



**Third Report of KSV Kofman Inc.
as Receiver and Manager**

February 19, 2019

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COURT FILE NO: CV-18-00608356-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

BUDUCHNIST CREDIT UNION LIMITED

Applicant

- and -

**2321197 ONTARIO INC., CARLO DEMARIA, SANDRA DEMARIA,
2321198 ONTARIO INC., SASI MACH LIMITED AND VICAR HOMES LTD.**

Respondents

**THIRD REPORT OF KSV KOFMAN INC.
AS RECEIVER AND MANAGER**

FEBRUARY 19, 2019

1.0 Introduction

1. This report ("Report") is filed by KSV Kofman Inc. ("KSV") as receiver and manager (the "Receiver") of certain real property as described below.
2. Pursuant to orders of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on November 13, 2018, KSV was appointed as Receiver of the property at 87 Elm Grove Avenue, Richmond Hill, Ontario (the "Elm Grove Property") (the "Receivership Order") and as interim receiver of the property at 46 Puccini Drive, Richmond Hill, Ontario (the "Puccini Property"). On December 4, 2018, the interim receivership of the Puccini Property was converted to a receivership. On January 17, 2019, the Receivership Order was amended for a second time to include the property at 6216 Fifth Line, Egbert, Ontario (the "Cottage Property") (the "Second Amended and Restated Receivership Order")¹. A copy of the Second Amended and Restated Receivership Order is attached as Appendix "A". The aforesaid orders were granted on application made by Buduchnist Credit Union Limited ("BCU"), the only mortgagee on the three properties.

¹ The Second Amended and Restated Receivership Order also provides for KSV's appointment as Receiver over a property at 211 Woodland Acres Crescent, Vaughan, Ontario. Enforcement of the Second Amended and Restated Receivership Order over this property is stayed pending further Court order.

3. The principal purpose of these proceedings is for the Receiver to maximize value by realizing on the properties subject to the Second Amended and Restated Receivership Order.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about these proceedings;
 - b) summarize the steps taken by the Receiver to sell the Puccini Property;
 - c) summarize a proposed transaction (the “Transaction”) with Aim International Logistics and Trade Limited (the “Purchaser”) for the Puccini Property pursuant to an Agreement of Purchase and Sale dated February 3, 2019 between the Receiver and the Purchaser (the “APS”);
 - d) provide the basis for the Receiver’s recommendation that the APS and the Transaction be approved by this Honourable Court; and
 - e) recommend that the Court issue an order, *inter alia*, approving the APS and the Transaction and vesting title to the Puccini Property in the Purchaser on closing of the Transaction.

1.2 Currency

1. All currency references in this Report are to Canadian dollars.

2.0 Background

2.1 Elm Grove Property

1. The Elm Grove Property is comprised of land and a new vacant residential home which is only partially constructed. 2321197 Ontario Inc. (“197”) is the registered owner of the Elm Grove Property. Carlo Demaria is listed as the sole director and officer of 197.
2. BCU holds a charge/mortgage against the Elm Grove Property securing the principal amount of \$2.2 million. There are no other mortgages registered against the Elm Grove Property.
3. Immediately following its appointment, the Receiver took steps recommended by a contractor to “winterize” and safeguard the Elm Grove Property and prepare it for sale. As at the date of this Report, BCU has funded \$45,000 to the Receiver to take these steps and to fund the costs of these proceedings. The Receiver has issued Receiver’s Certificates evidencing these post-filing advances in accordance with the Court orders issued from time to time.

4. Pursuant to a Court order made on December 4, 2018, the Receiver was authorized to engage Re/Max Realtron Realty Inc. (“ReMax”) as the listing agent for the Elm Grove Property and to carry out the sale process described in the Receiver’s First Report to Court dated November 28, 2018. As at the date of this Report, the Elm Grove Property is listed for sale.

2.2 Cottage Property

1. The Cottage Property is a residential cottage in Egbert, Ontario. Carlo Demaria and Sandra Demaria are the registered owners of the Cottage Property.
2. BCU holds a charge/mortgage against the Cottage Property securing the principal amount of \$317,240. There are no other mortgages registered against the Cottage Property; however, the Mareva Order (as defined below) was registered against the Cottage Property on June 18, 2015.
3. As at November 1, 2018, the indebtedness owing to BCU secured by the Cottage Property was \$179,083, plus interest and costs which continue to accrue.
4. Since its appointment, the Receiver has been advised that there are occupants renting the Cottage Property on a month-to-month basis.
5. The Receiver is in the process of arranging for an appraisal of the Cottage Property.

2.3 Puccini Property

1. The Puccini Property is a residential home in Richmond Hill, Ontario. 2321198 Ontario Inc. (“198”) is the registered owner of the Puccini Property. Mr. Demaria is listed as the sole director and officer of 198.
2. BCU holds a charge/mortgage against the Puccini Property securing the principal amount of \$2.5 million. There are no other mortgages registered against the Puccini Property.
3. According to a proof of claim submitted to the Receiver on December 6, 2018, there are realty tax arrears owing to the Town of Richmond Hill with respect to the Puccini Property in the amount of approximately \$12,000.
4. There is an order registered against the Puccini Property issued by the Court dated May 6, 2015 in a proceeding commenced under Brampton Court File No. CV-15-2110-00 by Trade Capital Finance Corp. (“Trade Capital”) against various defendants, including Mr. Demaria and certain corporations (other than 198) with which Mr. Demaria is alleged to have been involved (the “Mareva Order”).
5. As at the date of this Report, BCU has funded \$20,000 to the Receiver to fund the costs of these proceedings and sundry expenses for the general upkeep of the Puccini Property. The Receiver has issued Receiver’s Certificates evidencing these post-filing advances in accordance with the Court orders issued from time to time.

6. Since late May, 2018, Afif and Mona Saad, being elderly family friends of Mr. Demaria, have occupied the Puccini Property. Their son, Issam Saad, also spends approximately two days per week at the Puccini Property. On January 16, 2019, the Court made an order approving an Occupancy Agreement dated December 28, 2018 between the Saad family and the Receiver (the "Occupancy Agreement").
7. Pursuant to the Occupancy Agreement, *inter alia*, the Saad family is to pay monthly rent of \$4,000 to the Receiver and they must vacate the Puccini Property in order to permit the Receiver to complete a sale of the property within 45 days written notice to be provided by the Receiver or such longer period as the Receiver may determine, in its sole discretion. A copy of the Occupancy Agreement is attached as Appendix "B".
8. As at the date of this Report, the Saad family has complied with their payment and other obligations under the Occupancy Agreement.

3.0 Sale Process

1. The endorsement of the Honourable Justice Penny dated December 4, 2018 (the "December 4 Endorsement") provides the basis on which the interim receivership of the Puccini Property was converted to a receivership. In the December 4 Endorsement, a copy of which is attached as Appendix "C", Justice Penny approved *"the approach already taken for the marketing of the Elm Grove property as the appropriate approach to the marketing of the Puccini property"*.
2. In accordance with the December 4 Endorsement, the Receiver engaged ReMax to list the Puccini Property for sale in mid-January, 2019.
3. ReMax undertook an analysis of the market based on recent and relevant transactions and listings. Based on ReMax's advice, the list price was determined to be \$2.3 million. Given the suggested list price was below the principal amount of BCU's mortgage against the Puccini Property, BCU's consent for the \$2.3 million list price was sought and obtained.
4. The following chart reflects the attributes of three recent sales of comparable homes² on which ReMax's recommended list price (and ultimate recommended sale price) was based.

Property	Sale Price (\$000s)	Lot Size (feet)	Bedrooms	Bathrooms	Basement	Garage Spaces
18 Parker Ave.	3,438	79.5 x 200	4 + 2	6	Finished / Walk-out	3
38 Maple Grove Ave.	2,860	69 x 150	4	5	Finished / Walk-out	3
17a Poplar Dr.	2,307	47 x 485	4 + 2	6	Finished / Walk-out	2
Puccini Property	2,250	65 x 200	4	4	Unfinished	3

² Further information on each of these comparable properties is provided in Appendix "D".

5. In mid-January, Issam Saad approached the Receiver and ReMax about purchasing the Puccini Property. Since that time, the APS has been negotiated; it was settled and executed on February 3, 2019.
6. On February 15, 2019, ReMax provided a letter to the Receiver, a copy of which is attached as Appendix "D". The letter indicates, *inter alia*, the factors that ReMax considered in recommending its list price of \$2.3 million and the basis on which ReMax recommends that the Receiver complete the Transaction for a purchase price of \$2.25 million.

3.1 Transaction

1. The APS is in the form of a standard Ontario Real Estate Association Agreement of Purchase and Sale, a summary of which is as follows:
 - a) **Purchaser:** Aim International Logistics and Trade Limited. The Receiver has been advised that Issam Saad is the sole shareholder of the purchasing entity. (It is contemplated that the Saad Family will continue to live in the Puccini Property following the closing of the Transaction).
 - b) **Purchased Assets:** the Puccini Property.
 - c) **Purchase Price:** \$2.25 million.
 - d) **Deposit:** the Purchaser has paid a deposit of \$50,000 which is being held in ReMax's trust account pending closing of the Transaction.
 - e) **Representations and Warranties:** consistent with the standard terms of a receivership transaction, i.e. on an "as is, where is" basis, with limited representations and warranties.
 - f) **Closing Date:** five days following Court approval, should the Court grant the proposed Approval and Vesting Order.
 - g) **Material Conditions:** the only material condition precedent is the Court's issuance of the proposed Approval and Vesting Order.
2. A copy of the APS is attached as Appendix "E".

3.2 Recommendation

1. The Receiver recommends that the Court approve the APS and the Transaction for the following reasons:
 - a) the Receiver undertook commercially reasonable steps to market and sell the Puccini Property in accordance with the December 4 Endorsement, including retaining ReMax as the listing agent;
 - b) the purchase price under the Transaction is consistent with the market value of comparable homes in the Richmond Hill area;

- c) given that the proposed Transaction is with the present occupants, it eliminates the risk of issues arising on transitioning the Puccini Property to another purchaser, including disputes over which items can be removed from the property, the cost of replacing any such items and/or incremental professional fees incurred in resolving any such disputes;
 - d) the Transaction contemplates a closing date of five days following Court approval, should such approval be granted. Accordingly, the Transaction can be completed expeditiously, which will avoid property taxes, professional fees and other costs that would otherwise accrue, if the Puccini Property was sold to another buyer, for the duration of the listing period plus at least 45 days, being the notice period under the Occupancy Agreement;
 - e) ReMax is a reputable and qualified realtor with substantial experience selling homes in the Richmond Hill area. ReMax has recommended that the Transaction be completed forthwith; and
 - f) Mr. DeMaria's counsel has advised that he does not oppose the Transaction on the basis that the proceeds of sale will not be distributed without further order of the Court.
2. Subject to Court approval, the Receiver intends to complete the Transaction and retain the net proceeds therefrom pending further Court order.

4.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that the Court make an order granting the relief detailed in Section 1.1(1)(e) of this Report.

* * *

All of which is respectfully submitted,



**KSV KOFMAN INC.,
SOLELY IN ITS CAPACITY AS COURT-APPOINTED
RECEIVER AND MANAGER, AND NOT IN ITS PERSONAL
CAPACITY**

Appendix “A”

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

THE HONOURABLE MR.

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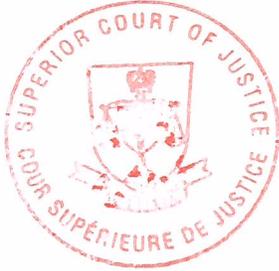
THURSDAY, THE 17th

JUSTICE PENNY

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DAY OF JANUARY, 2019

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BUDUCHNIST CREDIT UNION LIMITED

Applicant

- and -

**2321197 ONTARIO INC., CARLO DEMARIA, SANDRA DEMARIA,
2321198 ONTARIO INC., SASI MACH LIMITED and VICAR HOMES LTD.**

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**SECOND AMENDED AND RESTATED ORDER
(appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing KSV Kofman Inc. (“**KSV**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of the Real Properties (defined below), was heard on January 16, 2019 at 330 University Avenue, Toronto, Ontario, with judgment having been reserved to this date for written reasons.

ON READING the Affidavit of Oksana Prociuk, sworn November 6, 2018, the Responding Affidavit of Oksana Prociuk, sworn November 20, 2018, the Supplementary

Affidavit of Oksana Prociuk, sworn November 30, 2018, the Affidavit of Carlo Demaria, sworn November 11, 2018, and the Affidavit of Darcy Thompson, sworn November 12, 2018, the Factum, dated November 30, 2018, and authorities of the Applicant, the Factum and Book of Authorities of the Respondents, 2321997 Ontario Inc., Carlo Demaria, 2321198 Ontario Inc. and Vicar Homes Ltd., dated January 14, 2019, Transcript of the examination under Rule 39.03 of Nestor Wolicki, taken December 17, 2018, and exhibit thereon, Transcripts of the examination under Rule 39.03 of Roma Bereza, taken on December 17, 2018 and January 10 and 11, 2019, and exhibits thereon, Transcript of the cross-examination of Carlo Demaria, taken on November 30, 2018, and answers to undertakings and exhibits thereon, Transcript of the cross-examination of Oksana Prociuk, taken on December 17, 2018, and answers to undertakings and exhibits thereon, the Applicant's Response to Request to Inspect Documents, dated December 11, 2018, and on hearing the submissions of counsel for the Applicant, Carlo Demaria, 2321197 Ontario Inc., 2321198 Ontario Inc., Vicar Homes Ltd., and Trade Capital Finance Corporation, no one appearing for Sandra Demaria although validly served as evidenced by the affidavits of service of Chris O'Rourke, sworn November 8, 2018, Rupert Mathias, sworn December 4, 2018 and Amanda Campbell, sworn December 3, 2018, filed, and on being advised by counsel that KSV consents to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV is hereby appointed Receiver, without security, of the real properties described in Schedule "A" hereto (the "**Real Properties**" and each a "**Real Property**"), including all rents arising therefrom and proceeds thereof (collectively, the "**Property**").

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts, rents and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (d) to receive and collect all monies, rent and accounts now owed or hereafter owing to the Respondents in respect of or relating to the Real Properties and to exercise all remedies of the Respondents in collecting such monies, including, without limitation, to enforce any security held by the Respondents;
- (e) to execute, assign, issue and endorse documents of whatever nature in respect of the Property, whether in the Receiver's name or in the name and on behalf of the Respondents, for any purpose pursuant to this Order;
- (f) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Real Properties or the Receiver, and to settle

or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (g) to market any or all of the Real Properties, including advertising and soliciting offers in respect of the Real Properties or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (h) to sell, convey, transfer, lease or assign the Property or any part or parts thereof with the approval of the Court and in such case, notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (i) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (j) to, without any further Court approval, on the condition that it is determined to be desirable by the Receiver, in its discretion, (i) sell and convey the real property municipally known as 87 Elm Grove, Richmond Hill, Ontario (the "**Elm Property**") pursuant to the Agreement of Purchase and Sale, accepted May 19, 2017, between Vicar Homes Ltd. and Sylvia Conforti, as amended, subject to monetary adjustments and such amendments as the Receiver may deem appropriate, or (b) negotiate and enter into a new agreement for the sale of the Elm Property, on terms acceptable to the Receiver, and sell and convey the Elm Property to Sylvia Conforti pursuant to such sale agreement;
- (k) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (l) to register a copy of this Order and any other Orders in respect of the Property against title to the Real Properties;
- (m) to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondents, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Respondents; and
- (n) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Respondents, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Respondents, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all access codes and keys to the Real Properties to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, manuals, warranties, securities, contracts, orders, and any other papers, records and information of any kind relating to the Real Properties (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the

Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Property are hereby stayed and suspended pending further Order of this Court. This provision is without prejudice to Trade Capital Finance Corporation commencing and continuing an application for the appointment of a receiver in respect of, among other things, the Real Properties.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Respondents to carry on any business which the Respondents are not lawfully entitled to carry on, (ii) exempt the Receiver or the Respondents from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

RECEIVER TO HOLD FUNDS

10. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Real Properties and the collection of any rents or accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

LIMITATION ON ENVIRONMENTAL LIABILITIES

11. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario*

Water Resources Act, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

12. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

13. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver's Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

14. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

15. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

16. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The Real Property identified in each Receiver's Certificate (defined below), including all rents arising therefrom and proceeds thereof, shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

17. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

18. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

19. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates

evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ONTARIO NEW HOME WARRANTIES PLAN ACT

20. **THIS COURT DECLARES** that the Court is making no determination as whether or not the Receiver is a “vendor” as defined in, and for the purposes of, the *Ontario New Home Warranties Plan Act*.

STAY OF ENFORCEMENT OVER WOODLAND PROPERTY

21. **THIS COURT ORDERS** that enforcement of this Order in respect of the Real Property municipally known as 211 Woodland Acres Crescent, Vaughan, Ontario (the “**Woodland Property**”), is stayed for 60 days from the date of this Order, or the disposition of the motion to be brought by Carlo Demaria seeking to set aside the Mareva injunction imposed pursuant to the Order of the Honourable Justice Ricchetti, dated May 6, 2015, issued in proceedings titled *Trade Capital Finance Corp. v. Peter Cook et al.*, bearing Brampton Court File No. CV-15-2110-00, whichever comes first. The stay ordered herein is subject to the following terms:

- (a) Carlo Demaria shall provide the Receiver, monthly, with evidence that the following payments are current on the Woodland Property:
 - (i) heat;
 - (ii) hydro
 - (iii) property taxes; and
 - (iv) property insurance;
- (b) upon the expiry of the 60 day stay period, or the disposition of the motion to set aside the Mareva injunction (or sooner if necessary), the parties shall schedule a 9:30 a.m. appointment to report on the status of the matter and the proposed next steps which are to be taken.

SERVICE AND NOTICE

22. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol.

23. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Respondents’ creditors or other interested parties at their respective addresses as last shown on the records of the Respondents and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

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

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

26. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully

requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

27. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

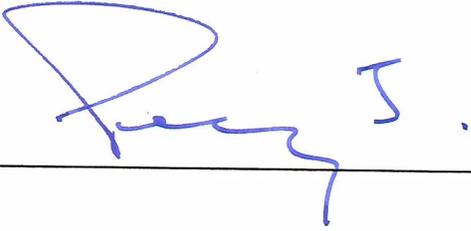
28. **THIS COURT ORDERS** that, with respect to the Elm Property and the real property municipally known as 46 Puccini Drive, Richmond Hill, Ontario (the "**Puccini Property**"), the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the sale of the Elm Property and the Puccini Property with such priority and at such time as this Court may determine.

29. **THIS COURT ORDERS** that, with respect to the Woodland Property and the real property municipally known as 6216 Fifth Line, Egbert, Ontario, costs of this application are reserved pending submissions.

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

31. **THIS COURT ORDERS** that this Order takes precedence over the Order of the Honourable Justice Wilton Siegel, dated November 13, 2018 (the "**IR Order**"), appointing KSV as interim receiver (the "**Interim Receiver**") of the real property municipally known as 46 Puccini Drive, Richmond Hill, Ontario, and the Interim Receiver shall take no further steps to

carry out its powers and duties set forth in the IR Order, save and except for bringing a motion before this Honourable Court for discharge.



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ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JAN 30 2019

PER / PAR:



SCHEDULE "A"

REAL PROPERTIES

1. **PIN: 03199-0011 (LT)**
Property Description: PCL 7-1 SEC M1563; LT 7 PL M1563; Town of Richmond Hill
Address: 87 Elm Grove Avenue
Richmond Hill, ON L4E 2W8
2. **PIN: 03206-3618 (LT)**
Property Description: PT LOT 26, PLAN M807, PT1, 65R34410,; Town of Richmond Hill
Address: 46 Puccini Drive
Richmond Hill, ON L4E 2Y6
3. **PIN: 03342-0025 (LT)**
Property Description: PCL 23-1 SEC M1732; LT 23 PL M1732; S/T LT135993; Vaughan
Address: 211 Woodland Acres Crescent
Vaughan, ON L6A 1G1
4. **PIN: 58120-0162 (LT)**
Property Description: PT E 1/2 LT 10 CON 4 ESSA TWP PT 4 RD1027; ESSA
Address: 6216 Fifth Line RR#1
Egbert ON L0L 1N0

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that KSV Kofman Inc., of the real properties described in Schedule "A" hereto (the "**Real Properties**" and each a "**Real Property**"), including all rents arising therefrom and all proceeds thereof, appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 4th day of December, 2018 (the "**Order**") made in an action having Court file number CV-18-00608356-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Real Property bearing PIN: _____, including all rents arising therefrom and proceeds thereof, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Real Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

KSV Kofman Inc., solely in its capacity
as Receiver of the Real Properties, and not in its
personal or corporate capacity

Per: _____

Name:

Title:

**SCHEDULE "A" TO RECEIVER'S CERTIFICATE
REAL PROPERTIES**

1. **PIN: 03199-0011 (LT)**

Property Description: PCL 7-1 SEC M1563; LT 7 PL M1563; Town of Richmond Hill

Address: 87 Elm Grove Avenue
 Richmond Hill, ON L4E 2W8

2. **PIN: 03206-3618 (LT)**

Property Description: PT LOT 26, PLAN M807, PT1, 65R34410,; Town of Richmond Hill

Address: 46 Puccini Drive
 Richmond Hill, ON L4E 2Y6

3. **PIN: 03342-0025 (LT)**

Property Description: PCL 23-1 SEC M1732; LT 23 PL M1732; S/T LT135993; Vaughan

Address: 211 Woodland Acres Crescent
 Vaughan, ON L6A 1G1

4. **PIN: 58120-0162 (LT)**

Property Description: PT E 1/2 LT 10 CON 4 ESSA TWP PT 4 RD1027; ESSA

Address: 6216 Fifth Line RR#1
 Egbert ON L0L 1N0

BUDUCHNIST CREDIT UNION LIMITED

Applicant

- and -

2321197 ONTARIO INC. et al.

Respondents

ONTARIO

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

PROCEEDING COMMENCED AT TORONTO

**SECOND AMENDED AND RESTATED ORDER
(appointing Receiver)**

DENTONS CANADA LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON M5K 0A1

Barbara Grossman (LSO # 20947K)

Tel: (416) 863-4417

Fax: (416) 863-4592

barbara.grossman@dentons.com

Kenneth Kraft (LSO # 31919P)

Tel: (416) 863-4374

kenneth.kraft@dentons.com

Lawyers for Buduchnist Credit Union Limited

Appendix “B”

OCCUPANCY AGREEMENT

This Agreement is made the ^{28th} day of December, 2018, between:

AFIF SAAD, MONA SAAD and ISAAM SAAD

(collectively, the "Occupants")

- and -

**KSV Kofman Inc., in its capacity as court-appointed receiver and manager
of the real property located at 46 Puccini Drive, Richmond Hill, Ontario**

(the "Receiver")

WHEREAS:

- A. By Order of the Ontario Superior Court of Justice (the "**Court**") dated November 13, 2018, KSV Kofman Inc. ("**KSV**") was appointed as interim receiver of the property municipally known as 46 Puccini Drive, Richmond Hill, Ontario (the "**Property**");
- B. By Order of the Court dated December 4, 2018, KSV was appointed receiver and manager of the Property;
- C. The Occupants have resided at the Property since May 2018, and have not made any rental payments to any party in respect of such occupancy;
- D. The Receiver is marketing the Property for sale; and
- E. The Occupants have agreed to the terms set out below as a condition of their continued occupation of the Property.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the continued occupation of the Property by the Occupants, and for other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged), the parties hereto hereby covenant and agree, to and with each other, as follows:

- 1. The Occupants acknowledge and agree that their continued occupation of the Property shall continue hereafter on a month to month basis or as otherwise terminated in accordance with the provisions of this agreement.
- 2. Upon execution and delivery of this agreement, the Occupants shall pay to the Receiver:
 - (a) the amount of \$8,000 in respect of their occupation of the Property to and including November 30, 2018;
 - (b) the amount of \$4,000 as the Monthly Occupancy Fee (defined below) for the month of December 2018; and

- (c) the amount of \$4,000 to be held, without interest, as security (without prejudice to the Receiver's other rights and remedies) for the observance and performance of the Occupants' obligations under this agreement (the "**Security Deposit**").
3. The Occupants shall pay to the Receiver the amount of \$4,000 (the "**Monthly Occupancy Fee**") monthly in advance on the first day of each and every month in respect of their continued occupation of the Property. The Occupants shall only be responsible for a pro-rated portion of the Monthly Occupancy Fee for the month when they vacate the Property if they vacate the Property before the last calendar day of the month.
 4. All payments by the Occupants to the Receiver shall be made by certified cheque or bank draft payable to "KSV Kofman Inc."
 5. The Occupants shall pay on a timely basis all telephone, utility and other charges and expenses billed directly to the Property by the supplier of such services, and shall be responsible for exterior landscape maintenance and snow removal.
 6. The Occupants shall forward all tax bills and tax assessment notices received by them directly to the Receiver.
 7. The Occupants shall occupy the Property solely for residential purposes, in accordance with the provisions of the applicable by-laws of the Town of Richmond Hill, and shall maintain the Property in a clean and safe condition.
 8. The Occupants agree to produce, at the request of the Receiver from time to time, evidence that the only persons residing in (or otherwise occupying) the Property are in fact the Occupants, and evidence of payment of telephone, utility and other charges and expenses billed directly to the Property.
 9. The Occupants agree not to make any alterations or additions of any nature or kind whatsoever to the Property, unless the Occupants have obtained the written approval of the Receiver prior to any such alterations or additions being made.
 10. The Occupants acknowledge that they must vacate the Property in order to permit the Receiver to complete a sale of the Property to a purchaser. The Occupants shall vacate the Property on ~~30~~ ⁴⁵ days written notice to be provided by the Receiver, or such longer notice period as the Receiver may in its sole discretion decide to provide.
 11. The Occupants shall be deemed to be in default under this agreement upon the failure by the Occupants to comply with any provision of this agreement, including default in payment of the Monthly Occupancy Fee, unless same has been remedied by the Occupants within three (3) days of written notification by the Receiver of such default.
 12. In the event that default occurs pursuant to this agreement and such default has not been fully rectified within the time periods contemplated therein, then the Receiver shall have the unilateral right to terminate this agreement, whereupon the Occupants shall forthwith give up vacant possession of the Property to the Receiver within seven (7) days of receiving a demand from the Receiver to vacate the Property.

13. On or before the expiry of the notice period provided by the Receiver under paragraphs 10 or 12, as the case may be, the Occupants shall remove all of their furniture and belongings, and shall be responsible to leave the Property in a clean and broom swept condition. [SEE ATTACHED FOR LISTING OF ITEMS TO BE EXCLUDED FROM SALE OF HOUSE]
14. The Occupants shall be responsible for all damages to the Property caused by the Occupants, their agents, servants, workmen, movers, invitees or anyone else for whom the Occupants are responsible at law. The Occupants shall forthwith reimburse the Receiver for the cost of all repairs in respect of any such damage, and shall indemnify and save the Receiver harmless from and against all costs, expenses, claims, damages and liabilities which the Receiver may suffer or incur in connection with any such damage, or as a result of the Occupants' failure to comply with the provisions herein.
15. If the Occupants default in the performance of any of the terms, covenants, conditions and provisions of this agreement as and when the same are due to be performed by the Occupants, then the Receiver, at its option, may appropriate and apply all or any part of the Security Deposit on account of any losses or damages sustained as a result of such default. Upon demand by the Receiver following any such appropriation, the Occupants shall pay to the Receiver an amount sufficient to restore the total original amount of the Security Deposit. If the Occupants comply with all of the terms, covenants, conditions and provisions under this agreement, any unused portion of the Security Deposit shall be returned to the Occupants, without interest, within sixty (60) days following the date when the Occupants have vacated the Property.
16. The Receiver hereby reserves for itself, and for any person, firm or corporation authorized by it (including any real estate agent engaged by the Receiver to market and sell the Property (the "Realtor")), and for any municipal or any other governmental official or representative, a right of entry onto and into the Property at all reasonable times, for the purposes of making inspections and/or repairs to the Property, and for showing the Property to prospective purchasers thereof, and the Occupants hereby acknowledge and consent to such right of re-entry for such purposes. The Occupants will provide their full cooperation with the Receiver and the Realtor with respect to the marketing of the Property for sale, including facilitating showings to prospective purchasers by keeping the interior and exterior of the Property clean, neat and tidy at all times, ensuring prompt snow and ice removal from all exterior walkways, driveways, porches and stairs required for full access to the Property, and vacating the residence during daytime hours on reasonable notice when the Realtor requires it to be empty for open house or private showings. The Occupants agree that, for the purpose of scheduling any attendances at the Property by the Receiver or its representatives or agents and/or any prospective purchaser, the Receiver and/or the Realtor shall only be required to provide 24 hours prior notice of such attendance to the Occupants.
17. This agreement is conditional upon the Receiver obtaining an order of the Court: (a) approving this agreement; and (b) granting possession of the Property to the Receiver and a writ of possession in favour of the Receiver upon confirmation by the Receiver that the Receiver has provided to the Occupants a notice to vacate the property as described in

paragraphs 10 or 12. The Occupants hereby consent to such a court order. This condition is strictly in favour of, and may be waived only by, the Receiver.

18. The Occupants acknowledge that they have been provided with an opportunity to obtain legal advice in connection with this agreement, and that they are entering into this agreement voluntarily after having reviewed this agreement with the benefit of any and all necessary professional advice.
19. All notices provided for in this agreement and other communications pursuant to this agreement shall be in writing and delivered by hand or transmitted by telephone facsimile or electronic transmission, and any notice or other communication shall be deemed conclusively to have been given and received on the day on which it was delivered or transmitted:

(a) in the case of the Receiver, to:

KSV Kofman Inc.
150 King Street West, Suite 2308
Toronto, Ontario, M5H 1J9

Attention: David Sieradzki
Fax: (416) 932-6266
Email: dsieradzki@ksvadvisory.com

(b) in the case of the Occupants, to:

46 Puccini Drive
Richmond Hill, Ontario
L4E 2Y6

Attention: Afif Saad, Mona Saad and Isaam Saad
Email: issamasaad1@gmail.com

20. This agreement is a contract made under and shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
21. This agreement may be executed by the parties in counterparts and may be executed and delivered by fax or electronic transmission and all such counterparts shall together constitute one and the same instrument.
22. Each party hereto shall, upon reasonable request of the other party, make, do, execute or cause to be made, done or executed, all such further and other lawful acts, deeds, things, agreements, devices and assurances whatsoever for the better or more perfect and absolute performance of the terms and conditions of this agreement.

23. This agreement shall enure to the benefit of, and be binding upon, the parties hereto and their respective successors and permitted assigns.
24. Time shall be of the essence in all respects with respect to this agreement.

[This space is intentionally left blank. Signature page follows.]

LIST OF ITEMS TO BE EXCLUDED FROM SALE OF HOUSE

1. CHANDELIER IN DINING ROOM
2. LIGHT FIXTURES ABOVE ISLAND IN KITCHEN
3. LIGHT FIXTURES IN MUDROOM AND HALLWAY ON MAINFLOOR
4. ALL TV'S AND TV BRACKETS THROUGHOUT HOUSE
5. ALL LIGHT FIXTURES IN BEDROOMS AND BATHROOMS
6. ALL FURNITURE IN THE HOUSE
7. ALL ELECTRONICS INSIDE AND OUTSIDE THE HOUSE INCLUDING 4 SURVEILLANCE CAMERAS OUTSIDE, 8 SOUNDS AMPLIFIERS, AMPLIFIERS, WIRELESS MODEMS AND SPEAKERS.
8. HARD DRIVE FOR ELECTRONICS AND CAMERAS
9. EXTERIOR POT LIGHTS
10. ALL INTERIOR WINDOW COVERINGS, SHADES AND BLINDS

Appendix “C”

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

B E T W E E N:

BUDUCHNIST CREDIT UNION LIMITED

Applicant

- and -

**2321197 ONTARIO INC., CARLO DEMARIA, SANDRA DEMARIA,
2321198 ONTARIO INC., SASI MACH LIMITED and VICAR HOMES LTD.**

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY
ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF
JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**UNOFFICIAL TRANSCRIPT OF THE ENDORSEMENT OF
THE HONOURABLE JUSTICE PENNY**

December 4, 2018

Barbara Grossman and Kenneth Kraft for Applicant Buduchnist Credit Union Limited

Peter W.G. Carey and Chris Lee for Respondents Trade Capital Finance Corp.

Andrew Winton and Philip Underwood for Respondent Carlo Demaria

George Benchetrit for the Receiver, KSV Kofman Inc.

December 4, 2018

This is a motion to convert an interim receivership over a residential property, the Puccini property, into a full receivership.

The Respondent admits that at least \$1.5 million was advanced to build this property. It was built for resale. The Demarias do not live there.

In fact, the property was vacant for several years. It is currently occupied by friends of Mr. DeMaria who have no lease and pay no rent.

The evidence is not contradicted that no payments have been made in respect of the loan on the Puccini property, for over a year and that tax arrears are not being paid and are accumulating.

That the Applicants mortgage is in default is not in dispute.

The purpose for expanding the Receiver's powers over their property is to market and sell it for the highest realizable value.

Mr. Winton argues there is no rush, and that Mr. DeMaria has testified that he cannot recall signing a second mortgage document increasing the loan to \$2.5 million, and that the initials are not his initials.

I am not persuaded by these arguments. This property is, in effect, a wasting asset. It is not being deployed to any economic advantage while tax arrears, not to mention the BCU loan, are not being paid.

Whether the amount secured is \$1.5 million or \$2.5 million does not, at this point matter as to whether the process for realizing on the economic value of the process is put in motion.

The Interim Receiver, having investigating **[investigated]** the Puccini property and determined it is not being managed for any economic benefit and is occupied by persons with no lease and

who pay no rent, recommended expanding the receivership so that the Puccini property can be marketed and sold.

The appointment of the Receiver is of course a matter of discretion. I must have regard to all of the circumstances, particularly the nature of the property and the rights and interests of all parties in the property.

Here, given the occupancy by non-paying tenants, the number of creditors asserting claims, and the potential for controversial priority and other issues. I am satisfied that a private receivership would be a much less effective approach.

I find, in all the circumstances that it is just and convenient to appoint KSV as receiver of the Puccini property, and to approve the approach already taken for the marketing of the Elm Grove property as the appropriate approach to the marketing of the Puccini property.

I granted the order sought earlier today with reasons to follow. These are these reasons.

The Honourable Justice Penny

Appendix “D”



Dear David,

When we determined the increased list price for Puccini at \$2.3 million, there were 22 homes listed in the immediate area for over \$2 million and averaging close to 100 days on market. We increased the recommended list price because of one recent sale early in January.

This was a house with a similar interior size as 46 Puccini; it had a smaller lot and 2 car garage, however finished similarly and had a finished basement. It sold for just over \$2.3 million. This is the most recent and comparable sale and with current market conditions this is the right price range to achieve a great price and a successful sale for the Puccini property.

So far there have been 3 sales over \$2 million in the area this year. There was one for over \$3 million which was a larger lot and house backing onto a park, with high-end finishes, finished basement, professionally landscaped yard with a soccer field in the backyard.

The second was a larger very high-end bungalow. This is a unique house with the master bedroom on the ground floor and the 3 additional bedrooms upstairs. It also has a finished basement.

The third is the house mentioned earlier for \$2.3 million which was the most comparable to 46 Puccini and, accordingly is what we based our list price on.

I have included a link below with these properties as well. Based on these comparables and the listings on the market in the area, the \$2,250,000 sale price for 46 Puccini is in line with the current market value. There are still currently 17 listings sitting between \$2 million - \$3 million.

<http://v3.torontomls.net/Live/Pages/Public/Link.aspx?Key=24745ba2373047af9b8a18aad74ace7&App=TREB>

I understand that you may append this letter to the Receiver's Report to Court.

Please let me know if you have any further questions.

Jordan Glaser
Cell - 416-560-4468
Office - 416-222-2600
jglaser@remax.net
www.WeAreJP.com
Re/Max Realtron Realty Inc.



18 Parker Ave
Richmond Hill Ontario L4E2W5
 Richmond Hill Oak Ridges York 337-22-H
 Taxes: \$13,800.00 / 2018 For: Sale % Dif: 96
 Contract Date: 12/12/2018 Sold Date: 2/06/2019
 SPIS: N Last Status: Sld DOM: 56

Detached Fronting On: N Rms: 9 + 5
 Link: N Acreage: Bedrooms: 4 + 2
 2-Storey 79.5 x 200 Feet Washrooms: 6
 Irreg: 1x2xMain, 1x3xBsmt, 2x5x2nd,
 1x5x2nd, 1x7x2nd

Dir/Cross St: Yonge Street/ King Road

MLS#: N4321591

PIN#:

Kitchens: 1	Exterior: Brick / Stone	Zoning:
Fam Rm: Y	Drive: Private	Cable TV: Y Hydro: Y
Basement: Fin W/O	Gar/Gar Spcs: Attached / 3.0	Gas: Y Phone: Y
Fireplace/Stv: Y	Drive Park Spcs: 6	Water: Municipal
Heat: Forced Air / Gas	Tot Prk Spcs: 6.0	Water Supply:
A/C: Central Air	UFFI:	Sewer: Sewers
Central Vac: N	Pool: None	Waterfront:
Apx Age: 0-5	Prop Feat: Clear View, Park, School	Retirement:
Apx Sqft:		Farm/Agr:
Assessment: POTL:		Oth Struct:
POTL Mo Fee:		Spec Desig: Unknown
Laundry lev: Lower		

#	Room	Level	Length (ft)	Width (ft)	Description
1	Living	Main	23.62	x 15.58	Hardwood Floor Crown Moulding Pot Lights
2	Dining	Main	16.73	x 14.27	Hardwood Floor Crown Moulding Pot Lights
3	Kitchen	Main	17.71	x 21.65	Stone Floor Centre Island Backsplash
4	Master	Main	22.63	x 18.27	Hardwood Floor 7 Pc Ensuite W/I Closet
5	2nd Br	Main	17.71	x 16.73	Hardwood Floor Crown Moulding Pot Lights
6	3rd Br	Main	17.71	x 17.06	Hardwood Floor Crown Moulding Pot Lights
7	Rec	Bsmt	34.44	x 19.02	Heated Floor B/I Bar Walk-Out
8	4th Br	2nd	17.06	x 14.43	Hardwood Floor Cedar Closet Pot Lights
9	Workshop	Bsmt	24.60	x 18.01	Heated Floor Sauna 3 Pc Ensuite
10	Family	Main	32.24	x 20.34	Hardwood Floor O/Looks Ravine Pot Lights
11	Office	Main	14.76	x 15.74	Hardwood Floor Pot Lights

Client Remks: 10+++Ravine Lot. Truly One Of The Most Luxurious Mansions Built W/ Superior Quality & Workmanship. All Imaginable Upgrade W/ Impeccable Finishing On A Huge Lot. 22' Family Room Ceiling With A Huge Living Area. Surround Speaker System* Top Of The Line Security Cameras* 2 Separate Furnaces* Heated Floor In Basement And Master B.R* Over 6500 Sqft Living Space* Amazing Soccer Field* Landscaped.
 Extras: All Appliances, All Elfs, Cvac, Cac, Gdo, B/I Speakers, Alarm System, Cameras.

Listing Contracted With: CENTURY 21 ATRIA REALTY INC., BROKERAGE 416-218-8880

	38 Maple Grove Ave		Sold: \$2,860,000
	Richmond Hill Ontario L4E2T8		List: \$3,000,000
Richmond Hill Oak Ridges York 337-23-H		Taxes: \$8,600.00 / 2018	For: Sale % Dif: 95
Contract Date: 1/09/2019		Sold Date: 1/14/2019	
SPIS: N	Last Status: Sld	DOM: 5	
Detached	Fronting On: N	Rms: 9	
Link: N	Acreage:	Bedrooms: 4	
Bungalow	69 x 150 Feet	Washrooms: 5	
	Irreg:	1x5, 1x2, 3x3	
Dir/Cross St: Yonge & King			

MLS#: N4334951 PIN#:

Kitchens: 1	Exterior: Brick / Stone	Zoning:
Fam Rm: Y	Drive: Available	Cable TV: Hydro: Y
Basement: Full / Walk-Up	Gar/Gar Spcs: Built-in / 3.0	Gas: Y Phone: A
Fireplace/Stv: Y	Drive Park Spcs: 6	Water: Municipal
Heat: Forced Air / Gas	Tot Prk Spcs: 9.0	Water Supply:
A/C: Central Air	UFFI:	Sewer: Sewers
Central Vac:	Pool: None	Waterfront:
Apx Age: New	Prop Feat: Park, Public Transit,	Retirement:
Apx Sqft: 5000+	Wooded/Treed	Farm/Agr:
Assessment: POTL:		Oth Struct:
POTL Mo Fee:		Spec Desig: Other
Laundry lev:		

#	Room	Level	Length (ft)	Width (ft)	Description
1	Study	Main	12.40	x 16.04	Hardwood Floor French Doors Crown Moulding
2	Breakfast	Main	18.96	x 14.99	Limestone Flooring Coffered Ceiling
3	Family	Main	20.99	x 19.98	Hardwood Floor Fireplace
4	Kitchen	Main	17.97	x 19.98	Limestone Flooring Granite Counter Breakfast Bar
5	Laundry	Main			Tile Floor W/I Closet
6	Master	Main	17.78	x 17.97	Hardwood Floor Ensuite Bath Fireplace
7	2nd Br	2nd	13.97	x 14.99	Hardwood Floor Ensuite Bath W/I Closet
8	3rd Br	2nd	13.97	x 12.73	Hardwood Floor Ensuite Bath W/I Closet
9	4th Br	2nd	14.37	x 12.73	Hardwood Floor Ensuite Bath W/I Closet

Client Remks: Location, Location, Brand New Stunning Home, By Renowned High End Custom Home Builder Anix Developments. Surrounded By Mature Trees, Over Sized Lot, 69 Ft 150 Ft. Every Upgrade Possible. This 4 Bedroom Has It All From 10Ft Ceilings Throughout, 3 Car Garage, Massive Covered Loga, Wrought Iron, Maple Kitchen With Back Splash And So Much More. This Home Has Too Much To List.

Extras:

Listing Contracted With: ROYAL LEPAGE YOUR COMMUNITY REALTY, BROKERAGE 905-832-6656



17A Poplar Dr
Richmond Hill Ontario L4E2Y3
 Richmond Hill Oak Ridges York 337-22-H
Taxes: \$13,050.00 / 2018 For: Sale % Dif: 89
Contract Date: 11/06/2018 Sold Date: 1/04/2019
SPIS: N Last Status: Sld DOM: 59
 Detached Fronting On: S Rms: 12 + 4
 Link: N Acreage: Bedrooms: 4 + 2
 2-Storey 47 x 185 Feet Washrooms: 6
 Irreg: 1x2xMain, 1x7x2nd, 1x4x2nd,
 2x4x2nd, 1x4xBsmt
 Dir/Cross St: Yonge & King

MLS#: N4296305

PIN#:

Kitchens: 1 + 1
 Fam Rm: Y
 Basement: Finished / Sep Entrance
 Fireplace/Stv: Y
 Heat: Forced Air / Gas
 A/C: Central Air
 Central Vac: Y
 Apx Age: 0-5
 Apx Sqft: 3500-5000
 Assessment: POTL:
 POTL Mo Fee:
 Laundry lev: Upper

Exterior: Brick / Stone
 Drive: Private
 Gar/Gar Spcs: Built-In / 2.0
 Drive Park Spcs: 3
 Tot Prk Spcs: 5.0
 UFFI:
 Pool: None
 Prop Feat: Fenced Yard

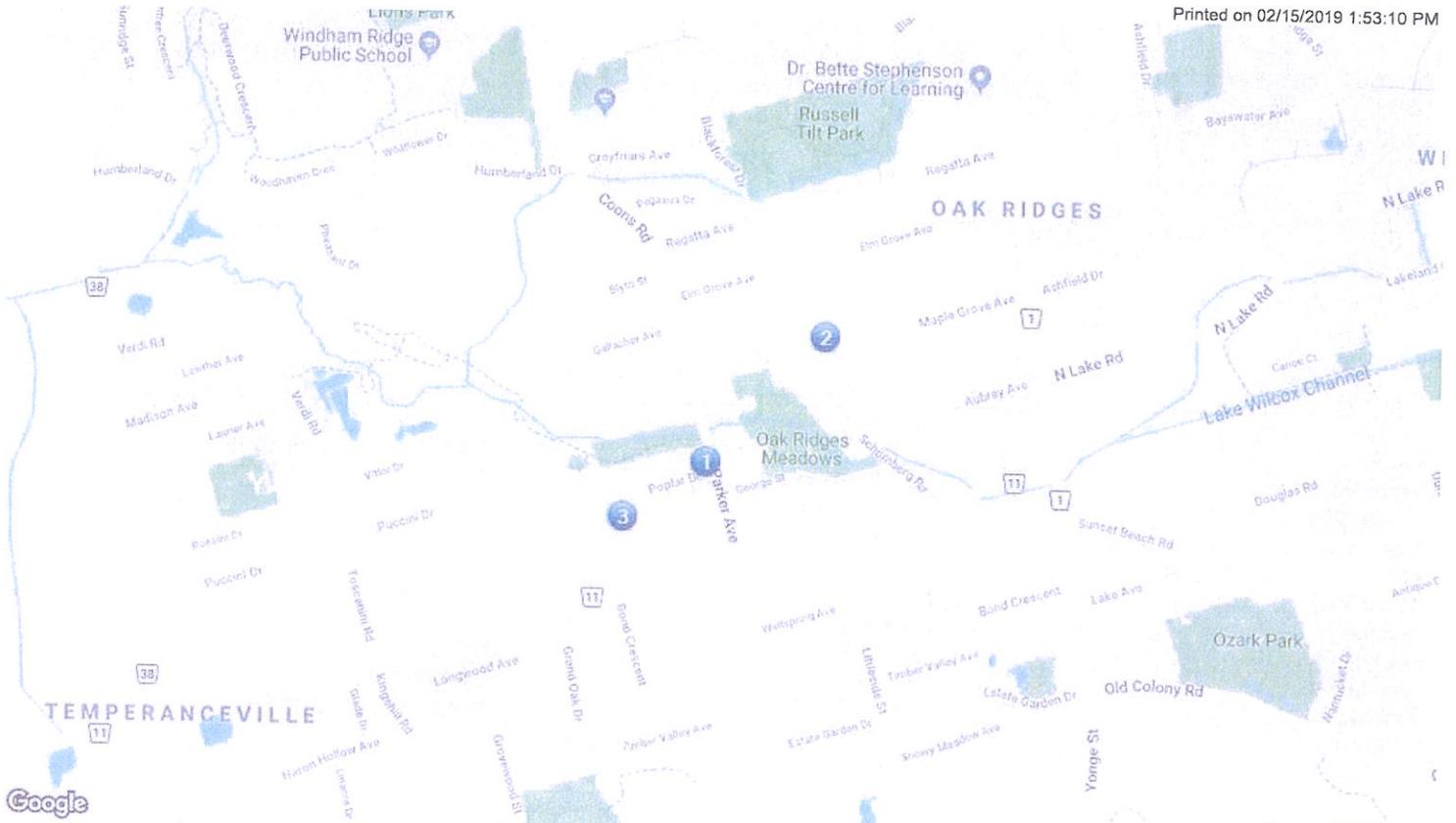
Zoning:
 Cable TV: Hydro:
 Gas: Phone:
 Water: Municipal
 Water Supply:
 Sewer: Sewers
 Waterfront:
 Retirement:
 Farm/Agr:
 Oth Struct:
 Spec Desig: Unknown

#	Room	Level	Length (ft)	Width (ft)	Description		
1	Living	Main	27.88	x 17.65	Combined W/Dining	Wainscoting	Coffered Ceiling
2	Dining	Main	27.88	x 17.65	Combined W/Living	Built-In Speakers	Illuminated Ceiling
3	Family	Main	24.08	x 18.83	B/I Shelves	Gas Fireplace	W/O To Yard
4	Kitchen	Main	17.55	x 15.91	B/I Appliances	Coffered Ceiling	Hardwood Floor
5	Office	Main	12.79	x 11.48	Natural Finish	B/I Bookcase	Hardwood Floor
6	Master	2nd	24.27	x 19.02	6 Pc Ensuite	Heated Floor	W/O To Terrace
7	2nd Br	2nd	18.86	x 11.74	4 Pc Ensuite	Hardwood Floor	W/I Closet
8	3rd Br	2nd	14.76	x 11.74	4 Pc Ensuite	Hardwood Floor	Crown Moulding
9	4th Br	2nd	14.43	x 12.82	4 Pc Ensuite	Hardwood Floor	Crown Moulding
10	5th Br	Lower	18.17	x 10.82	4 Pc Bath	Tile Floor	Double Closet
11	Exercise	Lower	12.79	x 11.09	Built-In Speakers	Tile Floor	Heated Floor
12	Rec	Lower	36.74	x 23.94	Built-In Speakers	Heated Floor	Walk-Up

Client Remks: *Welcome To Chateau Inspired Custom Built Beauty!***A True Masterpiece Featuring Over 6000 Sq/Ft Of Extraordinary, Elegant & Luxurious Finishings Throughout On One Of The Best Streets In Oak Ridges!!*11' Ceilings On Main, 10' On 2nd & Lower Lvl**One Of A Kind Trim Work To Be Seen On Ceilings*Wainscoting*Moldings..Heated Flrs Throughout Foyer*Master Ensuite*Lower Lvl!! Chef's Gourmet Kitchen W/Built-In & Panelled Applncs!! South Facing Massive Backyard!*****

Extras: **Top Of The Line: Built-In/Panelled Subzero 48" Fridge, Wolf 6 Burner Gas Range, Built-In Wolf Oven/Microwave, Falmec Hoodfan, D/W, Washer/Dryer, Smart Home Technology W/Control Pads, Surround Speakers!, All Elfs, Interlock Front & Back!***

Listing Contracted With: RE/MAX REALTRON REALTY INC., BROKERAGE 905-508-9500



#	Address	Apt/Unit	Municipality	Price	Beds	Wr	LSC	MLS#
1	18 Parker Ave		Richmond Hill	\$3,588,000.00	4	6	Slid	N4321591
2	38 Maple Grove Ave		Richmond Hill	\$3,000,000.00	4	5	Slid	N4334951
3	17A Poplar Dr		Richmond Hill	\$2,588,000.00	4	6	Slid	N4296305

Map data ©2019 Google

Appendix “E”

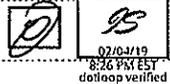


Agreement of Purchase and Sale

Form 100
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 3 day of February 2019

BUYER, Aim International Logistics And Trade Limited "In Trust", agrees to purchase from
(Full legal names of all Buyers)



SELLER, KSV Koffman Inc. (Court Appointed Receiver) of 46 Puccini Dr. & not in its personal capacity, the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 46 Puccini Drive, Richmond Hill, Ontario, Canada

fronting on the South side of Puccini Drive

in the City of Richmond Hill

and having a frontage of 64.99 feet more or less by a depth of 200.07 feet more or less

and legally described as PT Lot 26, Plan M807, PT 2, 65R34410, Town Of Richmond Hill

..... (the "property")
[Legal description of land including easements not described elsewhere]

PURCHASE PRICE: Dollars (CDN\$) 2,250,000.00

Two Million Two Hundred Fifty Thousand Dollars

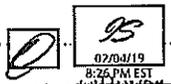
DEPOSIT: Buyer submits Upon acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

Fifty Thousand Dollars (CDN\$) 50,000.00

by negotiable cheque payable to Re/max Realtron Realty Inc., Brokerage "In Trust" "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 & B attached hereto form(s) part of this Agreement.



1. IRREVOCABILITY: This offer shall be irrevocable by Buyer Seller until 6 p.m. on the 4 day of February 2019, 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 day of see schedule "A" 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):

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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.: 416-222-2258
(For delivery of Documents to Seller)

FAX No.: 416-652-6131
(For delivery of Documents to Buyer)

Email Address: jglaser@remax.net
(For delivery of Documents to Seller)

Email Address: eperruzza@trebnet.com
(For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**
Fridge, Stove, Dishwasher, Washer & Dryer, All Window Coverings, All Electrical Light Fixtures, Cameras & Hard Drives, All Media Equipment, Including Sonos Amps & Equipment.

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:**
N/A

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:
N/A

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 included in the Purchase Price. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the sale of the property is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

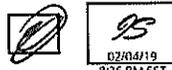
INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



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8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 19 day of April, 2019, (Requisition Date) to examine the title to the property at Buyer's 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 Buyer that there are no outstanding

work orders or deficiency notices affecting the property, and that its present use (Residential) 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 selling 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. **The Buyer acknowledges having the opportunity to include a requirement for a property inspection report in this Agreement and agrees that except as may be specifically provided for in this Agreement, the Buyer will not be obtaining a property inspection or property inspection report regarding the property.**

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 Seller's 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. **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.
20. **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.
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.
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:

2/4/2019

(Witness)

Aim International Logistics And Trade
(Buyer) Limited

(Seal)

DATE

2/4/2019

(Witness)

(Buyer)

(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)

KSV Koffman Inc. (Court Appointed
(Seller) Receiver)

(Seal)

DATE

Feb 13/19

(Witness)

(Seller)

(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 5:50 a.m. on this 13th day of February, 2019.

(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage RE/MAX REALTRON REALTY INC.

Tel.No. 416-222-2600

Jordan Jasper GLASER

(Salesperson / Broker Name)

Co-op/Buyer Brokerage INVICTA REALTY & PROPERTY MANAGEMENT LTE Tel.No. (416) 652-6100

ENZO PERRUZZA

(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.

(Seller)

DATE Feb 13/19

(Buyer)

DATE Feb 4/19

(Seller)

DATE

(Buyer)

DATE

Address for Service

Address for Service

Tel.No.

Tel.No.

Seller's lawyer

Buyer's lawyer

Address

Address

Email

Email

Tel.No.

FAX No.

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)

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Schedule A Agreement of Purchase and Sale

Form 100
for use in the Province of Ontario

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

BUYER, Aim International Logistics And Trade Limited "In Trust"  and

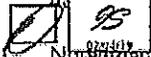
SELLER, KSV Koffman Inc. (Court Appointed Receiver) of 46 Puccini Dr. & not in its personal capacity

for the purchase and sale of 46 Puccini Drive, Richmond Hill, Ontario, Canada Richmond Hill

M9V 2N8 dated the 3 day of February, 2019

Buyer agrees to pay the balance as follows:

The Buyer shall have the right at any time prior to closing, to assign the within Offer to any person, persons or corporation, either existing or to be incorporated, and upon delivery to the Seller of notice of such assignment, together with the assignee's covenant in favor of the Seller to be bound hereby as Buyer, the Buyer herein before ~~shall stand released from all further liability hereunder, remain responsible for this agreement until closing.~~



Notwithstanding the completion date set out in this Agreement, the Buyer and Seller may, by mutual agreement in writing, advance or extend the date of completion of this transaction.

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, to the Seller on completion of this transaction, 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.



If Available
The Seller agrees to provide, at the expense of the Seller, a survey of the property, completed by an Ontario Land Surveyor, showing the current location of all buildings, structures, additions, fences, improvements, easements, rights-of-way and encroachments affecting the property. The Seller also agrees to supply all building plans, mechanical drawings, and any other plans, and all warranties and service manuals, if available, applicable to any equipment or chattels included in the purchase price.

The Buyer and Seller agree that the closing date (date of completion) shall be the 5th Business day following the Seller and receiving approval of the sale by the Ontario Superior Court Justice. The Seller Agrees to notify the Buyer at its earliest convenience once Court approval is received and closing date (date of completion) shall be the 5th Business day from notification from seller of such approval.



The Title Search date as per paragraph 8 in this agreement shall be 3 business days after receiving court approval of the sale.





doitloop verified

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 B



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

BUYER, Aim International Logistics and Trade Limited, and

SELLER, SKV Kofman Inc. (Court Appointed Receiver) of 46 Puccini Drive and not in its personal capacity

for the property known as 46 Puccini Drive, Richmond Hill

dated the 3 day of February, 2019

The parties to this Agreement hereby acknowledge and agree that the Deposit Holder shall place the deposit in the Deposit Holder's interest bearing real estate trust account, which earns interest at a rate of Prime less 2.3% per annum. Further, the parties acknowledge and agree that the Deposit Holder shall pay any interest it earns and receives on the deposit less a \$95.00 plus HST administrative fee to the Buyer upon completion of the transaction and upon the submission by the Buyer to the Deposit Holder of their Social Insurance Number in accordance with Canada Revenue Agency requirements for the preparation of T5 slips.

In the event this transaction is mutually released and becomes null and void, Re/Max Realtron Realty Inc., Brokerage will issue a trust account cheque for return of the deposit, to the party designated by the fully and properly executed mutual release, not before ten (10) business days (for certified cheques or Bank drafts) and not before twenty one (21) Business Days (as defined below) (for uncertified cheques) from the date the funds were deposited into our trust account as stated on our deposit receipts. A business day includes all weekdays except Saturday, Sunday or statutory holidays ("Business Days"). This policy is in place on the advice of the banking system, to protect your trust deposit from fraud.

1. In the event of any conflict or inconsistency between any provision of this Schedule "B" and any provision of the Agreement of Purchase and Sale including Schedule "A", not contained in Schedule "B", the provision of Schedule "B" shall govern and prevail.
2. The Buyer acknowledges that (i) the Seller, in executing this Agreement, is entering into this Agreement of Purchase and Sale solely in its capacity as Court appointed receiver of 46 Puccini Drive., and not in its personal or any other capacity. The Receiver shall have no personal or corporate liability of any kind whether in contract, tort or otherwise, and (ii) the Seller's authority to act in respect of the property is governed by the Order of the Honourable Justice Winslow Siegel of the Ontario Superior Court of Justice (the "Court") dated November 13, 2018.

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

INITIALS OF BUYER(S):

<i>AS</i>	
02/04/19	
5:24 PM EST	
dotloop verified	

INITIALS OF SELLER(S):

<i>AS</i>	
02/04/19	
3:18 PM EST	
dotloop verified	



3. The Property is being sold and shall be accepted by the Buyer on an “as is, where is” and “without recourse” basis with no representations, warranties or condition, express or implied, statutory or otherwise, of any nature and kind whatsoever as to title, encumbrances, description, present or future use, fitness for use, environmental condition including the existence of hazardous substances, merchantability, quantity, defect (latent or patent), condition, location of structures, zoning or lawful use of the property, rights over adjoining properties and any easements, rights-of-way, rights of re-entry, restrictions and/or covenants which run with the land, ingress and egress to the property, the condition or state of repair of any chattels, encroachments on the property by adjoining properties or encroachments by the property on adjoining properties, if any, any outstanding work orders, orders to comply, deficiency notices, municipal or other governmental agreements or requirements (including site plan agreements, development agreements, subdivision agreements, building or fire codes, building and zoning by-laws and regulations, development fees, imposts, lot levies and sewer charges) or any other matter or thing whatsoever, either stated or implied. The Buyer acknowledges having reviewed the state of title to the Property and agrees to accept title subject to all of the foregoing.

4. The Seller’s obligations contained in this Agreement shall be conditional upon the Seller receiving an order of the Court in a form satisfactory to the Seller, acting reasonably, or such other court as has jurisdiction in the matter, approving the sale of the Property to be vested in the Buyer, free and clear of all mortgages and/or security interests registered against the Property as contemplated by this Agreement (the “**Court Approval**”).

5. The Seller covenants and agrees to use reasonable commercial efforts to attempt to satisfy the condition in paragraph 4 above. If the sale of the Property is not approved by the Court, this Agreement shall be terminated without any penalty or liability whatsoever to the Seller or the Buyer, other than the return by the Seller to the Buyer of the Deposit, but without cost or other compensation, and each of the Seller and the Buyer shall be released from all other obligations hereunder except for the obligations of the Buyer that are specifically stated herein to survive Closing or other termination of this Agreement.



02/04/19 3:18 PM EST dotloop verified

6. In the event that the sale of the Property is enjoined or not approved by the Court, where any part of the Property is removed from the control of the Seller by any means or process, or legal proceedings are threatened against the Seller to restrain the sale of the Property, or where the Property is redeemed in whole or in part by any party entitled thereto at law on or prior to Closing, the Seller, at its option, may terminate this Agreement without any penalty or liability whatsoever to the Seller or the Buyer, other than the return by the Seller to the Buyer of the Deposit, without deduction, and without cost or other compensation, and each of the Seller and the Buyer shall be released from all other obligations hereunder, except for the obligations of the Buyer that are specifically stated herein to survive Closing or other termination of this Agreement.

7. The description of the Property contained in this Agreement is for the purposes of identification only and no representation, warranty or condition has or will be given by the Seller concerning the existence or accuracy of such description.

8. The Buyer shall accept title to the Property, subject to, and whether complied with or not, any and all registered restrictions, agreements or covenants which run with the land, registered easements for the supply of utilities and services to the Property or through the Property to adjoining/adjacent properties or other easements, registered leases, rights-of-way, rights of re-entry by-laws, standard subdivision or site plan agreements (including any levies or charges payable thereunder), with the Municipality and/or Public Utility, and any encroachments.

9. The Seller shall not be required to deliver a discharge; release or reassignment of the Mortgage, or any charge/mortgage of land, assignment, lien or other encumbrance registered against the title to the Property which would be extinguished by an order of the Court referred to in paragraph 2 above.

10. The Seller does not guarantee title to the chattels and does not warrant the condition or state of repair of the chattels. The Buyer must satisfy itself in this regard, and accept the fixtures and chattels on an "as-is, where-is" basis. The Seller shall not provide a bill of sale for any chattels or fixtures, and shall make no further adjustments or abatement in the purchase price with respect thereto. The Seller will not remove and shall not be responsible for the removal of any chattels found on the Property prior to or on the date of closing.



Confirmation of Co-operation and Representation

BUYER: Aim International Logistics and Trade Limited

SELLER: KSV Kofman Inc. (Court Appointed Receiver) of 46 Puccini Drive & not in its personal capacity

For the transaction on the property known as: 46 Puccini Drive Richmond Hill

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation: "Seller" includes a vendor, a landlord, lessor, or a prospective, seller, vendor, landlord or lessor and "Buyer" includes a purchaser, a tenant, lessee or a prospective, buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002, (REBBA).

1. LISTING BROKERAGE

- a) The Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:
 - 1) The Listing Brokerage is not representing or providing Customer Service to the Buyer.
(If the Buyer is working with a Co-operating Brokerage, Section 3 is to be completed by Co-operating Brokerage)
 - 2) The Listing Brokerage is providing Customer Service to the Buyer.
- b) **MULTIPLE REPRESENTATION:** The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage. However, the Listing Brokerage shall not disclose:
 - That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
 - That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
 - The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
 - The price the Buyer should offer or the price the Seller should accept;
 - And; the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.
 However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

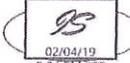
Additional comments and/or disclosures by Listing Brokerage: (e.g. The Listing Brokerage represents more than one Buyer offering on this property.)

2. PROPERTY SOLD BY BUYER BROKERAGE – PROPERTY NOT LISTED

- The Brokeragerepresent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid (does/does not)
 - by the Seller in accordance with a Seller Customer Service Agreement
- or: by the Buyer directly

Additional comments and/or disclosures by Buyer Brokerage: (e.g. The Buyer Brokerage represents more than one Buyer offering on this property.)

INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)


02/04/19
5:24 PM EST
BUYER


CO-OPERATING/BUYER BROKERAGE


02/04/19
3:18 PM EST
SELLER


02/04/19
2:00 PM EST
LISTING BROKERAGE

3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1.

CO-OPERATING BROKERAGE- REPRESENTATION:

- a) [] The Co-operating Brokerage represents the interests of the Buyer in this transaction.
b) [] The Co-operating Brokerage is providing Customer Service to the Buyer in this transaction.
c) [] The Co-operating Brokerage is not representing the Buyer and has not entered into an agreement to provide customer service(s) to the Buyer.

CO-OPERATING BROKERAGE- COMMISSION:

- a) [] The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property
b) [x] The Co-operating Brokerage will be paid as follows: 2.5% + HST

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

Signature of Co-operating/Buyer Brokerage: Invisio Realty & Property Management LTD.
Tel: (416) 222-2600 Fax: (416) 222-2258
Jordan Glaser (Print Name of Salesperson/Broker/Broker of Record)

Signature of Listing Brokerage: RE/MAX REALTRON REALTY INC.
Tel: 416-222-2600 Fax: 416-222-2258
Jordan Glaser (Print Name of Salesperson/Broker/Broker of Record)

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction)
The Buyer/Seller consent with their initials to their Brokerage representing more than one client for this transaction.
BUYER'S INITIALS SELLER'S INITIALS

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

Signature of Buyer: Issam Saad
Date: 02/04/19 5:25 PM EST

Signature of Seller: David Sieradzki
Date: 02/04/19 3:18 PM EST