

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY
DEVELOPMENT INC., 76 OLD KENNEDY DEVELOPMENT INC.
AND 82 OLD KENNEDY DEVELOPMENT INC., ALL
CORPORATIONS INCORPORATED UNDER THE LAWS OF
ONTARIO

**MOTION RECORD
(Sale Approval)
(returnable January 28, 2019)**

January 22, 2019

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY DEVELOPMENT INC., 76 OLD KENNEDY DEVELOPMENT INC. AND 82 OLD KENNEDY DEVELOPMENT INC., ALL CORPORATIONS INCORPORATED UNDER THE LAWS OF ONTARIO

**NOTICE OF MOTION
(Sale Approval)
(returnable January 28, 2019)**

58 Old Kennedy Development Inc., 76 Old Kennedy Development Inc. and 82 Old Kennedy Development Inc. (collectively, the “**NOI Companies**”), will make a motion to Justice Hainey of the Commercial List at 330 University Avenue, Toronto, Ontario, on **Monday, January 28, 2019**, at 10:00 a.m. or as soon after that time as the motion can be heard.

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

- in writing under subrule 37.12.1(1) because it is made without notice;
- in writing as an opposed motion under subrule 37.12.1(4); or
- orally.

THE MOTION IS FOR an order approving, among other things,:

- (a) an agreement of purchase and sale dated as of December 8, 2018 (as amended by an amendment dated January 15, 2019, the “**58 Old Kennedy Sale Agreement**”) between 58 Old Kennedy Development Inc. and Cheng Yi Wei, in trust for a

company to be incorporated (the “**Purchaser**”)¹ for the purchase of 58 Old Kennedy Road and 20 Thelma Avenue in the City of Markham;

- (b) an agreement of purchase and sale dated as of December 8, 2018 (as amended by an amendment dated January 15, 2019, the “**76 Old Kennedy Sale Agreement**”) between 76 Old Kennedy Development Inc. and the Purchaser for the purchase of 64-76 Old Kennedy Road in the City of Markham; and
- (c) an agreement of purchase and sale dated as of December 8, 2018 (as amended by an amendment dated January 15, 2019, the “**82 Old Kennedy Sale Agreement**”) between 82 Old Kennedy Development Inc. and the Purchaser for the purchase of 82 Old Kennedy Road in the City of Markham; and
- (d) vesting title in the Real Property (defined below) in the Purchaser.

THE GROUNDS FOR THE MOTION ARE:

Background

- (a) The NOI Companies are part of a real estate development group more generally known as the “Forme Group” which consists of Forme Development Group Inc. and a number of affiliates including the NOI Companies;
- (b) The NOI Companies all filed notices of intention (“**NOIs**”) to make a proposal under Section 50.4 of the *Bankruptcy and Insolvency Act* on October 26, 2018 (the “**NOI Proceedings**”);
- (c) KSV Kofman Inc. was appointed proposal trustee (the “**Proposal Trustee**”) in each of the NOI Proceedings;
- (d) The Forme Group subsequently made an application for protection under the *Companies’ Creditors Arrangement Act* (“**CCAA**”) on November 6, 2018;

¹ The designated purchaser by Cheng Yi, is 500830 Ontario Inc.

- (e) On November 30, 2018, this Court granted an Initial Order in the CCAA proceedings;
- (f) The NOI Companies are not part of the CCAA proceedings;
- (g) The NOI Companies own 4 parcels of real property: (a) 58 Old Kennedy Road & 20 Thelma Avenue (merged on title); (b) 76 Old Kennedy Road; and (c) 82 Old Kennedy Road (collectively, “58/76/82 Old Kennedy” or the “Real Property”);

Enforcement proceedings

- (h) Each of 58/76/82 Old Kennedy has different first mortgagees, namely All Season Recycle Inc. (“All Season”), Wu’s International Inc. (“Wu’s”) and Matthew Castelli (“Castelli”), respectively;
- (i) Castelli is also the second mortgagee on each of the properties;
- (j) In total, there is approximately \$21.5 million of mortgage debt on 58/76/82 Old Kennedy, plus interest and costs which continue to accrue;
- (k) At this stage, both Castelli and Wu have issued demands and sent notices of sale;
- (l) The redemption periods under the Castelli and Wu notices of sale will expire on or about January 28, 2019 and February 6, 2019, respectively;

Sale Process

- (m) On December 21, 2018, this Court approved the retention of TD Cornerstone Commercial Realty Inc. (“TD”), a listing agreement between TD and the NOI Companies (the “TD Listing Agreement”) and a sale process contemplated by the TD Listing Agreement;
- (n) Around the same time (and as has previously been communicated to the mortgagees and the Court), in December 2018, a number of unsolicited offers or expressions of

interest for 58/76/82 Old Kennedy were received by the NOI Companies or the Proposal Trustee including those from the Purchaser;

(o) The offers from the Purchaser ultimately formed the basis for the Sale Agreements;

(p) The proposed purchase prices under the Sale Agreements are:

a) \$11,000,000 in respect of 58 Old Kennedy and 20 Thelma;

b) \$4,000,000 in respect of 76 Old Kennedy; and

c) \$15,000,000 in respect of 82 Old Kennedy,

resulting in an aggregate purchase price of \$30,000,000;

(q) The proposed transactions are cash sales, other than the assumption of the All Season mortgage;

(r) All Season has consented to the assumption of its mortgage by the Purchaser;

(s) The Purchaser has agreed to accept all existing leases on the Real Property;

(t) There are no conditions precedent to the transactions contemplated by the Sale Agreements other than Court approval;

(u) The purchase prices for each of the properties is more than sufficient to repay the mortgage debt and the Purchaser has indicated it will be in a position to close by the end of January 2019;

(v) The purchase price is consistent with an estimate of value provided by TD to the Proposal Trustee in advance of these proceedings;

(w) The bid deadline under the TD sale process is February 7, 2019. However, given the impending expiration of the remediation periods under Wu's and Castelli's enforcements as well as the fact that the value greatly exceeds the mortgage amounts on the properties, pursuing these offers is supported by the Proposal

Trustee and is in the best interests of the NOI Companies' stakeholders in the circumstances;

General

- (x) Sections 19, 34, 50.4(9), 183 and 187 of the BIA;
- (y) Section 138 of the Courts of Justice Act, R.S.O. 1990, c. C.43;
- (z) *The Rules of Civil Procedure*, R.R.O. 1990, reg. 194, including, without limitation, rules 1.04(1) thereof;
- (aa) *Bankruptcy and Insolvency General Rules*, C.R.C. 1978, C. 368, rule 3;
- (bb) Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

- (a) The affidavit of Yuan Hua Wang sworn January 21, 2019;
- (b) The Fourth Report of the Proposal Trustee to be filed; and
- (c) Such further and other evidence as counsel may advise and this Honourable Court may permit.

DATE: January 22, 2019

GOLDMAN SLOAN NASH & HABER LLP

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Lawyers for the NOI Companies

TO: THE SERVICE LIST

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY DEVELOPMENT
INC., 76 OLD KENNEDY DEVELOPMENT INC. AND 82 OLD KENNEDY
DEVELOPMENT INC., ALL CORPORATIONS INCORPORATED UNDER THE
LAWS OF ONTARIO

Estate File No: 31-2436538

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced TORONTO

NOTICE OF MOTION
(Sale Approval)
(returnable January 28, 2019)

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Lawyers for the NOI Companies

TAB 2

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY
DEVELOPMENT INC., 76 OLD KENNEDY DEVELOPMENT INC.
AND 82 OLD KENNEDY DEVELOPMENT INC.,
ALL CORPORATIONS INCORPORATED UNDER THE LAWS OF
ONTARIO

AFFIDAVIT OF YUAN HUA WANG
(sworn January 21, 2019)

I, Yuan Hua Wang, of the City of Markham, in the Province of Ontario, MAKE OATH AND SAY:

1. This Affidavit is made in support of a motion by 58 Old Kennedy Development Inc., 76 Old Kennedy Development Inc. and 82 Old Kennedy Development Inc. (collectively, the “**NOI Companies**”) for an order, *inter alia*, approving:

- (a) an agreement of purchase and sale dated as of December 8, 2018 (as amended by an amendment dated January 15, 2019, the “**58 Old Kennedy Sale Agreement**”) between 58 Old Kennedy Development Inc. and Cheng Yi Wei, in trust for a company to be incorporated (the “**Purchaser**”) for the purchase of 58 Old Kennedy Road and 20 Thelma Avenue in the City of Markham;
- (b) an agreement of purchase and sale dated as of December 8, 2018 (as amended by an amendment dated January 15, 2019, the “**76 Old Kennedy Sale Agreement**”) between 76 Old Kennedy Development Inc. and the Purchaser for the purchase of 64-76 Old Kennedy Road in the City of Markham; and
- (c) an agreement of purchase and sale dated as of December 8, 2018 (as amended by an amendment dated January 15, 2019, the “**82 Old Kennedy Sale Agreement**”)

between 82 Old Kennedy Development Inc. and the Purchaser for the purchase of 82 Old Kennedy Road in the City of Markham;

(collectively, the “**Sale Agreements**”. Copies of the Sale Agreements are attached as Exhibits “A” through “C” hereto).

2. I am the founder, sole shareholder and director of the NOI Companies. As such, I have personal knowledge of the matters deposed to in this Affidavit. Where I have relied on other sources of information, I have specifically referred to such sources and verily believe them to be true. In preparing this Affidavit, I have consulted with the Proposal Trustee (as defined below), legal advisers of the NOI Companies and other members of the management team of the NOI Companies.

BACKGROUND

3. The NOI Companies are part of a larger group of companies that are known as the “Forme Development Group” (the “**Forme Group**”). The NOI Companies are single purpose companies holding parcels of land at 58 Old Kennedy Road & 20 Thelma Drive, 76 Old Kennedy Road and 82 Old Kennedy Road (collectively, “**58/76/82 Old Kennedy**”). 58/76/82 Old Kennedy make up a land assembly.

4. On October 26, 2018, each of the NOI Companies filed a notice of intention (“**NOIs**”) to make a proposal under the BIA. KSV Kofman Inc. was appointed as the proposal trustee (the “**Proposal Trustee**”). On November 6, 2018, the NOI Companies, along with several other members of the Forme Group, applied for protection under the *Companies’ Creditors Arrangement Act*. Through a number of hearings, several other members of the Forme Group entered into CCAA proceedings. However, the NOI Companies do not form part of the CCAA proceedings and, instead, the NOI proceedings for the Companies has continued.

5. On December 21, 2018, this Court granted an Order (the “**December 21 Order**”) extending the time by which the NOI Companies must file a proposal to February 22, 2019. However, the terms of the December 21 Order also provided that any mortgagee holding a mortgage on any of 58/76/82 Old Kennedy is entitled to pursue enforcement remedies notwithstanding the extension of the NOI.

ENFORCEMENT PROCEEDINGS

6. Each of 58/76/82 Old Kennedy has different first mortgagees, namely All Season Recycle Inc. (“**All Season**”), Wu’s International Inc. (“**Wu’s**”) and Matthew Castelli (“**Castelli**”), respectively. Castelli is also the second mortgagee on each of the properties. More details regarding the mortgage amounts will be set out in the Fourth Report of the Proposal Trustee (the “**Fourth Report**”). The principal amounts of the first mortgages are as follows:

Borrower	Property	Principal Amount of Mortgage	Mortgagee
58 Old Kennedy Development Inc.	58 Old Kennedy Road & 20 Thelma Ave	\$5.1 million	All Season
76 Old Kennedy Development Inc.	76 Old Kennedy Road	\$2.8 million	Castelli
82 Old Kennedy Development Inc.	82 Kennedy Road	\$8.625 million	Wu

Castelli also has a second mortgage with a principal amount of \$5 million that is secured against each of 58/76/82 Old Kennedy. In total, there is approximately \$21.5 million of mortgage debt on 58/76/82 Old Kennedy, plus interest and costs which continue to accrue.

7. At this stage, both Castelli and Wu have issued demands and sent notices of sale. Copies of these documents are attached as Exhibits “D” and “E”, respectively. I understand that once a notice of sale is issued, there is a redemption period of 35 days after which a mortgagee may enter into its own sale agreement which would mean that the redemption period under the Castelli enforcement will expire on or about January 28, 2019. The redemption period under the Wu enforcement will expire on or about February 6, 2019.

SALE PROCESS

8. The purpose for the extension of the NOI proceedings has been, among other things, to allow the NOI Companies to market 58/76/82 Old Kennedy as an assembly. I remain of the view that the value of these properties is higher if sold as an assembly as opposed to piece meal. Given that the assembly is held by three different legal entities of which I am the shareholder, a sale of

the assembly by the NOI Companies is far simpler than by the mortgagees. Further, as the owner of the NOI Companies, I am most incentivized to maximize the value that can be obtained for these properties.

9. The December 21 Order also approved the retention of TD Cornerstone Commercial Realty Inc. (“**TD**”), a listing agreement between TD and the NOI Companies (the “**TD Listing Agreement**”) and a sale process contemplated by the TD Listing Agreement.

10. However, around the same time (and as has previously been communicated to the mortgagees and the Court), in December 2018, a number of unsolicited offers or expressions of interest for 58/76/82 Old Kennedy were received by me or the Proposal Trustee including those from the Purchaser. The offers from the Purchaser ultimately formed the basis for the Sale Agreements.

11. The proposed purchase prices under the Sale Agreements are:

- (a) \$11,000,000 in respect of 58 Old Kennedy and 20 Thelma;
- (b) \$4,000,000 in respect of 76 Old Kennedy; and
- (c) \$15,000,000 in respect of 82 Old Kennedy,

resulting in an aggregate purchase price of \$30,000,000.

12. The proposed transactions are cash sales, other than the assumption of the All Season mortgage. All Season has consented to the assumption of its mortgage by the Purchaser.

13. There are no conditions precedent to the transactions contemplated by the Sale Agreements other than Court approval. The purchase prices for each of the properties is more than sufficient to repay the mortgage debt and the Purchaser has indicated it will be in a position to close by the end of January 2019, all of which is set out in more detail in the Fourth Report.

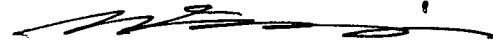
14. The bid deadline under the TD sale process is February 7, 2019. However, given the impending expiration of the remediation periods under Wu’s and Castelli’s enforcements as well as the fact that the value greatly exceeds the mortgage amounts on the properties, I believe that

proceeding with these offers is in the best interests of the NOI Companies' stakeholders in the circumstances. In addition, the Proposal Trustee and TD are recommending the proposed transactions with the Purchaser.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, this 21st day of January, 2019.



Commissioner for taking affidavits



Yuan Hua Wang

TAB A

Agreement of Purchase and Sale Commercial

Form 500
for use in the Province of Ontario

This is Exhibit "A" referred to in the affidavit of Yan He Wang sworn before me at Toronto this 21 day of January, 2018.
A Commissioner for taking Affidavits for Ontario

This Agreement of Purchase and Sale dated this 8th day of December, 2018

BUYER, Cheng Yi Wei in trust for a company to be incorporated, agrees to purchase from
(Full legal names of all Buyers)

SELLER, 58 Old Kennedy Development Inc., the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 58 Old Kennedy Road and 20 Thelma Avenue

fronting on the west side and north side of each respectively

in the City of Markham

and having a frontage of as per deed more or less by a depth of as per deed more or less

and legally described as as per deed

as per schedule A (the "property")
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN\$) 11,000,000.00
Eleven Million Dollars

DEPOSIT: Buyer submits Upon Acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)
Three Hundred Thousand Dollars (CDN\$) 300,000.00

by negotiable cheque payable to Seller's solicitors "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by Buyer until 11:59 a.m. on the 10th day of December, 2018, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 31st day of January, 2019. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

3. NOTICES: The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.:
 (For delivery of Documents to Seller)

FAX No.:
 (For delivery of Documents to Buyer)

Email Address:
 (For delivery of Documents to Seller)

Email Address:
 (For delivery of Documents to Buyer)

4. CHATELS INCLUDED:

.....

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.....

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Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. FIXTURES EXCLUDED:

.....

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.....

.....

6. RENTAL ITEMS (Including Lease, Lease to Own): The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

.....

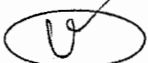
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The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price. The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, If applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): 

INITIALS OF SELLERS(S): 

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 14 day of January, 2019, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there

are no outstanding work orders or deficiency notices affecting the property, that its present use (Commercial) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.


10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.


12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S): 

INITIALS OF SELLERS(S): 

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- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):



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28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

..... (Witness)	..... (Buyer/Authorized Signing Officer)	● (Seal)	DATE Dec 8th, 2018
..... (Witness)	..... (Buyer/Authorized Signing Officer)	● (Seal)	DATE

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

..... (Witness)	..... (Seller/Authorized Signing Officer)	● (Seal)	DATE DEC 09, 2018
..... (Witness)	..... (Seller/Authorized Signing Officer)	● (Seal)	DATE

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

..... (Witness) (Spouse)	● (Seal)	DATE
--------------------	-------------------	----------	------------

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at ...10... a.m./p.m. this 09 day of DEC, 2018.

.....
(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)	
Listing Brokerage TD Cornerstone Commercial Realty Inc	Tel.No. (416) 509-2668
Ashley Martis	(Salesperson / Broker Name)
Co-op/Buyer Brokerage	Tel.No. (.....)
.....	(Salesperson / Broker Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

..... DATE

(Seller)

..... DATE

(Seller)

Address for Service

..... Tel.No. (.....)

Seller's Lawyer

Address

Email

(.....) Tel.No. (.....) FAX No. (.....)

..... DATE

(Buyer)

..... DATE

(Buyer)

Address for Service

..... Tel.No. (.....)

Buyer's Lawyer

Address

Email

(.....) Tel.No. (.....) FAX No. (.....)

FOR OFFICE USE ONLY COMMISSION TRUST AGREEMENT	
To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:	
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.	
DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.	Acknowledged by:
.....
(Authorized to bind the Listing Brokerage)	(Authorized to bind the Co-operating Brokerage)



Schedule A Agreement of Purchase and Sale - Commercial

Form 500
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, Cheng Yi Wei in trust for a company to be incorporated....., and

SELLER, 58 Old Kennedy Development Inc......

for the purchase and sale of **58 Old Kennedy Road and 20 Thelma Avenue**.....

Markham..... dated the **8th** day of **December**, 20**18**

Buyer agrees to pay the balance as follows:

Legal Description of Land

**58 Old Kennedy RD: PT LT 1 CON 5 MARKHAM AS IN R609686 CITY OF MARKHAM.
20 Thelma Ave: LT 8 PL 2687 MARKHAM; LT 9 PL 2687 MARKHAM; LT 10 PL 2687 MARKHAM; LT 11 PL 2087 MARKHAM; LT 12 PL 2687 MARKHAM; MARKHAM.**

The Buyer agrees to pay the balance of the purchase price, subject to adjustment, to the Seller on completion of this transaction, with funds drawn on a Lawyer's account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

The Seller warrants and represents to the Buyer that all environmental laws and regulations have been complied with, no hazardous conditions or substances exist on the land, no limitations or restrictions affecting the continue use of the property exist, other than those specifically provided for herein, no pending litigation respecting Environmental matters, no outstanding Ministry of Environment Orders, investigation, charges or prosecutions respecting Environmental matter exist, there has been no prior use as a waste disposal site, and all applicable licenses are in force. The Seller agrees to provide to the Buyer upon request, all documents, records, and reports relating to environmental matters in possession of the Seller. The Seller further authorizes Ministry of Environment, to release to the Buyer, the Buyer's Agent or Solicitor, any and all information that may be on record in the Ministry office with respect to the said property.

The Seller agrees to authorize his planner (Western Consulting, Planning + Urban Design) to release all information within Three (3) days after the acceptance of this offer and allow access for any and all inspections at Buyer's own expenses.

Initial Deposit. The Buyer submits, within 24 Hours of final acceptance of this Offer \$300,000.00 payable by Certified Cheque or Bank Draft to the Seller's solicitor, in trust, (the "Deposit Holder") as a deposit to be held by the Deposit Holder in trust pending completion or other termination of this Agreement and to be credited on account of the purchase price on completion. The deposit is non refundable.

Buyer authorize to release the deposit from the Solicitor's account to The Seller subject to Monitor or Court Approval. (Signature)

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

(Signature)

INITIALS OF SELLERS(S):

(Signature)

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Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

The Buyer agrees to assume the following existing first Charges/Mortgages held by for approximately: Five Million One Hundred Thousand Dollars \$5,100,000.00 (registered on 58 old Kennedy Rd & 20 Thelma Ave,).

The Buyer, on the closing, agrees to pay off the following existing the Charges/Mortgages held by for approximately: the 2nd Mortgage of Five Million Dollars \$5,000,000.00 respectively (registered on 64-76 Old Kennedy & 82 & 58 Old Kennedy Rd, Markham & 20 Thelma Ave, Markham).

The Buyer represents that it is now or will by no later than the closing date be registered for the purpose of the HST tac ("HST") in accordance with the applicable provisions in that regard pursuant to the relevant Tax Act of Canada/Ontario, as amended. The Buyer covenants to deliver a Statutory Declaration on closing confirming its HST registration number, which shall be conclusive of such HST registration, and shall preclude the Seller from collection of HST from the Buyer on closing. The Buyer further covenants to deliver an indemnity if favor of the Seller on closing as to any obligation or liability for payment of HST arising from completion of this Agreement.

Buyer agrees to assume the existing tenancies which the Seller warrants are the only tenancies affecting the property currently.

The Seller covenant to deliver to the Buyer, within three (3) days following the date of acceptance of this Agreement, each of the following:

1. Full copy of all written lease or other rental/tenancy arrangement, including any amendment thereto binding upon the whole or any portion of the property.
2. If any such rental/tenancy arrangements are pursuant to verbal agreements. Seller shall deliver written confirmation of detail of all such arrangements.
3. Statutory Declaration of the Seller attesting to the fact that all written and verbal rental/tenancy arrangements, including any amendments to any such arrangements, have been disclosed in full to the Buyer.
4. The Buyer shall receive an abatement for all rents or his property manager will provide a notice to all tenants advising them of the new owner or new property manager and requiring all future rents to be paid as the Buyer directs. All first or/and last month rent deposits plus all accrued interest shall be abated to the Buyer on closing.
5. By 5 Days prior to closing date, the Seller or his property manager will provide a notice to all tenants advising them of the new owner or new property manager and requiring all future rents to be paid as the Buyer directs. All first or/and last month rent deposits plus all accrued interest shall be abated to the Buyer on closing.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):



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Schedule A Agreement of Purchase and Sale - Commercial

Form 500
for use in the Province of Ontario

The Seller agrees to provide the Buyer or Buyer's representative with all keys or codes in his or his property manager's possession for all buildings, rooms, doors and mailboxes on closing. The Seller promises not to keep any key on closing.

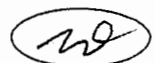
The Buyer shall have the right to re-visit the property Two (2) further times prior to completion, provided that notice is given to the Seller. The visit shall be at a mutually agreed upon time within a 24 hour period following the giving of such notice. During these visits, the Buyer shall be permitted to make measurements and to bring the consultants.

This Offer is subject to the approval pursuant to the proceedings under the Section 50.4 of the Bankruptcy and Insolvency Act ("BIA") in respect of the subject "NOI" Companies (58 Old Kennedy Development Inc. with Estate No. 31-2436600)

INITIALS OF BUYER(S):



INITIALS OF SELLERS(S):



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AMENDMENT TO AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made with effect as of the 15 day of January, 2019 (this “**Amending Agreement**”).

BETWEEN:

58 OLD KENNEDY DEVELOPMENT INC.
(hereinafter called the “**Seller**”)

OF THE FIRST PART;

- and -

CHENG YI WEI in trust for a company to be incorporated
(hereinafter called the “**Buyer**”)

OF THE SECOND PART.

WHEREAS:

- A. By an agreement of purchase and sale between the Seller, as vendor, and Buyer, as purchaser, dated for reference December 8, 2018, as amended, supplemented, or restated from time to time (collectively, the “**Purchase Agreement**”), the Seller agreed to sell and the Buyer agreed to purchase, *inter alia*, the property legally described as PT LT 1 CON 5 MARKHAM AS IN R609686; CITY OF MARKHAM, being all of PIN 02953-0015 (LT), and LT 8 PL 2687 MARKHAM; LT 9 PL 2687 MARKHAM; LT 10 PL 2687 MARKHAM; LT 11 PL 2687 MARKHAM; LT 12 PL 2687 MARKHAM ; MARKHAM, being all of PIN 02953-0017 (LT), municipally known as 58 Old Kennedy Road and 20 Thelma Avenue, respectively (collectively, the “**Property**”) on the terms and conditions set forth in the said Purchase Agreement;
- B. The Buyer and Seller wish to amend the Purchase Agreement in accordance with the terms and conditions contained here; and
- C. Words and phrases which are capitalized herein and which are defined in the Purchase Agreement shall have the same meaning in this Amending Agreement as in the Purchase Agreement, except to the extent otherwise specifically provided herein.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the completion of the transaction contemplated by the Purchase Agreement and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

1. **Amendment to Purchase Agreement**

- a) The **DEPOSIT** section of the Purchase Agreement shall be amended so as to read:

“Buyer Submits Upon Acceptance Three Hundred Thousand Dollars (CDNS) \$300,000 by negotiable cheque payable to ~~Seller’s solicitors~~ KSV Kofman Inc., proposal trustee “Deposit Holder” [...]”

- b) The **TITLE SEARCH** section of the Purchase Agreement shall be amended so as to read:

Handwritten initials and a circular stamp.

“Buyer shall be allowed until 6:00 p.m. on the ~~14~~ 25th day of January, 2019, (Requisition Date) to examine the title to the property [...]”

- c) Schedule A of the Purchase Agreement shall be removed in its entirety, and replaced with the Schedule Attached hereto as Schedule A.

2. Other Terms in Purchase Agreement

The undersigned agree that by signing this Amending Agreement they shall treat the Purchase Agreement as valid and subsisting, subject to the terms and amendments contained herein. All of the other terms and conditions in the Purchase Agreement remain unchanged, and time shall be of the essence.

3. Governing Law

This Amending Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

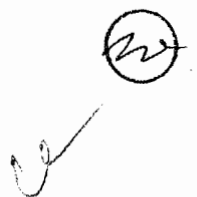
4. Enurement

This Amending Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns.

5. Counterparts

This Amending Agreement may be executed in counterparts and delivered by facsimile and when each party has so executed a counterpart each of such counterparts shall be deemed to be an original and all of such counterparts when taken together shall constitute one and the same agreement.


[Remainder of page intentionally left blank; signature page to follow]



IT WITNESS WHEREOF this Amending Agreement has been executed as of the day and year first above written.

SELLER:

58 OLD KENNEDY DEVELOPMENT INC.

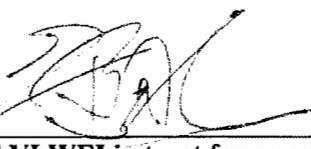
Per: 

Name: *MIKE WANG*


Title: *president*

I have the authority to bind the corporation.

BUYER:



CHENG YI WEI in trust for a company to be incorporated



Witness *RYAN LI*



Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between.

BUYER, Cheng Yi Wei in trust for a company to be incorporated

SELLER, 58 Old Kennedy Development Inc.

for the purchase and sale of **58 Old Kennedy Road and 20 Thelma Avenue**

Markham dated the **8th** day of **December**, 20**18**

Buyer agrees to pay the balance as follows.

- 1) Legal Description of Land:
 - 58 Old Kennedy Road: PT LT 1 CON 5 MARKHAM AS IN R609686; CITY OF MARKHAM, being all of PIN 02953-0015 (LT).
 - 20 Thelma Avenue : LT 8 PL 2687 MARKHAM; LT 9 PL 2687 MARKHAM; LT 10 PL 2687 MARKHAM; LT 11 PL 2687 MARKHAM; LT 12 PL 2687 MARKHAM ; MARKHAM, being all of PIN 02953-0017 (LT).
- 2) The Buyer Agrees to pay the balance of the purchase price, subject to adjustment, to the Seller on completion of this transaction, with funds drawn on a Lawyer's account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 3) The Buyer acknowledges it is purchasing the property on an "as is/where is" basis, with no representations or warranties.
- 4) The Seller agrees to authorize his planner (Western Consulting, Planning + Urban Design) to release all information within Three (3) days after acceptance of this offer and allow access for any and all inspections at the Buyer's own expenses.
- 5) Initial Deposit. The Buyer submits, within 24 Hours of final acceptance of this Offer \$300,000.00 payable by Certified Cheque or Bank Draft to KSV Kofman Inc., proposal trustee, in trust, (the "Deposit Holder") as a deposit, and to be credited on account of the purchase price on completion. The deposit is non refundable.
- 6) On Closing the Purchase Price will be satisfied by:
 - a. the Buyer agrees to assume the existing first Charge/Mortgage for approximately Five Million One Hundred Thousand Dollars \$5,100,000.00 (registered on 58 old Kennedy Rd & 20 Thelma Ave, and to assume said Charges/Mortgages on the same terms and conditions currently agreed to between the Seller and the lender thereunder. The Buyer further agrees to provide the lender, in a timely and businesslike manner, any information, documentation, or other deliveries that the lender may reasonably request in consenting and giving effect to this assignment (including the addition of any additional terms or conditions to said Charge/Mortgage reasonably required by the lender). The Buyer further agrees to indemnify and save harmless the Seller and its officers, shareholders, directors,

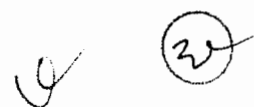
[Handwritten initials] 30

successors and assigns, from and against any and all claims, actions, and/or demands in connection with the said assigned Charge/Mortgage which arise after the closing of the transaction contemplated herein;

- b. the Buyer, on the closing, agrees to pay off the existing 2nd Charge/Mortgage for approximately Five Million Dollars \$5,000,000.00 (registered on 58 Old Kennedy; 64-76 Old Kennedy; 82 Old Kennedy; and 20 Thelma Avenue, Markham);
- c. the Buyer, on closing, will pay the balance of the Purchase Price, in cash, to KSV Kofman Inc, proposal trustee.

- 7) In addition to the representations, warranties, covenants, and obligations contained with paragraph 7 of this agreement (HST), the Buyer represents that it is now or will by no later than the closing date be registered for the purpose of the HST tax ("HST") in accordance with the applicable provisions in that regard pursuant to the relevant Tax Act of Canada/Ontario, as amended. The Buyer covenants to deliver a Statutory Declaration on closing confirming its HST registration number, and shall preclude the Seller from collection of HST from the Buyer on closing. The Buyer further covenants to deliver an indemnity in favour of the Seller on closing as to any obligation or liability for payment of HST arising from completion of this Agreement.
- 8) Buyer agrees to assume the existing tenancies which the Seller warrants are the only tenancies affecting the property currently.
- 9) The Seller covenants to deliver to the Buyer, within three (3) days following the date of the acceptance of this Agreement, each of the following:
 - a. full copy of all written lease or other rental/tenancy arrangement, including any amendment thereto binding upon the whole or any portion of the property.
 - b. if any such rental/tenancy arrangements are pursuant to verbal agreements, Seller shall deliver written confirmation setting out the details of all such arrangements.
 - c. statutory Declaration of the Seller attesting to the fact that all written and verbal rental/tenancy arrangements, including any amendments to any such arrangements, have been disclosed in full to the Buyer.
 - d. all first or/and last month rent deposits plus all accrued interest shall be abated to the Buyer on closing.
- 10) On closing, the Seller or his property manager will provide a notice to all tenants advising them of the new owner and requiring all future rents to be paid as the Buyer directs.
- 11) The Seller agrees to provide the Buyer or Buyer's representative with all keys or codes in his or his property manager's possession for all buildings, rooms, doors and mailboxes on closing. The Seller promises not to keep any keys on closing.
- 12) The Buyer shall have the right to re-visit the property two (2) further times prior to completion, provided that notice is given to the Seller and KSV Kofman Inc., proposal trustee. The visit shall be at a mutually agreed upon time within one (1) business day period following the giving of such notice. During these visits, the Buyer shall be permitted to make measurements and to bring consultants.

- 13) This Offer is subject to approval pursuant to the proceedings under the Section 50.4 of the Bankruptcy and Insolvency Act ("BIA") in respect of the subject "NOI" Companies (58 Old Kennedy Development Inc. with Estate No. 31-2436600).
- 14) The obligation of the Seller to complete the transaction contemplated herein is conditional on there being no order issued by a court or governmental authority preventing, enjoining, or restraining the completion of said transaction.
- 15) On closing, the Buyer will deliver to the Vendor:
 - a. a certificate noting that the Buyer is a duly formed and validly subsisting corporation under the laws of the Province in which it has been registered; and
 - b. a certificate noting that the Buyer has all the necessary corporate power and authority to enter into this Agreement of Purchase and Sale, and carry out the transaction contemplated herein, and that doing so does not violate any constating documents, agreements, judgments, orders, or applicable laws.
- 16) The parties hereto agree that each shall take all commercially reasonable actions necessary to have the transaction contemplated herein approved pursuant to proceedings under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, on substantially the same terms and conditions contained herein.
- 17) The Buyer cannot assign this agreement without the prior written consent of the Seller and the Proposal Trustee, in their sole discretion.
- 18) Further to the other permitted tenancies, reservations, qualifications, and registrations provided for herein, the Buyer agrees to accept title subject to:
 - a. those encumbrances currently registered on title, including the instruments registered as Instrument Nos. R609095 and YR2788189.
 - b. any inchoate lien accrued but not yet due and payable for provincial taxes, municipal taxes, charges, rates or assessments, school rates or water rates to the extent adjusted for under this agreement;
 - c. any municipal by-laws or regulations affecting the land or its use and any other municipal land use instruments including without limitation, official plans and zoning and building by-laws, as well as decisions of the Committee of Adjustment or any other competent authority permitting variances therefrom, and all applicable building codes;
 - d. registered agreements with any municipal, provincial or federal governments or authorities and any public utilities or private suppliers of services, including without limitation, subdivision agreements, development agreements, engineering, grading or landscaping agreements and similar agreements;
 - e. any unregistered easement, right-of-way, agreements or other unregistered interest of claims not disclosed by registered title provided same does not materially impact the Buyer's intended use of the property;
 - f. any encroachments or other discrepancies that might be revealed by an up-to-date plan of survey of the property;



- g. such other minor encumbrances or defects in title which do not, individually or in the aggregate, materially affect the use, enjoyment or value of the property or any part thereof, or materially impair the value thereof;
- h. any reservations, limitations, provisos and conditions expressed in the original grant from the Crown as the same may be varied by statute; and
- i. the following exceptions and qualifications contained in Section 44(1) of the Land Titles Act: paragraphs 7, 8, 9, 10, 12 and 14.

✓



TAB B

Agreement of Purchase and Sale Commercial

This is Exhibit "B" referred to in the affidavit of Yuan Hua Wong sworn before me at Toronto this 21st day of January 2019.
[Signature]
A Commissioner for taking Affidavits for Ontario

This Agreement of Purchase and Sale dated this 8th day of December, 2018

BUYER, Cheng Yi Wei in trust for a company to be incorporated, agrees to purchase from
(Full legal names of all Buyers)

SELLER, 76 Old Kennedy Development Inc., the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 64-76 Old Kennedy Road

fronting on the west side of Old Kennedy Road

in the City of Markham

and having a frontage of as per deed more or less by a depth of as per deed more or less

and legally described as as per deed

as per schedule A (the "property")
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN\$) 4,000,000.00
Four Million Dollars

DEPOSIT: Buyer submits Upon Acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)
One Hundred Fifty Thousand Dollars (CDN\$) 150,000.00

by negotiable cheque payable to Seller's solicitors "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by Buyer until 11:59 ~~xx~~/p.m. on the 10th day of December, 2018, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 31st day of January, 2019. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

[Handwritten initials]

INITIALS OF SELLER(S):

[Handwritten initials]

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.:
[For delivery of Documents to Seller]

FAX No.:
[For delivery of Documents to Buyer]

Email Address:
[For delivery of Documents to Seller]

Email Address:
[For delivery of Documents to Buyer]

4. **CHATELS INCLUDED:**
.....
.....
.....
.....

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**
.....
.....
.....
.....

6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:
.....
.....
.....
.....

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): 

INITIALS OF SELLERS(S): 

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 14 day of January, 2019, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there

are no outstanding work orders or deficiency notices affecting the property, that its present use (Commercial) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, [with all related costs at the expense of the Seller], and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

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- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



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28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) [Signature] DATE Dec. 8th, 2018
 (Buyer/Authorized Signing Officer) (Seal)
 (Witness) DATE
 (Buyer/Authorized Signing Officer) (Seal)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) [Signature] DATE Dec. 09, 2018
 (Seller/Authorized Signing Officer) (Seal)
 (Witness) DATE
 (Seller/Authorized Signing Officer) (Seal)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) DATE
 (Spouse) (Seal)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 12 a.m. 09 this 09 day of DEC, 2018.

[Signature]
(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)	
Listing Brokerage TD Cornerstone Commercial Realty Inc Ashley Martis	Tel.No. (<u>416</u>) <u>509-2668</u>
(Salesperson / Broker Name)	
Co-op/Buyer Brokerage	Tel.No. (.....)
(Salesperson / Broker Name)	

ACKNOWLEDGEMENT

<p>I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.</p> <p>..... DATE</p> <p>(Seller)</p> <p>..... DATE</p> <p>(Seller)</p> <p>Address for Service</p> <p>..... Tel.No. (.....)</p> <p>Seller's Lawyer</p> <p>Address</p> <p>Email</p> <p>(.....) (.....)</p> <p>Tel.No. FAX No.</p>	<p>I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.</p> <p>..... DATE</p> <p>(Buyer)</p> <p>..... DATE</p> <p>(Buyer)</p> <p>Address for Service</p> <p>..... Tel.No. (.....)</p> <p>Buyer's Lawyer</p> <p>Address</p> <p>Email</p> <p>(.....) (.....)</p> <p>Tel.No. FAX No.</p>
--	---

FOR OFFICE USE ONLY	COMMISSION TRUST AGREEMENT
<p>To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:</p> <p>In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.</p> <p>DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:</p> <p>.....</p> <p>(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)</p>	

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Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, Cheng Yi Wei in trust for a company to be incorporated, and
SELLER, 76 Old Kennedy Development Inc.

for the purchase and sale of 64-76 Old Kennedy Road

Markham dated the 8th day of December, 2018

Buyer agrees to pay the balance as follows:

Legal Description of Land


64-76 Old Kennedy RD: PT LT 1 CON 5 MARKHAM AS IN R649696; CITY OF MARKHAM.

The Buyer agrees to pay the balance of the purchase price, subject to adjustment, to the Seller on completion of this transaction, with funds drawn on a Lawyer's account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

The Seller warrants and represents to the Buyer that all environmental laws and regulations have been complied with, no hazardous conditions or substances exist on the land, no limitations or restrictions affecting the continue use of the property exist, other than those specifically provided for herein, no pending litigation respecting Environmental matters, no outstanding Ministry of Environment Orders, investigation, charges or prosecutions respecting Environmental matter exist, there has been no prior use as a waste disposal site, and all applicable licenses are in force. The Seller agrees to provide to the Buyer upon request, all documents, records, and reports relating to environmental matters in possession of the Seller. The Seller further authorizes Ministry of Environment, to release to the Buyer, the Buyer's Agent or Solicitor, any and all information that may be on record in the Ministry office with respect to the said property.

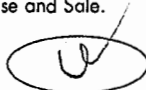
The Seller agrees to authorize his planner (Western Consulting, Planning + Urban Design) to release all information within Three (3) days after the acceptance of this offer and allow access for any and all inspections in order to fulfill the above noted conditions at Buyer's own expenses.

Initial Deposit. The Buyer submits, within 24 Hours of final acceptance of this Offer, \$150,000.00 payable by Certified Cheque or Bank Draft to the Seller's solicitor, in trust, (the "Deposit Holder") as a deposit to be held by the Deposit Holder in trust pending completion or other termination of this Agreement and to be credited on account of the purchase price on completion. The deposit is non refundable.

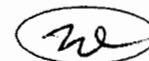
Buyer authorize to release the deposit from the Solicitor's account to the Seller subject to Monitor or Court Approval. 

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):



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Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

The Buyer, on the closing, agrees to pay off the following existing the Charges/Mortgages held by for approximately: the 1st Mortgage of Two Million Eight Hundred Thousand Dollars \$2,800,000.00 (registered on 64-76 Old Kennedy Rd, Markham) & the 2nd Mortgage of Five Million Dollars \$5,000,000.00 respectively (registered on 64-76 Old Kennedy & 82 & 58 Old Kennedy Rd, Markham & 20 Thelma Ave, Markham)

The Buyer represents that it is now or will by no later than the closing date be registered for the purpose of the HST tac ("HST") in accordance with the applicable provisions in that regard pursuant to the relevant Tax Act of Canada/Ontario, as amended. The Buyer covenants to deliver a Statutory Declaration on closing confirming its HST registration number, which shall be conclusive of such HST registration, and shall preclude the Seller from collection of HST from the Buyer on closing. The Buyer further covenants to deliver an indemnity if favor of the Seller on closing as to any obligation or liability for payment of HST arising from completion of this Agreement.

Buyer agrees to assume the existing tenancies which the Seller warrants are the only tenancies affecting the property currently.

The Seller covenant to deliver to the Buyer, within three (3) days following the date of acceptance of this Agreement, each of the following:

1. Full copy of all written lease or other rental/tenancy arrangement, including any amendment thereto binding upon the whole or any portion of the property.
2. If any such rental/tenancy arrangements are pursuant to verbal agreements. Seller shall deliver written confirmation of detail of all such arrangements.
3. Statutory Declaration of the Seller attesting to the fact that all written and verbal rental/tenancy arrangements, including any amendments to any such arrangements, have been disclosed in full to the Buyer.
4. The Buyer shall receive an abatement for all rents or his property manager will provide a notice to all tenants advising them of the new owner or new property manager and requiring all future rents to be paid as the Buyer directs. All first or/and last month rent deposits plus all accrued interest shall be abated to the Buyer on closing.
5. By 5 Days prior to closing date, the Seller or his property manager will provide a notice to all tenants advising them of the new owner or new property manager and requiring all future rents to be paid as the Buyer directs. All first or/and last month rent deposits plus all accrued interest shall be abated to the Buyer on closing.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):



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Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

The Seller agrees to provide the Buyer or Buyer's representative with all keys or codes in his or his property manager's possession for all buildings, rooms, doors and mailboxes on closing. The Seller promises not to keep any key on closing.

The Buyer shall have the right to re-visit the property Two (2) further times prior to completion, provided that notice is given to the Seller. The visit shall be at a mutually agreed upon time within a 24 hour period following the giving of such notice. During these visits, the Buyer shall be permitted to make measurements and to bring the consultants.

This Offer is subject to the approval pursuant to the proceedings under the Section 50.4 of the Bankruptcy and Insolvency Act ("BIA") in respect of the subject "NOI" Companies (76 Old Kennedy Development Inc. with Estate No. 31-2436604)

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):



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AMENDMENT TO AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made with effect as of the 15 day of January, 2019 (this "Amending Agreement").

BETWEEN:

76 OLD KENNEDY DEVELOPMENT INC.
(hereinafter called the "Seller")

OF THE FIRST PART;

- and -

CHENG YI WEI in trust for a company to be incorporated
(hereinafter called the "Buyer")

OF THE SECOND PART.

WHEREAS:

- A. By an agreement of purchase and sale between the Seller, as vendor, and Buyer, as purchaser, dated for reference December 8, 2018, as amended, supplemented, or restated from time to time (collectively, the "Purchase Agreement"), the Seller agreed to sell and the Buyer agreed to purchase, *inter alia*, the property legally described as PT LT 1 CON 5 MARKHAM AS IN R649696 ; MARKHAM; CITY OF MARKHAM, being all of PIN 02953-0016 (LT), and municipally known as 76 Old Kennedy Road (the "Property") on the terms and conditions set forth in the said Purchase Agreement;
- B. The Buyer and Seller wish to amend the Purchase Agreement in accordance with the terms and conditions contained here; and
- C. Words and phrases which are capitalized herein and which are defined in the Purchase Agreement shall have the same meaning in this Amending Agreement as in the Purchase Agreement, except to the extent otherwise specifically provided herein.

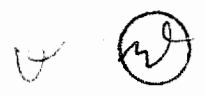
NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the completion of the transaction contemplated by the Purchase Agreement and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

1. **Amendment to Purchase Agreement**

- a) The **DEPOSIT** section of the Purchase Agreement shall be amended so as to read:

"Buyer Submits Upon Acceptance One Hundred and Fifty Thousand Dollars (CDN\$) \$150,000 by negotiable cheque payable to ~~Seller's solicitors~~ KSV Kofman Inc., proposal trustee "Deposit Holder" [...]"
- b) The **TITLE SEARCH** section of the Purchase Agreement shall be amended so as to read:

"Buyer shall be allowed until 6:00 p.m. on the ~~14~~ 25th day of January, 2019, (Requisition Date) to examine the title to the property [...]"



- c) Schedule A of the Purchase Agreement shall be removed in its entirety, and replaced with the Schedule Attached hereto as Schedule A.

2. Other Terms in Purchase Agreement

The undersigned agree that by signing this Amending Agreement they shall treat the Purchase Agreement as valid and subsisting, subject to the terms and amendments contained herein. All of the other terms and conditions in the Purchase Agreement remain unchanged, and time shall be of the essence.

3. Governing Law

This Amending Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.


4. Enurement

This Amending Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns.

5. Counterparts

This Amending Agreement may be executed in counterparts and delivered by facsimile and when each party has so executed a counterpart each of such counterparts shall be deemed to be an original and all of such counterparts when taken together shall constitute one and the same agreement.

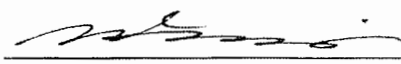
[Remainder of page intentionally left blank; signature page to follow]

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IT WITNESS WHEREOF this Amending Agreement has been executed as of the day and year first above written.

SELLER:

76 OLD KENNEDY DEVELOPMENT INC.

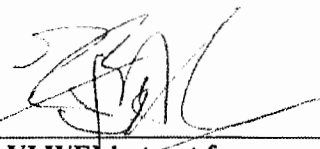
Per: 

Name: *MIKE WANG.*

Title: *president.*

I have the authority to bind the corporation.

BUYER:



CHENG YI WEI in trust for a company to be incorporated



Witness **RYAN LI**

Schedule A
Agreement of Purchase and Sale - Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, Cheng Yi Wei in trust for a company to be incorporated, and

SELLER, 76 Old Kennedy Development Inc.

for the purchase and sale of **64-76 Old Kennedy Road**

Markham dated the **8th** day of **December**, 20**18**

Buyer agrees to pay the balance as follows:

- 1) **Legal Description of Land:**
76 Old Kennedy Road: PT LT 1 CON 5 MARKHAM AS IN R649696 ; MARKHAM; CITY OF MARKHAM, being all of PIN 02953-0016 (LT).
- 2) The Buyer Agrees to pay the balance of the purchase price, subject to adjustment, to the Seller on completion of this transaction, with funds drawn on a Lawyer's account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 3) The Buyer acknowledges it is purchasing the property on an "as is/where is" basis, with no representations or warranties.
- 4) The Seller agrees to authorize his planner (Western Consulting, Planning + Urban Design) to release all information within Three (3) days after acceptance of this offer and allow access for any and all inspections at the Buyer's own expenses.
- 5) **Initial Deposit.** The Buyer submits, within 24 Hours of final acceptance of this Offer \$150,000.00 payable by Certified Cheque or Bank Draft to KSV Kofman Inc., proposal trustee, in trust, (the "Deposit Holder") as a deposit, and to be credited on account of the purchase price on completion. The deposit is non refundable.
- 6) **On Closing the Purchase Price will be satisfied by:**
 - a. the Buyer, on the closing, agrees to pay off the existing 1st Charge/Mortgage for approximately Two Million Eight Hundred Thousand Dollars \$2,800,000.00 (registered on 64-76 Old Kennedy Rd, Markham);
 - b. the Buyer, on the closing, agrees to pay off the existing 2nd Charge/Mortgage for approximately Five Million Dollars \$5,000,000.00 (registered on 58 Old Kennedy; 64-76 Old Kennedy; 82 Old Kennedy; and 20 Thelma Avenuc, Markham);
 - c. the Buyer, on closing, will pay the balance of the Purchase Price, in cash, to KSV Kofman Inc, proposal trustee.
- 7) In addition to the representations, warranties, covenants, and obligations contained with paragraph 7 of this agreement (HST), the Buyer represents that it is now or will by no later than the closing date be registered for the purpose of the HST tax ("HST") in


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accordance with the applicable provisions in that regard pursuant to the relevant Tax Act of Canada/Ontario, as amended. The Buyer covenants to deliver a Statutory Declaration on closing confirming its HST registration number, and shall preclude the Seller from collection of HST from the Buyer on closing. The Buyer further covenants to deliver an indemnity in favour of the Seller on closing as to any obligation or liability for payment of HST arising from completion of this Agreement.

- 8) Buyer agrees to assume the existing tenancies which the Seller warrants are the only tenancies affecting the property currently.
- 9) The Seller covenants to deliver to the Buyer, within three (3) days following the date of the acceptance of this Agreement, each of the following:
 - a. full copy of all written lease or other rental/tenancy arrangement, including any amendment thereto binding upon the whole or any portion of the property.
 - b. if any such rental/tenancy arrangements are pursuant to verbal agreements, Seller shall deliver written confirmation setting out the details of all such arrangements.
 - c. statutory Declaration of the Seller attesting to the fact that all written and verbal rental/tenancy arrangements, including any amendments to any such arrangements, have been disclosed in full to the Buyer.
 - d. all first or/and last month rent deposits plus all accrued interest shall be abated to the Buyer on closing.
- 10) On closing, the Seller or his property manager will provide a notice to all tenants advising them of the new owner and requiring all future rents to be paid as the Buyer directs.
- 11) The Seller agrees to provide the Buyer or Buyer's representative with all keys or codes in his or his property manager's possession for all buildings, rooms, doors and mailboxes on closing. The Seller promises not to keep any keys on closing.
- 12) The Buyer shall have the right to re-visit the property two (2) further times prior to completion, provided that notice is given to the Seller and KSV Kofman Inc., proposal trustee. The visit shall be at a mutually agreed upon time within a one (1) business day period following the giving of such notice. During these visits, the Buyer shall be permitted to make measurements and to bring consultants.
- 13) This Offer is subject to approval pursuant to the proceedings under the Section 50.4 of the Bankruptcy and Insolvency Act ("BIA") in respect of the subject "NOI" Companies (58 Old Kennedy Development Inc. with Estate No. 31-2436600).
- 14) The obligation of the Seller to complete the transaction contemplated herein is conditional on there being no order issued by a court or governmental authority preventing, enjoining, or restraining the completion of said transaction.
- 15) On closing, the Buyer will deliver to the Vendor:
 - a. a certificate noting that the Buyer is a duly formed and validly subsisting corporation under the laws of the Province in which it has been registered; and
 - b. a certificate noting that the Buyer has all the necessary corporate power and authority to enter into this Agreement of Purchase and Sale, and carry out the

14 (39)

transaction contemplated herein, and that doing so does not violate any constating documents, agreements, judgments, orders, or applicable laws.

- 16) The parties hereto agree that each shall take all commercially reasonable actions necessary to have the transaction contemplated herein approved pursuant to proceedings under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, on substantially the same terms and conditions contained herein.
- 17) The Buyer cannot assign this agreement without the prior written consent of the Seller and the Proposal Trustee, in their sole discretion.
- 18) Further to the other permitted tenancies, reservations, qualifications, and registrations provided for herein, the Buyer agrees to accept title subject to:
 - a. those encumbrances currently registered on title.
 - b. any inchoate lien accrued but not yet due and payable for provincial taxes, municipal taxes, charges, rates or assessments, school rates or water rates to the extent adjusted for under this agreement;
 - c. any municipal by-laws or regulations affecting the land or its use and any other municipal land use instruments including without limitation, official plans and zoning and building by-laws, as well as decisions of the Committee of Adjustment or any other competent authority permitting variances therefrom, and all applicable building codes;
 - d. registered agreements with any municipal, provincial or federal governments or authorities and any public utilities or private suppliers of services, including without limitation, subdivision agreements, development agreements, engineering, grading or landscaping agreements and similar agreements;
 - e. any unregistered easement, right-of-way, agreements or other unregistered interest of claims not disclosed by registered title provided same does not materially impact the Buyer's intended use of the property;
 - f. any encroachments or other discrepancies that might be revealed by an up-to-date plan of survey of the property;
 - g. such other minor encumbrances or defects in title which do not, individually or in the aggregate, materially affect the use, enjoyment or value of the property or any part thereof, or materially impair the value thereof;
 - h. any reservations, limitations, provisos and conditions expressed in the original grant from the Crown as the same may be varied by statute; and
 - i. the following exceptions and qualifications contained in Section 44(1) of the Land Titles Act: paragraphs 7, 8, 9, 10, 12 and 14.

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TAB C

Agreement of Purchase and Sale Commercial

Form 500
for use in the Province of Ontario

This is Exhibit "C" referred to in the
affidavit of Yuan Hua Wang
sworn before me at BRM
this 21st day of JANUARY, 2018
[Signature]
A Commissioner for taking Affidavits for Ontario

This Agreement of Purchase and Sale dated this 8th day of December, 2018

BUYER, Cheng Yi Wei in trust for a company to be incorporated, agrees to purchase from
(Full legal names of all Buyers)

SELLER, 82 Old Kennedy Development Inc., the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 82 Old Kennedy Road

fronting on the west side of Old Kennedy Road

in the City of Markham

and having a frontage of as per deed more or less by a depth of as per deed more or less

and legally described as as per deed

as per Schedule A (the "property")
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN\$) 15,000,000.00
Fifteen Million Dollars

DEPOSIT: Buyer submits Upon Acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)
Three Hundred Thousand Dollars (CDN\$) 300,000.00

by negotiable cheque payable to Seller's solicitors "Deposit Holder"
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by Buyer until 11:59 ~~xx~~ p.m. on
(Seller/Buyer)
the 10th day of December, 2018, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 31st day of January, 2019. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

[Handwritten initials]

INITIALS OF SELLERS(S):

[Handwritten initials]



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3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.:
(For delivery of Documents to Seller)

FAX No.:
(For delivery of Documents to Buyer)

Email Address:
(For delivery of Documents to Seller)

Email Address:
(For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**
.....
.....
.....
.....

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**
.....
.....
.....
.....

6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:


.....
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.....
.....
.....

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, If applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): 

INITIALS OF SELLERS(S): 

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8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 14 day of January, 2019, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there

are no outstanding work orders or deficiency notices affecting the property, that its present use (Commercial) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S): 

INITIALS OF SELLERS(S): 

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- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):




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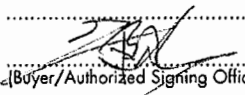
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28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

.....
 (Witness) 

 (Witness)

 (Buyer/Authorized Signing Officer) 

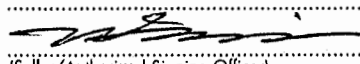
 (Buyer/Authorized Signing Officer)

 (Seal) DATE Dec 8th, 2018

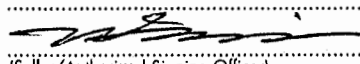
 (Seal) DATE

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

.....
 (Witness) 

 (Witness)

 (Seller/Authorized Signing Officer) 

 (Seller/Authorized Signing Officer)

 (Seal) DATE Dec 09, 2018

 (Seal) DATE

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

.....
 (Witness)

 (Spouse)

 (Seal) DATE

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 10 a.m./p.m. this 09 day of Dec, 2018

.....
(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)	
Listing Brokerage TD Cornerstone Commercial Realty Inc	Tel.No. (<u>416</u>) <u>509-2668</u>
Ashley Martis	(Salesperson / Broker Name)
Co-op/Buyer Brokerage	Tel.No. (.....)
.....	(Salesperson / Broker Name)

ACKNOWLEDGEMENT

<p>I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.</p> <p>..... DATE</p> <p>(Seller)</p> <p>..... DATE</p> <p>(Seller)</p> <p>Address for Service</p> <p>..... Tel.No. (.....)</p> <p>Seller's Lawyer</p> <p>Address</p> <p>Email</p> <p>(.....) (.....)</p> <p>Tel.No. FAX No.</p>	<p>I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.</p> <p>..... DATE</p> <p>(Buyer)</p> <p>..... DATE</p> <p>(Buyer)</p> <p>Address for Service</p> <p>..... Tel.No. (.....)</p> <p>Buyer's Lawyer</p> <p>Address</p> <p>Email</p> <p>(.....) (.....)</p> <p>Tel.No. FAX No.</p>
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FOR OFFICE USE ONLY	COMMISSION TRUST AGREEMENT
<p>To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:</p> <p>In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.</p> <p>DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:</p> <p>.....</p> <p>(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)</p>	

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Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, Cheng Yi Wei in trust for a company to be incorporated, and

SELLER, 82 Old Kennedy Development Inc.

for the purchase and sale of 82 Old Kennedy Road

Markham dated the 8th day of December, 2018

Buyer agrees to pay the balance as follows:

Legal Description of Land

82 Old Kennedy RD: LT 3 PL 3580 MARKHAM; S/T EASE OVER PT 2. 65R25475. AS IN YR301388; S/T EASE OVER PT 3, 65R25475, AS IN YR301389.

The Buyer agrees to pay the balance of the purchase price, subject to adjustment, to the Seller on completion of this transaction, with funds drawn on a Lawyer's account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

The Seller warrants and represents to the Buyer that all environmental laws and regulations have been complied with, no hazardous conditions or substances exist on the land, no limitations or restrictions affecting the continue use of the property exist, other than those specifically provided for herein, no pending litigation respecting Environmental matters, no outstanding Ministry of Environment Orders, investigation, charges or prosecutions respecting Environmental matter exist, there has been no prior use as a waste disposal site, and all applicable licenses are in force. The Seller agrees to provide to the Buyer upon request, all documents, records, and reports relating to environmental matters in possession of the Seller. The Seller further authorizes Ministry of Environment, to release to the Buyer, the Buyer's Agent or Solicitor, any and all information that may be on record in the Ministry office with respect to the said property.

The Seller agrees to authorize his planner (Western Consulting, Planning + Urban Design) to release all information within Three (3) days after the acceptance of this offer and allow access for any and all inspections at Buyer's own expenses.

Initial Deposit. The Buyer submits, within 24 Hours of final acceptance of this Offer \$300,000.00 payable by Certified Cheque or Bank Draft to the Seller's solicitor, in trust, (the "Deposit Holder") as a deposit to be held by the Deposit Holder in trust pending completion or other termination of this Agreement and to be credited on account of the purchase price on completion. The deposit is non refundable.

Buyer authorize to release the deposit from the solicitor's account to The Seller subject to Monitor or Court Approval.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

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Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

The Buyer agrees to assume the following existing first Charges/Mortgages held by for approximately: Eight Million Six Hundred Twenty-Five Thousand Dollars \$8,625,000.00 (registered on 82 Old Kennedy Rd).

The Buyer, on the closing, agrees to pay off the following existing the Charges/Mortgages held by for approximately: the 2nd Mortgage of Five Million Dollars \$5,000,000.00 respectively (registered on 64-76 Old Kennedy & 82 & 58 Old Kennedy Rd, Markham & 20 Thelma Ave, Markham).

The Buyer represents that it is now or will by no later than the closing date be registered for the purpose of the HST tax ("HST") in accordance with the applicable provisions in that regard pursuant to the relevant Tax Act of Canada/Ontario, as amended. The Buyer covenants to deliver a Statutory Declaration on closing confirming its HST registration number, which shall be conclusive of such HST registration, and shall preclude the Seller from collection of HST from the Buyer on closing. The Buyer further covenants to deliver an indemnity in favor of the Seller on closing as to any obligation or liability for payment of HST arising from completion of this Agreement.

Buyer agrees to assume the existing tenancies which the Seller warrants are the only tenancies affecting the property currently.

The Seller covenant to deliver to the Buyer, within three (3) days following the date of acceptance of this Agreement, each of the following:

1. Full copy of all written lease or other rental/tenancy arrangement, including any amendment thereto binding upon the whole or any portion of the property.
2. If any such rental/tenancy arrangements are pursuant to verbal agreements. Seller shall deliver written confirmation of detail of all such arrangements.
3. Statutory Declaration of the Seller attesting to the fact that all written and verbal rental/tenancy arrangements, including any amendments to any such arrangements, have been disclosed in full to the Buyer.
4. The Buyer shall receive an abatement for all rents or his property manager will provide a notice to all tenants advising them of the new owner or new property manager and requiring all future rents to be paid as the Buyer directs. All first or/and last month rent deposits plus all accrued interest shall be abated to the Buyer on closing.
5. By 5 Days prior to closing date, the Seller or his property manager will provide a notice to all tenants advising them of the new owner or new property manager and requiring all future rents to be paid as the Buyer directs. All first or/and last month rent deposits plus all accrued interest shall be abated to the Buyer on closing.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



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Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

The Seller agrees to provide the Buyer or Buyer's representative with all keys or codes in his or his property manager's possession for all buildings, rooms, doors and mailboxes on closing. The Seller promises not to keep any key on closing.

The Buyer shall have the right to re-visit the property Two (2) further times prior to completion, provided that notice is given to the Seller. The visit shall be at a mutually agreed upon time within a 24 hour period following the giving of such notice. During these visits, the Buyer shall be permitted to make measurements and to bring the consultants.

This Offer is subject to the approval pursuant to the proceedings under the Section 50.4 of the Bankruptcy and Insolvency Act ("BIA") in respect of the subject "NOI" Companies (82 Old Kennedy Development Inc. with Estate No. 31-2438977).

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):

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AMENDMENT TO AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made with effect as of the 15 day of January, 2019 (this "Amending Agreement").

BETWEEN:

82 OLD KENNEDY DEVELOPMENT INC.
(hereinafter called the "Seller")

OF THE FIRST PART;

- and -

CHENG YI WEI in trust for a company to be incorporated
(hereinafter called the "Buyer")

OF THE SECOND PART.

WHEREAS:

- A. By an agreement of purchase and sale between the Seller, as vendor, and Buyer, as purchaser, dated for reference December 8, 2018, as amended, supplemented, or restated from time to time (collectively, the "Purchase Agreement"), the Seller agreed to sell and the Buyer agreed to purchase, *inter alia*, the property legally described as LT 3 PL 3580 MARKHAM ; MARKHAM ; S/T EASE OVER PT 2, 65R25475, AS IN YR301388; S/T EASE OVER PT 3, 65R25475, AS IN YR301389, being all of PIN 02953-0018 (LT), and municipally known as 82 Old Kennedy Road (the "Property") on the terms and conditions set forth in the said Purchase Agreement;
- B. The Buyer and Seller wish to amend the Purchase Agreement in accordance with the terms and conditions contained here; and
- C. Words and phrases which are capitalized herein and which are defined in the Purchase Agreement shall have the same meaning in this Amending Agreement as in the Purchase Agreement, except to the extent otherwise specifically provided herein.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the completion of the transaction contemplated by the Purchase Agreement and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

1. Amendment to Purchase Agreement

a) The **DEPOSIT** section of the Purchase Agreement shall be amended so as to read:

"Buyer Submits Upon Acceptance Three Hundred Thousand Dollars (CDNS) \$300,000 by negotiable cheque payable to ~~Seller's solicitors~~ KSV Kofman Inc., proposal trustee "Deposit Holder" [...]"

b) The **TITLE SEARCH** section of the Purchase Agreement shall be amended so as to read:

[Handwritten initials and a circled number 32]

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“Buyer shall be allowed until 6:00 p.m. on the 14 25th day of January, 2019, (Requisition Date) to examine the title to the property [...]”

- c) Schedule A of the Purchase Agreement shall be removed in its entirety, and replaced with the Schedule Attached hereto as Schedule A.

2. Other Terms in Purchase Agreement

The undersigned agree that by signing this Amending Agreement they shall treat the Purchase Agreement as valid and subsisting, subject to the terms and amendments contained herein. All of the other terms and conditions in the Purchase Agreement remain unchanged, and time shall be of the essence.

3. Governing Law

This Amending Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

4. Enurement

This Amending Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns.

5. Counterparts

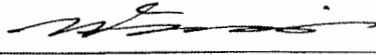
This Amending Agreement may be executed in counterparts and delivered by facsimile and when each party has so executed a counterpart each of such counterparts shall be deemed to be an original and all of such counterparts when taken together shall constitute one and the same agreement.

[Remainder of page intentionally left blank; signature page to follow]

IT WITNESS WHEREOF this Amending Agreement has been executed as of the day and year first above written.

SELLER:

82 OLD KENNEDY DEVELOPMENT INC.


Per: 


Name: MIKE WANG.

Title: president

I have the authority to bind the corporation.

BUYER:


Witness RYAN LI


CHENG YI WEI in trust for a company to be incorporated

Schedule A
Agreement of Purchase and Sale - Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, Cheng Yi Wei in trust for a company to be incorporated, and

SELLER, 82 Old Kennedy Development Inc.

for the purchase and sale of **82 Old Kennedy Road**

Markham dated the **8th** day of **December**, 20 **18**

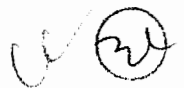
Buyer agrees to pay the balance as follows:

- 1) Legal Description of Land:
82 Old Kennedy Road: LT 3 PL 3580 MARKHAM ; MARKHAM ; S/T EASE OVER PT 2, 65R25475, AS IN YR301388; S/T EASE OVER PT 3, 65R25475, AS IN YR301389, being all of PIN 02953-0018 (LT).
- 2) The Buyer Agrees to pay the balance of the purchase price, subject to adjustment, to the Seller on completion of this transaction, with funds drawn on a Lawyer's account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 3) The Buyer acknowledges it is purchasing the property on an "as is/where is" basis, with no representations or warranties.
- 4) The Seller agrees to authorize his planner (Western Consulting, Planning + Urban Design) to release all information within Three (3) days after acceptance of this offer and allow access for any and all inspections at the Buyer's own expenses.
- 5) Initial Deposit. The Buyer submits, within 24 Hours of final acceptance of this Offer \$300,000.00 payable by Certified Cheque or Bank Draft to KSV Kofman Inc., proposal trustee, in trust, (the "Deposit Holder") as a deposit, and to be credited on account of the purchase price on completion. The deposit is non refundable.
- 6) On Closing the Purchase Price will be satisfied by:
 - a. the Buyer, on the closing, agrees to pay off the existing 1st Charge/Mortgage for approximately Eight Million Six Hundred and Twenty-Five Thousand Dollars \$8,625,000.00 (registered on 82 Old Kennedy Rd, Markham);
 - b. the Buyer, on the closing, agrees to pay off the existing 2nd Charge/Mortgage for approximately Five Million Dollars \$5,000,000.00 (registered on 58 Old Kennedy; 64-76 Old Kennedy; 82 Old Kennedy; and 20 Thelma Avenue, Markham);
 - c. the Buyer, on closing, will pay the balance of the Purchase Price, in cash, to KSV Kofman Inc, proposal trustee.
- 7) In addition to the representations, warranties, covenants, and obligations contained with paragraph 7 of this agreement (HST), the Buyer represents that it is now or will by no

Handwritten initials and a circled mark.

later than the closing date be registered for the purpose of the HST tax ("HST") in accordance with the applicable provisions in that regard pursuant to the relevant Tax Act of Canada/Ontario, as amended. The Buyer covenants to deliver a Statutory Declaration on closing confirming its HST registration number, and shall preclude the Seller from collection of HST from the Buyer on closing. The Buyer further covenants to deliver an indemnity in favour of the Seller on closing as to any obligation or liability for payment of HST arising from completion of this Agreement.

- 8) Buyer agrees to assume the existing tenancies which the Seller warrants are the only tenancies affecting the property currently.
- 9) The Seller covenants to deliver to the Buyer, within three (3) days following the date of the acceptance of this Agreement, each of the following:
 - a. full copy of all written lease or other rental/tenancy arrangement, including any amendment thereto binding upon the whole or any portion of the property.
 - b. if any such rental/tenancy arrangements are pursuant to verbal agreements, Seller shall deliver written confirmation setting out the details of all such arrangements.
 - c. statutory Declaration of the Seller attesting to the fact that all written and verbal rental/tenancy arrangements, including any amendments to any such arrangements, have been disclosed in full to the Buyer.
 - d. all first or/and last month rent deposits plus all accrued interest shall be abated to the Buyer on closing.
- 10) On closing, the Seller or his property manager will provide a notice to all tenants advising them of the new owner and requiring all future rents to be paid as the Buyer directs.
- 11) The Seller agrees to provide the Buyer or Buyer's representative with all keys or codes in his or his property manager's possession for all buildings, rooms, doors and mailboxes on closing. The Seller promises not to keep any keys on closing.
- 12) The Buyer shall have the right to re-visit the property two (2) further times prior to completion, provided that notice is given to the Seller and KSV Kofman Inc., proposal trustee. The visit shall be at a mutually agreed upon time within a one (1) business day period following the giving of such notice. During these visits, the Buyer shall be permitted to make measurements and to bring consultants.
- 13) This Offer is subject to approval pursuant to the proceedings under the Section 50.4 of the Bankruptcy and Insolvency Act ("BIA") in respect of the subject "NOI" Companies (58 Old Kennedy Development Inc. with Estate No. 31-2436600).
- 14) The obligation of the Seller to complete the transaction contemplated herein is conditional on there being no order issued by a court or governmental authority preventing, enjoining, or restraining the completion of said transaction.
- 15) On closing, the Buyer will deliver to the Vendor:
 - a. a certificate noting that the Buyer is a duly formed and validly subsisting corporation under the laws of the Province in which it has been registered; and



- b. a certificate noting that the Buyer has all the necessary corporate power and authority to enter into this Agreement of Purchase and Sale, and carry out the transaction contemplated herein, and that doing so does not violate any constating documents, agreements, judgments, orders, or applicable laws.
- 16) The parties hereto agree that each shall take all commercially reasonable actions necessary to have the transaction contemplated herein approved pursuant to proceedings under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, on substantially the same terms and conditions contained herein.
 - 17) The Buyer cannot assign this agreement without the prior written consent of the Seller and the Proposal Trustee, in their sole discretion.
 - 18) Further to the other permitted tenancies, reservations, qualifications, and registrations provided for herein, the Buyer agrees to accept title subject to:
 - a. those encumbrances currently registered on title, including the instruments registered as Instrument Nos. YR301388, YR301389, and YR301475.
 - b. any inchoate lien accrued but not yet due and payable for provincial taxes, municipal taxes, charges, rates or assessments, school rates or water rates to the extent adjusted for under this agreement;
 - c. any municipal by-laws or regulations affecting the land or its use and any other municipal land use instruments including without limitation, official plans and zoning and building by-laws, as well as decisions of the Committee of Adjustment or any other competent authority permitting variances therefrom, and all applicable building codes;
 - d. registered agreements with any municipal, provincial or federal governments or authorities and any public utilities or private suppliers of services, including without limitation, subdivision agreements, development agreements, engineering, grading or landscaping agreements and similar agreements;
 - e. any unregistered easement, right-of-way, agreements or other unregistered interest of claims not disclosed by registered title provided same does not materially impact the Buyer's intended use of the property;
 - f. any encroachments or other discrepancies that might be revealed by an up-to-date plan of survey of the property;
 - g. such other minor encumbrances or defects in title which do not, individually or in the aggregate, materially affect the use, enjoyment or value of the property or any part thereof, or materially impair the value thereof;
 - h. any reservations, limitations, provisos and conditions expressed in the original grant from the Crown as the same may be varied by statute; and
 - i. the following exceptions and qualifications contained in Section 44(1) of the Land Titles Act: paragraphs 7, 8, 9, 10, 12 and 14.



TAB D

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SPEIGEL NICHOLS FOX LLP
BARRISTERS & SOLICITORS

This is Exhibit "D" referred to in the affidavit of Yuan Hua Wang sworn before me at Toronto this 21st day of January 2019
A Commissioner for taking Affidavits for Ontario

December 24, 2018

BY REGISTERED MAIL

58 Old Kennedy Development Inc.
7100 Woodbine Avenue
Suite 206
Markham, ON L3R 5J2

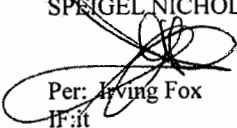
Dear Sirs:

Re: Mortgagee	- CASTELLI, Matthew (by assignment)
Mortgagor	- 58 Old Kennedy Development Inc.
Guarantor	- WANG, Yuan Hua
Property	- 58 Old Kennedy Road and 20 Thelma Avenue, Markham, Ontario (the "Property")
Our File No.	- 18-356

We enclose our notice of sale under mortgage.

We also enclose a further notice of intention to enforce security notwithstanding that it is not required as we had previously issued and served you with the notice of intention to enforce security on October 18, 2018.

Yours very truly,
SPEIGEL NICHOLS FOX LLP


Per: Irving Fox
IF:it
Enclosures

00217611-1

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NOTICE OF INTENTION TO ENFORCE SECURITY

{Subsection 244(1)}
Bankruptcy and Insolvency Act

TO: 58 Old Kennedy Development Inc., an insolvent person
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

TAKE NOTICE THAT:

1. MATTHEW CASTELLI, a secured creditor, intends to enforce its security on the insolvent person's property described below:

FIRSTLY: Part of Lot 1, Concession 5, Markham, as in R609688, in the City of Markham, in the Regional Municipality of York [Property Identifier Number: 02953-0015(LT)] – municipally known as 58 Old Kennedy Road, Markham, Ontario, L3R 0L6

SECONDLY: Lot 8, Plan 2687, Markham, Lot 9, Plan 2687, Markham, Lot 10, Plan 2687, Markham, Lot 11, Plan 2687, Markham and Lot 12, Plan 2687, Markham, in the City of Markham, in the Regional Municipality of York [Property Identifier Number: 02953-0017(LT)] – municipally known as 20 Thelma Avenue, Markham, Ontario

(the "Real Property");

2. The security that is to be enforced is in the form of a charge/mortgage of land (the "Charge") dated January 25, 2018, executed by the insolvent person in favour of Danan Investments Inc. and registered against the Real Property in the Land Registry Office for the Land Titles Division of York Region (No. 65) at Aurora on January 25, 2018, as instrument no. YR2788190. The Charge was subsequently transferred from Danan Investments Inc. to Boulder View Holdings Inc. by transfer of charge dated September 11, 2018 and registered against the Real Property on September 24, 2018 as instrument no. YR2877145. The charge was further transferred from Boulder View Holdings Inc. to Matthew Castelli by transfer of charge dated September 24, 2018 and registered against the Real Property on September 24, 2018 as instrument no. YR2877629.

3. The total amount of indebtedness secured by the security is \$5,000,000.00 plus interest and costs. The amount of indebtedness owing under the security as of December 24, 2018, is \$5,533,826.82.

4. The secured creditor will not have the right to enforce the security until after January 31 2019 unless the insolvent person consents to an earlier enforcement.

DATED at Mississauga, Ontario, this 24th day of December, 2018.

MATTHEW CASTELLI, by his solicitors, SPEIGEL
NICHOLS FOX LLP

Per: 

Irving Fox

SPEIGEL NICHOLS FOX LLP
Barristers and Solicitors
Suite 200
1 Robert Speck Parkway
Mississauga, ON L4Z 3M3

NOTICE OF SALE UNDER MORTGAGE

TO: 58 OLD KENNEDY DEVELOPMENT INC.
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

AND TO: YUAN HUA WANG
65 Ingram Road
Markham, ON L3S 4J9

AND TO: 76 OLD KENNEDY DEVELOPMENT INC.
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

AND TO: 82 OLD KENNEDY DEVELOPMENT INC.
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

TAKE NOTICE that default has been made in payment of the monies due under a certain mortgage dated the 25th day of January, 2018, made between

58 OLD KENNEDY DEVELOPMENT INC., as Mortgagor,

- and -

DANAN INVESTMENTS INC., as Mortgagee,

- and -

YUAN HUA WANG as Guarantor,

upon the following property, namely:

Lot 8, Plan 2687, Markham, Lot 9, Plan 2687, Markham, Lot 10, Plan 2687, Markham, Lot 11, Plan 2687, Markham and Lot 12, Plan 2687, Markham, in the City of Markham, in the Regional Municipality of York [Property Identifier Number: 02953-0017(LT)]

which mortgage was registered on the 25th day of January, 2018, in the Land Registry Office for the Land Titles Division of York Region (No. 65) at Aurora, as instrument no. YR2788190.

The mortgage was subsequently transferred by Danan Investments Inc. to Boulder View Holdings Inc. by transfer of charge dated September 11, 2018 and registered against in the Land Registry Office for the Land Titles Division of York Region (No. 65) at Aurora on September 24, 2018 as instrument no. YR2877145. The mortgage was further transferred by Boulder View Holdings Inc.

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to Matthew Castelli by transfer of charge dated September 24, 2018 and registered in the Land Registry Office for the Land Titles Division of York Region (No. 65) at Aurora on September 24, 2018 as instrument no. YR2877629.

AND I hereby give you notice that the amount now due on the mortgage for principal money, interest and costs, respectively, are as follows:

for principal	\$5,000,000.00
for interest	\$ 240,668.93
for three months' bonus interest	\$ 212,500.00
for administration fees	\$ 11,500.00
for costs incurred prior to the issuance of this notice of sale	\$ 61,925.89
for costs	\$ <u>7,232.00</u>
	<u>\$5,533,826.82</u>

(such amount for costs being up to and including the service of this Notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 17.0 per cent per annum on the principal and interest hereinbefore mentioned, from the 24th day of December, 2018, to the date of payment.

AND unless the said sums are paid on or before the 31st day of January, 2019, I shall sell the property covered by the said mortgage under the provisions contained in it.

THIS NOTICE is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED the 24th day of December, 2018.

MATTHEW CASTELLI,
by his solicitors, SPEIGEL NICHOLS FOX LLP

Per: 
Irving Fox

SPEIGEL NICHOLS FOX LLP
Barristers and Solicitors
200 – 1 Robert Speck Parkway
MISSISSAUGA, Ontario
L4Z 3M3

Tel: (905) 366-9700
Fax: (905) 366-9707

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SPEIGEL NICHOLS FOX LLP

· BARRISTERS & SOLICITORS ·

December 24, 2018

BY REGISTERED MAIL

76 Old Kennedy Development Inc.
7100 Woodbine Avenue
Suite 206
Markham, ON L3R 5J2

Dear Sirs:

Re: Mortgagee	- CASTELLI, Matthew (by assignment)
Mortgagor	- 76 Old Kennedy Development Inc.
Guarantor	- WANG, Yuan Hua
Property	- 76 Old Kennedy Road, Markham, Ontario (the "Property")
Our File No.	- 18-356

We enclose our notice of sale under mortgage.

We also enclose a further notice of intention to enforce security notwithstanding that it is not required as we had previously issued and served you with the notice of intention to enforce security on October 18, 2018.

Yours very truly,
SPEIGEL NICHOLS FOX LLP

Per: Irving Fox
IF:it
Enclosures

00234075-1

NOTICE OF INTENTION TO ENFORCE SECURITY

{Subsection 244(1)}
Bankruptcy and Insolvency Act

TO: 76 Old Kennedy Development Inc., an insolvent person
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

TAKE NOTICE THAT:

1. MATTHEW CASTELLI, a secured creditor, intends to enforce its security on the insolvent person's property described as Part of Lot 1, Concession 5, Markham, as in R649696, Markham, in the City of Markham, in the Regional Municipality of York [Property Identifier Number: 02953-0016(LT)] – municipally known as 76 Old Kennedy Road, Markham, Ontario, L3R 0L6 (the "Real Property").

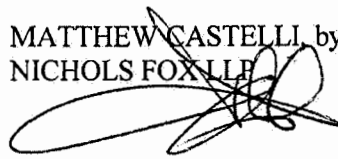
2. The security that is to be enforced is in the form of a charge/mortgage of land (the "Charge") dated January 25, 2018, executed by the insolvent person in favour of Danan Investments Inc. and registered against the Real Property in the Land Registry Office for the Land Titles Division of York Region (No. 65) at Aurora on January 25, 2018, as instrument no. YR2787978. The Charge was subsequently transferred from Danan Investments Inc. to Boulder View Holdings Inc. by transfer of charge dated September 11, 2018 and registered against the Real Property on September 24, 2018 as instrument no. YR2877144. The charge was further transferred from Boulder View Holdings Inc. to Matthew Castelli by transfer of charge dated September 24, 2018 and registered against the Real Property on September 24, 2018 as instrument no. YR2877595.

3. The total amount of indebtedness secured by the security is \$5,000,000.00 plus interest and costs. The amount of indebtedness owing under the security as of December 24, 2018, is \$5,533,826.82

4. The secured creditor will not have the right to enforce the security until after January 31, 2019 unless the insolvent person consents to an earlier enforcement.

DATED at Mississauga, Ontario, this 24th day of December, 2018.

MATTHEW CASTELLI, by his solicitors, SPEIGEL
NICHOLS FOX LLP



Per: _____
Irving Fox

SPEIGEL NICHOLS FOX LLP
Barristers and Solicitors
Suite 200
1 Robert Speck Parkway
Mississauga, ON L4Z 3M3

NOTICE OF SALE UNDER MORTGAGE

TO: 76 OLD KENNEDY DEVELOPMENT INC.
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

AND TO: YUAN HUA WANG
65 Ingram Road
Markham, ON L3S 4J9

AND TO: 58 OLD KENNEDY DEVELOPMENT INC.
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

AND TO: 82 OLD KENNEDY DEVELOPMENT INC.
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

TAKE NOTICE that default has been made in payment of the monies due under a certain mortgage dated the 25th day of January, 2018, made between

76 OLD KENNEDY DEVELOPMENT INC., as Mortgagor,

- and -

DANAN INVESTMENTS INC., as Mortgagee,

- and -

YUAN HUA WANG as Guarantor,

upon the following property, namely:

Part of Lot 1, Concession 5, Markham, as in R649696, Markham, in the City of Markham, in the Regional Municipality of York [Property Identifier Number: 02953-0016(LT)]

which mortgage was registered on the 25th day of January, 2018, in the Land Registry Office for the Land Titles Division of York Region (No. 65) at Aurora, as instrument no. YR2787978.

The mortgage was subsequently transferred by Danan Investments Inc. to Boulder View Holdings

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Registry Office for the Land Titles Division of York Region (No. 65) at Aurora on September 24, 2018 as instrument no. YR2877595.

AND I hereby give you notice that the amount now due on the mortgage for principal money, interest and costs, respectively, are as follows:

for principal	\$5,000,000.00
for interest	\$ 240,668.93
for three months' bonus interest	\$ 212,500.00
for administration fees	\$ 11,500.00
for costs incurred prior to the issuance of this notice of sale	\$ 61,925.89
for costs	\$ <u>7,232.00</u>
	<u>\$5,533,826.82</u>

(such amount for costs being up to and including the service of this Notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 17.0 per cent per annum on the principal and interest hereinbefore mentioned, from the 24th day of December, 2018, to the date of payment.

AND unless the said sums are paid on or before the 31st day of January, 2019, I shall sell the property covered by the said mortgage under the provisions contained in it.

THIS NOTICE is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED the 24th day of December, 2018.

MATTHEW CASTELLI,
by his solicitors, SPEIGEL NICHOLS FOX LLP

Per: 
Irving Fox

SPEIGEL NICHOLS FOX LLP
Barristers and Solicitors
200 – 1 Robert Speck Parkway

CS



SPEIGEL NICHOLS FOX LLP
· BARRISTERS & SOLICITORS ·

December 24, 2018

BY REGISTERED MAIL

82 Old Kennedy Development Inc.
7100 Woodbine Avenue
Suite 206
Markham, ON L3R 5J2

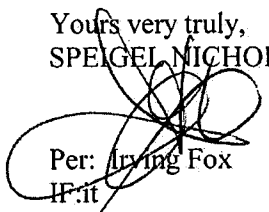
Dear Sirs:

Re: Mortgagee	- CASTELLI, Matthew (by assignment)
Mortgagor	- 82 Old Kennedy Development Inc.
Guarantor	- WANG, Yuan Hua
Property	- 82 Old Kennedy Road, Markham, Ontario (the "Property")
Our File No.	- 18-356

We enclose our notice of sale under mortgage.

We also enclose a further notice of intention to enforce security notwithstanding that it is not required as we had previously issued and served you with the notice of intention to enforce security on October 18, 2018.

Yours very truly,
SPEIGEL NICHOLS FOX LLP



Per: Irving Fox
IF:it
Enclosures

00234073-1

NOTICE OF INTENTION TO ENFORCE SECURITY

{Subsection 244(1)}
Bankruptcy and Insolvency Act

TO: 82 Old Kennedy Development Inc., an insolvent person
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

TAKE NOTICE THAT:

1. MATTHEW CASTELLI, a secured creditor, intends to enforce its security on the insolvent person's property described as Lot 3, Plan 3580, Markham, in the City of Markham, in the Regional Municipality of York [Property Identifier Number: 02953-0018(LT)] – municipally known as 82 Old Kennedy Road, Markham, Ontario, L3R 0L6 (the "**Real Property**").

2. The security that is to be enforced is in the form of a charge/mortgage of land (the "**Charge**") dated January 25, 2018, executed by the insolvent person in favour of Danan Investments Inc. and registered against the Real Property in the Land Registry Office for the Land Titles Division of York Region (No. 65) at Aurora on January 25, 2018, as instrument no. YR2787977. The Charge was subsequently transferred from Danan Investments Inc. to Boulder View Holdings Inc. by transfer of charge dated September 11, 2018 and registered against the Real Property on September 24, 2018 as instrument no. YR2877143. The charge was further transferred from Boulder View Holdings Inc. to Matthew Castelli by transfer of charge dated September 24, 2018 and registered against the Real Property on September 24, 2018 as instrument no. YR2877612.

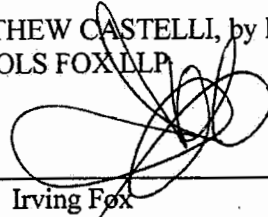
3. The total amount of indebtedness secured by the security is \$5,000,000.00 plus interest and costs. The amount of indebtedness owing under the security as of December 24, 2018, is \$5,533,826.82

4. The secured creditor will not have the right to enforce the security until after January 31, 2019, unless the insolvent person consents to an earlier enforcement.

DATED at Mississauga, Ontario, this 24th day of December, 2018.

MATTHEW CASTELLI, by his solicitors, SPEIGEL
NICHOLS FOX LLP

Per: _____



Irving Fox

SPEIGEL NICHOLS FOX LLP
Barristers and Solicitors
Suite 200
1 Robert Speck Parkway
Mississauga, ON L4Z 3M3

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NOTICE OF SALE UNDER MORTGAGE

TO: 82 OLD KENNEDY DEVELOPMENT INC.
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

AND TO: YUAN HUA WANG
65 Ingram Road
Markham, ON L3S 4J9

AND TO: 76 OLD KENNEDY DEVELOPMENT INC.
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

AND TO: 58 OLD KENNEDY DEVELOPMENT INC.
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

TAKE NOTICE that default has been made in payment of the monies due under a certain mortgage dated the 25th day of January, 2018, made between

82 OLD KENNEDY DEVELOPMENT INC.,	as Mortgagor,
- and -	
DANAN INVESTMENTS INC.,	as Mortgagee,
- and -	
YUAN HUA WANG	as Guarantor,

upon the following property, namely:

Lot 3, Plan 3580, Markham, in the City of Markham, in the Regional Municipality of York [Property Identifier Number: 02953-0018(LT)]

which mortgage was registered on the 25th day of January, 2018, in the Land Registry Office for the Land Titles Division of York Region (No. 65) at Aurora, as instrument no. YR2787977.

The mortgage was subsequently transferred by Danan Investments Inc. to Boulder View Holdings Inc. by transfer of charge dated September 11, 2018 and registered against in the Land Registry Office for the Land Titles Division of York Region (No. 65) at Aurora on September 24, 2018 as instrument no. YR2877143. The mortgage was further transferred by Boulder View Holdings Inc. to Matthew Castelli by transfer of charge dated September 24, 2018 and registered in the Land Registry Office for the Land Titles Division of York Region (No. 65) at Aurora on September 24,

for principal	\$5,000,000.00
for interest	\$ 240,668.93
for three months' bonus interest	\$ 212,500.00
for administration fees	\$ 11,500.00
for costs incurred prior to the issuance of this notice of sale	\$ 61,925.89
for costs	\$ 7,232.00
	<u>\$5,533,826.82</u>

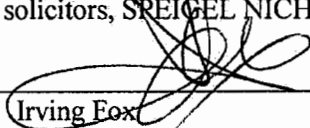
(such amount for costs being up to and including the service of this Notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 17.0 per cent per annum on the principal and interest hereinbefore mentioned, from the 24th day of December, 2018, to the date of payment.

AND unless the said sums are paid on or before the 31st day of January, 2019, I shall sell the property covered by the said mortgage under the provisions contained in it.

THIS NOTICE is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED the 24th day of December, 2018.

MATTHEW CASTELLI,
by his solicitors, SPEIGEL NICHOLS FOX LLP

Per: 
Irving Fox

SPEIGEL NICHOLS FOX LLP
Barristers and Solicitors
200 – 1 Robert Speck Parkway
MISSISSAUGA, Ontario
L4Z 3M3

Tel: (905) 366-9700
Fax: (905) 366-9707

TAB E

NOTICE OF SALE UNDER MORTGAGE

This is Exhibit "E" referred to in the affidavit of Yuen Hua Wang sworn before me at Toronto this 21st day of January, 2019.
A Commissioner for taking Affidavits for Ontario

TO: 82 OLD KENNEDY DEVELOPMENT INC.

AND TO: ALL THOSE PERSONS LISTED ON SCHEDULE "A" HERETO

TAKE NOTICE that default has been made in payment of the moneys due under a certain Charge/Mortgage of Land (hereinafter called the "Mortgage") dated the 2nd day of October, 2017 made between: **82 OLD KENNEDY DEVELOPMENT INC.**, as chargor (the "Mortgagor") and **WU'S INTERNATIONAL GROUP INC.**, as chargee (the "Mortgagee") upon the security of the following property, namely:

LT 3 PL 3580 MARKHAM; MARKHAM; S/T EASE OVER PT 2, 65R25475, AS IN YR301388; S/T EASE OVER PT 3, 65R25475, AS IN YR301389, being the whole of PIN 02953-0018 (LT) in the Land Registry Office for the Land Titles Division of York (No. 65), and municipally known as 82 Old Kennedy Road, Markham, Ontario (the "Mortgaged Property"),

which Mortgage was registered on the 2nd day of October, 2017 in the Land Registry Office for the Land Titles Division of York (No. 65) as Instrument No. **YR2739662**.

AND the Mortgagee hereby gives you notice that the amount now due on the Mortgage for: principal money; interest; realty taxes; insurance premiums; other expenses and charges paid; NSF fees; liquidated damages; and legal costs and disbursements; are as follows:

Principal Balance as of November 1, 2018	\$8,625,000.00
Missed Interest Instalments to January 2, 2019	\$7,187.50
Realty taxes paid	\$25,779.00
Insurance premiums paid	\$9,638.00
Other expenses and charges paid (maintenance and government inspection fees)	\$6,435.00
NSF fees incurred under the Mortgage	\$1,500.00
Three months interest on the principal money in arrears pursuant to Section 17 of the <i>Mortgages Act</i>	\$10,781.25
Legal costs and disbursements -- such amount for costs being up to and including service of this Notice of Sale only (including all legal costs incurred in connection with the <i>Bankruptcy and Insolvency Act</i> and <i>Companies' Creditors Arrangement Act</i> proceedings relating to the Mortgagor), and hereafter such further costs and disbursements will be charged as may be proper between a solicitor and client	<u>\$93,573.85</u>
TOTAL AMOUNT DUE as at the date hereof:	<u>\$8,779,894.60</u>

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NOTICE OF SALE UNDER MORTGAGE

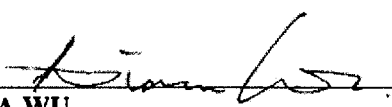
Together with interest on the above amounts now due at the rate provided in the Mortgage from the date hereof to the date of payment.

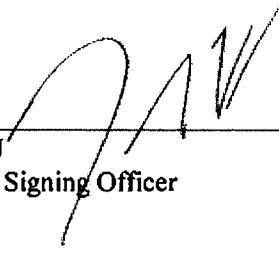
AND unless the said sums are paid on or before the 10th day of February, 2019, the Mortgagee shall sell the property covered by the said Mortgage under the provisions contained in it.

THIS NOTICE is given to you as you appear to have an interest in the Mortgaged Property and may be entitled to redeem the same.

DATED the 2nd day of January, 2019.

WU'S INTERNATIONAL GROUP INC.

Per: 
DIANA WU
Authorized Signing Officer

Per: 
JOHN WU
Authorized Signing Officer

We have authority to bind the Corporation

NOTICE OF SALE UNDER MORTGAGE

SCHEDULE "A"

<p>82 OLD KENNEDY DEVELOPMENT INC. 7100 Woodbine Avenue, Suite 206 Markham, ON L3R 5J2</p>	<p>82 OLD KENNEDY DEVELOPMENT INC. c/o Yi Zhou Law Office 209-100 Cowdray Court Toronto, ON M1S 5C8 Attention: Yi Zhou</p>
<p>82 OLD KENNEDY DEVELOPMENT INC. c/o Jessica Zhi Wang and Yuan Hua Wang 65 Ingram Road Markham, ON L4S 4J9</p>	<p>TIME DEVELOPMENT GROUP INC. 7100 Woodbine Avenue, Suite 206 Markham, ON L3R 5J2</p>
<p>FORME DEVELOPMENT GROUP INC. 7100 Woodbine Avenue, Suite 206 Markham, ON L3R 5J2</p>	<p>DANAN INVESTMENTS INC. 250 Lesmill Road North York, ON M3B 2T5</p>
<p>BOULDER VIEW HOLDINGS INC. 250 Lesmill Road North York, ON M3B 2T5</p>	<p>MATTHEW CASTELLI 124 Westwood Lane Richmond Hill, ON L4C 6Y3</p>
<p>MATTHEW CASTELLI c/o SCHNEIDER RUGGIERO LLP 1000-120 Adelaide St. W. Toronto, ON M5H 3V1 Attention: Catherine Ann Hare</p>	<p>MATTHEW CASTELLI c/o BENNETT & COMPANY 1320-25 Adelaide Street East Toronto, ON M5C 3A1 Attention: Frank Bennett</p>
<p>KSV KOFMAN INC., as proposal trustee for 82 OLD KENNEDY DEVELOPMENT INC. 150 King Street West, Suite 2308 Toronto, ON M5H 1J9</p>	<p>KSV KOFMAN INC., as proposal trustee for 82 OLD KENNEDY DEVELOPMENT INC. c/o GOLDMAN SLOAN NASH & HABER LLP 480 University Avenue, Suite 1600 Toronto, ON M5G 1V2 Attention: Mario Forte and Jennifer Stam</p>
<p>YU XING TRADING 82 Old Kennedy Rd. (Back Unit) Markham ON L3R 0L6</p>	<p>MARKHAM AQUARIUM 2 U 5 Hillcroft Drive, Markham, ON L3S 1R6</p>

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY DEVELOPMENT INC., 76 OLD KENNEDY DEVELOPMENT INC. AND 82 OLD KENNEDY DEVELOPMENT INC., ALL CORPORATIONS INCORPORATED UNDER THE LAWS OF ONTARIO

Estate No. 31-2436538

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at Toronto

AFFIDAVIT OF YUAN HUA WANG
(sworn January 21, 2019)

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto, Ontario M5G 1V2
Fax: 416-597-6477

Mario Forte (LSUC#: 27293F)
Tel: 416.597.6477
Email: forte@gsnh.com

Jennifer Stam (LSUC#: 46735J)
Tel: 416.597.5017
Email: stam@gsnh.com

Lawyers for the NOI Companies

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) MONDAY, THE 28TH DAY
JUSTICE) OF JANUARY, 2019

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY DEVELOPMENT INC., 76 OLD KENNEDY DEVELOPMENT INC. AND 82 OLD KENNEDY DEVELOPMENT INC., ALL CORPORATIONS INCORPORATED UNDER THE LAWS OF ONTARIO

APPROVAL AND VESTING ORDER

THIS MOTION, made by 58 Old Kennedy Development Inc., 76 Old Kennedy Development Inc. and 82 Old Kennedy Development Inc. (collectively, the “**Vendors**”) for an order, *inter alia*, approving:

- (a) an agreement of purchase and sale dated as of December 8, 2018 (as amended by an amendment dated January 15, 2019, the “**58 Old Kennedy APA**”) between 58 Old Kennedy Development Inc. and Cheng Yi Wei, in trust for a company to be incorporated (the “**Purchaser**”) for the purchase of 58 Old Kennedy Road and 20 Thelma Avenue in the City of Markham (“**58 Old Kennedy**”);
- (b) an agreement of purchase and sale dated as of December 8, 2018 (as amended by an amendment dated January 15, 2019, the “**76 Old Kennedy APA**”) between 76 Old Kennedy Development Inc. and the Purchaser for the purchase of 64-76 Old Kennedy Road in the City of Markham (“**76 Old Kennedy**”); and

- (c) an agreement of purchase and sale dated as of December 8, 2018 as amended, (as amended by an amendment dated January 15, 2019, the “**82 Old Kennedy APA**”) between 82 Old Kennedy Development Inc. and the Purchaser for the purchase of 82 Old Kennedy Road in the City of Markham (“**82 Old Kennedy**”),
- (collectively, the “**Sale Agreements**”),

copies of which are attached as an exhibit to the Affidavit of Yuan Hua Wang sworn January 21, 2019 (the “**Wang Affidavit**”) and vesting in the Purchaser, or as it may direct in accordance with the Sale Agreements, all the Vendors’ right, title and interest in and to the property described as Property as defined and identified in each of the Sale Agreements, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Wang Affidavit, the Fourth Report of KSV Kofman Inc. (the “**Proposal Trustee**”) dated January [•], 2019 (the “**Fourth Report**”), and on hearing the submissions of counsel for the Vendors, the Proposal Trustee, and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Katie Parent sworn [•], 2019, filed,

1. **THIS COURT ORDERS AND DECLARES** that the time for service of the Notice of Motion, the Fourth Report and the supporting materials herein is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the transactions contemplated by the Sale Agreements (collectively, the “**Transactions**”) are hereby approved, *nunc pro tunc*, and the execution of the Sale Agreements by the Vendors are hereby authorized and approved, with such minor amendments as the Vendors (with the consent of the Proposal

Trustee) may deem necessary. The Vendors are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions and for the conveyance of the Property contemplated by each Sale Agreement to the Purchaser, or as it may direct.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of one or more closing certificates to the Purchaser substantially in the form attached as **Schedule "A"** hereto (each a "**Closing Certificate**" and collectively, the "**Closing Certificates**"), all of the applicable Vendor's right, title and interest in and to the applicable Property;

as each such Property is more particularly described in in **Schedule "B"** hereto (the "**Real Property**"), shall vest absolutely in 5008830 Ontario Inc. (the "**Designated Purchaser**"), the designee of the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, licences, restrictions, options, judgments, liabilities (direct, indirect, absolute or contingent), obligations, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") (other than those Claims which are permitted encumbrances (the "**Permitted Encumbrances**"), including, without limiting the generality of the foregoing: ; (i) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (ii) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "D"**) and, for greater certainty, this

Court orders and declares that all of the Encumbrances affecting or relating to the Property are hereby expunged and discharged as against the Property and are non-enforceable and non-binding as against the Purchaser or the Designated Purchaser.

- 4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the appropriate Land Titles Division of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Designated Purchaser, or as it may direct, as the owner of the subject real property identified in **Schedule “B”** hereto (the **“Real Property”**) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule “C”** hereto.
- 5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Property shall stand in the place and stead of the Property, and that from and after the delivery of the Closing Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Property with the same priority as they had with respect to the Property immediately prior to the sale, as if the Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
- 6. **THIS COURT ORDERS AND DIRECTS** the Proposal Trustee to file with the Court a copy of the Closing Certificate, forthwith after delivery thereof.
- 7. **THIS COURT ORDERS** that, notwithstanding:
 - (a) the pendency of these proceedings;

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of any Vendor and any bankruptcy order issued pursuant to any such applications; and

any assignment in bankruptcy made in respect of any Vendor,

the vesting of the Property in the Purchaser and/or Designated Purchaser, or as it may direct, pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Vendors and shall not be void or voidable by creditors of the Vendors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

**SCHEDULE "A"
FORM OF CLOSING CERTIFICATE**

Estate No. 31-2436538

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY DEVELOPMENT INC., 76 OLD KENNEDY DEVELOPMENT INC. AND 82 OLD KENNEDY DEVELOPMENT INC., ALL CORPORATIONS INCORPORATED UNDER THE LAWS OF ONTARIO

CLOSING CERTIFICATE

[identify the property or properties covered by the certificate at closing]

RECITALS

I. On October 26, 2018, 58 Old Kennedy Development Inc., 76 Old Kennedy Development Inc. and 82 Old Kennedy Development Inc. (the “**Vendors**”), each filed a notice of intention to make a proposal (the “**NOI**”) pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act* (the “**BIA**”) naming KSV Kofman Inc. as proposal trustee under the NOI (the “**Proposal Trustee**”).

II. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) issued on December 21, 2018 (the “**Sales Process Order**”), the Proposal Trustee was authorized to, among other things, market the property described as the "Property" in the Sale Agreements (as defined below) (the “**Property**”).

III. Pursuant to an Order of the Court dated [●], 2019, the Court approved agreements of purchase and sale between the Vendors and [●] (the “**Purchaser**“), as purchaser, dated [●], 2019 (as amended, the “**Sale Agreements**“), and provided for the vesting in the Purchaser, or as it may direct in accordance with the Sale Agreements, of all the Vendors’ right, title and interest in and to the Property, which vesting is to be effective with respect to the Property upon the delivery by the Proposal Trustee to the Purchaser of one or more certificates confirming: (i) the payment by the Purchaser of the purchase price for a Property contemplated by a Sale Agreement; (ii) that the conditions to closing as set out in such Sale Agreement have been satisfied or waived by the Vendors and the Purchaser; and (iii) the transaction has been completed to the satisfaction of the Proposal Trustee.

IV. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser has paid and the Proposal Trustee has received the purchase price for the Property payable on the closing date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Vendors and the Purchaser;
3. The transaction has been completed to the satisfaction of the Proposal Trustee; and

4. This Certificate was delivered by the Proposal Trustee at _____ [TIME] on _____ [DATE].

KSV KOFMAN INC., in its capacity as proposal trustee for the Vendors, and not in its personal capacity or in any other capacity

Per: _____
Name:
Title:

SCHEDULE "B"
LEGAL DESCRIPTION OF THE REAL PROPERTY

58 Old Kennedy Road and 20 Thelma Avenue, Markham, Ontario

PT LT 1 CON 5 MARKHAM AS IN R609686; CITY OF MARKHAM, BEING ALL OF PIN 02953-0015 (LT); and

LT 8 PL 2687 MARKHAM; LT 9 PL 2687 MARKHAM; LT 10 PL 2687 MARKHAM; LT 11 PL 2687 MARKHAM; LT 12 PL 2687 MARKHAM ; CITY OF MARKHAM, BEING ALL OF PIN 02953-0017 (LT)

64-76 Old Kennedy Road, Markham, Ontario

PT LT 1 CON 5 MARKHAM AS IN R649696; MARKHAM; CITY OF MARKHAM, BEING ALL OF PIN 02953-0016 (LT)

82 Old Kennedy Road, Markham, Ontario

LT 3 PL 3580 MARKHAM; MARKHAM; S/T EASE OVER PT 2, 65R25475, AS IN YR301388; S/T EASE OVER PT 3, 65R25475, AS IN YR301389, BEING ALL OF PIN 02953-0018 (LT)

SCHEDULE "C"
INSTRUMENTS TO BE DELETED FROM PIN NO.
02953-0015(LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
YR2788190	2018/01/25	Charge	\$5,000,000.00	58 Old Kennedy Development Inc.	Danan Investments Inc.
YR2788277	2018/01/25	Notice of Assignment of Rents - General		58 Old Kennedy Development Inc	Danan Investments Inc.
YR2877145	2018/09/24	Transfer of Charge		Danan Investments Inc.	Boulder View Holdings Inc.
YR2877301	2018/09/24	Notice of Assignment of Rents - General		Danan Investments Inc.	Boulder View Holdings Inc.
YR2877629	2018/09/24	Transfer of Charge		Boulder View Holdings Inc.	Matthew Castelli
YR2877636	2018/09/24	Notice of Assignment of Rents - General		Boulder View Holdings Inc.	Matthew Castelli

INSTRUMENTS TO BE DELETED FROM PIN NO.
02953-0017 (LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
YR2788190	2018/01/25	Charge	\$5,000,000.00	58 Old Kennedy Development Inc.	Danan Investments Inc.

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
YR2788277	2018/01/25	Notice of Assignment of Rents - General		58 Old Kennedy Development Inc	Danan Investments Inc.
YR2877145	2018/09/24	Transfer of Charge		Danan Investments Inc.	Boulder View Holdings Inc.
YR2877301	2018/09/24	Notice of Assignment of Rents - General		Danan Investments Inc.	Boulder View Holdings Inc.
YR2877629	2018/09/24	Transfer of Charge		Boulder View Holdings Inc.	Matthew Castelli
YR2877636	2018/09/24	Notice of Assignment of Rents - General		Boulder View Holdings Inc.	Matthew Castelli

**INSTRUMENTS TO BE DELETED FROM PIN NO.
02953-0016(LT)**

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
YR2787960	2018/01/25	Charge	\$2,800,000.00	76 Old Kennedy Development Inc.	Danan Investments Inc.
YR2787978	2018/01/25	Charge	\$5,000,000.00	76 Old Kennedy Development Inc.	Danan Investments Inc.
YR2788083	2018/01/25	Notice of Assignments of Rents General		76 Old Kennedy Development Inc.	Danan Investments Inc.

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
YR2788086	2018/01/25	Notice of Assignments of Rents General		76 Old Kennedy Development Inc.	Danan Investments Inc.
YR2877142	2018/09/24	Transfer of Charge		Danan Investments Inc.	Boulder View Holdings Inc.
YR2877144	2018/09/24	Transfer of Charge		Danan Investments Inc.	Boulder View Holdings Inc.
YR2877251	2018/09/24	Notice of Assignments of Rents General		Danan Investments Inc	Boulder View Holdings Inc.
YR2877573	2018/09/24	Transfer of Charge		Boulder View Holdings Inc	Matthew Castelli
YR2877595	2018/09/24	Transfer of Charge		Boulder View Holdings Inc	Matthew Castelli
YR2877610	2018/09/24	Notice of Assignments of Rents General		Boulder View Holdings Inc	Matthew Castelli

**INSTRUMENTS TO BE DELETED FROM PIN NO.
02953-0018(LT)**

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
YR2739662	2017/10/02	Charge	\$8,625,000.00	82 Old Kennedy Development Inc.	Wu's International Group Inc.
YR2787977	2018/01/25	Charge	\$5,000,000.00	82 Old Kennedy Development Inc.	Danan Investments Inc.

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
YR2788090	2018/01/25	Notice of Assignments of Rents General		82 Old Kennedy Development Inc.	Danan Investments Inc.
YR2877143	2018/09/24	Transfer of Charge		Danan Investments Inc.	Boulder View Holdings Inc.
YR2877264	2018/09/24	Notice of Assignments of Rents General		Danan Investments Inc.	Boulder View Holdings Inc.
YR2877612	2018/09/24	Transfer of Charge		Boulder View Holdings Inc.	Matthew Castelli
YR2877624	2018/09/24	Notice of Assignments of Rents General		Boulder View Holdings Inc.	Matthew Castelli

SCHEDULE "D"

PERMITTED ENCUMBRANCES FOR PIN 02953-0015(LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
R609095	1992/12/04	Agreement			The Town of Markham
YR2788189	2018/01/25	Charge	\$5,100,000.00	58 Old Kennedy Development Inc.	All Season Recycle Inc. and Sasikala Sivasorusban

PERMITTED ENCUMBRANCES FOR PIN 02953-0017(LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
R609095	1992/12/04	Agreement			The Town of Markham
YR2788189	2018/01/25	Charge	\$5,100,000.00	58 Old Kennedy Development Inc.	All Season Recycle Inc. and Sasikala Sivasorusban

PERMITTED ENCUMBRANCES FOR PIN 02953-0016(LT)

None.

PERMITTED ENCUMBRANCES FOR PIN 02953-0018(LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
YR301388	2003/05/15	Transfer Easement	\$2.00	Wu's International Group Inc.	The Corporation of the Town of Markham

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
YR301389	2003/05/15	Transfer Easement	\$2.00	Wu's International Group Inc.	The Corporation of the Town of Markham
YR301475	2003/05/15	Notice (Site Plan Control)		The Corporation of the Town of Markham	Wu's International Group Inc.

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY DEVELOPMENT INC., 76 OLD KENNEDY DEVELOPMENT INC. AND 82 OLD KENNEDY DEVELOPMENT INC., ALL CORPORATIONS INCORPORATED UNDER THE LAWS OF ONTARIO

Estate File No: 31-2436538

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced TORONTO

APPROVAL AND VESTING ORDER

GOLDMAN SLOAN NASH & HABER LLP
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Lawyers for the NOI Companies

TAB 4

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) MONDAY, THE 28TH DAY
)
JUSTICE) OF JANUARY, 2019

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY
DEVELOPMENT INC., 76 OLD KENNEDY DEVELOPMENT
INC. AND 82 OLD KENNEDY DEVELOPMENT INC., ALL
CORPORATIONS INCORPORATED UNDER THE LAWS OF
ONTARIO



~~BETWEEN:-~~

~~PLAINTIFF~~

Plaintiff

~~-and-~~

~~DEFENDANT~~

Defendant

APPROVAL AND VESTING ORDER

~~THIS MOTION, made by [RECEIVER'S NAME] in its capacity as the Court appointed
receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor")~~58

Old Kennedy Development Inc., 76 Old Kennedy Development Inc. and 82 Old Kennedy Development Inc. (collectively, the "Vendors") for an order, *inter alia*, approving the sale transaction (the "Transaction") contemplated by:

- (a) an agreement of purchase and sale (the "Sale Agreement") between the Receiver and [NAME OF PURCHASER] (the "Purchaser") dated [DATE] and appended to the Report of the Receiver dated [DATE] (the "Report"), dated as of December 8, 2018 (as amended by an amendment dated January 15, 2019, the "58 Old Kennedy APA") between 58 Old Kennedy Development Inc. and Cheng Yi Wei, in trust for a company to be incorporated (the "Purchaser") for the purchase of 58 Old Kennedy Road and 20 Thelma Avenue in the City of Markham ("58 Old Kennedy");
- (b) an agreement of purchase and sale dated as of December 8, 2018 (as amended by an amendment dated January 15, 2019, the "76 Old Kennedy APA") between 76 Old Kennedy Development Inc. and the Purchaser for the purchase of 64-76 Old Kennedy Road in the City of Markham ("76 Old Kennedy"); and
- (c) an agreement of purchase and sale dated as of December 8, 2018 as amended, (as amended by an amendment dated January 15, 2019, the "82 Old Kennedy APA") between 82 Old Kennedy Development Inc. and the Purchaser for the purchase of 82 Old Kennedy Road in the City of Markham ("82 Old Kennedy").

(collectively, the "Sale Agreements"),

copies of which are attached as an exhibit to the Affidavit of Yuan Hua Wang sworn January 21, 2019 (the "Wang Affidavit") and vesting in the Purchaser the Debtor's, or as it may direct in accordance with the Sale Agreements, all the Vendors' right, title and interest in and to the assets property described in the Sale Agreement (the "Purchased Assets") as Property as defined

and identified in each of the Sale Agreements, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report Wang Affidavit, the Fourth Report of KSV Kofman Inc. (the "Proposal Trustee") dated January [●], 2019 (the "Fourth Report"), and on hearing the submissions of counsel for the Receiver, ~~[NAMES OF OTHER PARTIES APPEARING]~~ Vendors, the Proposal Trustee, and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ~~[NAME]~~ Katie Parent sworn ~~[DATE]~~ [●], 2019, filed¹:-

1. **THIS COURT ORDERS AND DECLARES** that the ~~Transaction~~ is time for service of the Notice of Motion, the Fourth Report and the supporting materials herein is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS AND DECLARES** that the transactions contemplated by the Sale Agreements (collectively, the "Transactions") are hereby approved,² nunc pro tunc, and the execution of the ~~Sale Agreement~~ Agreements by the ~~Receiver~~³ is Vendors are hereby authorized and approved, with such minor amendments as the ~~Receiver~~ Vendors (with the consent of the Proposal Trustee) may deem necessary. The ~~Receiver is~~ Vendors are hereby authorized and directed to take such additional steps and execute such

¹ ~~This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.~~

² ~~In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.~~

³ ~~In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.~~

additional documents as may be necessary or desirable for the completion of the ~~Transaction~~Transactions and for the conveyance of the ~~Purchased Assets~~Property contemplated by each ~~Sale Agreement~~ to the Purchaser, or as it may direct.

3. ~~2.~~ **THIS COURT ORDERS AND DECLARES** that upon the delivery of a ~~Receiver's~~ certificate one or more closing certificates to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the ~~Receiver's~~ each a **"Closing Certificate"** and collectively, the **"Closing Certificates"**), all of the ~~Debtor's~~ applicable Vendor's right, title and interest in and to the ~~Purchased Assets~~ applicable Property:

as each such Property is more particularly described in the Sale Agreement [and listed on] **Schedule "B"** hereto]⁴ (the **"Real Property"**), shall vest absolutely in 5008830 Ontario Inc. (the "Designated Purchaser"), the designee of the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, licences, restrictions, options, judgments, liabilities (direct, indirect, absolute or contingent), obligations, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims"⁵) **"Claims"**) (other than those Claims which are permitted encumbrances (the **"Permitted Encumbrances"**), including, without limiting the generality of the foregoing: (i) any

⁴ To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.

⁵ The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

~~encumbrances or charges created by the Order of the Honourable Justice [NAME] dated [DATE];~~ (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the **"Encumbrances"**, which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "D"**) and, for greater certainty, this Court orders and declares that all of the Encumbrances affecting or relating to the Purchased Assets Property are hereby expunged and discharged as against the Purchased Assets Property and are non-enforceable and non-binding as against the Purchaser or the Designated Purchaser.

4. ~~3.~~ **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the ~~[Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver]~~ appropriate Land Titles Division of {LOCATION} of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*⁶, the Land Registrar is hereby directed to enter the Designated Purchaser, or as it may direct, as the owner of the subject real property identified in **Schedule "B"** hereto (the **"Real Property"**) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule "C"** hereto.

5. ~~4.~~ **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ from the sale of the Purchased Assets Property shall stand in

⁶ ~~E~~lect the language appropriate to the land registry system (Registry vs. Land Titles).

⁷ ~~The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".~~

the place and stead of the ~~Purchased Assets~~Property, and that from and after the delivery of the Receiver's Closing Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the ~~Purchased Assets~~Property with the same priority as they had with respect to the ~~Purchased Assets~~Property immediately prior to the sale⁸, as if the ~~Purchased Assets~~Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. ~~5.~~ **THIS COURT ORDERS AND DIRECTS** the ~~Receiver~~Proposal Trustee to file with the Court a copy of the Receiver's Closing Certificate, forthwith after delivery thereof.

~~6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada Personal Information Protection and Electronic Documents Act, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "●" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.~~

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the ~~Debtor~~any Vendor and any bankruptcy order issued pursuant to any such applications; and

⁸ This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

(e) — any assignment in bankruptcy made in respect of the ~~Debtor~~; any Vendor.

the vesting of the ~~Purchased Assets~~ Property in the Purchaser and/or Designated Purchaser, or as it may direct, pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the ~~Debtor~~ Vendors and shall not be void or voidable by creditors of the ~~Debtor~~ Vendors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

~~8. — THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).~~

~~9.~~ 8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the ~~Receiver~~ Proposal Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the ~~Receiver~~ Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the ~~Receiver~~ Proposal Trustee and its agents in carrying out the terms of this Order.

~~Schedule A — Form of Receiver’s Certificate~~

SCHEDULE "A"
FORM OF CLOSING CERTIFICATE

Court File No. _____ Estate No. 31-2436538

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY DEVELOPMENT INC., 76 OLD KENNEDY DEVELOPMENT INC. AND 82 OLD KENNEDY DEVELOPMENT INC., ALL CORPORATIONS INCORPORATED UNDER THE LAWS OF ONTARIO

~~BETWEEN:-~~

~~PLAINTIFF~~

Plaintiff

~~—and—~~

~~DEFENDANT~~

Defendant

RECEIVER’S CLOSING CERTIFICATE

[identify the property or properties covered by the certificate at closing]

RECITALS

I. On October 26, 2018, 58 Old Kennedy Development Inc., 76 Old Kennedy Development Inc. and 82 Old Kennedy Development Inc. (the “Vendors”), each filed a notice of intention to make a proposal (the “NOI”) pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act*

(the "BIA") naming KSV Kofman Inc. as proposal trustee under the NOI (the "Proposal Trustee").

AII. Pursuant to an Order of the Honourable [NAME OF JUDGE] order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated [DATE OF ORDER], [NAME OF RECEIVER] was appointed as the receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor"). "Court") issued on December 21, 2018 (the "Sales Process Order"). the Proposal Trustee was authorized to, among other things, market the property described as the "Property" in the Sale Agreements (as defined below) (the "Property").

BIII. Pursuant to an Order of the Court dated [DATE], 2019, the Court approved the agreement agreements of purchase and sale made as of [DATE OF AGREEMENT] (the "Sale Agreement") between the Receiver [Debtor] Vendors and [NAME OF PURCHASER] (the "Purchaser") as purchaser, dated [DATE], 2019 (as amended, the "Sale Agreements"), and provided for the vesting in the Purchaser of the Debtor's, or as it may direct in accordance with the Sale Agreements, of all the Vendors' right, title and interest in and to the Purchased Assets Property, which vesting is to be effective with respect to the Purchased Assets Property upon the delivery by the Receiver Proposal Trustee to the Purchaser of a certificate one or more certificates confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets purchase price for a Property contemplated by a Sale Agreement; (ii) that the conditions to Closing closing as set out in section of the such Sale Agreement have been satisfied or waived by the Receiver Vendors and the Purchaser; and (iii) the Transaction transaction has been completed to the satisfaction of the Receiver Proposal Trustee.

¶ ¶IV. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE ~~RECEIVER~~PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser has paid and the ~~Receiver~~Proposal Trustee has received the ~~Purchase Price~~purchase price for the ~~Purchased Assets~~Property payable on the ~~Closing Date~~closing date pursuant to the Sale Agreement;
2. The conditions to ~~Closing~~closing as set out in ~~section 1~~section 1 of the Sale Agreement have been satisfied or waived by the ~~Receiver~~Vendors and the Purchaser; ~~and~~
3. The ~~Transaction~~transaction has been completed to the satisfaction of the ~~Receiver~~Proposal Trustee; ~~and~~
4. This Certificate was delivered by the ~~Receiver~~Proposal Trustee at _____
[TIME] on _____ [DATE].

~~[NAME OF RECEIVER]~~KSV KOFMAN INC.,
in its capacity as ~~Receiver of the undertaking,~~
~~property and assets of [DEBTOR]~~proposal
trustee for the Vendors, and not in its personal
capacity or in any other capacity

Per: _____
Name:
Title:

SCHEDULE "B"
LEGAL DESCRIPTION OF THE REAL PROPERTY

Schedule B—Purchased Assets

58 Old Kennedy Road and 20 Thelma Avenue, Markham, Ontario

PT LT 1 CON 5 MARKHAM AS IN R609686; CITY OF MARKHAM, BEING ALL OF PIN 02953-0015 (LT); and

LT 8 PL 2687 MARKHAM; LT 9 PL 2687 MARKHAM; LT 10 PL 2687 MARKHAM; LT 11 PL 2687 MARKHAM; LT 12 PL 2687 MARKHAM ; CITY OF MARKHAM, BEING ALL OF PIN 02953-0017 (LT)

64-76 Old Kennedy Road, Markham, Ontario

PT LT 1 CON 5 MARKHAM AS IN R649696; MARKHAM; CITY OF MARKHAM, BEING ALL OF PIN 02953-0016 (LT)

82 Old Kennedy Road, Markham, Ontario

LT 3 PL 3580 MARKHAM; MARKHAM; S/T EASE OVER PT 2, 65R25475, AS IN YR301388; S/T EASE OVER PT 3, 65R25475, AS IN YR301389, BEING ALL OF PIN 02953-0018 (LT)

SCHEDULE "C"

INSTRUMENTS TO BE DELETED FROM PIN NO.

~~Schedule C—Claims to be deleted and expunged from title to Real Property~~

**Schedule D—Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

(unaffected by the Vesting Order)

02953-0015(LT)

<u>Reg. No.</u>	<u>Date</u>	<u>Instrument Type</u>	<u>Amount</u>	<u>Parties From</u>	<u>Parties To</u>
<u>YR2788190</u>	<u>2018/01/25</u>	<u>Charge</u>	<u>\$5,000,000.00</u>	<u>58 Old Kennedy Development Inc.</u>	<u>Danan Investments Inc.</u>
<u>YR2788277</u>	<u>2018/01/25</u>	<u>Notice of Assignment of Rents - General</u>		<u>58 Old Kennedy Development Inc.</u>	<u>Danan Investments Inc.</u>
<u>YR2877145</u>	<u>2018/09/24</u>	<u>Transfer of Charge</u>		<u>Danan Investments Inc.</u>	<u>Boulder View Holdings Inc.</u>
<u>YR2877301</u>	<u>2018/09/24</u>	<u>Notice of Assignment of Rents - General</u>		<u>Danan Investments Inc.</u>	<u>Boulder View Holdings Inc.</u>
<u>YR2877629</u>	<u>2018/09/24</u>	<u>Transfer of Charge</u>		<u>Boulder View Holdings Inc.</u>	<u>Matthew Castelli</u>
<u>YR2877636</u>	<u>2018/09/24</u>	<u>Notice of Assignment of Rents - General</u>		<u>Boulder View Holdings Inc.</u>	<u>Matthew Castelli</u>

INSTRUMENTS TO BE DELETED FROM PIN NO.

02953-0017 (LT)

<u>Reg. No.</u>	<u>Date</u>	<u>Instrument Type</u>	<u>Amount</u>	<u>Parties From</u>	<u>Parties To</u>
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Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
<u>YR2788190</u>	<u>2018/01/25</u>	<u>Charge</u>	<u>\$5,000,000.00</u>	<u>58 Old Kennedy Development Inc.</u>	<u>Danan Investments Inc.</u>
<u>YR2788227</u>	<u>2018/01/25</u>	<u>Notice of Assignment of Rents - General</u>		<u>58 Old Kennedy Development Inc.</u>	<u>Danan Investments Inc.</u>
<u>YR2877145</u>	<u>2018/09/24</u>	<u>Transfer of Charge</u>		<u>Danan Investments Inc.</u>	<u>Boulder View Holdings Inc.</u>
<u>YR2877301</u>	<u>2018/09/24</u>	<u>Notice of Assignment of Rents - General</u>		<u>Danan Investments Inc.</u>	<u>Boulder View Holdings Inc.</u>
<u>YR2877629</u>	<u>2018/09/24</u>	<u>Transfer of Charge</u>		<u>Boulder View Holdings Inc.</u>	<u>Matthew Castelli</u>
<u>YR2877636</u>	<u>2018/09/24</u>	<u>Notice of Assignment of Rents - General</u>		<u>Boulder View Holdings Inc.</u>	<u>Matthew Castelli</u>

INSTRUMENTS TO BE DELETED FROM PIN NO.
02953-0016(LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
<u>YR2787960</u>	<u>2018/01/25</u>	<u>Charge</u>	<u>\$2,800,000.00</u>	<u>76 Old Kennedy Development Inc.</u>	<u>Danan Investments Inc.</u>
<u>YR2787978</u>	<u>2018/01/25</u>	<u>Charge</u>	<u>\$5,000,000.00</u>	<u>76 Old Kennedy Development Inc.</u>	<u>Danan Investments Inc.</u>
<u>YR2788081</u>	<u>2018/01/25</u>	<u>Notice of Assignments of Rents - General</u>		<u>76 Old Kennedy Development Inc.</u>	<u>Danan Investments Inc.</u>

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
<u>YR2788086</u>	<u>2018/01/25</u>	<u>Notice of Assignments of Rents General</u>		<u>76 Old Kennedy Development Inc.</u>	<u>Danan Investments Inc.</u>
<u>YR2877142</u>	<u>2018/09/24</u>	<u>Transfer of Charge</u>		<u>Danan Investments Inc.</u>	<u>Boulder View Holdings Inc.</u>
<u>YR2877144</u>	<u>2018/09/24</u>	<u>Transfer of Charge</u>		<u>Danan Investments Inc.</u>	<u>Boulder View Holdings Inc.</u>
<u>YR2877251</u>	<u>2018/09/24</u>	<u>Notice of Assignments of Rents General</u>		<u>Danan Investments Inc.</u>	<u>Boulder View Holdings Inc.</u>
<u>YR2877573</u>	<u>2018/09/24</u>	<u>Transfer of Charge</u>		<u>Boulder View Holdings Inc.</u>	<u>Matthew Castelli</u>
<u>YR2877595</u>	<u>2018/09/24</u>	<u>Transfer of Charge</u>		<u>Boulder View Holdings Inc.</u>	<u>Matthew Castelli</u>
<u>YR2877610</u>	<u>2018/09/24</u>	<u>Notice of Assignments of Rents General</u>		<u>Boulder View Holdings Inc.</u>	<u>Matthew Castelli</u>

**INSTRUMENTS TO BE DELETED FROM PIN NO.
02953-0018(LT)**

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
<u>YR2739662</u>	<u>2017/10/02</u>	<u>Charge</u>	<u>\$8,625,000.00</u>	<u>82 Old Kennedy Development Inc.</u>	<u>Wa's International Group Inc.</u>
<u>YR2787977</u>	<u>2018/01/25</u>	<u>Charge</u>	<u>\$5,000,000.00</u>	<u>82 Old Kennedy Development Inc.</u>	<u>Danan Investments Inc.</u>
<u>YR2788090</u>	<u>2018/01/25</u>	<u>Notice of</u>		<u>82 Old Kennedy</u>	<u>Danan Investments</u>

<u>Reg. No.</u>	<u>Date</u>	<u>Instrument Type</u>	<u>Amount</u>	<u>Parties From</u>	<u>Parties To</u>
		<u>Assignments of Rents General</u>		<u>Development Inc.</u>	<u>Inc.</u>
<u>YR2877143</u>	<u>2018/09/24</u>	<u>Transfer of Charge</u>		<u>Danan Investments Inc.</u>	<u>Boulder View Holdings Inc.</u>
<u>YR2877264</u>	<u>2018/09/24</u>	<u>Notice of Assignments of Rents General</u>		<u>Danan Investments Inc.</u>	<u>Boulder View Holdings Inc.</u>
<u>YR2877612</u>	<u>2018/09/24</u>	<u>Transfer of Charge</u>		<u>Boulder View Holdings Inc.</u>	<u>Matthew Castelli</u>
<u>YR2877624</u>	<u>2018/09/24</u>	<u>Notice of Assignments of Rents General</u>		<u>Boulder View Holdings Inc.</u>	<u>Matthew Castelli</u>

SCHEDULE "D"

PERMITTED ENCUMBRANCES FOR PIN 02953-0015(LT)

<u>Reg. No.</u>	<u>Date</u>	<u>Instrument Type</u>	<u>Amount</u>	<u>Parties From</u>	<u>Parties To</u>
<u>R609095</u>	<u>1992/12/04</u>	<u>Agreement</u>			<u>The Town of Markham</u>
<u>YR2788189</u>	<u>2018/01/25</u>	<u>Charge</u>	<u>\$5,100,000.00</u>	<u>58 Old Kennedy Development Inc.</u>	<u>All Season Recycle Inc. and Saikala Sivaraman</u>

PERMITTED ENCUMBRANCES FOR PIN 02953-0017(LT)

<u>Reg. No.</u>	<u>Date</u>	<u>Instrument Type</u>	<u>Amount</u>	<u>Parties From</u>	<u>Parties To</u>
<u>R609095</u>	<u>1992/12/04</u>	<u>Agreement</u>			<u>The Town of Markham</u>
<u>YR2788189</u>	<u>2018/01/25</u>	<u>Charge</u>	<u>\$5,100,000.00</u>	<u>58 Old Kennedy Development Inc.</u>	<u>All Season Recycle Inc. and Saikala Sivaraman</u>

PERMITTED ENCUMBRANCES FOR PIN 02953-0016(LT)

None.

PERMITTED ENCUMBRANCES FOR PIN 02953-0018(LT)

<u>Reg. No.</u>	<u>Date</u>	<u>Instrument Type</u>	<u>Amount</u>	<u>Parties From</u>	<u>Parties To</u>
<u>YR301388</u>	<u>2003/05/15</u>	<u>Transfer Easement</u>	<u>\$2.00</u>	<u>Wu's International Group Inc.</u>	<u>The Corporation of the Town of Markham</u>

<u>Reg. No.</u>	<u>Date</u>	<u>Instrument Type</u>	<u>Amount</u>	<u>Parties From</u>	<u>Parties To</u>
<u>NR301389</u>	<u>2003/05/15</u>	<u>Transfer Equipment</u>	<u>\$2.00</u>	<u>Wu's International Group Inc.</u>	<u>The Corporation of the Town of Markham</u>
<u>NR301475</u>	<u>2003/05/15</u>	<u>Notice (Site Plan Control)</u>		<u>The Corporation of the Town of Markham</u>	<u>Wu's International Group Inc.</u>

IN THE MATTER OF THE PROPOSAL OF 34 OLD KENNEDY DEVELOPMENT
INC., 74 OLD KENNEDY DEVELOPMENT INC. AND 12 OLD KENNEDY
DEVELOPMENT INC. ALL CORPORATIONS INCORPORATED UNDER THE
LAWS OF ONTARIO

Estate File No. 31-2436538

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced TORONTO

APPROVAL AND VESTING ORDER

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Lawyers for the NOI Companies

Document comparison by Workshare 9.5 on January-22-19 11:05:19 AM

Input:	
Document 1 ID	file:///U:\JStam\Forme Development Group (100866-0001)\NOI Sale Approval\Model Approval and Vesting Order.docx
Description	Model Approval and Vesting Order
Document 2 ID	file:///U:\JStam\Forme Development Group (100866-0001)\NOI Sale Approval\Approval and Vesting Order v.4.docx
Description	Approval and Vesting Order v.4
Rendering set	Standard

Legend:	
<u>Insertion</u>	
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Moved from	
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Style change	
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Moved deletion	
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Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	426
Deletions	160

IN THE MATTER OF THE PROPOSAL OF 58 OLD KENNEDY DEVELOPMENT
INC., 76 OLD KENNEDY DEVELOPMENT INC. AND 82 OLD KENNEDY
DEVELOPMENT INC., ALL CORPORATIONS INCORPORATED UNDER THE
LAWS OF ONTARIO

Estate File Nos: 31-2436538

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced TORONTO

**MOTION RECORD
(Sale Approval)
(returnable January 28, 2019)**

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