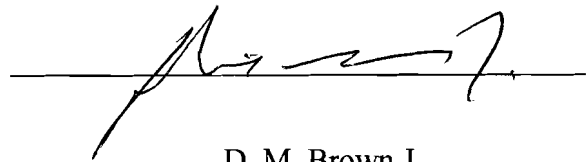
12. THIS COURT FURTHER ORDERS that the Monitor shall be entitled to the benefit of and is hereby granted a charge over the bank account of the IST and any future cash receipts payable to the IST (the “**Administrative Charge**”). For greater clarity, the Administrative Charge does not attach to the physical property of the IST, including the Mosque so as to be compliant with Article 9 of the IST Constitution. The Administrative Charge shall not exceed an aggregate amount of \$30,000, as security for the Monitor’s professional fees and disbursements incurred at the standard rates and charges of the Monitor.

13. THIS COURT FURTHER ORDERS THAT the Monitor’s appointment shall terminate upon the determination of the motion to be heard by the Honourable Mr. Justice Brown on April 19, 2012 or upon further order of this Court.

14. THIS COURT FRUTHER ORDERS that on or before 12 noon on Thursday, March 22, 2012, the parties must post the Reasons for Decision dated March 20, 2012 in their entirety on the IST website, www.islamicocietytoronto.com, as well as on the public posting board at IST’s Premises where public notices are generally posted.

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

MAR 23 2012



D. M. Brown J.

ISLAMIC SOCIETY OF TORONTO

Applicant

And

ISMAIL ASLAM ABOWAT, SHAMIM ABOWAT,
BILAL DIWAN, ABDUL RAHIM JOGIAT, ILYAS
MULLABHAI, and M. WASIM VANIA

Respondents

Court File No: CV-12-9645-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE -
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

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