

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

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

9265988 CANADA CORP.

Respondent

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

MOTION RECORD

(returnable August 11, 2020)

(re approval of sale transaction and other relief)

August 5, 2020

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Court-appointed Receiver**

TO: THE SERVICE LIST

SERVICE LIST
(as of August 5, 2020)

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

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

9265988 CANADA CORP.

Respondent

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TAB 1

Court File No. CV-20-00635650-0000

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

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

9265988 CANADA CORP.

Respondent

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

NOTICE OF MOTION

(returnable August 11, 2020)

(re approval of sale transaction and other relief)

KSV KOFMAN INC. (“KSV”), in its capacity as Court-appointed receiver (the “**Receiver**”) of the property, assets and undertakings of 9265988 Canada Corp. (the “**Debtor**”) will make a motion to a Judge of the Commercial List on Tuesday August 11, 2020 at 9:30 a.m., or as soon after that time as the motion can be heard by judicial teleconference via Zoom at Toronto, Ontario. Please refer to the conference details attached as **Schedule “A”** hereto in order to attend the motion and advise if you intend to join the motion by e-mailing Sam Rappos at samr@chaitons.com.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

- (a) an order:
 - (i) approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale entered into by the Receiver and Bridlepath Capital Corporation and City Core Consortia Limited on behalf of a company to be incorporated dated April 30, 2020 (the "**Purchaser**"), as amended (the "**APS**");
 - (ii) vesting in the Purchaser the Debtor's right, title and interest in and to the "Purchased Assets" (as defined in the APS), free and clear of all claims and encumbrances other than permitted encumbrances, upon delivery of a certificate by the Receiver to the Purchaser;

- (b) an order:
 - (i) abridging the time for service of this notice of motion and the Receiver's motion record and validating the method of service so that the motion is properly returnable on August 11, 2020;
 - (ii) approving the Second Report of the Receiver dated August 5, 2020 (the "**Second Report**") and the conduct and activities of the Receiver described therein;

- (iii) approving the fees and disbursements of the Receiver and its legal counsel, including an estimated accrual for fees and disbursements to be incurred to the completion of these receivership proceedings;
 - (iv) upon closing of the Transaction, authorizing and directing the Receiver to distribute the net sale proceeds of the Purchased Assets and any other of the Debtor's property and assets realized or recovered by the Receiver to the Applicant, subject to the retention of certain holdbacks by the Receiver;
 - (v) terminating the Pre-Sale Agreements (as defined below) upon the closing of the Transaction;
 - (vi) discharging KSV as Receiver upon the Receiver filing a certificate with the Court confirming it has completed the administration of these receivership proceedings;
 - (vii) sealing the Confidential Appendices to the Second Report pending closing of the Transaction or further Order of the Court; and
- (c) such further and other relief as counsel may request and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

Background

1. On February 12, 2020, KSV was appointed as Receiver over the Debtor's property, assets and undertaking pursuant to an Order of this Court (the "**Receivership Order**").

2. The Debtor's principal asset is property municipally known as 201, 227 and 235 King Road, Richmond Hill, ON (the "**Real Property**").
3. On March 12, 2020, the Court granted an order (the "**Sale Process Order**") approving a sale process for the Real Property and certain related assets (the "**Sale Process**").

Transaction

4. The Receiver conducted the Sale Process in accordance with the Sale Process Order. The market was widely canvassed.
5. The Transaction represents the best offer received during the Sale Process. CBRE Group Inc., the listing agent for the Real Property, is supportive of the Receiver completing the Transaction.
6. The Applicant, which holds a first-ranking mortgage over the Real Property, supports the Transaction. The Applicant is the only party with an economic interest in the Real Property, as the purchase price under the APS is insufficient to repay the Administrator in full.
7. The Debtor had an opportunity to redeem the Applicant's mortgage prior to the hearing of this motion and was unable to do so.
8. The Receiver recommends that the Court approve the Transaction.

Distribution

9. The Receiver has obtained an independent legal opinion that the Applicant has a valid and enforceable charge/mortgage over the Real Property.

10. The Receiver is not aware of any claim that may rank in priority to the Applicant's charge/mortgage (other than the Receiver's Charge under the Receivership Order).
11. The proceeds of realization of the Real Property and the Debtor's other property and assets will be less than the amount owed by the Debtor to the Applicant.
12. The Receiver requests that the Court authorize and direct it, following the closing of the Transaction, to distribute to the Applicant the net sale proceeds of the Real Property and the other property and assets of the Debtor realized or recovered by the Receiver, less certain holdbacks to be maintained by the Receiver for outstanding fees, costs and other receivership related obligations.

Pre-Sale Agreements

13. Prior to the Receiver's appointment, the Debtor pre-sold six townhomes to be constructed on the Real Property. The Debtor entered into a deposit trust agreement with Trisura Guarantee Company of Canada ("**Trisura**") and Schneider Ruggier Spencer Milburn LLP (the "**Escrow Agent**").
14. Four of the six purchasers paid deposits to the Escrow Agent in trust. The other two purchasers did not pay a deposit.
15. Trisura has confirmed that agreements of purchase and sale for three of the six units were terminated by the Company on July 12, 2018. The Receiver is working with Trisura to have the deposits related to these agreements delivered to the Receiver.
16. The remaining three agreements of purchase and sale were entered into by the Debtor during 2015 and 2016 (collectively, the "**Pre-Sale Agreements**"). Only one of the three

purchasers paid a deposit to the Escrow Agent totaling \$39,500 (the “**Pre-Sale Deposit**”). This purchaser is seeking to have its contract terminated and the Pre-Sale Deposit returned to it.

17. The Purchaser does not wish to assume the Pre-Sale Agreements.
18. The Receiver requests that the Court grant an order terminating the Pre-Sale Agreements on closing of the Transaction.
19. Once the Pre-Sale Agreements are terminated, the Receiver will work with Trisura and the Escrow Agent to ensure that the Pre-Sale Deposit is returned to the purchaser.

Approval of Fees and Disbursements

20. Pursuant to paragraph 19 of the Receivership Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges, incurred both before and after the making of the Receivership Order. Pursuant to paragraph 20 of the Receivership Order, the Receiver and its counsel shall pass their accounts before the Court.
21. The Receiver is of the view that the fees and disbursements charged are reasonable.
22. The Receiver requests that the Court approve its fees and disbursements, along with those of its counsel, as detailed in the Second Report and the fee affidavits appended thereto, including the estimated fee accrual to completion of these receivership proceedings.

Sealing Order

23. The Receiver seeks an order sealing the Confidential Appendices to the Second Report, which contains a summary of the offers submitted to the Receiver in the Sale Process (the

“**Offers Summary**”) and an unredacted copy of the APS. The Receiver is of the view that the Offers Summary and the unredacted APS should be filed with the Court on a confidential basis and sealed as the documents contain information which, if made public, may influence the realization value of the Real Property if the Transaction does not close and the Receiver has to re-market the Real Property.

24. The Receiver does not believe that any party will be prejudiced if the information and documentation is sealed at this time.

General

25. The Second Report.
26. Rules 1.04, 1.05, 2.01, 2.03, and 37 of the *Rules of Civil Procedure* (Ontario).
27. The inherent jurisdiction of the Court.
28. Such other grounds as counsel may advise and this Honourable Court may permit.

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

1. The Second Report and the appendices annexed thereto; and
2. such further and other material as counsel may advise and this Honourable Court may permit.

August 5, 2020

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**Lawyers for KSV Kofman Inc.,
Court-appointed Receiver**

TO: THE SERVICE LIST

SCHEDULE “A”

Join Zoom Meeting

<https://us02web.zoom.us/j/85641708364?pwd=YmtvVnptTkNTeXU4bSs5ekp4cG1NQOT09>

Meeting ID: 856 4170 8364

Passcode: 910517

One tap mobile

+13126266799,,85641708364#,,,,,0#,,910517# US (Chicago)

+13462487799,,85641708364#,,,,,0#,,910517# US (Houston)

Dial by your location

+1 312 626 6799 US (Chicago)

+1 346 248 7799 US (Houston)

+1 646 558 8656 US (New York)

+1 669 900 9128 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 301 715 8592 US (Germantown)

Meeting ID: 856 4170 8364

Passcode: 910517

Find your local number: <https://us02web.zoom.us/u/ku3jPxPfl>

MARSHALLZEHR GROUP INC.

-and-

9265988 CANADA CORP.

10

Applicant

Respondent

Court File No. CV-20-00635650-0000

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

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

(returnable August 11, 2020)

(re approval of sale transaction and other relief)

CHAITONS LLP

5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

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Lawyers for KSV Kofman Inc.

Court-appointed Receiver

TAB 2



**Second Report of
KSV Kofman Inc.
as Receiver of
9265988 Canada Corp.**

August 5, 2020

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Confidential Appendices

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COURT FILE NO.: CV-20-00635650-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

MARSHALLZEHR GROUP INC. AS ADMINISTRATOR

APPLICANT

- AND -

9265988 CANADA CORP.

RESPONDENT

SECOND REPORT OF
KSV KOFMAN INC.
AS RECEIVER

AUGUST 5, 2020

1.0 Introduction

1. This report ("Report") is filed by KSV Kofman Inc. ("KSV") in its capacity as receiver (the "Receiver") of the assets, undertaking, and property of 9265988 Canada Corp. (the "Company").
2. On February 12, 2020, the Ontario Superior Court of Justice (Commercial List) (the "Court") issued an order (the "Receivership Order") appointing KSV as Receiver pursuant to an application by MarshallZehr Group Inc. ("MarshallZehr") as administrator (the "Administrator"), to various lenders under a syndicated mortgage (the "Mortgage"). The amount owing under the Mortgage is approximately \$21 million. Interest and costs continue to accrue.
3. The Company's principal asset is the real property municipally known as 201, 227, and 235 King Road, Richmond Hill, Ontario (the "Real Property"). On March 12, 2020, the Court issued an order (the "Sale Process Order") approving a sale process for the Real Property and certain related assets (the "Sale Process").
4. The bid deadline in the Sale Process was April 21, 2020. On May 1, 2020, Bridlepath Capital Corporation ("BCC") and City Core Consortia Limited ("CCCL") on behalf of a company to be incorporated (the "Purchaser") and the Receiver entered into a conditional Agreement of Purchase and Sale ("APS") for the Purchased Assets (as defined below). On July 30, 2020, the Purchaser waived the final condition in the APS. The Receiver is now seeking approval of the transaction (the "Transaction").

5. Copies of the Receivership Order and the Sale Process Order, along with other Court documents, can be found on the Receiver's website at <https://www.ksvadvisory.com/insolvency-cases/case/9265988-canada-corp>.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about these receivership proceedings;
 - b) summarize the results of the Sale Process and the Transaction;
 - c) discuss a proposed distribution to the Administrator following the closing of the Transaction;
 - d) provide the rationale for the Receiver seeking its discharge upon filing a certificate with this Court (the "Discharge Certificate");
 - e) detail the Receiver's activities since the date of the Receivership Order;
 - f) seek approval of the fees and expenses of KSV, as Receiver, and the Receiver's counsel, Chaitons LLP ("Chaitons") and DLA Piper (Canada) LLP ("DLA")¹, from the commencement of the proceedings to July 31, 2020, as well as a fee accrual for the remainder of the receivership proceedings;
 - g) recommend that the Court issue an order, among other things:
 - approving the Transaction;
 - vesting title in and to the Real Property in the Purchaser, free and clear of all liens, claims and encumbrances, other than permitted encumbrances;
 - deeming the Pre-Sale Agreements (as defined below) to be terminated by the Receiver following the completion of the Transaction;
 - authorizing and directing, following completion of the Transaction, the Receiver to make one or more distributions to the Administrator, net of any reserves considered necessary by the Receiver to pay outstanding fees, costs and other obligations related to these proceedings;
 - sealing the confidential appendices to this Report pending completion of the Transaction;
 - approving the Receiver's activities, as described in this Report;
 - discharging the Receiver upon filing the Discharge Certificate;

¹ Chaitons is counsel to Administrator. Pursuant to the terms of the Receivership Order, the Receiver was authorized to engage Chaitons as its counsel, subject to any matters in these proceedings where Chaitons may have a conflict. The Receiver engaged DLA to address conflict matters, including reviewing the security underlying the Mortgage.

- releasing KSV, upon filing the Discharge Certificate, from any and all liability that KSV now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of KSV while acting as Receiver, save and except for its gross negligence or wilful misconduct; and
- approving the fees and disbursements of the Receiver, Chaitons and DLA, as detailed in this Report, as well as a fee accrual of \$75,000 (plus disbursements and harmonized sales tax) (the “Fee Accrual”) to complete the administration of these proceedings.

1.2 Currency

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

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon information, including financial information provided by the Company, the books and records of the Company, and discussions with various parties. The Receiver has not audited, reviewed or otherwise verified the accuracy or completeness of the information in a manner that would comply with Canadian Auditing Standards (“CAS”) pursuant to the Chartered Professional Accountants of Canada Handbook.
2. The Receiver expresses no opinion or other form of assurance contemplated under the CAS with respect to the financial information presented in this Report or relied upon by the Receiver in preparing this Report. Any party wishing to place reliance on the Company’s financial information should perform its own diligence.

2.0 Background

1. Temitope Issac (Jr) Olowolafe is the sole officer, director and shareholder of the Company.
2. The Company’s only asset is the Real Property and assets related to the Real Property. Copies of the parcel registers for the Real Property are collectively attached hereto as Appendix “A” (collectively, the “Parcels”).
3. The Company intended to develop and sell 178 stacked townhomes on the Real Property (the “Project”). At the time of the appointment of the Receiver, the Company was in the process of obtaining zoning for the Project. The Receiver has completed the zoning process and obtained approval for the Project.
4. Prior to these proceedings, the Company pre-sold six townhomes for total proceeds of approximately \$2.4 million pursuant to agreements of purchase and sale (collectively, the “Pre-Sale Agreements”). The Company also entered into a deposit trust agreement with Trisura Guarantee Company of Canada (“Trisura”) and Schneider Ruggiero Spencer Milburn LLP (the “Escrow Agent”) in connection with deposits received from the pre-sold homes.

5. Pursuant to agreements of purchase and sale, four of the purchasers paid deposits totalling \$52,600 to the Escrow Agent, in trust (the "Pre-Sale Deposits"). The Receiver understands that the Escrow Agent is holding the deposits. The Receiver also understands that the other two purchasers did not pay a deposit.
6. The Receiver has been advised by Trisura that three of the Pre-Sale Agreements were terminated by the Company on July 12, 2018 because of certain defaults under the Pre-Sale Agreements. The deposits related to these agreements total \$13,100 and are payable to the Receiver. The Receiver is working with Trisura to have these deposits released.

2.1 Secured Creditors

1. Pursuant to a commitment letter dated April 19, 2018, as amended, Vector Financial Services Limited ("Vector") agreed to provide a loan of \$18 million to the Company secured by the Mortgage. Vector syndicated the loan. MarshallZehr is a lender and the Administrator of the Mortgage.
2. According to the Parcels, the following parties have mortgages registered on title to the Real Property in addition to the Mortgage:
 - Trisura, in the amount of \$3.5 million; and
 - 9439676 Canada Inc., 10855278 Canada Inc. and 2592536 Ontario Inc. in the approximate amount of \$6.9 million.
3. According to searches of the *Personal Property Security Act* (Ontario) registry system, Vector, Trisura and The Toronto-Dominion Bank ("TD Bank") have financing statements registered against the Company and its former names. TD Bank has informed the Receiver's counsel that the Company is not indebted to it. Copies of the searches are collectively attached hereto as Appendix "B".

3.0 Sale Process

1. CBRE Group Inc. ("CBRE") was retained as the listing agent for the Real Property pursuant to the Sale Process Order.
2. A summary of the Sale Process is as follows:

Pre-marketing Phase

- a) Immediately after the Sale Process Order was issued, the Receiver and CBRE assembled information to be used for due diligence purposes and uploaded this information to a virtual data room ("VDR");
- b) CBRE and/or the Receiver prepared:
 - an investment summary detailing the acquisition opportunity (the "Investment Summary");
 - a confidentiality agreement ("CA");

- a VDR, which included, *inter alia*, various reports concerning the Real Property, including environmental reports, site plans and the zoning approval;
- a form of asset purchase agreement. Pursuant to the terms of the Sale Process, the Receiver recommended that interested parties submit their offers using this agreement and blackline any changes to it. A copy of the form of asset purchase agreement was made available in the data room; and
- a Confidential Information Memorandum (“CIM”), which included a summary of the Real Property and details concerning the Sale Process.

Marketing Phase

- a) On March 13, 2020, CBRE sent the Investment Summary to over 1,500 parties in its database, including real estate developers in the Greater Toronto Area;
- b) The CA was attached to the Investment Summary. To obtain a copy of the CIM and access to the VDR, interested parties were first required to sign the CA;
- c) The listing was posted on the Real Estate Board Multiple Listing Services (“MLS”) on March 16, 2020;
- d) “For Sale” signs were placed on the Real Property on March 23, 2020;
- e) The Real Property was advertised for sale on March 26 and 31, 2020 in the national edition of *The Globe and Mail* newspaper and on March 25, 2020 and April 15, 2020 in *Novae Res Urbis*, a Toronto real estate newspaper; and
- f) The deadline to submit offers was April 21, 2020 at 5:00 p.m. (Toronto time) (the “Bid Deadline”).

3.1 COVID Considerations

1. The Sale Process was launched at the outset of the COVID-19 pandemic in Toronto. The Sale Process provides the Receiver with the authority to extend the Bid Deadline.
2. The Receiver considered extending the Bid Deadline, but opted not to, given the following:
 - CBRE advised the Receiver that there was considerable interest in the Real Property at the time and that in its view, the Bid Deadline should not be extended;
 - The Administrator advised that it preferred not to extend the Bid Deadline; and
 - there was no visibility as to the duration of the pandemic, so it was unclear that extending the deadline would generate a better result or when the Real Property would be remarketed.

3.2 Sale Process Results

1. A summary of the results of the Sale Process is as follows:
 - 25 parties executed the CA and were provided a copy of the CIM and access to the VDR; and
 - five parties submitted offers.
2. On May 1, 2020, the Receiver entered into the APS.² The APS was conditional on due diligence and financing. On May 19, 2020, the Purchaser waived the due diligence condition. Pursuant to the terms of the APS, the financing condition had to be waived within 10 business days of the Purchaser waiving the due diligence condition. There have been several amendments to the APS to extend the time for the Purchaser to finance the Transaction. The Receiver understands that MarshallZehr has negotiated a term sheet with the Purchaser to finance a portion of the purchase price. On July 30, 2020, the Purchaser waived the financing condition on the basis that MarshallZehr would finance the Transaction based on the term sheet.

3.3 Offer to Repay the Mortgage

1. The Receiver understands that prior to the receivership proceedings, the Company and/or Mr. Olowolafe made several commitments to the Administrator to repay the Mortgage, none of which came to fruition.
2. On the Bid Deadline, the Receiver received an offer from Mr. Olowolafe to repay the Mortgage. The offer included a commitment letter from Infinity DM Developments Inc. (“Infinity”) to finance the transaction. The Infinity commitment was insufficient to repay the Mortgage and required Mr. Olowolafe to raise \$1.7 million and to pay a commitment fee to Infinity of approximately \$887,000 (including \$310,000 on execution of the commitment letter) (the “Commitment Fee”). The loan contemplated by the commitment letter required approximately two months to close.
3. The Receiver advised Mr. Olowolafe of the concerns with his offer, including that it was insufficient to repay the Mortgage. The Receiver also asked Mr. Olowolafe for evidence that he could satisfy Infinity’s equity and Commitment Fee requirements.
4. On April 27, 2020, the Receiver received a revised commitment letter from Infinity. The amount of the loan under the revised commitment letter was sufficient to repay the Mortgage and reduced the equity requirement to approximately \$1.5 million. The balance of the terms was substantially similar to the original commitment letter. Mr. Olowolafe also provided the Receiver with a bank statement from a numbered company reflecting a \$2.7 million balance that could be used to satisfy the equity and Commitment Fee requirements. The Receiver discussed the offer with the Administrator. The Administrator asked the Receiver to obtain additional evidence regarding the strength of the offer given its history with Mr. Olowolafe. The Receiver requested written evidence from Mr. Olowolafe that he was an owner of the numbered company or otherwise had access to the funds. This was never provided to the Receiver.

² The APS is dated April 30, 2020 but was executed on May 1, 2020.

5. On April 28, 2020, Chaitons wrote to Mr. Olowolafe’s legal counsel, Macdonald Sager Manis LLP (“MSM”), advising, *inter alia*, that the Receiver was prepared to provide Mr. Olowolafe until May 31, 2020 to repay the Mortgage provided there was an immediate \$2 million paydown of the Mortgage. The offer was rejected by Mr. Olowolafe and MSM requested a case conference to discuss the matter.
6. On April 29, 2020, counsel to Infinity wrote to the Receiver to advise that it was no longer prepared to finance Mr. Olowolafe’s offer.
7. On May 1, 2020, the Receiver executed the APS. Pursuant to the terms of the APS, the Receiver negotiated the right for the Company to redeem the Mortgage prior to Court approval of the Transaction. On May 1, 2020, Chaitons sent a letter to MSM advising that the Company would have this option. A copy of the letter is attached as Appendix “C”. On that basis, MSM agreed to cancel its request for a case conference.
8. The Receiver has kept MSM apprised of the status of the Transaction, including as recently as July 31, 2020. As of the date of the Report, the Receiver has not received any further correspondence from Mr. Olowolafe, the Company or MSM regarding the Company’s intentions to redeem the Mortgage.
9. A summary of the offers received in the Sale Process is provided in Confidential Appendix “1” (the “Offer Summary”). The Receiver respectfully requests that the Offer Summary and the unredacted APS be filed with the Court on a confidential basis and be sealed (“Sealing Order”) pending the closing of the Transaction or further order of the Court, as the documents contain confidential information. If the unredacted APS and the Offer Summary are not sealed, the disclosure of the information may negatively impact realizations on the Real Property if the Transaction does not close. The Receiver is not aware of any party that will be prejudiced if the proposed Sealing Order is granted. Accordingly, the Receiver believes the proposed Sealing Order is appropriate in the circumstances.

4.0 Transaction³

1. A copy of the APS that has the purchase price redacted is attached hereto as Appendix “D”. An unredacted version of the APS is provided in Confidential Appendix “2”.
2. A summary of the Transaction is as follows:
 - **Purchaser:** BCC and CCCL, on behalf of a company to be incorporated;
 - **Purchased Assets:** the Real Property, Assumed Contracts, Permits and Plans;
 - **Purchase Price:** the Receiver recommends that the Purchase Price be sealed. The Purchase Price is to be adjusted on closing for property taxes and other adjustments standard for a real estate transaction;

³ Terms not defined in this section have the meaning provided to them in the APS.

- **Deposit:** the Purchaser has paid a deposit equal to approximately 2.5% of the purchase price. The deposit is non-refundable, subject only to Court approval of the Transaction and MarshallZehr funding under the terms of the Term Sheet;
- **Representations and Warranties:** consistent with the standard terms of an insolvency transaction, i.e. on an “as is, where is” basis, with limited representations and warranties;
- **Closing:** no later than twenty business days after Court approval of the Transaction;
- **Termination Due to Redemption of the Mortgage:** in the event the Company redeems the Mortgage, the Receiver will pay the Purchaser a break fee of \$150,000 to, *inter alia*, compensate the Purchaser for its due diligence and legal costs (the “Break Fee”).
- **Material Conditions:**
 - the Court shall issue an Approval and Vesting Order; and
 - MarshallZehr funding pursuant to the terms of its Term Sheet.

4.1 Pre-Sale Agreements

1. The proposed Approval and Vesting Order vests out the Pre-Sale Agreements. The three remaining Pre-Sale Agreements were entered during 2015 and 2016, at which time real estate prices were considerably lower than they are presently. To maximize the value of the project, a purchaser will need to sell the units at present market values.
2. Of the three remaining Pre-Sale Agreements, only one purchaser paid a Pre-Sale Deposit. The Receiver understands the purchaser is seeking to have its contract terminated and the Pre-Sale Deposit of \$39,500 returned. Provided the Pre-Sale Agreement is terminated, the Receiver will work with Trisura and the Escrow Agent to have the Pre-Sale Deposit returned to the purchaser.
3. The Receiver intends to notify each of the purchasers of the three remaining Pre-Sale Agreements about this motion by email (if available) or by mail.

4.2 Recommendation

1. The Receiver recommends that the Court issue an order approving the Transaction and vesting title to the Purchased Assets in the Purchaser for the following reasons:
 - a) the Administrator has advised that it supports the Transaction. The Receiver understands that the Administrator has been corresponding regularly with all lenders under the Mortgage and all the lenders support the Transaction;
 - b) the Sale Process was conducted in accordance with the Sale Process Order;
 - c) the Transaction represents the best offer received during the Sale Process;

- d) the market was widely canvassed using several marketing techniques, including direct solicitation of prospective purchasers by the realtors, newspaper advertisements in a national publication, and listing the property on MLS;
 - e) CBRE is familiar with the local real estate market and is of the view that the Transaction is the best one available in the circumstances;
 - f) the Company has been provided with the opportunity to redeem the Mortgage. Mr. Olowolafe has known about this Transaction for several months. He and his counsel MSM have been kept apprised of the status of negotiations. The Receiver negotiated a Break Fee in the event that the Company is able to redeem the Mortgage in full prior to Court approval of the Transaction. As of the date of this Report, the Receiver has not received any indication that Mr. Olowolafe has made progress obtaining financing; and
 - g) absent the Transaction, a protracted marketing period will continue to be necessary. The ongoing professional fees would erode the proceeds available for distribution with no certainty that a superior transaction could be completed. In light of the Transaction, the Administrator does not support a continuation of the Sale Process.
2. Based on the foregoing, the Receiver recommends that this Court approve the Transaction.

5.0 Distribution

1. DLA has provided an opinion on the validity and enforceability of the security of the Administrator which indicates that, subject to the usual qualifications and assumptions, the Administrator holds a valid and perfected security interest in the Company's business and assets as set out in its security documents, and that the Administrator's mortgage with respect to the Real Property constitutes a valid and enforceable charge. A copy of the security opinion will be made available to the Court upon request.
2. Other than the Receiver's Charge (as defined in the Receivership Order), the Receiver is not aware of any other claim that may rank in priority to the Mortgage.
3. The Receiver is seeking the Court's authority to make a distribution to the Administrator forthwith following closing of the Transaction. The Administrator is responsible for repaying the lenders under the Mortgage. The Receiver intends to retain a holdback for outstanding fees, costs and other obligations related to these proceedings. The proceeds of realization will be less than the amounts owing to the Administrator by the Company under the Mortgage.

6.0 Discharge of the Receiver

1. The Receiver is requesting that it be discharged upon filing the Discharge Certificate. The Discharge Certificate will be filed upon the completion of the administration of the receivership proceedings, which includes the closing of the Transaction, distributing the proceeds therefrom and arranging for the return of the Pre-Sale Deposits. The Receiver is seeking this relief now to avoid the costs of a subsequent motion in these proceedings solely for the purpose of seeking its discharge.

7.0 Receiver's Activities

1. Since the commencement of these receivership proceedings, the Receiver's activities have included:
 - a) corresponding with CBRE concerning the Sale Process;
 - b) reviewing information provided by the Company and the Administrator regarding the Real Property;
 - c) corresponding extensively with key stakeholders in these proceedings, including the Administrator;
 - d) corresponding with the Company's insurance broker to add the Receiver as loss payee and named insured on the Company's insurance policies;
 - e) carrying out the Sale Process in accordance with the Sale Process Order;
 - f) reviewing and commenting on a draft form of Asset Purchase Agreement prepared by Chaitons to be used by bidders when submitting an offer;
 - g) reviewing and commenting on an Investment Summary prepared by CBRE;
 - h) reviewing the contents of an online data room prepared by CBRE;
 - i) reviewing and commenting on several drafts of the CIM prepared by CBRE concerning the Real Property;
 - j) reviewing a draft advertisement for the Real Property to be placed in *The Globe and Mail* (National Edition);
 - k) reviewing all offers submitted in the Sale Process;
 - l) negotiating and executing the APS and several amendments;
 - m) attending at Court in connection with the receivership application and in connection with obtaining the Sale Process Order;
 - n) dealing extensively with the Purchaser regarding the APS and the finance and diligence conditions;
 - o) corresponding extensively with Mr. Olowolafe and MSM concerning the Company's various offers to repay the Mortgage;
 - p) drafting the First Report of the Receiver and this Report;

8.0 Professional Fees of the Receiver and its Counsel

1. The fees (excluding disbursements and HST) of the Receiver, Chaitons and DLA from the commencement of the proceedings to July 31, 2020 total \$69,327.75, \$29,148.00 and \$2,320.50 respectively. Detailed invoices are provided in affidavits filed by representatives of the Receiver, Chaitons and DLA which are provided in Appendices "E", "F" and "G", respectively.
2. The average hourly rate for the Receiver, Chaitons and DLA for the referenced billing period was \$521.85, \$517.72 and \$595.00, respectively.
3. The Receiver is of the view that the hourly rates charged by Chaitons and DLA are consistent with the rates charged by Toronto law firms practicing in the area of insolvency and restructuring, and that the fees charged are reasonable in the circumstances. As reflected above, DLA has incurred limited professional fees as it was only engaged in respect of conflict matters.
4. The Receiver believes that the Fee Accrual should be sufficient to cover its fees and the fees of its counsel to the completion of these proceedings.

9.0 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)(g) of this Report.

* * *

All of which is respectfully submitted,



**KSV KOFMAN INC.,
SOLELY IN ITS CAPACITY AS RECEIVER OF
9265988 CANADA CORP.
AND NOT IN ITS PERSONAL OR IN ANY OTHER CAPACITY**

Appendix “A”

LAND
REGISTRY
OFFICE #65

03196-0037 (LT)

PAGE 1 OF 4
PREPARED FOR DePinto1
ON 2020/08/04 AT 14:13:08

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: LT 16 PL 136 KING EXCEPT PT 11 EXPROP PL B87881B ; RICHMOND HILL

PROPERTY REMARKS: CORRECTION: DOCUMENT IF351 ADDED TO 03196-0037 ON 2011/01/10 AT 12:15 BY GRAM, SANDRA. CORRECTION: DOCUMENT IF367 ADDED TO 03196-0037 ON 2011/01/10 AT 12:33 BY GRAM, SANDRA.

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 03196-0111

PIN CREATION DATE:
1999/07/23

OWNERS' NAMES
9265988 CANADA CORP.

CAPACITY SHARE
ROWN

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|--|------------|-------------------|--------|--|----------------------|-----------|
| <p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/06/23 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1999/07/23**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/07/23 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN. * * * * *</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION. * * * * *</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES. * * * * *</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1999/07/26 **</p> | | | | | | |
| IF351 | 1951/02/19 | BYLAW | | | | C |
| IF367 | 1952/04/28 | BYLAW | | THE CORPORATION OF THE TOWNSHIP OF KING | | C |
| REMARKS: BY-LAW 951 AMENDING BY-LAW 929 | | | | | | |
| B29600B | 1966/11/18 | TRANSFER | | *** DELETED AGAINST THIS PROPERTY *** | BURLEW, EDWARD LLOYD | |
| YR1597416 | 2011/01/10 | LR'S ORDER | | *** COMPLETELY DELETED *** LAND REGISTRAR, LRO 65 | | |
| REMARKS: RE-INSTATE IF351 AND IF367. | | | | | | |
| YR2352462 | 2015/09/08 | APL DEV/HEIR-LAND | | *** COMPLETELY DELETED *** BURLEW, EDWARD LLOYD | BURLEW, EDWARD LLOYD | |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|-------------------|-------------|--|---|---------------|
| YR2352854 | 2015/09/08 | TRANSFER | | *** COMPLETELY DELETED *** BURLEW, EDWARD LLOYD | BURLEW, EDWARD LLOYD BURLEW, HEATHER SHARRON | |
| YR2357687 | 2015/09/17 | TRANSFER | \$3,000,000 | BURLEW, EDWARD LLOYD BURLEW, HEATHER SHARRON | 9265988 CANADA CORP. | C |
| | | | | REMARKS: PLANNING ACT STATEMENTS. | | |
| YR2357718 | 2015/09/18 | CHARGE | | *** COMPLETELY DELETED *** 9265988 CANADA INC. | FOREMOST MORTGAGE HOLDING CORPORATION | |
| YR2357724 | 2015/09/18 | CHARGE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. | 2344901 ONTARIO INC. 2378297 ONTARIO INC. | |
| YR2629578 | 2017/02/23 | CHARGE | | *** COMPLETELY DELETED *** 9183183 CANADA CORP. 9265988 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| YR2629579 | 2017/02/23 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. 9183183 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | | | REMARKS: YR2629578. | | |
| YR2629580 | 2017/02/23 | CHARGE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| YR2629581 | 2017/02/23 | POSTPONEMENT | | *** COMPLETELY DELETED *** 2344901 ONTARIO INC. 2378297 ONTARIO INC. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | | | REMARKS: YR2357724 TO YR2629578 YR2357724 TO YR2629579 | | |
| YR2630155 | 2017/02/24 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** FOREMOST MORTGAGE HOLDING CORPORATION | | |
| | | | | REMARKS: YR2357718. | | |
| YR2773441 | 2017/12/14 | NOTICE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP, | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| | | | | REMARKS: YR2629580 | | |
| YR2811159 | 2018/03/29 | NOTICE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |

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| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|-----------|------------|---------------------------------|--------------|---|---|-----------|
| | | | | 9183183 CANADA CORP. | COMMUNITY TRUST COMPANY | |
| | | REMARKS: YR2639578 | | | | |
| YR2811160 | 2018/03/29 | POSTPONEMENT | | *** COMPLETELY DELETED *** 2344901 ONTARIO INC. 2378297 ONTARIO INC. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | REMARKS: YR2357724 TO YR2811159 | | | | |
| YR2811161 | 2018/03/29 | POSTPONEMENT | | *** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | REMARKS: YR2629580 TO YR2811159 | | | | |
| YR2851437 | 2018/07/19 | CHARGE | \$18,000,000 | 9183183 CANADA CORP. 9265988 CANADA CORP. | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | C |
| YR2851438 | 2018/07/19 | NO ASSGN RENT GEN | | 9183183 CANADA CORP. 9265988 CANADA CORP. | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | C |
| | | REMARKS: YR2851437 | | | | |
| YR2851784 | 2018/07/19 | CHARGE | \$3,500,000 | 9265988 CANADA CORP. | TRISURA GUARANTEE INSURANCE COMPANY | C |
| YR2857587 | 2018/08/02 | CHARGE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. | 10855278 CANADA INC. 2592536 ONTARIO INC. | |
| YR2859428 | 2018/08/09 | NOTICE | | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | 9183183 CANADA CORP. 9265988 CANADA CORP. | C |
| | | REMARKS: YR2851437 | | | | |
| YR2860130 | 2018/08/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | | |
| | | REMARKS: YR2629578. | | | | |
| YR2860131 | 2018/08/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC. | | |
| | | REMARKS: YR2629580. | | | | |
| YR2860152 | 2018/08/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** 2344901 ONTARIO INC. 2378297 ONTARIO INC. | | |
| | | REMARKS: YR2357724. | | | | |

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| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|---|-------------|--|---|---------------|
| YR2897232 | 2018/11/14 | TRANSFER OF CHARGE | | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | C |
| | | REMARKS: YR2851437. | | | | |
| YR3022210 | 2019/10/18 | CHARGE | \$6,861,827 | 9265988 CANADA CORP. | 9439676 CANADA INC. 10855278 CANADA INC. 2592536 ONTARIO INC. | C |
| YR3022277 | 2019/10/18 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** 10855278 CANADA INC. 2592536 ONTARIO INC. | | |
| | | REMARKS: YR2857587. | | | | |
| YR3036607 | 2019/11/20 | NOTICE | | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | 9265988 CANADA CORP. | C |
| | | REMARKS: AMENDS YR2851437 | | | | |
| YR3068308 | 2020/02/18 | APL COURT ORDER | | SUPERIOR COURT OF JUSTICE COMMERCIAL LIST | KSV KOFMAN INC. | C |
| | | REMARKS: APPOINTS KSV KOFMAN INC. AS RECEIVER | | | | |

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: LT 15 PL 136 KING EXCEPT PT 10 EXPROP PL B87881B ; RICHMOND HILL

PROPERTY REMARKS: CORRECTION: DOCUMENT IF351 ADDED TO 03196-0038 ON 2011/01/10 AT 12:15 BY GRAM, SANDRA. CORRECTION: DOCUMENT IF367 ADDED TO 03196-0038 ON 2011/01/10 AT 12:33 BY GRAM, SANDRA.

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 03196-0112

PIN CREATION DATE:
1999/07/23

OWNERS' NAMES
9265988 CANADA CORP.

CAPACITY SHARE

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|--|------------|-----------------|--------|---|--|-----------|
| <p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/06/23 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1999/07/23**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/07/23 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN. * * * * *</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION. * * * * *</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES. * * * * *</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1999/07/26 **</p> | | | | | | |
| IF351 | 1951/02/19 | BYLAW | | | | C |
| IF367 | 1952/04/28 | BYLAW | | THE CORPORATION OF THE TOWNSHIP OF KING | | C |
| REMARKS: BY-LAW 951 AMENDING BY-LAW 929 | | | | | | |
| 65R420 | 1971/01/14 | PLAN REFERENCE | | | | C |
| R398905 | 1986/06/02 | TRANSFER | | *** DELETED AGAINST THIS PROPERTY *** | CURTIS, ALFREDO CURTIS, BETTY JACOBSON, CAROLE | |
| R666880 | 1995/10/18 | TRANSFER | | *** DELETED AGAINST THIS PROPERTY *** | CURTIS, ALFREDO | |

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| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|-----------|--|-------------------|-------------|--|---|-----------|
| YR1597416 | 2011/01/10 | LR'S ORDER | | *** COMPLETELY DELETED *** LAND REGISTRAR, LRO 65 | CURTIS, BETTY | |
| | REMARKS: RE-INSTATE IF351 AND IF367. | | | | | |
| YR1804924 | 2012/04/04 | APL OF SURV-LAND | | *** COMPLETELY DELETED *** CURTIS, ALFREDO | CURTIS, BETTY | |
| YR2357716 | 2015/09/18 | TRANSFER | \$3,000,000 | CURTIS, BETTY | 9265988 CANADA CORP. | C |
| | REMARKS: PLANNING ACT STATEMENTS. | | | | | |
| YR2357718 | 2015/09/18 | CHARGE | | *** COMPLETELY DELETED *** 9265988 CANADA INC. | FOREMOST MORTGAGE HOLDING CORPORATION | |
| YR2357724 | 2015/09/18 | CHARGE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. | 2344901 ONTARIO INC. 2378297 ONTARIO INC. | |
| YR2629578 | 2017/02/23 | CHARGE | | *** COMPLETELY DELETED *** 9183183 CANADA CORP. 9265988 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| YR2629579 | 2017/02/23 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. 9183183 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | REMARKS: YR2629578. | | | | | |
| YR2629580 | 2017/02/23 | CHARGE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| YR2629581 | 2017/02/23 | POSTPONEMENT | | *** COMPLETELY DELETED *** 2344901 ONTARIO INC. 2378297 ONTARIO INC. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | REMARKS: YR2357724 TO YR2629578 YR2357724 TO YR2629579 | | | | | |
| YR2630155 | 2017/02/24 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** FOREMOST MORTGAGE HOLDING CORPORATION | | |
| | REMARKS: YR2357718. | | | | | |
| YR2773441 | 2017/12/14 | NOTICE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP, | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| | REMARKS: YR2629580 | | | | | |

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| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|---------------------------------|--------------|---|---|---------------|
| YR2811159 | 2018/03/29 | NOTICE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. 9183183 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | REMARKS: YR2639578 | | | | |
| YR2811160 | 2018/03/29 | POSTPONEMENT | | *** COMPLETELY DELETED *** 2344901 ONTARIO INC. 2378297 ONTARIO INC. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | REMARKS: YR2357724 TO YR2811159 | | | | |
| YR2811161 | 2018/03/29 | POSTPONEMENT | | *** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | REMARKS: YR2629580 TO YR2811159 | | | | |
| YR2851437 | 2018/07/19 | CHARGE | \$18,000,000 | 9183183 CANADA CORP. 9265988 CANADA CORP. | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | C |
| YR2851438 | 2018/07/19 | NO ASSGN RENT GEN | | 9183183 CANADA CORP. 9265988 CANADA CORP. | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | C |
| | | REMARKS: YR2851437 | | | | |
| YR2851784 | 2018/07/19 | CHARGE | \$3,500,000 | 9265988 CANADA CORP. | TRISURA GUARANTEE INSURANCE COMPANY | C |
| YR2857587 | 2018/08/02 | CHARGE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. | 10855278 CANADA INC. 2592536 ONTARIO INC. | |
| YR2859428 | 2018/08/09 | NOTICE | | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | 9183183 CANADA CORP. 9265988 CANADA CORP. | C |
| | | REMARKS: YR2851437 | | | | |
| YR2860130 | 2018/08/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | | |
| | | REMARKS: YR2629578. | | | | |
| YR2860131 | 2018/08/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC. | | |
| | | REMARKS: YR2629580. | | | | |
| YR2860152 | 2018/08/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** | | |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|--|--------------------|-------------|--|---|---------------|
| | | | | 2344901 ONTARIO INC. 2378297 ONTARIO INC. | | |
| | <i>REMARKS: YR2357724.</i> | | | | | |
| YR2897232 | 2018/11/14 | TRANSFER OF CHARGE | | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | C |
| | <i>REMARKS: YR2851437.</i> | | | | | |
| YR3022210 | 2019/10/18 | CHARGE | \$6,861,827 | 9265988 CANADA CORP. | 9439676 CANADA INC. 10855278 CANADA INC. 2592536 ONTARIO INC. | C |
| YR3022277 | 2019/10/18 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** 10855278 CANADA INC. 2592536 ONTARIO INC. | | |
| | <i>REMARKS: YR2857587.</i> | | | | | |
| YR3036607 | 2019/11/20 | NOTICE | | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | 9265988 CANADA CORP. | C |
| | <i>REMARKS: AMENDS YR2851437</i> | | | | | |
| YR3068308 | 2020/02/18 | APL COURT ORDER | | SUPERIOR COURT OF JUSTICE COMMERCIAL LIST | KSV KOFMAN INC. | C |
| | <i>REMARKS: APPOINTS KSV KOFMAN INC. AS RECEIVER</i> | | | | | |

LAND
REGISTRY
OFFICE #65

03196-0039 (LT)

PAGE 1 OF 5
PREPARED FOR DePinto1
ON 2020/08/04 AT 14:11:24

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 13 PL 136 KING; PT LT 14 PL 136 KING AS IN R533264 ;; TOWN OF RICHMOND HILL

PROPERTY REMARKS: CORRECTION: DOCUMENT IF351 ADDED TO 03196-0039 ON 2011/01/10 AT 12:15 BY GRAM, SANDRA. CORRECTION: DOCUMENT IF367 ADDED TO 03196-0039 ON 2011/01/10 AT 12:33 BY GRAM, SANDRA.

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 03196-0113

PIN CREATION DATE:
1999/07/23

OWNERS' NAMES CAPACITY SHARE
KSV KOFMAN INC.

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|--|------------|-----------------|--------|---|--|-----------|
| <p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/06/23 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1999/07/23**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/07/23 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN. * * * * *</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION. * * * * *</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES. * * * * *</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1999/07/26 **</p> | | | | | | |
| IF351 | 1951/02/19 | BYLAW | | | | C |
| IF367 | 1952/04/28 | BYLAW | | THE CORPORATION OF THE TOWNSHIP OF KING | | C |
| REMARKS: BY-LAW 951 AMENDING BY-LAW 929 | | | | | | |
| R186418 | 1976/02/18 | TRANSFER | | *** DELETED AGAINST THIS PROPERTY *** | FIRST SEASON DEVELOPMENTS LIMITED FIFTH SEASON DEVELOPMENTS LIMITED | |
| R533264 | 1990/01/29 | TRANSFER | | *** DELETED AGAINST THIS PROPERTY *** | FIRST SEASON DEVELOPMENTS LIMITED FIFTH SEASON DEVELOPMENTS LIMITED | |
| YR1597416 | 2011/01/10 | LR'S ORDER | | *** COMPLETELY DELETED *** | | |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|-------------------|-------------|--|--|---------------|
| | | | | LAND REGISTRAR, LRO 65 | | |
| YR2033833 | 2013/09/16 | TRANSFER | | *** COMPLETELY DELETED *** FIFTH SEASON DEVELOPMENTS LIMITED FIRST SEASON DEVELOPMENTS LIMITED | KING SOUTH-EAST DEVELOPMENTS 201 INC. | |
| | | | | | | |
| YR2033834 | 2013/09/16 | CHARGE | | *** COMPLETELY DELETED *** KING SOUTH-EAST DEVELOPMENTS 201 INC. | ATRIUM MORTGAGE INVESTMENT CORPORATION | |
| YR2033835 | 2013/09/16 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** KING SOUTH-EAST DEVELOPMENTS 201 INC. | ATRIUM MORTGAGE INVESTMENT CORPORATION | |
| YR2033836 | 2013/09/16 | CHARGE | | *** COMPLETELY DELETED *** KING SOUTH-EAST DEVELOPMENTS 201 INC. | DAPPAUL MANAGEMENT LIMITED | |
| YR2271129 | 2015/03/26 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** DAPPAUL MANAGEMENT LIMITED | | |
| YR2271145 | 2015/03/26 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** ATRIUM MORTGAGE INVESTMENT CORPORATION | | |
| YR2271146 | 2015/03/26 | TRANSFER | \$4,130,000 | KING SOUTH-EAST DEVELOPMENTS 201 INC. | 9183183 CANADA CORP. | C |
| YR2271157 | 2015/03/26 | CHARGE | | *** COMPLETELY DELETED *** 9183183 CANADA CORP. | VECTOR FINANCIAL SERVICES LIMITED | |
| YR2271158 | 2015/03/26 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** 9183183 CANADA CORP. | VECTOR FINANCIAL SERVICES LIMITED | |
| YR2271159 | 2015/03/26 | CHARGE | | *** COMPLETELY DELETED *** 9183183 CANADA CORP. | FEMI-JOHNSON, DOYINSOYE TEMISANRE JOHNSON, OLUFEMI PAUL | |
| YR2275941 | 2015/04/08 | CHARGE | \$3,500,000 | 9183183 CANADA CORP. | TRISURA GUARANTEE INSURANCE COMPANY | C |
| YR2325625 | 2015/07/22 | POSTPONEMENT | | *** COMPLETELY DELETED *** | | |

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NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|-------------------|--------|--|---|---------------|
| | | | | FEMI-JOHNSON, DOYINSOYE TEMISANRE JOHNSON, OLUFEMI PAUL | TRISURA GUARANTEE INSURANCE COMPANY | |
| | | | | <i>REMARKS: YR2271159 TO YR2275941</i> | | |
| YR2546998 | 2016/09/21 | CHARGE | | *** COMPLETELY DELETED *** 9183183 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| YR2546999 | 2016/09/21 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** 9183183 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| | | | | <i>REMARKS: YR2546998.</i> | | |
| YR2547000 | 2016/09/21 | POSTPONEMENT | | *** COMPLETELY DELETED *** FEMI-JOHNSON, DOYINSOYE TEMISANRE JOHNSON, OLUFEMI PAUL | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| | | | | <i>REMARKS: YR2271159 TO YR2546998</i> | | |
| YR2547001 | 2016/09/21 | POSTPONEMENT | | *** COMPLETELY DELETED *** TRISURA GUARANTEE INSURANCE COMPANY | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| | | | | <i>REMARKS: YR2275941 TO YR2546998</i> | | |
| YR2547290 | 2016/09/21 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED | | |
| | | | | <i>REMARKS: YR2271157.</i> | | |
| YR2618018 | 2017/01/30 | NOTICE | | *** COMPLETELY DELETED *** 9183183 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| | | | | <i>REMARKS: YR2546998</i> | | |
| YR2629578 | 2017/02/23 | CHARGE | | *** COMPLETELY DELETED *** 9183183 CANADA CORP. 9265988 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| YR2629579 | 2017/02/23 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. 9183183 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | | | <i>REMARKS: YR2629578.</i> | | |
| YR2629582 | 2017/02/23 | POSTPONEMENT | | *** COMPLETELY DELETED *** TRISURA GUARANTEE INSURANCE COMPANY | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | | | <i>REMARKS: YR2275941 TO YR2629578 YR2275941 TO YR2629579</i> | | |
| YR2629583 | 2017/02/23 | POSTPONEMENT | | *** COMPLETELY DELETED *** | | |

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* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|-------------------|--------------|---|---|---------------|
| | | | | FEMI-JOHNSON, DOYINSOYE TEMISANRE JOHNSON, OLUFEMI PAUL | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | | | REMARKS: YR2271159 TO YR2629578 YR2271159 TO YR2629579 | | |
| YR2773436 | 2017/12/14 | NOTICE | | *** COMPLETELY DELETED *** 9183183 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| | | | | REMARKS: YR2546998 | | |
| YR2773437 | 2017/12/14 | POSTPONEMENT | | *** COMPLETELY DELETED *** FEMI-JOHNSON, DOYINSOYE TEMISANRE JOHNSON, OLUFEMI PAUL | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| | | | | REMARKS: YR2271159 TO YR2773436 | | |
| YR2773438 | 2017/12/14 | POSTPONEMENT | | *** COMPLETELY DELETED *** TRISURA GUARANTEE INSURANCE COMPANY | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| | | | | REMARKS: YR2275941 TO YR2773436 | | |
| YR2773439 | 2017/12/14 | POSTPONEMENT | | *** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | FIRST SOURCE FINANCIAL MANAGEMENT INC. | |
| | | | | REMARKS: YR2629578 TO YR2773436 | | |
| YR2811159 | 2018/03/29 | NOTICE | | *** COMPLETELY DELETED *** 9265988 CANADA CORP. 9183183 CANADA CORP. | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY | |
| | | | | REMARKS: YR2639578 | | |
| YR2851437 | 2018/07/19 | CHARGE | \$18,000,000 | 9183183 CANADA CORP. 9265988 CANADA CORP. | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | C |
| YR2851438 | 2018/07/19 | NO ASSGN RENT GEN | | 9183183 CANADA CORP. 9265988 CANADA CORP. | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | C |
| | | | | REMARKS: YR2851437 | | |
| YR2855122 | 2018/07/27 | POSTPONEMENT | | TRISURA GUARANTEE INSURANCE COMPANY | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | C |
| | | | | REMARKS: YR2275941 TO YR2851437 (YR2851438) | | |
| YR2859428 | 2018/08/09 | NOTICE | | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | 9183183 CANADA CORP. 9265988 CANADA CORP. | C |
| | | | | REMARKS: YR2851437 | | |
| YR2860130 | 2018/08/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** | | |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|--------------------|--------|---|--|---------------|
| YR2860132 | 2018/08/10 | DISCH OF CHARGE | | FIRST SOURCE FINANCIAL MANAGEMENT INC. COMMUNITY TRUST COMPANY *** COMPLETELY DELETED *** FEMI-JOHNSON, DOYINSOYE TEMISANRE JOHNSON, OLUFEMI PAUL | | |
| YR2861039 | 2018/08/14 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC. | | |
| YR2897232 | 2018/11/14 | TRANSFER OF CHARGE | | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | C |
| YR3036607 | 2019/11/20 | NOTICE | | VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY | 9265988 CANADA CORP. | C |
| YR3068308 | 2020/02/18 | APL COURT ORDER | | SUPERIOR COURT OF JUSTICE COMMERCIAL LIST | KSV KOFMAN INC. | C |
| YR3091920 | 2020/04/23 | APL CH NAME OWNER | | 9183183 CANADA CORP. | KSV KOFMAN INC. | C |

Appendix “B”



PERSONAL PROPERTY SECURITY REGISTRATION
SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for : Chaitons LLP (ADP) - Antoinette De Pinto
Reference : 64987
Docket : 64987
Search ID : 777428
Date Processed : 8/4/2020 2:30:43 PM
Report Type : PPSA Electronic Response
Search Conducted on : 9265988 CANADA CORP.
Search Type : Business Debtor

DISCLAIMER :

This report has been generated using data provided by the Personal Property Registration Branch, Ministry of Government Services, Government of Ontario. No liability is undertaken regarding its correctness, completeness, or the interpretation and use that are made of it.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE
CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT
OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9265988 CANADA CORP.

FILE CURRENCY: August 3, 2020

RESPONSE CONTAINS: APPROXIMATELY 2 FAMILIES and 4 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS
WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME
IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE
OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT
ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY
THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER
AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS
UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE
INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9265988 CANADA CORP.

FILE CURRENCY: August 3, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 4

SEARCH : BD : 9265988 CANADA CORP.

00 FILE NUMBER : 741183021 EXPIRY DATE : 03JUL 2023 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20180703 1604 1590 3916 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : IND NAME:
 03 BUS NAME: 9183183 CANADA CORP.
 OCN :
 04 ADDRESS : 16 MCADAM AVENUE, UNIT 904
 CITY : TORONTO PROV: ON POSTAL CODE: M6A 0B9
 05 IND DOB : IND NAME:
 06 BUS NAME: 9265988 CANADA CORP.
 OCN :
 07 ADDRESS : 16 MCADAM AVENUE, UNIT 904
 CITY : TORONTO PROV: ON POSTAL CODE: M6A 0B9

08 SECURED PARTY/LIEN CLAIMANT :
 VECTOR FINANCIAL SERVICES LIMITED
 09 ADDRESS : 245 EGLINTON AVENUE EAST, SUITE 400
 CITY : TORONTO PROV: ON POSTAL CODE: M4P 3B7
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X X
 YEAR MAKE MODEL V.I.N.
 11
 12

GENERAL COLLATERAL DESCRIPTION

13 SECURITY DOCUMENTATION RELATING TO THE PROPERTIES MUNICIPALLY KNOWN
 14 AS 201-235 KING ROAD, RICHMOND HILL, ONTARIO.

15

16 AGENT: CASSELS BROCK & BLACKWELL LLP (JFREEMAN #49004-37)

17 ADDRESS : SUITE 2100, 40 KING STREET WEST

CITY : TORONTO PROV: POSTAL CODE: M5H 3C2

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9265988 CANADA CORP.

FILE CURRENCY: August 3, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 2 ENQUIRY PAGE : 2 OF 4

SEARCH : BD : 9265988 CANADA CORP.

00 FILE NUMBER : 741183021 EXPIRY DATE : 03JUL 2023 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20180703 1604 1590 3916 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:
 OCN :
 04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 OLYMPIA TRUST COMPANY
 09 ADDRESS : PO BOX 2581, STN CENTRAL
 CITY : CALGARY, ALBERTA PROV: POSTAL CODE: T2P 1C8
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10
 YEAR MAKE MODEL V.I.N.
 11
 12
 GENERAL COLLATERAL DESCRIPTION
 13
 14
 15
 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9265988 CANADA CORP.

FILE CURRENCY: August 3, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 3 OF 4

SEARCH : BD : 9265988 CANADA CORP.

00 FILE NUMBER : 752080599 EXPIRY DATE : 07JUN 2025 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20190607 1036 1862 1040 REG TYP: P PPSA REG PERIOD: 6
 02 IND DOB : IND NAME:
 03 BUS NAME: 9265988 CANADA CORP.
 OCN : 11282972
 04 ADDRESS : 16 MCADAM AVENUE, UNIT 904
 CITY : TORONTO PROV: ON POSTAL CODE: M6A 0B9
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 TRISURA GUARANTEE INSURANCE COMPANY
 09 ADDRESS : 333 BAY STREET, SUITE 1610, BOX 22
 CITY : TORONTO PROV: ON POSTAL CODE: M5H 2R2
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X
 YEAR MAKE MODEL V.I.N.
 11
 12

GENERAL COLLATERAL DESCRIPTION

13 DEPOSIT TRUST AGREEMENT AND ALL INTEREST IN PURCHASERS DEPOSITS WITH
 14 RESPECT TO THE 88 UNIT, LOW-RISE RESIDENTIAL CONDOMINIUM LOCATED AT
 15 YONGE STREET/KING ROAD, OAK RIDGES, ONTARIO AND KNOWN AS "YONGE AND
 16 AGENT: CYBERBAHN
 17 ADDRESS : 400-333 BAY STREET
 CITY : TORONTO PROV: ON POSTAL CODE: M5H 2R2

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9265988 CANADA CORP.

FILE CURRENCY: August 3, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 4 OF 4

SEARCH : BD : 9265988 CANADA CORP.

00 FILE NUMBER : 752080599 EXPIRY DATE : 07JUN 2025 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20190607 1036 1862 1040 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:
 OCN :
 04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
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 YEAR MAKE MODEL V.I.N.
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 GENERAL COLLATERAL DESCRIPTION
 13 KING URBAN TOWNS".
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 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:
 LAST SCREEN

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***



PERSONAL PROPERTY SECURITY REGISTRATION
SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for : Chaitons LLP (ADP) - Antoinette De Pinto
Reference : 64987
Docket : 64987
Search ID : 777429
Date Processed : 8/4/2020 2:31:33 PM
Report Type : PPSA Electronic Response
Search Conducted on : 9183183 CANADA CORP.
Search Type : Business Debtor

DISCLAIMER :

This report has been generated using data provided by the Personal Property Registration Branch, Ministry of Government Services, Government of Ontario. No liability is undertaken regarding its correctness, completeness, or the interpretation and use that are made of it.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE
CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT
OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9183183 CANADA CORP.

FILE CURRENCY: August 3, 2020

RESPONSE CONTAINS: APPROXIMATELY 3 FAMILIES and 6 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS
WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME
IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE
OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT
ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY
THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER
AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS
UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE
INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9183183 CANADA CORP.

FILE CURRENCY: August 3, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 3 ENQUIRY PAGE : 1 OF 6

SEARCH : BD : 9183183 CANADA CORP.

00 FILE NUMBER : 704926449 EXPIRY DATE : 08APR 2025 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20150408 1358 1862 5370 REG TYP: P PPSA REG PERIOD: 10
 02 IND DOB : IND NAME:
 03 BUS NAME: 9183183 CANADA CORP.
 OCN :
 04 ADDRESS : 59 EAST LIBERTY STREET
 CITY : TORONTO PROV: ON POSTAL CODE: M6K 3R1
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 TRISURA GUARANTEE INSURANCE COMPANY
 09 ADDRESS : 333 BAY STREET, SUITE 1610, BOX 22
 CITY : TORONTO PROV: ON POSTAL CODE: M5H 2R2
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X
 YEAR MAKE MODEL V.I.N.
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GENERAL COLLATERAL DESCRIPTION

13 DEPOSIT TRUST AGREEMENT AND ALL INTEREST IN PURCHASERS DEPOSITS WITH
 14 RESPECT TO THE 88 UNIT, LOW-RISE RESIDENTIAL CONDOMINIUM LOCATED AT
 15 YONGE STREET/KING ROAD, OAK RIDGES, ONTARIO AND KNOWN AS "YONGE AND
 16 AGENT: SCHNEIDER RUGGIERO LLP (37694/BM)
 17 ADDRESS : 120 ADELAIDE STREET W., STE. 1000
 CITY : TORONTO PROV: ONT POSTAL CODE: M5H 3V1

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9183183 CANADA CORP.

FILE CURRENCY: August 3, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 3 ENQUIRY PAGE : 2 OF 6

SEARCH : BD : 9183183 CANADA CORP.

00 FILE NUMBER : 704926449 EXPIRY DATE : 08APR 2025 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20150408 1358 1862 5370 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:
 OCN :
 04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
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 YEAR MAKE MODEL V.I.N.
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 GENERAL COLLATERAL DESCRIPTION
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 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9183183 CANADA CORP.

FILE CURRENCY: August 3, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 3 ENQUIRY PAGE : 3 OF 6

SEARCH : BD : 9183183 CANADA CORP.

00 FILE NUMBER : 718791723 EXPIRY DATE : 20JUL 2021 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20160720 1443 1530 0401 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : IND NAME:
 03 BUS NAME: 9183183 CANADA CORP.
 OCN :
 04 ADDRESS : 59 EAST LIBERTY ST
 CITY : TORONTO PROV: ON POSTAL CODE: M6K 3R1
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 THE TORONTO-DOMINION BANK - 30262
 09 ADDRESS : 3737 MAJOR MACKENZIE DR BLDG D
 CITY : VAUGHAN PROV: ON POSTAL CODE: L4L 0H2
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X X X X X
 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: D+H LIMITED PARTNERSHIP

17 ADDRESS : SUITE 200, 4126 NORLAND AVENUE

CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9183183 CANADA CORP.

FILE CURRENCY: August 3, 2020

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 2 OF 3 ENQUIRY PAGE : 4 OF 6

SEARCH : BD : 9183183 CANADA CORP.

FILE NUMBER 718791723

PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 001 MV SCHED: 20170317 1524 1862 0119

21 REFERENCE FILE NUMBER : 718791723

22 AMEND PAGE: NO PAGE: X CHANGE: J OTHER REN YEARS: CORR PER:

23 REFERENCE DEBTOR/ IND NAME:

24 TRANSFEROR: BUS NAME: 9183183 CANADA CORP.

25 OTHER CHANGE: SUBORDINATION/POSTPONEMENT

26 REASON: POSTPONEMENT

27 /DESCR:

28 :

02/05 IND/TRANSFEE:

03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:

CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : SCHNEIDER RUGGIERO LLP

17 ADDRESS : 120 ADELAIDE STREET WEST, SUITE 1000

CITY : TORONTO PROV : ON POSTAL CODE : M5H 3V1

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9183183 CANADA CORP.

FILE CURRENCY: August 3, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 3 OF 3 ENQUIRY PAGE : 5 OF 6

SEARCH : BD : 9183183 CANADA CORP.

00 FILE NUMBER : 741183021 EXPIRY DATE : 03JUL 2023 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20180703 1604 1590 3916 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : IND NAME:
 03 BUS NAME: 9183183 CANADA CORP.
 OCN :
 04 ADDRESS : 16 MCADAM AVENUE, UNIT 904
 CITY : TORONTO PROV: ON POSTAL CODE: M6A 0B9
 05 IND DOB : IND NAME:
 06 BUS NAME: 9265988 CANADA CORP.
 OCN :
 07 ADDRESS : 16 MCADAM AVENUE, UNIT 904
 CITY : TORONTO PROV: ON POSTAL CODE: M6A 0B9

08 SECURED PARTY/LIEN CLAIMANT :
 VECTOR FINANCIAL SERVICES LIMITED
 09 ADDRESS : 245 EGLINTON AVENUE EAST, SUITE 400
 CITY : TORONTO PROV: ON POSTAL CODE: M4P 3B7
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X X
 YEAR MAKE MODEL V.I.N.
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GENERAL COLLATERAL DESCRIPTION

13 SECURITY DOCUMENTATION RELATING TO THE PROPERTIES MUNICIPALLY KNOWN
 14 AS 201-235 KING ROAD, RICHMOND HILL, ONTARIO.

15

16 AGENT: CASSELS BROCK & BLACKWELL LLP (JFREEMAN #49004-37)

17 ADDRESS : SUITE 2100, 40 KING STREET WEST

CITY : TORONTO PROV: POSTAL CODE: M5H 3C2

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 9183183 CANADA CORP.

FILE CURRENCY: August 3, 2020

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 3 OF 3 ENQUIRY PAGE : 6 OF 6

SEARCH : BD : 9183183 CANADA CORP.

00 FILE NUMBER : 741183021 EXPIRY DATE : 03JUL 2023 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20180703 1604 1590 3916 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:
 OCN :
 04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 OLYMPIA TRUST COMPANY
 09 ADDRESS : PO BOX 2581, STN CENTRAL
 CITY : CALGARY, ALBERTA PROV: POSTAL CODE: T2P 1C8
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
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 YEAR MAKE MODEL V.I.N.
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 GENERAL COLLATERAL DESCRIPTION
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 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:
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*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

Appendix “C”

May 1, 2020

VIA EMAIL

Christine Jonathan
Macdonald Sager Manis LLP
150 York Street, Suite 800
Toronto, ON M5H 3S5

Re: 201, 227 and 235 King Road, Richmond Hill, ON (the "Property")

Dear Ms. Jonathan,

Further to our recent correspondence, the Receiver has now entered into a conditional agreement of purchase and sale for the Property (the "**Agreement**"). The Agreement is conditional on, among other things, your client having the ability to redeem the first mortgage on the Property prior to the Court approving the Agreement and vesting title to the Property in the purchaser (the "**Approval and Vesting Order**").

The Agreement is subject to due diligence and financing conditions in favour of the purchaser. The due diligence period expires at 5:00pm on May 18, 2020. In the event that the due diligence condition is fulfilled or waived, the purchaser has a further eleven (11) business days from the date of fulfillment or waiver to satisfy the financing condition.

In the event that both conditions are fulfilled or waived, the Receiver has agreed to schedule a motion to be heard within 30 days for the Approval and Vesting Order.

We will keep you apprised as to when the conditions are satisfied or waived and the date of the sale approval motion.

Please let me know if you have any questions.

Yours truly,
CHAITONS LLP

Sam Rappos

(computer generated signature)

Sam Rappos
LAWYER

Cc: KSV Kofman Inc.

Appendix “D”

AGREEMENT OF PURCHASE AND SALE

This AGREEMENT dated the 30th day of April, 2020.

BETWEEN:

KSV KOFMAN INC., solely in its capacity as court-appointed receiver of 9265988 Canada Corp., and not in its personal or corporate capacity and without personal or corporate liability
(the “**Vendor**”)

OF THE FIRST PART

and

BRIDLEPATH CAPITAL CORPORATION AND CITY CORE CONSORTIA LIMITED, companies incorporated in accordance with the laws of the Province of Ontario solely on behalf of a company to be incorporated and not in their personal or corporate capacity and without personal or corporate liability
(collectively, the “**Purchaser**”)

OF THE SECOND PART

RECITALS

- A. Pursuant to the Receivership Order, KSV Kofman Inc. was appointed as Receiver to, among other things, market and sell the Purchased Assets.
- B. Subject to the Court issuing the Approval and Vesting Order, the Purchaser has agreed to purchase from the Vendor, and the Vendor has agreed to sell to the Purchaser, the right, title and interest of the Debtor in and to the Purchased Assets on the terms and conditions set out herein.

IN CONSIDERATION of the mutual agreements contained in this Agreement, the receipt and sufficiency of which are acknowledged by each of the Vendor and the Purchaser, the Vendor and the Purchaser agree as follows:

1. DEFINITIONS

In this Agreement (including the Recitals), unless the context clearly indicates otherwise, the following terms shall have the following meanings:

- (a) “**Act**” means, for purposes of Section 27 only, the *Excise Tax Act* (Canada);
- (b) “**Agreement**” means this agreement together with the attached schedules;

- (c) **“Approval and Vesting Order”** means the order of the Court, substantially in the form of the template Model Approval and Vesting Order approved by the Commercial List Users’ Committee for use on the Court, approving the Transaction and ordering that the Debtor’s right, title and interest in the Purchased Assets be vested in the Purchaser free and clear of encumbrances except for Permitted Encumbrances upon satisfaction by the Purchaser of its obligations under this Agreement;
- (d) **“Assumed Contracts”** means all service or supply contracts relating to the Property as may be specifically assumed by the Purchaser by written notice provided to the Vendor prior to Closing;
- (e) **“Business Day”** means any day other than a Saturday or a Sunday or a statutory holiday in the Province of Ontario;
- (f) **“Closing”** shall have the meaning ascribed to it in Section 9;
- (g) **“Closing Date”** shall have the meaning ascribed to it in Section 9 hereof;
- (h) **“Court”** means the Ontario Superior Court of Justice (Commercial List);
- (i) **“Debtor”** means 9265988 Canada Corp., and includes its respective predecessors;
- (j) **“Deposits”, “Initial Deposit” and “Additional Deposit”** shall have the meaning ascribed to such terms in Section 5(a) hereof;
- (k) **“Due Diligence Expiry Date”** means 5:00 p.m. (Toronto time) on the first Business Day following the 10th Business Day after the date of acceptance of this Agreement by the Vendor;
- (l) **“Due Diligence Period”** means the period commencing on the date of acceptance of this Agreement by the Vendor and ending at 5:00p.m. (Toronto time) on the Due Diligence Expiry Date;
- (m) **“Environmental Law”** means any and all applicable international, federal, provincial, municipal or local laws, by-laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, health protection or any Hazardous Materials;
- (n) **“Financing Condition Expiry Date”** means 5:00 p.m. (Toronto time) on the first Business Day following the 10th Business Day after the Due Diligence Expiry Date;
- (o) **“First Mortgage”** means the first charge/mortgage of land registered on title to the Property as Instrument Number YR2851437, as amended.



- (p) **“Government Authority”** means any person, body, department, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial or municipal governments having or claiming to have jurisdiction over part or all of the Property, the transaction contemplated in this Agreement and/or one or both of the parties hereto;
- (q) **“HST”** shall have the meaning ascribed thereto in Section 27 hereof;
- (r) **“Hazardous Materials”** means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any **“Contaminants”**, **“Dangerous Substances”**, **“Hazardous Materials”**, **“Hazardous Substances”**, **“Hazardous Wastes”**, **“Industrial Wastes”**, **“Liquid Wastes”**, **“Pollutants”** and **“Toxic Substances”**, all as defined in, referred to or contemplated in federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health and/or safety matters and, not to limit the generality of the foregoing, includes asbestos, urea formaldehyde foam insulation and mono or poly-chlorinated biphenyl wastes;
- (s) **“Permits”** means all the authorizations, registrations, permits, certificates of approval, approvals, consents, commitments, rights or privileges issued, granted or required by any Governmental Authority in respect of the Property;
- (t) **“Permitted Encumbrances”** means those encumbrances listed in **Schedule “B”**;
- (u) **“Person”** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;
- (v) **“Plans”** means all plans, designations and specifications in connection with the Property which are in the possession or control of the Vendor (it being acknowledged that the Vendor is under no obligation to incur additional expense to obtain such plans, designs and specifications);
- (w) **“Property”** means the lands and premises municipally known as 201, 227 and 235 King Road, Richmond Hill, Ontario, as legally described in **Schedule “A”**;
- (x) **“Purchase Price”** shall have the meaning ascribed thereto in Section 4 hereof;
- (y) **“Purchased Assets”** means the interests of the Debtor in the Property, Assumed Contracts, the Permits and the Plans;



- (z) **“Purchaser”** shall have the meaning ascribed to it on page 1 above;
- (aa) **“Purchaser’s Due Diligence Condition”** has the meaning ascribed to it in Section 18;
- (bb) **“Purchaser’s Financing Condition”** has the meaning ascribed to it in Section 19;
- (cc) **“Purchaser’s Solicitors”** means the firm of Goldman, Sloan, Nash & Haber LLP;
- (dd) **“Receiver”** means KSV Kofman Inc. in its capacity as receiver appointed pursuant to the Receivership Order;
- (ee) **“Receiver’s Certificate”** means a certificate of the Vendor delivered to the Purchaser pursuant to the Approval and Vesting Order confirming payment of the Purchase Price and that all conditions required for Closing have been satisfied or waived;
- (ff) **“Receivership Order”** means the order of the Court dated February 12, 2020 appointing the Receiver;
- (gg) **“Registry Office”** shall have the meaning ascribed thereto in Section 10 hereof;
- (hh) **“Rights”** shall have the meaning ascribed thereto in Section 3 hereof;
- (ii) **“Transaction”** means the transaction contemplated under this Agreement;
- (jj) **“Vendor”** shall have the meaning ascribed to it on page 1 above;
- (kk) **“Vendor’s Solicitors”** means the firm of Chaitons LLP.

2. SCHEDULES

The following Schedules are appended to this Agreement:

Schedule “A” Property

Schedule “B” Permitted Encumbrances

3. NATURE OF TRANSACTION

The Purchaser shall purchase and the Vendor shall sell the Purchased Assets, upon and subject to the terms of this Agreement.

To the extent that any of the Purchased Assets to be transferred to the Purchaser on the Closing, or any claim, right or benefit arising under or resulting from such Purchased Assets (collectively, the **“Rights”**) is not capable of being transferred without the approval, consent or waiver of any third Person, or if the transfer of a Right would constitute a breach of any obligation under, or a violation of, any Applicable Law unless the approval, consent or waiver of such third Person or an



order of the Court is obtained, then, except as expressly otherwise provided in this Agreement and without limiting the rights and remedies of the Purchaser contained elsewhere in this Agreement, this Agreement shall not constitute an agreement to transfer such Rights unless and until such approval, consent, waiver or order of the Court has been obtained. After the Closing and for a period of one hundred and twenty (120) days following the Closing, the Vendor shall:

- (a) maintain its existence and hold the Rights in trust for the Purchaser;
- (b) comply with the terms and provisions of the Rights as agent for the Purchaser at the Purchaser's cost and for the Purchaser's benefit;
- (c) cooperate with the Purchaser in any reasonable and lawful arrangements designed to provide the benefits of such Rights to the Purchaser; and
- (d) enforce, at the reasonable request of the Purchaser and at the expense and for the account of the Purchaser, any rights of the Vendor arising from such Rights against any third Person, including the right to elect to terminate any such rights in accordance with the terms of such rights upon the written direction of the Purchaser.

In order that the full value of the Rights may be realized for the benefit of the Purchaser, the Vendor shall, at the request and expense and under the direction of the Purchaser, in the name of the Vendor or otherwise as the Purchaser may specify, take all such action and do or cause to be done all such things as are, in the reasonable opinion of the Purchaser, necessary or proper in order that the obligations of the Vendor under such Rights may be performed in such manner that the value of such Rights is preserved and enures to the benefit of the Purchaser, and that any moneys due and payable and to become due and payable to the Purchaser in and under the Rights are received by the Purchaser. The Vendor shall promptly pay to the Purchaser all moneys collected by or paid to the Vendor in respect of every such Right. To the extent that such approval, consent, waiver or order of the Court has not been obtained by the 120th day following the Closing, such Right shall be deemed not to be Purchased Asset and the Vendor may terminate any agreement pertaining to such Right. The Purchaser shall indemnify and hold the Vendor harmless from and against any claim or liability under or in respect of such Rights arising because of any action of the Vendor taken at the request of the Purchaser and in accordance with this Section.

The provisions of this Section 3 shall not merge but shall survive the completion of the Transaction. Notwithstanding the foregoing, nothing herein shall prohibit, the Vendor, in its sole, absolute and unfettered discretion, from seeking to be discharged as Receiver at any time after the Closing. The parties hereto hereby acknowledge and agree that the covenants of the Receiver contained in this section 3 shall terminate concurrently with the discharge of the Receiver.

The Vendor shall deliver to the Purchaser, within three (3) Business Days after being requested by the Purchaser, authorizations addressed to relevant Government Authorities in form as reasonably requested and prepared by the Purchaser and approved by the Vendor's Solicitors, acting reasonably, necessary to permit the Purchaser to obtain information with respect to the Property from the files of such Government Authorities; provided that such authorizations shall not permit or authorize, and the Purchaser agrees not to request or cause, any physical or on-site inspections of the Property by any such Government Authorities. In addition, the Purchaser covenants and



agrees that it shall not have discussions with any Government Authorities unless it has first provided at least two (2) Business Days prior notice to the Vendor and the Vendor shall, at its option, be entitled to participate in any discussions between the Vendor and the applicable Government Authorities.

The Vendor shall deliver to the Purchaser, within two (2) Business Days after being requested by the Purchaser, in writing, consent to approach the authors of any reports, studies and analyses of the Property with a view to obtaining a certificate or letter of reliance from such parties to allow the Purchaser to rely upon such reports, studies and/or certificates, without any representations relating to such request.

During the Due Diligence Period, the Purchaser and its agents, consultants, lenders and employees shall have reasonable access to the Property from time to time during normal business hours and upon not less than two (2) Business Days prior written notice to the Vendor, at the Purchaser's sole risk and expense, for the purpose of making physical inspections. The Vendor shall, at its option, be entitled to attend such inspections.

The Purchaser shall carry out such inspections with as little disruption to the Property as possible. The Purchaser covenants and agrees to repair or pay the cost of repair of any damage occasioned during and resulting from the inspection of the Property conducted by the Purchaser and/or its agents, consultants, lenders and employees, as outlined above and to return the Property to the condition the Property was in prior to such inspections at the Purchaser's sole cost and expense. Provided that in the event this Agreement is terminated for any reason whatsoever, the Purchaser shall immediately provide to the Vendor copies of any third-party reports prepared on behalf of the Purchaser, at no cost and expense to the Vendor.

4. PURCHASE PRICE

The aggregate purchase price for the Purchased Assets shall be [REDACTED] (the "Purchase Price").

5. METHOD OF PAYMENT

The Purchase Price shall be paid, accounted for and satisfied as follows.

(a) **Initial Deposit:** An initial deposit equal to [REDACTED] (the "Initial Deposit") to be paid to the Vendor's Solicitors, in trust, within two (2) Business Days of the full execution of this Agreement. In the event that the Initial Deposit is not paid to the Vendor's Solicitors, in trust, within the applicable time period set out in this Section 5(a), the parties hereto hereby acknowledge and agree that this Agreement shall be terminated and of no further force or effect to either of the parties hereto.

(b) **Additional Deposit:** An additional deposit equal to [REDACTED] (the "Additional Deposit") will be paid on waiver of the Purchaser's Financing Condition.

The Initial Deposit and the Additional Deposit (collectively the “**Deposits**”) will be held by the Vendor’s Solicitors’ until completion or termination of this Agreement. The Vendor’s Solicitors’ shall place the Deposits in an interest bearing account and the interest earned thereon shall be accounted for as provided for in this Agreement.

- (c) **Balance Due at Closing:** The balance of the Purchase Price, subject to the adjustments contemplated in this Agreement, by payment at Closing to the Vendor or to the order of the Vendor.

The Deposits and the balance due on Closing shall be paid, at the option of the Vendor, by way of certified cheque, bank draft or wire drawn on or issued by a Canadian chartered bank.

The Vendor and the Purchaser acknowledge and agree that they shall each make their own allocations of the Purchase Price between the Purchased Assets for the purposes of the *Income Tax Act* (Canada) and any filings in accordance with the provisions thereof.

6. DEPOSITS

The Deposits shall be held in trust by the Vendor’s Solicitors and shall be:

- (a) credited to the Purchaser, together with any interest earned thereon, as an adjustment against the Purchase Price on the Closing Date if the Transaction is completed;
- (b) refunded to the Purchaser, together with any interest earned thereon, without deduction if the Transaction is not completed, provided that the Purchaser is not in default under this Agreement. If the foregoing Subsection 6(b) applies, or any other provision of this Agreement provides that the Deposits are to be returned to the Purchaser, the Purchaser irrevocably directs the Vendor to return the Deposits to the order of Bridlepath Capital Corporation only; or,
- (c) retained by the Vendor, together with any interest earned thereon, as a genuine pre-estimate of liquidated damages and not as a penalty, in addition to any other rights and remedies that the Vendor may have under this Agreement and at law, including offering the Purchased Assets for sale to another Person, if the Transaction is not completed as a result of the Purchaser’s breach hereunder.

7. APPROVAL AND VESTING ORDER

Within ten days after the Purchaser’s waiver of the Purchaser’s Financing Condition as provided for herein, the Vendor will seek an appointment with the Court for a motion to be heard within 30 days after the Purchaser’s waiver of the Purchaser’s Financing Condition, or otherwise as soon as reasonably possible, to seek the Approval and Vesting Order. The Purchaser shall, at its sole cost and expense, promptly provide to the Vendor all such information and assistance within the Purchaser’s authority as the Vendor may reasonably require to obtain the Approval and Vesting Order.



The Vendor and the Purchaser acknowledge and agree that the above-noted term is a true condition precedent to the completion of the Transaction that cannot be waived by either party.

8. CLOSING ADJUSTMENTS

Adjustments shall be made, as of 12:01 a.m. on the Closing Date, for all operating costs, realty taxes, local improvement rates, rental payments, municipal/provincial levies and charges, water and assessment rates, security deposits and interest thereon (if any), utilities, and any other items which are usually adjusted in purchase transactions involving assets similar to the Purchased Assets in the context of a receivership sale. The day of Closing shall be for the account of the Purchaser.

If the final cost or amount of an item that is to be adjusted cannot be determined at Closing, then an initial adjustment for such item shall be made at Closing, such amount to be estimated by the Vendor, acting reasonably, as of the Closing Date on the basis of the best evidence available at the Closing as to what the final cost or amount of such item will be. In each case, when such cost or amount is determined, the Vendor or Purchaser, as the case may be, shall, within 30 days of determination, provide a complete statement thereof to the other and within 30 days thereafter the Vendor and Purchaser shall make a final adjustment as of the Closing Date for the item in question. In the absence of agreement by the parties, the final cost or amount of an item shall be determined by an accountant or such other financial professional appointed jointly by the Vendor and the Purchaser, with the cost of such accountant's or other financial professional's determination being shared equally between the parties. All re-adjustments shall be requested in a detailed manner on or before the 60th day after the Closing Date, after which time neither party shall have any right to request re-adjustment.

Other than as provided for in this Section 8, there shall be no adjustments to the Purchase Price.

9. CLOSING DATE

The Transaction will close Twenty (20) Business Days following the date on which the Approval and Vesting Order is granted (the "Closing Date" or "Closing"). However, the Closing Date may be such other date as the Purchaser and Vendor may agree in writing. If, prior to the Closing, the Approval and Vesting Order (or any orders dismissing appeals thereof) shall have been appealed or a proceeding shall have been commenced to restrain or prevent the completion of the Transaction, then the Closing Date may be extended by the Vendor, in which case the Closing Date shall mean the day that is Ten (10) Business Days after the date on which any such appeals and/or proceedings are dismissed. Provided that if the Court at any time declines to grant the Approval and Vesting Order, this Agreement shall be terminated and of no further force and effect, subject to the provisions set forth in Section 16.

10. ELECTRONIC REGISTRATION

- (a) In the event that the electronic registration system ("TERS") is operative in the relevant land registry office (the "Registry Office"), the following provisions shall apply:



- (i) The Purchaser shall be obliged to retain a solicitor who is both an authorized TERS user and is in good standing with the Law Society of Ontario to represent the Purchaser in connection with the completion of the transaction and shall authorize such solicitor to enter into a document registration agreement with the Vendor's Solicitors in the form as agreed by the parties (the "DRA"), establishing the procedures and timing for completing this transaction.
- (ii) The delivery and exchange of the closing documents:
 - (A) shall not occur contemporaneously with the registration of the Application for Vesting Order and other registerable documentation; and
 - (B) shall be governed by the DRA, pursuant to which the Vendor's Solicitors and Purchaser's Solicitors shall hold all closing documents in escrow, and will not be entitled to release them except in strict accordance with the provisions of the DRA.
- (b) The Purchaser expressly acknowledges and agrees that the Vendor will not release the Receiver's Certificate confirming the effectiveness of the Approval and Vesting Order until the balance of funds due on Closing, in accordance with the Statement of Adjustments, are remitted by wire transfer to the Vendor's Solicitors (or in such other manner as the Vendor or Vendor's Solicitors may in writing direct).
- (c) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by the Vendor upon the Purchaser when the Vendor's Solicitors have:
 - (i) delivered all documents required to be delivered by the Vendor to the Purchaser pursuant to Section 22 hereof;
 - (ii) advised the Purchaser's Solicitors in writing that the Vendor is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) completed all steps required by TERS to complete the Transaction that can be performed or undertaken by the Vendor's Solicitors without the cooperation or participation of the Purchaser's Solicitors, and specifically when the "**completeness signatory**" for the Application for Vesting Order has been electronically "**signed**" by the Vendor's Solicitors,

without the necessity of personally attending upon the Purchaser or the Purchaser's Solicitors with the closing documents, and without any requirement to have an independent witness evidencing the foregoing.



- (d) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by the Purchaser upon the Vendor, when the Purchaser's Solicitors have:
- (i) delivered the balance due at Closing and all the documents required to be delivered by the Purchaser to the Vendor pursuant to Section 23 hereof;
 - (ii) advised the Vendor's Solicitors in writing that the Purchaser is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) completed all steps required by TERS to complete this transaction that can be performed or undertaken by the Purchaser's Solicitors without the cooperation or participation of the Vendor's Solicitors, and specifically when the "**completeness signatory**" for the Application for Vesting Order has been electronically "**signed**" by the Purchaser's Solicitors,
- without the necessity of personally attending upon the Vendor or the Vendor's Solicitors with the closing documents, and without any requirement to have an independent witness evidencing the foregoing.
- (e) If through no fault of the Purchaser's Solicitors or the Vendor's Solicitors TERS is unavailable on the Closing Date, such that the Purchaser's Solicitors are unable to register the Application for Vesting Order, then the Transaction shall be completed in escrow in accordance with the terms of the DRA which shall apply until such time as TERS becomes available. Upon TERS becoming available, the Vendor's Solicitors shall advise the Purchaser's Solicitors forthwith and the parties shall arrange to complete the registration of the Approval and Vesting Order as expeditiously as possible, whereupon the escrow shall be released.

In the event of any conflict or inconsistency between the terms of this Section 10 and the terms of the DRA, the terms of this Section 10 shall prevail.

11. PRE-CLOSING RISK

The Purchased Assets are and shall remain at the Vendor's risk until Closing and the Vendor shall hold all insurance policies and the proceeds thereunder, in trust, for the parties as their respective interests may appear pending Closing. In the event that the Purchased Assets shall be materially damaged prior to Closing, then the Vendor shall promptly notify the Purchaser in writing of such damage. If the cost of rectifying such damage exceeds fifteen percent (15%) of the total Purchase Price (inclusive of the Deposits), as determined by an independent third party expert appointed by the Vendor, then the Purchaser shall be entitled, in its sole and absolute discretion, to elect to terminate this Agreement, by delivery of written notice to the Vendor within ten (10) Business Days following receipt of the Vendor's notice of damage, and in such event the parties hereto shall be released from all obligations and liabilities hereunder and the Deposits shall be returned to the Purchaser forthwith, together with all interest earned thereon and without deduction. If the



Purchaser does not elect to terminate this Agreement as set out above, or if the cost of rectifying such damage does not exceed fifteen percent (15%) of the total Purchase Price (inclusive of the Deposits), then the Transaction shall be completed and the Vendor shall release its interest in the insurance proceeds payable in respect thereof, if any, to the Purchaser.

12. PURCHASER'S REPRESENTATIONS AND WARRANTIES

The Purchaser represents and warrants to the Vendor that, as at the date hereof:

- (a) the Purchaser is comprised of corporations duly incorporated, organized and validly subsisting under the laws of the Province of Ontario and has all requisite corporate power, authority and capacity to execute and deliver and to perform each of its obligations pursuant to this Agreement; neither the execution of this Agreement nor the performance (such performance shall include, without limitation, the exercise of any of the Purchaser's rights and compliance with each of the Purchaser's obligations hereunder) by the Purchaser of the Transaction will violate:
 - (i) the Purchaser's articles of incorporation and by-laws;
 - (ii) any agreement to which the Purchaser is bound;
 - (iii) any judgement or order of a court of competent authority or any Government Authority; or
 - (iv) any applicable law;and the Purchaser has duly taken, or has caused to be taken, all requisite corporate action required to be taken by it to authorize the execution and delivery of this Agreement and the performance of each of its obligations hereunder;
- (b) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms;
- (c) there are no orders or proceedings pending before any Government Authority, or threatened to be brought by or before any Government Authority by or against the Purchaser, affecting the legality, validity or enforceability of this Agreement or the consummation of the transaction contemplated hereby by the Purchaser;
- (d) the Purchaser has made adequate arrangements to have sufficient funds available to satisfy its obligations to pay the cash portion of the Purchase Price to the Vendor on Closing;
- (e) the Purchaser will be responsible for and will remit to or reimburse, as applicable, all taxes, including (without limitation) land transfer tax, levies or the like that arise from the sale of the Purchased Assets unless otherwise specified in this Agreement;



- (f) **Investment Canada Act (Canada):** either (i) the Purchaser is not a “**non-Canadian**”, as defined in the *Investment Canada Act (Canada)* (“ICA”); or (ii) if the Purchaser is a “**non-Canadian**”, this transaction is not a reviewable transaction under the ICA, *or*, if applicable, the Purchaser is a non-Canadian for the purpose of the ICA and will within three (3) Business Days of the execution of this Agreement submit to Investment Canada a fully completed Application for Review with respect to the transaction contemplated in this Agreement and will use its best efforts to obtain approval from Investment Canada prior to Closing;
- (g) the Purchaser acknowledges that it is responsible for conducting its own searches and investigations of the current and past uses of the Property;
- (h) the Purchaser acknowledges the Vendor makes no representation or warranty of any kind that the present use or future intended use by the Purchaser of the Property is or will be lawful or permitted;
- (i) the Purchaser is satisfied with the Purchased Assets and all matters and things connected therewith or in any way related thereto;
- (j) the Purchaser is relying entirely upon its own investigations and inspections in entering into this Agreement;
- (k) the Purchaser is purchasing the Purchased Assets on an “as is, where is” and “without recourse” basis including, without limitation, outstanding work orders, deficiency notices, compliance requests, development fee, imposts, lot levies, sewer charges, zoning and building code violations and any outstanding requirements which have been or may be issued by any governmental authority having jurisdiction over the Property;
- (l) the Purchaser relies entirely on its own judgment, inspection and investigation of the Property, and any documentation relating to the Purchased Assets obtained from the Vendor has been prepared or collected solely for the convenience of prospective purchasers and is not warranted to be complete or accurate and is not part of this Agreement;
- (m) the Purchaser acknowledges the Vendor shall have no liability for, or obligation with respect to, the value, state or condition of the Property;
- (n) the Purchaser acknowledges that the Vendor has made no representations or warranties with respect to or in any way related to the Property, including without limitation, the following:
 - (i) the title, quality, quantity, marketability, zoning, fitness for any purpose, state, condition, encumbrances, description, present or future use, value, location or any other matter or thing whatsoever related to the Property, either stated or implied;



- (ii) the environmental state of the Property, the existence, nature, kind, state or identity of any Hazardous Materials on, under, or about the Property, the existence, state, nature, kind, identity, extent and effect of any administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under the *Environmental Protection Act* (Ontario), or any other statute, regulation, rule or provision of law and the existence, state, nature, kind, identity, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any Hazardous Materials whether on, under or about the Property or elsewhere; and
- (o) the Purchaser will ensure that any environmental and/or structural reports on behalf of the Purchaser shall also be addressed to the Vendor and a copy of each such report shall be delivered to the Vendor promptly after the completion thereof, regardless of whether the transaction contemplated by this Agreement closes. If for any reason such transaction is not consummated, the Purchaser agrees to deliver promptly to the Vendor any and all reports and other data pertaining to the Property and any inspections or examinations conducted hereunder.

The Purchaser shall promptly deliver to the Vendor written notice specifying the occurrence or likely occurrence of any event which may result in any of the Purchaser's representations and warranties contained in this Agreement not continuing to be true as at Closing.

13. ENCROACHMENTS

The Purchaser agrees that the Vendor shall not be responsible for any matters relating to encroachments on or to the Property, or encroachments onto adjoining lands, or to remove same, or for any matters relating to any applicable zoning regulations or by-laws in existence now or in the future affecting any of the Purchased Assets.

14. INDEMNIFICATION

The Purchaser shall indemnify and save harmless the Vendor and its directors, officers, employees, agents and representatives (collectively, the "Indemnitees") from and against any and all liabilities, obligations, losses, damages, penalties, notices, judgments, suits, claims, demands, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with any order, notice, directive, or requirement under, or breaches, violations or non-compliance with any Environmental Laws after the Closing Date, or as a result of the disposal, storage, release or spill, or threat of release or spill, on or about the Property, of any Hazardous Materials after the Closing Date. The obligation of the Purchaser hereunder shall survive the Closing Date.

15. RELEASE

The Purchaser agrees to release and discharge the Vendor together with its directors, officers, employees, agents and representatives from every claim of any kind that the Purchaser may make,



suffer, sustain or incur in regard to any Hazardous Materials relating to the Property. The Purchaser further agrees that the Purchaser will not, directly or indirectly, attempt to compel the Vendor to clean up or remove or pay for the cleanup or removal of any Hazardous Materials, remediate any condition or matter in, on, under or in the vicinity of the Property, or seek an abatement in the Purchase Price or damages in connection with any Hazardous Materials. This provision shall not expire with, or be terminated or extinguished by or merged in, the Closing of the Transaction and shall survive the termination of this Agreement for any reason or cause whatsoever and the closing of this transaction.

16. TERMINATION DUE TO DEBTOR'S REDEMPTION OR APPROVAL AND VESTING ORDER NOT BEING GRANTED

- (a) The parties hereto hereby acknowledge and agree that this Agreement shall be terminated and of no further force and effect in the event that the Debtor redeems the First Mortgage by payment in full to the mortgagee of the full amount owing thereunder prior to the date that the Court grants the Approval and Vesting Order or in the event that the Court does not grant the Approval and Vesting Order for any reason whatsoever.
- (b) In the event that the Debtor redeems the First Mortgage as set out in Section 16(a) hereof before the Purchaser's Due Diligence Condition and the Purchaser's Financing Condition have been satisfied or waived,
 - (i) the Vendor hereby covenants and agrees to:
 - (A) return the Deposits to the Purchaser forthwith without deduction and together with all interest earned thereon subject to and in accordance with the provisions of this Agreement; and
 - (B) reimburse the Purchaser for its actual out-of-pocket expenses incurred in respect of this Agreement up to a maximum amount of **ONE HUNDRED THOUSAND DOLLARS (\$100,000.00)** (the "**Reimbursable Expenses**"), provided that Purchaser has not otherwise terminated this Agreement, by way of certified cheque, bank draft or wire drawn on or issued by a Canadian chartered bank, within five (5) Business Days immediately following delivery by the Purchaser to the Vendor of an accounting of the Reimbursable Expenses satisfactory to the Vendor, acting reasonably.
- (c) In the event that the Debtor redeems the First Mortgage as set out in Section 16(a) hereof after the Purchaser's Due Diligence Condition and the Purchaser's Financing Condition have been satisfied or waived,
 - (i) the Vendor hereby covenants and agrees to:



- (A) return the Deposits to the Purchaser forthwith without deduction and together with all interest earned thereon subject to and in accordance with the provisions of this Agreement; and
 - (B) pay to the Purchaser an amount equal to **ONE HUNDRED AND FIFTY THOUSAND DOLLARS (\$150,000.00)** by way of certified cheque, bank draft or wire drawn on or issued by a Canadian chartered bank, within five (5) Business Days immediately following the Vendor's notice to the Purchaser that the Debtor has redeemed the First Mortgage and
- (d) In the event that the Court does not grant the Approval and Vesting Order and the Debtor has not redeemed the First Mortgage,
- (i) the Vendor hereby covenants and agrees:
 - (A) to return the Deposits to the Purchaser forthwith without deduction and together with all interest earned thereon subject to and in accordance with the provisions of this Agreement; and
 - (B) if the Court does not grant the Approval and Vesting Order by reason of an act or omission of the Vendor in carrying out the sale process, the Vendor shall reimburse the Purchaser for the Reimbursable Expenses by way of certified cheque, bank draft or wire drawn on or issued by a Canadian chartered bank, within five (5) Business Days immediately following delivery by the Purchaser to the Vendor of an accounting of the Reimbursable Expenses satisfactory to the Vendor, acting reasonably; and
 - (ii) the Purchaser acknowledges and agrees that it shall have no further rights or remedies against the Vendor arising out of the termination of this Agreement.

17. NON-REGISTRATION

The Purchaser hereby covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, or any other document, instrument or court order or judgement providing evidence of this Agreement against title to Property. Should the Purchaser be in default of its obligations under this Section, the Vendor may (as agent and attorney of the Purchaser) cause the removal of such notice of this Agreement, caution, certificate of pending litigation or other document providing evidence of this Agreement or any assignment of this Agreement from the title to the Property. The Purchaser irrevocably nominates, constitutes and appoints the Vendor as its agent and attorney in fact and in law to cause the removal of such notice of this Agreement, any caution, certificate of pending litigation or any other document or instrument whatsoever from title to the Property. The Purchaser acknowledges and agrees that the Vendor may rely on the terms of this Section 17 as a full estoppel to any proceeding, suit, claim,



motion or other action brought by the Purchaser in order to obtain and attempt to register against the title to the Property any of the items set out in this Section 17.

18. PURCHASER'S DUE DILIGENCE CONDITION.

The Purchaser shall not be obliged to complete the transaction contemplated hereunder unless, on or before the Due Diligence Expiry Date, the Purchaser shall have conducted whatever searches, inquiries, inspections and investigations the Purchaser, in its sole and absolute discretion, deems advisable with respect to the Property, including, without limitation, with respect to title to the Property, the Permitted Encumbrances, and any other matters of interest to the Purchaser with respect to the Property and shall be satisfied, in its sole and absolute discretion, with the results of all such searches, inquiries, inspections and investigations (the "**Purchaser's Due Diligence Condition**"), it being understood that the foregoing condition is included for the exclusive benefit of the Purchaser and may be waived in writing by the Purchaser at any time.

Notwithstanding any other provision of this Agreement, unless the Purchaser gives written notice to the Vendor not later than 5:00 p.m. (Toronto time) on the Due Diligence Expiry Date that the Purchaser's Due Diligence Condition has been fulfilled or waived, this Agreement shall be null and void and the Initial Deposit shall be returned to the Purchaser, together with any interest earned thereon, without deduction.

19. PURCHASER'S FINANCING CONDITION.

The Purchaser shall not be obliged to complete the transaction contemplated hereunder unless, on or before the Financing Condition Expiry Date, the Purchaser shall have obtained a commitment for acquisition financing for a minimum of 70% of the Purchase Price at an interest rate not exceeding 9% per annum on terms that are satisfactory to the Purchaser, in its sole and absolute discretion (the "**Purchaser's Financing Condition**"), it being understood that the foregoing condition is included for the exclusive benefit of the Purchaser and may be waived in writing by the Purchaser at any time.

Notwithstanding any other provision of this Agreement, unless the Purchaser gives written notice to the Vendor not later than 5:00 p.m. (Toronto time) on the Financing Condition Expiry Date that the Purchaser's Financing Condition has been fulfilled or waived, this Agreement shall be null and void and the Deposits shall be returned to the Purchaser, together with any interest earned thereon, without deduction.

20. PURCHASER'S CLOSING CONDITIONS.

The Purchaser shall not be obliged to complete the transaction contemplated hereunder unless, on or before the Closing Date, the following conditions shall have been satisfied, it being understood that the conditions are included for the exclusive benefit of the Purchaser and may be waived in writing in whole or in part by the Purchaser at any time:

- (a) all the representations and warranties of the Vendor contained in this Agreement shall be true and correct in all material respects at the Closing Date with the same force and effect as if such representations and warranties were made at such time,

and a certificate of the Vendor, dated as of the Closing Date, to that effect shall have been delivered to the Purchaser, such certificate to be in a form and substance satisfactory to the Purchaser, acting reasonably;

- (b) all of the terms, covenants and agreements set forth in this Agreement to be complied with or performed by the Vendor on or before the Closing Date shall have been complied with or performed by the Vendor;
- (c) no court order restraining or prohibiting the Closing shall have been made and no legal proceeding shall be pending which enjoins, restricts or prohibits the purchase and sale of the Purchased Assets contemplated hereby;
- (d) the Approval and Vesting Order shall have been issued and no appeals thereof shall be pending; and
- (e) the delivery of the documents referenced in Section 22 to the Purchaser.

21. VENDOR'S CONDITIONS

The Vendor shall not be obliged to complete the transaction contemplated hereunder unless, on or before the Closing Date, the following conditions shall have been satisfied, it being understood that the conditions are included for the exclusive benefit of the Vendor and may be waived in writing in whole or in part by the Purchaser at any time:

- (a) all the representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects on the Closing Date with the same force and effect as if such representations and warranties were made at such time, and a certificate of the Purchaser, dated as of the Closing Date, to that effect shall have been delivered to the Vendor, such certificate to be in a form and substance satisfactory to the Vendor, acting reasonably;
- (b) all of the terms, covenants and agreements set forth in this Agreement to be complied with or performed by the Purchaser on or before the Closing Date shall have been complied with or performed by the Purchaser;
- (c) no court order restraining or prohibiting the Closing shall have been made;
- (d) the Purchased Assets shall not have been removed from the Vendor's control;
- (e) the Approval and Vesting Order shall have been issued and no appeals thereof shall be pending; and
- (f) the delivery of the documents referenced in Section 23 to the Vendor.



22. VENDOR'S CLOSING DELIVERIES

The Vendor covenants to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date expressly provided herein:

- (a) the Approval and Vesting Order;
- (b) the Receiver's Certificate;
- (c) a statement of adjustments prepared in accordance with Section 8 hereof;
- (d) the Vendor's certificate setting out that the Vendor is not a "non-resident" of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada); and
- (e) assignment of any Assumed Contracts, if any; and
- (f) any other documents relative to the completion of this Agreement as may reasonably be required by the Purchaser or the Purchaser's Solicitors.

23. PURCHASER'S CLOSING DELIVERIES

The Purchaser covenants to execute, where applicable, and deliver the following to the Vendor at or prior to Closing:

- (a) **Purchaser's Certificates:** the Purchaser's certificate and indemnity setting out that each of the Purchaser's representations and warranties contained in this Agreement are true as at Closing and, if applicable, the Purchaser's certificate described in Subsection 27(b) hereof;
- (b) **HST Indemnity:** the indemnity provided for under Subsection 27(c) hereof;
- (c) **Direction re Title:** a direction re title to confirm the name in which title to the Purchased Assets will be taken, provided that such direction must be provided to the Vendor no less than 7 days before the hearing date for the motion to obtain the Approval and Vesting Order;
- (d) **Balance Due at Closing:** the balance of the Purchase Price described in Subsection 5(c) hereof;
- (e) **Application for Vesting Order(s):** the Purchaser's Solicitors will prepare the application for vesting order in Teraview in accordance with the Purchaser's direction re title; and
- (f) **Further Documentation:** any other documentation relative to the completion of this Agreement as may reasonably be required by the Vendor or its solicitors.



24. DOCUMENTATION PREPARATION AND REGISTRATION

The Vendor shall prepare or cause to be prepared all documentation described in Sections 22 and 23 hereof and shall deliver draft documentation to the Purchaser not less than three (3) Business Days prior to Closing. Except as otherwise expressly provided in this Agreement, all such documentation shall be in form and substance satisfactory to the Vendor and the Purchaser, acting reasonably. The Purchaser shall be responsible for and pay all registration costs incurred in connection with the Transaction. Except as otherwise expressly provided in this Agreement, each of the Vendor and the Purchaser shall be responsible for and pay all legal and other professional/consultant fees and disbursements incurred by it, directly or indirectly, in connection with this Agreement.

25. TERMINATION

If the Purchaser fails to complete the Transaction in accordance with the terms of this Agreement, then the Vendor may by notice to the Purchaser elect to treat the Agreement as having been repudiated by the Purchaser. In that event, the Deposits and any other payments made by the Purchaser shall be forfeited to the Vendor subject to and in accordance with the provisions of Section 6(c) hereof.

26. LAND TRANSFER TAXES AND RETAIL SALES TAXES

The Purchaser shall pay all land transfer taxes (as required pursuant to the *Land Transfer Tax Act* (Ontario)) and, if applicable, all retail sales taxes (as required pursuant to the *Retail Sales Tax Act* (Ontario)) payable in connection with the transfer of the Purchased Assets pursuant to this Agreement.

27. HARMONIZED SALES TAX

- (a) **Application of HST to this Agreement:** The Purchaser acknowledges and agrees that the transaction contemplated hereunder shall be subject to the goods and services tax and harmonized sales tax ("HST") levied pursuant to the Act and that HST shall be in addition to and not included in the Purchase Price and shall be collected and remitted in accordance with the Act.
- (b) **Self-Assessment:** If:
 - (i) the Vendor is a non-resident of Canada or the Vendor would be a non-resident of Canada but for Subsection 132(2) of the Act; and/or
 - (ii) the Purchaser is a "prescribed recipient" under the Act and/or is registered under the Act,

then the Purchaser shall deliver, prior to Closing, its certificate in form prescribed by the Act or, if no such form is prescribed, then in form satisfactory to the Vendor and the Vendor's Solicitors, certifying that the Purchaser shall be liable for, shall self-assess and shall remit to the appropriate Government Authority all HST



payable in respect of the transaction contemplated hereunder. If Subsection (b)(i) hereof shall be applicable, then the Purchaser's certificate shall also include certification of the Purchaser's prescription and/or registration, as the case may be, and the Purchaser's HST registration number. If the Purchaser shall fail to deliver its certificate, then the Purchaser shall tender to the Vendor, at Closing, in addition to the balance otherwise due at Closing, an amount equal to the HST that the Vendor shall be obligated to collect and remit in connection with the said transaction.

- (c) **HST Indemnity:** The Purchaser shall indemnify and save harmless the Vendor, its directors, officers, employees, agents and representatives from all claims, liabilities, penalties, interest, costs and legal and other expenses incurred, directly or indirectly, in connection with the assessment of HST payable in respect of the transaction contemplated hereunder.

28. PLANNING ACT (ONTARIO)

This Agreement shall be effective to create an interest in the Property for the Purchaser only if Part VI of the *Planning Act* (Ontario) is complied with prior to Closing or if a Court orders the completion of the Transaction notwithstanding what would otherwise be non-compliance with Part VI of the *Planning Act* (Ontario).

29. NOTICE

Any notice given hereunder shall be in writing and delivered or communicated by telecopier machine or e-mail to:

in the case of the Purchaser at:

Bridlepath Capital Corporation
1280 Finch Avenue West, Suite 611
Toronto, ON M3J 3K6

Fax: (416) 739-9996

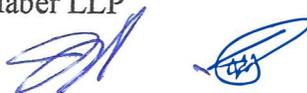
Attn: Shafiq Punjani
Email: spunjani@bridlepathproperties.com

and City Core Consortia Limited
2250 Bovaird Drive E., Suite 115
Brampton, ON L6R 0W3

Attn: Jack Pong
Email: Jack@citycoredevelopment.com

with a copy to the Purchaser's Solicitors:

Goldman, Sloan, Nash & Haber LLP



480 University Ave
Suite 1600,
Toronto, Ontario M5G 1V2

Fax: 416-597-3370
Attention: Rodney Ikeda
Email: ikeda@gsnh.com

and in the case of the Vendor at:

KSV Kofman Inc.
150 King Street West
Suite 2308, Box 42
Toronto, ON M5H 1J9

Fax: 416 932 6266
Attention: Noah Goldstein
Email: ngoldstein@ksvadvisory.com

with a copy to the Vendor's Solicitors:

Chaitons LLP
5000 Yonge Street, 10th Floor
Toronto ON M2N 7E9

Fax: 416-218-1837
Attention: Sam Rappos
Email: samr@chaitons.com

Such notice shall be deemed to have been delivered upon delivery or communicated upon transmission unless such notice is delivered or transmitted outside of usual business hours, in which event the notice shall be deemed to have been delivered or transmitted on the next Business Day. A party may change its address and/or telecopier machine number by providing notice in accordance with this Section 29.

30. WAIVER OF CONDITIONS

Except as otherwise provided in this Agreement, all conditions contained herein have been inserted for the benefit of either the Vendor or the Purchaser, as indicated, and are conditions of the obligations of such party to complete the transaction contemplated hereunder at Closing and are not conditions precedent of this Agreement. Any one or more of the said conditions may be waived, in writing, in whole or in part, by the benefiting party without prejudice to the benefiting party's right of termination in the event of the non-fulfilment of any other condition, and, if so waived, this Agreement shall be read exclusive of the said condition or conditions so waived. For greater certainty, the closing of the Transaction by a party hereof shall be deemed to be a waiver by such party of compliance with any condition inserted for its benefit and not satisfied at Closing.



31. SEVERABILITY

If any provision contained in this Agreement or the application thereof to any Person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement and the application of such provision to Persons or circumstances other than those to whom/which it is held invalid or unenforceable, shall not be affected thereby and each provision contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

32. DIVISION/HEADINGS

The division of this Agreement into Sections, Subsections, Paragraphs and Subparagraphs and the insertion of headings or captions are for convenience of reference only and shall not affect the construction or interpretation of this Agreement or any part hereof.

33. ENTIRE AGREEMENT

This Agreement and the schedules attached hereto constitute the entire agreement between the Vendor and the Purchaser in respect of the Purchased Assets. Each of the parties acknowledges that, except as contained in this Agreement, there is no representation, warranty, collateral agreement or condition (whether a direct or collateral condition or an express or implied condition) which induced it to enter into this Agreement. Each of the parties agrees that all provisions of this Agreement, and all provisions of any and all documents and security delivered in connection herewith, shall not merge and except where otherwise expressly stipulated herein, shall survive the closing of the transactions contemplated by this Agreement.

34. CUMULATIVE REMEDIES

No remedy conferred upon or reserved to one or both of the parties hereto is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy conferred upon or reserved hereunder, whether such remedy shall be existing or hereafter existing, and whether such remedy shall become available under common law, equity or statute.

35. INTERPRETATION

This Agreement shall be read with all changes of gender and number as required by the context.

36. REFERENCES TO STATUTES

Except as otherwise provided in this Agreement, references to any statute herein shall be deemed to be a reference to such statute and any and all regulations from time to time promulgated thereunder and to such statute and regulations as amended or re-enacted from time to time. Any reference herein to a specific section or sections, paragraph or paragraphs and/or clause or clauses of any statute or regulations promulgated thereunder shall be deemed to include a reference to any corresponding provision of future law.



37. TIME OF ESSENCE

Time shall in all respects be of the essence hereof provided that the time for the doing or completing of any matter referred to herein may be extended or abridged by an agreement, in writing, executed by the Vendor and the Purchaser or their respective solicitors who are hereby expressly appointed for that purpose.

38. CANADIAN FUNDS

All references to dollar amounts contained in this Agreement shall be deemed to refer to Canadian funds.

39. TENDER

Any tender of notices, documents and/or monies hereunder may be made upon the Vendor or the Purchaser or their respective solicitors. Monies may be tendered by a negotiable cheque certified or bank draft drawn on or issued by a Canadian chartered bank.

40. FURTHER ASSURANCES

Except as otherwise expressed herein to the contrary, each party shall, without receiving additional consideration therefor, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, in order to carry out the purpose and intent of this Agreement.

41. CONFIDENTIALITY

The Purchaser agrees that all information and documents supplied by the Vendor or anyone on its behalf to the Purchaser or anyone on the Purchaser's behalf (including but not limited to information in the schedules hereto) shall, unless and until Closing occurs, be received and kept by the Purchaser and anyone acting on the Purchaser's behalf on a confidential basis and, without the Vendor's prior written consent shall not be disclosed to any third party. If for any reason Closing does not occur, all such documents shall forthwith be returned intact to the Vendor and no copies or details thereof shall be retained by the Purchaser or anyone acting on its behalf. The Purchaser and Vendor further agree that unless and until the terms of this Agreement become public knowledge in connection with an application to the Court, the Purchaser shall keep such terms confidential and shall not disclose them to anyone except the Purchaser's solicitors, agents or lenders acting in connection herewith and then only on the basis that such Persons also keep such terms confidential as aforesaid.

42. NON-BUSINESS DAYS

In the event that any date specified, or any date contemplated in this Agreement shall fall upon a day other than a Business Day, then such date shall be deemed to be the next following Business Day.



43. GOVERNING LAWS

This Agreement has been executed in the Province of Ontario and, for all purposes, shall be construed in accordance with and governed by the laws in effect within the Province of Ontario.

44. ASSIGNMENT

No party may assign its rights or obligations under this Agreement without the prior written consent of the other party. Notwithstanding the foregoing, the Purchaser shall have the right, until five (5) Business Days prior to the granting of the Approval and Vesting Order, upon written notice to the Vendor's Solicitors, to assign, in whole or part, its rights to acquire the Purchased Assets hereunder to any company or companies affiliated (as that term is defined in the Ontario *Business Corporations Act*) with the Purchaser, at which time Purchaser shall be released from its obligations under this Agreement. The Vendor acknowledges that Purchaser is entering into this Agreement solely on behalf of a company to be incorporated and not in their personal or corporate capacity and without personal or corporate liability.

45. VENDOR'S CAPACITY

It is acknowledged by the Purchaser that the Vendor is entering into this Agreement solely in its capacity as Court-Appointed Receiver of 9265988 Canada Corp. and that the Vendor shall have no personal or corporate liability under or as a result of this Agreement. Any claim against the Vendor shall be limited to and only enforceable against the property and assets then held by or available to it in its capacity as Receiver of 9265988 Canada Corp. and shall not apply to its personal property and other assets held by it in any other capacity. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Property.

46. SUCCESSORS AND ASSIGNS

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

47. COUNTERPARTS AND ELECTRONIC TRANSMISSION

This Agreement may be executed in any number of original counterparts, with the same effect as if all the parties had signed the same document, and will become effective when one or more counterparts have been signed by all of the parties and delivered to each of the other parties. All counterparts will be construed together and evidence only one agreement, which, notwithstanding the dates of execution of any counterparts, will be deemed to be dated the reference date set out above and accepted on the date of the last signature, and only one of which need be produced for any purpose. This Agreement may further be executed and transmitted by telecopier or electronic transmission and, if so executed and transmitted, this Agreement will for all purposes be as effective as if the parties had delivered an executed original Agreement.

[remainder of this page intentionally left blank]



DATED as of the date first written above.

BRIDLEPATH CAPITAL CORPORATION and CITY CORE CONSORTIA LIMITED; solely on behalf of a company to be incorporated and not in their personal or corporate capacity and without personal or corporate liability

Per: 
Name: Shafiq Purjani
Title: Authorized Signing Officer for Bridlepath Capital Corporation

I have authority to bind the Corporation.

Per: 
Name: Jack Pong
Title: Authorized Signing Authority for City Core Consortia Limited

I have authority to bind the Corporation.

The Vendor hereby accepts this offer to purchase and agrees with the Purchaser to duly complete the transaction contemplated thereunder, subject to the conditions stated above.

DATED at Toronto, Ontario this _____ day of _____, 2020.

KSV KOFMAN INC., solely in its capacity as Court-appointed Receiver of 9265988 Canada Corp. and not in its personal or corporate capacity and without personal or corporate liability

Per: _____
Name: Noah Goldstein
Title: Managing Director

I have authority to bind the Receiver and the Receiver has authority to bind the Corporation.



SCHEDULE "A"

PROPERTY

PIN 03196 - 0037 LT
Description LT 16 PL 136 KING EXCEPT PT 11 EXPROP PL B87881B; RICHMOND HILL
Address 235 KING RD
RICHMOND HILL

PIN 03196 - 0038 LT
Description LT 15 PL 136 KING EXCEPT PT 10 EXPROP PL B87881B; RICHMOND HILL
Address 227 KING RD
RICHMOND HILL

PIN 03196 - 0039 LT
Description PT LT 13 PL 136 KING; PT LT 14 PL 136 KING AS IN R533264; TOWN OF
RICHMOND HILL
Address KING ROAD
RICHMOND HILL



SCHEDULE "B"**PERMITTED ENCUMBRANCES**

1. Any reservations, restrictions, rights of way, easements or covenants that run with the Property.
2. Any registered agreements with a municipality or a supplier of utility service including, without limitation, electricity, water, sewage, gas, telephone or cable television or other telecommunication service.
3. All laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the Property.
4. Any minor easements for the supply of utility service to the Property or adjacent properties.
5. Encroachments disclosed by any errors or omissions in existing surveys of the Property or neighbouring properties and any title defect, encroachment or breach of a zoning or building by-law or any other applicable law, by-law or regulation which might be disclosed by a more up-to-date survey of the Property and survey matters generally.
6. Any unregistered leases to tenants or other rights of occupation of tenants in possession of any part of the Property.
7. The exceptions and qualifications set forth in the *Land Titles Act* (Ontario).
8. The reservations contained in the original grant from the Crown.



AMENDING AGREEMENT

RE: Bridlepath Capital Corporation and City Core Consortia Limited on behalf of a company to be incorporated and not in their personal or corporate capacity and without personal or corporate liability (collectively, the "Purchaser") purchase from KSV Kofman Inc., solely in its capacity as Court-appointed receiver of 9265988 Canada Corp., and not in its personal or corporate capacity and without personal or corporate liability (the "Vendor") of those lands municipally known as 201, 227 and 235 King Road, Richmond Hill, Ontario and legally described in PINs 03196-0039 (LT), 03196-0038 (LT) and 03196-0037 (LT), respectively (collectively, the "Property"), pursuant to an agreement of purchase and sale dated as of the 30th day of April, 2020, as amended from time to time (collectively, the "Purchase Agreement")

DATED: July 28, 2020

All capitalized terms used and not otherwise defined herein shall have the meanings ascribed to the terms in the Purchase Agreement. In consideration of the sum of Two (\$2.00) Dollars now paid by each of the parties hereto to the other and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by each of them), the parties hereto hereby agree to amend the Purchase Agreement as follows:

1. The Purchaser hereby irrevocably waives the conditions set out in Section 19 of the Purchase Agreement. The foregoing waiver shall be binding upon the Purchaser and their respective successors and assigns.
2. Section 5 of the Purchase Agreement is hereby amended by deleting it in its entirety and replacing it as follows:

5. METHOD OF PAYMENT

The Purchase Price shall be paid, accounted for and satisfied as follows.

- (a) **Deposit:** A new deposit equal to [REDACTED] (the "Deposit") to be paid to the Vendor's Solicitors, in trust, the receipt of which is hereby acknowledged by the Vendor by bank draft on the 28th day of July, 2020. The Deposit will be held by the Vendor's Solicitors' until completion or termination of this Agreement. The Vendor's Solicitors' shall place the Deposit in an interest bearing account and the interest earned thereon shall be accounted for as provided for in this Agreement.
- (b) **Balance Due at Closing:** The balance of the Purchase Price, subject to the adjustments contemplated in this Agreement, by payment at Closing to the Vendor or to the order of the Vendor.

The Deposit and the balance due on Closing shall be paid, at the option of the Vendor, by way of certified cheque, bank draft or wire drawn on or issued by a Canadian chartered bank.

The Vendor and the Purchaser acknowledge and agree that they shall each make their own allocations of the Purchase Price between the Purchased Assets for the purposes of the *Income Tax Act* (Canada) and any filings in accordance with the provisions thereof.

3. Section 6 of the Purchase Agreement is hereby amended by deleting it in its entirety and replacing it as follows:

6. DEPOSIT

The Deposit shall be held in trust by the Vendor's Solicitors and shall be:

- (a) credited to the Purchaser, together with any interest earned thereon, as an adjustment against the Purchase Price on the Closing Date if the Transaction is completed;
- (b) refunded to the Purchaser, together with any interest earned thereon, without deduction if the Transaction is not completed, provided that the Purchaser is not in default (i) hereunder and/or (ii) in respect of any of the conditions set out in the commitment letter dated 18 June 2020 or any amendments thereto (the "**Commitment Letter**") issued by MarshallZehr Group Inc. ("**MarshallZehr**") to the Purchaser in connection with financing the Purchaser's acquisition of the Purchased Assets; and
- (c) retained by the Vendor, together with any interest earned thereon, as a genuine pre-estimate of liquidated damages and not as a penalty, in addition to any other rights and remedies that the Vendor may have under this Agreement and at law, including offering the Purchased Assets for sale to another Person, if the Transaction is not completed as a result of the Purchaser's default (i) hereunder and/or (ii) in respect of the Commitment Letter.

The deposits previously paid to the Vendor's Solicitors in the sum of [REDACTED] shall be refunded forthwith, together with all interest earned thereon, to the order of Bridlepath Capital Corporation.

It shall be further understood and agreed that the [REDACTED] has been paid by City Core Consortia Limited and if it shall be returned to the Purchaser it shall be paid directly to City Core Consortia Limited.

- 4. Provided that the Purchaser is not in default in respect of any of the conditions set out in the Commitment Letter, the Purchaser shall not be obliged to complete the transaction contemplated hereunder unless financing is provided by MarshallZehr pursuant to the Commitment Letter.
- 5. The Vendor agrees that it shall pay the Purchaser's real estate brokerage, RE/MAX Champions Realty Inc. a commission in the amount equal to **half (0.5) %** of the Purchase Price on the closing of the Transaction.
- 6. The parties confirm that in all other respects, the terms, covenants and conditions of the Purchase Agreement remain unchanged and in full force and effect, except as modified by this Amending Agreement, and time shall remain of the essence.
- 7. This Amending Agreement is supplemental to and shall be read with and be deemed to be part of the Purchase Agreement which shall be deemed to be amended *mutatis mutandis* as herein provided. Any reference to the Purchase Agreement and any agreements or documents entered into in connection with the same shall mean the Purchase Agreement as amended hereby and all such agreements and documents are also hereby amended *pro tanto* to give effect to this Amending Agreement.



- 8. This Amending Agreement may be executed in any number of separate counterparts by any one or more of the parties thereto, and all of said counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of this Amending Agreement or any other present or future agreement between the parties hereto by telecopier, PDF or by other electronic means shall be as effective as delivery of a manually executed counterparts.
- 9. All the terms and conditions of the Purchase Agreement are confirmed and ratified in all respects, shall survive and shall not merge with or be extinguished by the execution and delivery of this Amending Agreement and shall hereafter continue in full force and effect, as amended.
- 10. The Purchaser agrees that it will execute such further assurances with respect to this Amending Agreement and the Purchase Agreement as may be required to evidence the true intent and meaning of this Amending Agreement.
- 11. This Amending Agreement shall be binding upon and ensure to the benefit of the parties hereto and their respective successors and permitted assigns.
- 12. This Amending Agreement shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable herein.

DATED as date first written above.

BRIDLEPATH CAPITAL CORPORATION

Per: 
 Name: Shafiq Punjani
 Title: Authorized Signing Officer

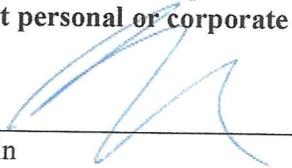
I have the authority to bind the Corporation.

CITY CORE CONSORTIA LIMITED

Per: 
 Name: Jack Pong
 Title: Authorized Signing Officer

I have the authority to bind the Corporation.

**KSV KOFMAN INC., solely in its capacity as
 Court-appointed Receiver of 9265988 Canada
 Corp. and not in its personal or corporate
 capacity and without personal or corporate
 liability**

Per: 
 Name: Noah Goldstein
 Title: Managing Director

I have authority to bind the Receiver and the Receiver has authority to bind the Corporation.

Appendix “E”

COURT FILE NO.: CV-20-00635650-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

MARSHALLZEHR GROUP INC. AS ADMINISTRATOR

APPLICANT

- AND -

9265988 CANADA CORP.

RESPONDENT

AFFIDAVIT OF NOAH GOLDSTEIN
(SWORN AUGUST 5, 2020)

I, Noah Goldstein, of the City of Toronto, in the Province of Ontario, MAKE OATH AND
SAY:

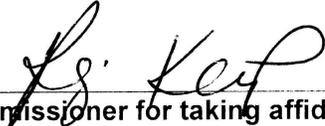
1. I am a Vice President and Managing Director of KSV Kofman Inc. (“KSV”).
2. Pursuant to an order (the “Receivership Order”) of the Ontario Superior Court of Justice (Commercial List) (the “Court”) made on February 12, 2020, KSV was appointed as the receiver and manager (“Receiver”) of 9265988 Canada Corp.
3. I have been integrally involved in this mandate since the date of the Receivership Order. As such, I have knowledge of the matters to which I hereinafter depose.
4. On August 5, 2020, the Receiver finalized its Second Report to Court in which it provided a summary of the Receiver’s fees for the period from the commencement of the receivership to July 31, 2020.

5. I hereby confirm that attached as Exhibit "A" hereto is a true copy of the accounts of KSV for the period indicated and confirm that these accounts accurately reflect the services provided by KSV in this matter and the fees and disbursements claimed by it.

6. Additionally, attached hereto as Exhibit "B" is a summary of roles, hours and rates charged by members of KSV who have worked on this matter, and I hereby confirm that the list represents an accurate account of such information.

7. I consider the accounts to be fair and reasonable considering the circumstances connected with this matter.

8. I also confirm that the Receiver has not received, nor expects to receive, nor has the Receiver been promised any remuneration or consideration other than the amounts claimed in the accounts.

SWORN BEFORE ME at the City of)
Toronto, in the Province of Ontario, this 5th)
day of August 2020)
)
)
)
_____)
Commissioner for taking affidavits, etc.)
)



NOAH GOLDSTEIN

Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Kofman Inc.
Expires January 22, 2021.

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF NOAH GOLDSTEIN
SWORN BEFORE ME THIS 5th DAY OF AUGUST 2020

A handwritten signature in black ink, appearing to read 'Rajinder Kashyap', written over a horizontal line.

A Commissioner for taking Affidavits, etc.

Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Kofman Inc.
Expires January 22, 2021.



ksv advisory inc.

150 King Street West, Suite 201
Toronto, Ontario, M5H 1J9
T +1 416 932 6262
F +1 416 932 6266

ksvadvisory.com

INVOICE

MarshallZehr Group Inc.
465 Phillip St., Suite 206
Waterloo, ON N2L 6C7

April 10, 2020

Invoice No: 1635
HST #: 818808768 RT0001

Re: 9265988 Canada Corp. (the “Company”)

To professional services rendered for the period ending March 31, 2020 by KSV Kofman Inc. in its capacity as receiver (the “Receiver”) of the Company, including:

Background Information

- reviewing background information regarding the Company, including:
 - Commitment Letter with Vector Financial Services Limited dated April 19, 2018;
 - Mortgage Participation Agreement dated June 11, 2018;
 - Status Letter prepared by Evans Planning Inc. (“Evans Planning”) dated November 20, 2019; and
 - Site Plan Approval Submission Package dated February 4, 2020;
- Reviewing background information on the Company’s property located at 201, 227 and 235 King Road, Richmond Hill, Ontario (the “Property”), including:
 - architectural plans;
 - environmental reports;
 - hydrogeology reports; and
 - landscaping plans;

General Receivership Activities

- reviewing the receivership application materials of MarshallZehr Group Inc. (“MarshallZehr”), including the Affidavit of Murray Snedden and the draft Receivership Order;

- corresponding with Issac Olowolafe, the principal of the Company, to request the Company's books and records;
- preparing an email on February 21, 2020 to Ocean Breeze Homes, a business partner of Mr. Olowolafe, to notify them of the receivership proceedings;
- preparing a letter to Dream Insurance Brokers Inc. ("Dream Insurance") dated February 24, 2020 to arrange for the Receiver to be added to the Company's insurance policies;
- attending a call on February 24, 2020 with Dream Insurance in relation to the Company's insurance policies;
- drafting and sending to all known creditors the Notice and Statement of the Receiver pursuant to Sections 245(1) and 246(1) of the Bankruptcy and Insolvency Act;
- Arranging for DLA Piper Canada LLP to prepare a security opinion on MarshallZehr's security;

Planning Approval

- sending an email to Evans Planning on February 12, 2020 to notify them of the receivership proceedings;
- attending calls on February 12, 18, 20 and 25, 2020 with Evans Planning regarding site plan approval and bylaw zoning matters;
- engaging Goodmans LLP ("Goodmans") to assist with obtaining a final zoning bylaw order and corresponding with Goodmans regarding same;
- reviewing comments issued by the City of Richmond Hill on the draft zoning bylaws;
- preparing an email dated February 21, 2020 to the Community Planning and Development Services of the Regional Municipality of York to advise of the Receivership proceedings;
- corresponding regularly with MarshallZehr regarding the planning process;
- reviewing the Final Order dated March 18, 2020 approving the zoning bylaws;

Sale Process

- preparing a request for proposals to select a realtor;
- reviewing and summarizing the proposals submitted by the realtors and discussing same with MarshallZehr;
- attending a call on February 26, 2020 with MarshallZehr and CBRE Limited ("CBRE") to obtain more information regarding CBRE's proposal;
- attending a call on February 27, 2020 with JLL Inc. and MarshallZehr to obtain more information regarding CBRE's proposal;
- attending calls on February 27 and 28, 2020 with MarshallZehr to discuss proposed realtor fee structures and to finalize the selection of a realtor;

- Negotiating the Listing Agreement with CBRE dated March 5, 2020;
- preparing the First Report of the Receiver dated March 5, 2020 to recommend, inter alia, the approval of a sale process;
- reviewing sales materials prepared by CBRE including:
 - confidentiality agreement;
 - marketing teaser;
 - marketing brochure;
 - advertisement;
 - data room; and
 - confidential information memorandum;
- reviewing a draft asset purchase agreement prepared by Chaitons LLP (“Chaitons”), legal counsel to the Receiver, and providing same to CBRE;
- attending to a call on March 18, 2020 with CBRE and Soil Engineers Ltd. regarding environmental assessment reports;
- reviewing weekly reporting letters prepared by CBRE dated March 19 and 27, 2020;
- attending weekly status calls with CBRE and MarshallZehr on March 23 and 30, 2020;

Other

- updating MarshallZehr regularly regarding the status of the receivership proceedings;
- corresponding with Chaitons throughout the period; and
- to all other meetings, correspondence, etc. pertaining to this matter.

| | | |
|---|----|-------------------------|
| Total professional fees and disbursements | \$ | 29,723.37 |
| HST | | 3,864.04 |
| Total due | \$ | <u><u>33,587.41</u></u> |

KSV Kofman Inc.
 Receivership of 9265988 Canada Corp.

Time Summary

For the period ending March 31, 2020

| Personnel | Rate (\$) | Hours | Amount (\$) |
|--------------------------------|------------------|--------------|--------------------|
| Robert Kofman | 725 | 1.55 | 1,123.75 |
| Noah Goldstein | 625 | 29.00 | 18,125.00 |
| Esther Mann | 450 | 33.00 | 14,850.00 |
| Other staff and administration | | 3.60 | 591.50 |
| Total Fees | | 67.15 | 34,690.25 |
| Out of Pocket Disbursements | | | 33.12 |
| Total | | | 34,723.37 |
| Discount | | | (5,000.00) |
| Invoice Amount | | | <u>29,723.37</u> |

**ksv advisory inc.**

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1A6

T +1 416 932 6262

F +1 416 932 6266

ksvadvisory.com

INVOICE

MarshallZehr Group Inc.
465 Phillip St., Suite 206
Waterloo, ON N2L 6C7

August 5, 2020

Invoice No: 1787

HST #: 818808768 RT0001

Re: 9265988 Canada Corp. (the "Company")

To professional services rendered for the period from April 1, 2020 to July 31, 2020 by KSV Kofman Inc. in its capacity as receiver (the "Receiver") of the Company, including:

Background Information

- corresponding with Chaitons LLP ("Chaitons"), the Receiver's legal counsel, concerning all matters in connection with the receivership proceedings;
- corresponding regularly with MarshallZehr Group Inc. (the "Administrator"), as administrator to various lenders under a syndicated mortgage (the "Mortgage") on the Company's property located at 201, 227 and 235 King Road, Richmond Hill, Ontario (the "Property");
- corresponding with Tert & Ross, a contractor, to arrange for a gate on the Property;
- corresponding with Borden Ladner Gervais LLP, counsel to Trisura Guarantee Insurance Company, regarding agreements of purchase and sale entered into prior to the receivership proceedings;
- reviewing a security opinion issued by DLA Piper Canada LLP, conflict counsel to the Receiver;

Sale Process Activities

- corresponding regularly with CBRE Limited ("CBRE") regarding the sale process (the "Sale Process") for the Property;
- corresponding with CBRE and the Administrator regarding the COVID-19 pandemic and the impact on the Sale Process;
- reviewing reporting letters issued by CBRE regarding the Sale Process, including on April 3, 9 and 17, 2020 and discussing same with the Administrator;
- attending calls with CBRE to discuss the interest in the Property, including on April 3, 6, 8, 10, 14, 16, 20 and 24, 2020;

- reviewing offers received by CBRE on April 21, 2020;
- attending several calls on April 22, 2020 with the Administrator and CBRE to discuss next steps in the Sale Process;
- corresponding extensively with representatives of Bridlepath Properties Ltd. and City Core Consortia Limited (jointly the “Purchaser”), including calls and emails on April 22, 23, 24, 27, 30, 2020, May 1, 4, 5, 8, 14, 19, 2020, June 1, 3, 5, 17 and 23, 2020 and July 2, 7, 8, 20, 22, 24, 28 and 30, 2020;
- corresponding regularly with the Administrator regarding the Sale Process, including on April 24, 25, 28 and 29, 2020, May 4, 9, 14, 19, 20, 21, 22 and 29, 2020, June 1, 3, 4, 9, 10, 23 and 25, 2020 and July 2, 6, 7, 21, 22, 23, 28, 29 and 30, 2020;
- negotiating an agreement of purchase and sale (the “APS”) with the Purchaser;
- finalizing and executing the APS on May 1, 2020;
- reviewing financing proposals provided by the Purchaser;
- negotiating and finalizing several amendments to extend the Purchaser’s financing condition;
- dealing with the Purchaser’s request for a commission payment to its realtor and corresponding with the Administrator and Chaitons regarding same;
- negotiating and finalizing a waiver of the financing condition to the APS;
- providing CBRE with regular updates on the status of the APS, including on May 5, 19 and 29, 2020, June 12, 16 and 17, 2020 and July 14 and 28, 2020;
- corresponding with Macdonald Sager Manis LLP (“MSM”), counsel to Isaac Olowolafe, the principal of the Company, regarding an offer to redeem the Mortgage;
- reviewing several offers submitted by Mr. Olowolafe and discussing same with Chaitons and the Administrator;
- conducting diligence on the prospective lender in connection with Mr. Olowolafe’s offer to redeem the Mortgage;
- reviewing and commenting on a letter dated April 28, 2020 prepared by Chaitons to MSM;
- corresponding with several parties that submitted offers in the Sale Process to advise their bids had not been accepted;
- reviewing and commenting on updates sent to members of the Administrator’s syndicate;
- corresponding with WeirFoulds LLP, counsel to 9439676 Canada Inc., 10855278 Canada Inc. and 2592536 Ontario Inc., secured lenders to the company, regarding the status of the Sale Process;
- Preparing the Second Report of the Receiver to, *inter alia*, approve the APS;

- to all other meetings, correspondence, etc. pertaining to this matter.

| | | |
|---|----|------------------|
| Total professional fees and disbursements | \$ | 39,730.34 |
| HST | | 5,164.94 |
| Total due | \$ | <u>44,895.28</u> |

KSV Kofman Inc.
Receivership of 9265988 Canada Corp.

Time Summary

For the period from April 1, 2020 to July 31, 2020

| Personnel | Rate (\$) | Hours | Amount (\$) |
|--------------------------------|------------------|--------------|--------------------|
| Noah Goldstein | 625 | 55.20 | 34,500.00 |
| Esther Mann | 450 | 9.00 | 4,050.00 |
| Other staff and administration | | 1.50 | 1,087.50 |
| Total Fees | | 65.70 | 39,637.50 |
| Out of Pocket Disbursements | | | 92.84 |
| Total | | | <u>39,730.34</u> |

THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF NOAH GOLDSTEIN
SWORN BEFORE ME THIS 5th DAY OF AUGUST, 2020



A Commissioner for taking Affidavits, etc.

**Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Kofman Inc.
Expires January 22, 2021.**

9265988 Canada Corp.

Schedule of Professionals' Time and Rates

For the Period from the commencement of the proceedings to July 31, 2020

| Personnel | Title | Duties | Hours | Billing Rate (\$ per hour) | Amount (\$) |
|--------------------------------|-------------------|------------------------|-------|-------------------------------|-------------------|
| Noah Goldstein | Managing Director | Overall responsibility | 84.20 | 625 | 52,625.00 |
| Esther Mann | Associate | Sale Process | 42.00 | 450 | 18,900.00 |
| Other staff and administrative | | | 6.65 | 125-725 | 2,802.75 |
| Total fees | | | | | <u>74,327.75</u> |
| Discount | | | | | <u>(5,000.00)</u> |
| Total | | | | | <u>69,327.75</u> |
| Total hours | | | | | 132.85 |
| Average hourly rate | | | | | \$ 521.85 |

Appendix “F”

Court File No. CV-20-00635650-0000

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

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

9265988 CANADA CORP.

Respondent

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

AFFIDAVIT OF SAM RAPPOS
(sworn August 4, 2020)

I, **SAM RAPPOS**, of the City of Markham, in the Province of Ontario **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a partner with the law firm of Chaitons LLP ("**Chaitons**"), lawyers for KSV Kofman Inc. in its capacity as receiver without security, of all of the assets, undertakings and properties of 9265988 Canada Corp. (the "**Receiver**"), and as such have knowledge of the matters to which I hereinafter depose.

2. Attached hereto as the following exhibits are copies of the following accounts issued by Chaitons to the Receiver totalling \$33,817.81 (comprised of fees of \$29,148.00, disbursements of \$841.40 and HST of \$3,828.41) with respect to this proceeding:

Exhibit "A" - Account for the period up to and including April 30, 2020;

Exhibit "B" - Account for the period up to and including May 31, 2020;

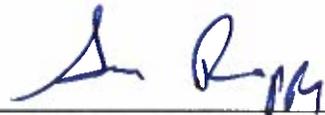
Exhibit "C" - Account for the period up to and including July 31, 2020.

3. I confirm that the accounts described above accurately reflect the services provided by Chaitons in this matter and the fees and disbursements claimed by it from February 26, 2020 to July 31, 2020.

4. Attached hereto as **Exhibit "D"** is a summary of additional information with respect to Chaitons' accounts, indicating all members of Chaitons who have worked on this matter, their year of call to the bar, total time charged and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

SWORN before me at the City)
of Toronto, this 4th)
day of August 2020)
)





SAM RAPPOS

A Commissioner For Taking Affidavits, etc.

Antoinette DePinto, a Commissioner, etc.,
Province of Ontario, for Chaitons LLP,
Barristers and Solicitors.
Expires September 10, 2020.

**THIS IS EXHIBIT "A" TO
THE AFFIDAVIT OF SAM RAPPOS
SWORN BEFORE ME THIS 4TH
DAY OF AUGUST, 2020**

A handwritten signature in blue ink, appearing to be "A. J. R.", is written above a horizontal line.

A Commissioner Etc.



INVOICE NUMBER: 276206

April 30, 2020

KSV KOFMAN INC.
150 KING ST. WEST, SUITE 2308
TORONTO, ONTARIO, M5H 1J9

**Re: 201 KING ROAD, RICHMOND HILL, ON
Our file: 007246-64987**

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including April 30, 2020:

| | | |
|--------------------------|-------------|--------------------|
| PROFESSIONAL FEES | | |
| SUBJECT TO HST | \$19,396.50 | |
| SUB-TOTAL | | \$19,396.50 |
| DISBURSEMENTS | | |
| NON TAXABLE | \$490.10 | |
| SUBJECT TO HST | \$301.30 | |
| SUB-TOTAL | | \$791.40 |
| HST at 13.00% | | \$2,560.71 |
| GRAND TOTAL | | \$22,748.61 |

| | |
|--|---------------------------|
| Amount payable on the current invoice | \$22,748.61 |
| Plus outstanding invoices on this matter | \$20,208.24 |
| Amount Due | <u>\$42,956.85</u> |
| Trust Balance | |

HST No R124110933

INVOICE NUMBER: 276206

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

PROFESSIONAL FEES:

- Feb 26, 20 Reviewed and drafted correspondence;
- Feb 27, 20 Reviewed and drafted correspondence;
- Mar 5, 20 Reviewed and revised listing agreement; reviewed and revised report; drafted notice of motion and order; updated service list and attended to matters related to service of motion record; reviewed and drafted correspondence;
- Mar 10, 20 Reviewed and drafted correspondence;
- Mar 11, 20 Discussed matters with lawyers for second mortgagee; finalized court orders; reviewed and drafted correspondence regarding motion and potential payout; discussed matters with Receiver;
- Mar 12, 20 Attended before Commercial List Court to obtain court order; discussed matters with Receiver; discussed matters with counsel to borrower; reviewed and drafted correspondence;
- Mar 13, 20 Reviewed and drafted correspondence;
- Mar 16, 20 Reviewed and drafted correspondence regarding payout statement; reviewed and drafted correspondence regarding status of zoning on property;
- Mar 18, 20 Reviewed and drafted correspondence regarding request from second mortgagees;
- Mar 19, 20 Reviewed and drafted correspondence;
- Mar 23, 20 Discussed matters with counsel to debtor and reviewed and drafted correspondence regarding same;
- Mar 26, 20 Drafted form of Agreement of Purchase and Sale and drafted correspondence regarding same;
- Mar 30, 20 Reviewed and drafted correspondence;
- Apr 14, 20 Reviewed and drafted correspondence;

- Apr 15, 20 Discussed matters with Receiver and with counsel to debtor; reviewed and drafted correspondence;
- Apr 17, 20 Review proposal of Jack Pong et al., telephone conference call with MZ team and N. Goldstein;
- Apr 17, 20 Reviewed and drafted correspondence; attended conference call with MarshallZehr and KSV;
- Apr 19, 20 Telephone conference call with N. Goldstein and representatives of party looking to redeem 1st mortgage and terminate receivership; telephone conference call with N. Goldstein and M. Snedden to report on discussion and obtain instructions; further telephone conference call with N. Goldstein and party wanting to redeem mortgage;
- Apr 20, 20 Reviewed commitment letter and drafted correspondence regarding same;
- Apr 21, 20 Reviewed and drafted correspondence regarding ownership of properties and changing name of owner on title to one property; reviewed correspondence regarding offers and refinancing and responded thereto;
- Apr 21, 20 To e-mail communication with S. Rappos in respect of the amalgamation of 9183 183 Canada Corp. and 9265988 Canada Corp. and the revisions required to title to the property held by 9183 183 Canada Corp.; to request a copy of the articles of amalgamation in respect thereof;
- Apr 22, 20 Review S. Punjani LOI; telephone call with M. Snedden and N. Goldstein to discuss it and next steps; telephone call with N. Goldstein; telephone conference call with N. Goldstein and S. Punjani to discuss issues with LOI and advise he is to submit offer in form provided;
- Apr 22, 20 To telephone communication with Corporations Canada in respect of the certified copy of the Articles of Amalgamation; to e-mail communication with S. Rappos and C. Singh in connection therewith;
- Apr 23, 20 Discussed matters with counsel to the debtor; reviewed commitment letter; reviewed and drafted correspondence regarding commitment letter and other matters; reviewed and drafted correspondence regarding change to name of owner on title to one of the properties;

- Apr 23, 20 To various e-mail communication with respect to the preparation and e-mail communication of the Application to Change Name Owner;
- Apr 23, 20 To receipt of instructions from A. Krancevic; to preparation of the Acknowledgement and Direction together with the Application to Change Name Owner; to e-mail communication with A. Krancevic for the review of the same; to amending the Application and e-mail communication to A. Krancevic and S. Rappos enclosing the same for execution by receiver; to updating the Application with the authorized signing officer as per signed Acknowledgement; to attending to the registration and e-mail communication to A. Krancevic and S. Rappos enclosing registered instrument;
- Apr 26, 20 Review S. Punjani offer; telephone conference call with M. Snedden and N. Goldstein with respect to offer; telephone call with A. Krancevic re proposed amendments to offer;
- Apr 26, 20 To telephone communication with H. Chaiton in respect of the blackline of the agreement or purchase and sale; to revisions thereto;
- Apr 27, 20 Review S. Punjani offer; amend offer including telephone calls and emails with A. Krancevic and R. Miller; send revised offer to N. Goldstein;
- Apr 27, 20 To review/revise revisions to purchase agreement;
- Apr 27, 20 Reviewed documents and drafted correspondence regarding payout from borrower; reviewed and drafted correspondence regarding next steps;
- Apr 27, 20 To further review of and revisions to the draft purchase agreement; to review of R. Miller's proposed comments; to further revisions thereto; to telephone communication with H. Chaiton in respect of the changes thereof;
- Apr 28, 20 Review S. Punjani offer; telephone conference call with MZ team and N. Goldstein re S. Punjani offer and Isaac redemption; review draft letter by S. Rappos to lawyer for Isaac;
- Apr 28, 20 Attended conference call with counsel to lender and borrower; attended conference call with MarshallZehr and Receiver; drafted letter to counsel to borrower; reviewed and drafted correspondence;

- Apr 28, 20 To e-mail communication with H. Chaiton in respect of the purchaser's due diligence period and the purchaser's financing condition period;
- Apr 29, 20 Telephone conference call with MZ team and N. Goldstein to discuss dealing with debtor redemption request and S. Punjani offer to purchase; review emails and telephone calls with respect to position taken by lawyer for debtor; receipt of advice from N. Goldstein that S. Punjani will agree to accept a break fee; telephone calls with A. Krancevic to amend Offer to provide for break fee in case debtor redeems mortgage; review amendment and forward to M. Goldstein and MZ;
- Apr 29, 20 Reviewed and responded to correspondence; discussed matters with MarshallZehr and Receiver; discussed matters with H. Chaiton; drafted revisions to agreement of purchase and sale;
- Apr 29, 20 To further revisions to the agreement of purchase and sale in respect of the debtor's redemption; to telephone communication with H. Chaiton and further revisions thereto; to e-mail communication to H. Chaiton enclosing the revised agreement;
- Apr 30, 20 Review revised offer from S. Punjani; telephone call with N. Goldstein; telephone conference call with N. Goldstein, S. Punjani and his lawyer R. Ikeda; telephone call with M. Forte; receipt and review revised APS; telephone call with N. Goldstein to obtain instructions;
- Apr 30, 20 Discussed matters with H. Chaiton; reviewed and drafted correspondence;
- Apr 30, 20 Reviewed and drafted correspondence;
- Apr 30, 20 To telephone communication with H. Chaiton in respect of the revisions to the agreement of purchase and sale; to revise same; to e-mail communication to H. Chaiton enclosing a clean and blackline version of same;
- To all matters of a general nature not more particularly referred to herein;

TOTAL PROFESSIONAL FEES
HST at 13.00%

\$19,396.50
2,521.55

DISBURSEMENTS:

Subject to HST:

| | |
|---|---------|
| Kap Litigation Services Taxable | \$78.00 |
| Internet Search Fee Taxable | \$29.50 |
| Teraview Charges Taxable | \$79.35 |
| Teranet Fee Taxable | \$10.85 |
| Courier and Taxi Charges Taxable | \$37.10 |
| Photocopying Charges Taxable | \$1.50 |
| Teranet Electronic Registration Fee Taxable | \$65.00 |

\$301.30

Non-Taxable:

| | |
|--|----------|
| Registration/Filing Fee(s) Non-taxable | \$385.05 |
| General Non-taxable | \$40.00 |
| Teraview Charges Non-taxable | \$49.05 |
| Government Disbursement Internet Search Non-tax. | \$16.00 |

\$490.10

TOTAL DISBURSEMENTS
HST at 13.00%

\$791.40
39.17

GRAND TOTAL

\$22,748.61

CHAITONS LLP

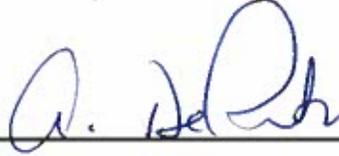


per: _____
Harvey Chaiton

LAWYERS' SUMMARY:

| Lawyers and legal assistants involved | Hourly Rate | Hours Billed | Total Billed |
|--|----------------|-----------------|-----------------|
| HARVEY G. CHAITON | \$725.00 | 7.00 | \$5,075.00 |
| ROBERT MILLER | \$685.00 | 0.60 | \$411.00 |
| SAM RAPPOS | \$540.00 | 21.20 | \$11,448.00 |
| ALEXANDRA KRANCEVIC | \$325.00 | 6.70 | \$2,177.50 |
| CAMELIA SINGH | \$190.00 | 1.50 | \$285.00 |
| Total: | | 37.00 | \$19,396.50 |

**THIS IS EXHIBIT "B" TO
THE AFFIDAVIT OF SAM RAPPOS
SWORN BEFORE ME THIS 4TH
DAY OF AUGUST, 2020**



A Commissioner Etc.

INVOICE NUMBER: 276620

June 5, 2020

KSV KOFMAN INC.
150 KING ST. WEST, SUITE 2308
TORONTO, ONTARIO, M5H 1J9

Re: 201 KING ROAD, RICHMOND HILL, ON
Our file: 007246-64987

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including May 31, 2020:

PROFESSIONAL FEES

| | | |
|--------------------|------------|-------------------|
| SUBJECT TO HST | \$3,424.00 | |
| SUB-TOTAL | | \$3,424.00 |
| HST at 13.00% | | \$445.12 |
| GRAND TOTAL | | \$3,869.12 |

| | |
|--|---------------------------|
| Amount payable on the current invoice | \$3,869.12 |
| Plus outstanding invoices on this matter | \$42,956.85 |
| Amount Due | <u>\$46,825.97</u> |
| Trust Balance | |

HST No R124110933

INVOICE NUMBER: 276620

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

PROFESSIONAL FEES:

- May 1, 20 Review proposed amendment to APS; review email from N. Goldstein and draft letter to debtor's lawyer; telephone call with S. Rappos providing my comments;
- May 1, 20 Discussed matters with H. Chaiton; drafted letter to counsel to the debtor and reviewed comments received on draft; reviewed changes to sale agreement and drafted correspondence regarding same; reviewed and drafted correspondence regarding completion of sale agreement;
- May 4, 20 Reviewed and drafted correspondence;
- May 5, 20 Reviewed correspondence;
- May 12, 20 Reviewed and drafted correspondence;
- May 13, 20 Emails with N. Goldstein re commissions;
- May 15, 20 Reviewed and drafted correspondence;
- May 19, 20 Review emails from N. Goldstein and from S. Punjani re waiver of due diligence condition; provide instructions to A. Krancevic to prepare waiver form; review and forward waiver to N. Goldstein;
- May 19, 20 Drafted correspondence regarding purchaser waiver of due diligence condition and reviewed correspondence received in response;
- May 19, 20 To preparation of waiver; to e-mail communication to H. Chaiton enclosing same;
- May 22, 20 Reviewed and drafted correspondence;
- May 28, 20 Reviewed and drafted correspondence;
- May 29, 20 Review emails from N. Goldstein re financing conditional period; email waiver form to N. Goldstein;

May 29, 20 Reviewed and drafted correspondence;
May 29, 20 To review of agreement of purchase and sale in respect of critical dates;
to e-mail communication to H. Chaiton in respect thereof; to
preparation of waiver of financing condition;
To all matters of a general nature not more particularly referred to
herein;

TOTAL PROFESSIONAL FEES **\$3,424.00**
HST at 13.00% 445.12

GRAND TOTAL **\$3,869.12**

CHAITONS LLP



per: _____
Harvey Chaiton

LAWYERS' SUMMARY:

| Lawyers and legal assistants involved | Hourly Rate | Hours Billed | Total Billed |
|---------------------------------------|-------------|--------------|--------------|
| HARVEY G. CHAITON | \$725.00 | 1.80 | \$1,305.00 |
| SAM RAPPOS | \$540.00 | 2.60 | \$1,404.00 |
| ALEXANDRA KRANCEVIC | \$325.00 | 2.20 | \$715.00 |
| Total: | | 6.60 | \$3,424.00 |

**THIS IS EXHIBIT "C" TO
THE AFFIDAVIT OF SAM RAPPOS
SWORN BEFORE ME THIS 4TH
DAY OF AUGUST, 2020**

A handwritten signature in blue ink, appearing to be "A. J. [unclear]", written over a horizontal line.

A Commissioner Etc.

INVOICE NUMBER: 277225**July 31, 2020**

KSV KOFMAN INC.
150 KING ST. WEST, SUITE 2308
TORONTO, ONTARIO, M5H 1J9

Re: 201 KING ROAD, RICHMOND HILL, ON
Our file: 007246-64987

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including July 31, 2020:

PROFESSIONAL FEES

| | | |
|----------------|------------|------------|
| SUBJECT TO HST | \$6,327.50 | |
| SUB-TOTAL | | \$6,327.50 |

DISBURSEMENTS

| | | |
|---------------|---------|----------|
| NON TAXABLE | \$50.00 | |
| SUB-TOTAL | | \$50.00 |
| HST at 13.00% | | \$822.58 |

| | | |
|--------------------|--|-------------------|
| GRAND TOTAL | | \$7,200.08 |
|--------------------|--|-------------------|

| | |
|--|---------------------------|
| Amount payable on the current invoice | \$7,200.08 |
| Plus outstanding invoices on this matter | \$22,748.61 |
| Amount Due | <u>\$29,948.69</u> |
| Trust Balance | |

HST No R124110933

INVOICE NUMBER: 277225

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

PROFESSIONAL FEES:

- Jun 3, 20 Drafted extension for financing condition in sale agreement; reviewed and drafted correspondence;
- Jun 4, 20 Reviewed and drafted correspondence;
- Jun 8, 20 Reviewed and drafted correspondence;
- Jun 9, 20 Reviewed and drafted correspondence regarding financing condition;
- Jun 16, 20 Reviewed and drafted correspondence;
- Jun 16, 20 To review of draft commitment letter; to revisions thereto; to e-mail communication to B. Carlin enclosing same;
- Jun 18, 20 To further review of draft commitment letter; to response to B. Carlin in connection therewith;
- Jun 25, 20 To e-mail communication to S. Rappos in respect of the financing waiver date and the motion to obtain the approval and vesting order;
- Jul 2, 20 Reviewed and drafted correspondence;
- Jul 3, 20 Emails with N. Goldstein; review amendment agreement;
- Jul 3, 20 Reviewed draft amendment; reviewed and drafted correspondence;
- Jul 3, 20 To review of e-mail correspondence in connection with the preparation of the further amendment to the financing conditional period; to preparation of same; to e-mail communication to S. Rappos enclosing same;
- Jul 6, 20 To e-mail communication to accounting in respect of receipt of the additional deposit;
- Jul 21, 20 Reviewed and drafted correspondence;
- Jul 23, 20 Emails re amendment to APA re deposit;

HST No R124110933

INVOICE NUMBER: 277225

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

- Jul 23, 20 Reviewed and drafted correspondence regarding amendment to APS; reviewed draft amending agreement;
- Jul 23, 20 To review of e-mail instructions in respect of the preparation of the amendment and waiver; to prepare same; to e-mail communication to S. Rappos enclosing draft;
- Jul 24, 20 Review emails re amendment to APA to reduce deposit in return for waiver of financing condition; telephone call with N. Goldstein;
- Jul 24, 20 Reviewed and drafted correspondence;
- Jul 24, 20 To further review of the draft amendment and waiver; to e-mail communication with S. Rappos in connection therewith;
- Jul 27, 20 Reviewed and drafted correspondence regarding amendment;
- Jul 28, 20 Reviewed and drafted correspondence;
- Jul 28, 20 To review of revisions to the draft amendment; to e-mail communication to S. Rappos in connection therewith;
- Jul 29, 20 Reviewed and drafted correspondence regarding deposit
- Jul 30, 20 Reviewed and drafted correspondence;
- Jul 31, 20 Reviewed and drafted correspondence;
- To all matters of a general nature not more particularly referred to herein;

TOTAL PROFESSIONAL FEES

HST at 13.00%

\$6,327.50

822.58

DISBURSEMENTS:

HST No R124110933

INVOICE NUMBER: 277225

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Non-Taxable:

| | | |
|----------------------------------|---------|---------|
| Bank Service Charges Non-taxable | \$50.00 | \$50.00 |
|----------------------------------|---------|---------|

TOTAL DISBURSEMENTS**\$50.00****GRAND TOTAL**

\$7,200.08**CHAITONS LLP**

per: _____

Harvey Chaiton

LAWYERS' SUMMARY:

| Lawyers and legal assistants involved | Hourly Rate | Hours Billed | Total Billed |
|---------------------------------------|-------------|--------------|--------------|
| HARVEY G. CHAITON | \$725.00 | 1.20 | \$870.00 |
| SAM RAPPOS | \$540.00 | 8.00 | \$4,320.00 |
| ALEXANDRA KRANCEVIC | \$325.00 | 3.50 | \$1,137.50 |
| Total: | | 12.70 | \$6,327.50 |

HST No R124110933

INVOICE NUMBER: 277225

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

**THIS IS EXHIBIT "D" TO
THE AFFIDAVIT OF SAM RAPPOS
SWORN BEFORE ME THIS 4TH
DAY OF AUGUST, 2020**

A handwritten signature in blue ink, appearing to read "A. J. R.", is written above a horizontal line.

A Commissioner Etc.

SUMMARY

| Lawyer | Year of Call | Hours Billed | Hourly Rate | Amount Billed |
|---------------------------------------|---------------------|---------------------|--------------------|----------------------|
| Harvey Chaiton | 1982 | 10.00 | \$725 | \$7,250.00 |
| Robert Miller | 1984 | 0.60 | \$685 | \$411.00 |
| Sam Rappos | 2005 | 31.80 | \$540 | \$17,172.00 |
| Alex Krancevic | 2017 | 12.40 | \$325 | \$4,030.00 |
| Camelia Singh | Law Clerk | 1.50 | \$190 | \$285.00 |
| | | | | |
| Total Hours and Amounts Billed | | 56.30 | | \$29,148.00 |
| Average Hourly Rate | | | \$517.72 | |
| Total Costs | | | | \$841.40 |
| Total Taxes (HST) | | | | \$3,828.41 |
| TOTAL | | | | \$33,817.81 |

Appendix “G”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

MARSHALLZEHR GROUP INC. as Administrator

Applicant

- and -

9265988 CANADA CORP.

Respondent

**APPLICATION UNDER SECTION 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**

**FEE AFFIDAVIT OF DANNY NUNES
(sworn August 4, 2020)**

I, DANNY NUNES, of the City of Mississauga, in the Province of Ontario, MAKE OATH AND SAY:

1. I am associate counsel in the law firm of DLA Piper (Canada) LLP (“**DLA**”), the independent solicitors to KSV Kofman Inc., in its capacity as the Court-appointed receiver (the “**Receiver**”) of all the assets, undertakings and properties of 9265988 Canada Corp. I have knowledge of matters hereinafter deposed to.
2. Attached hereto as **Exhibit “A”** is a copy of the Statement of Account of DLA in respect of services rendered to the Receiver for the period from April 1, 2020 to April 30, 2020 (the “**Billing Period**”). During the Billing Period, the total fees billed by DLA were \$2,320.50, plus applicable taxes of \$301.67.

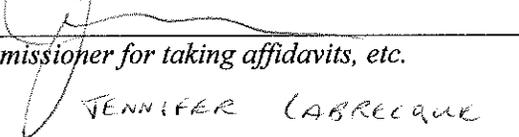
3. As set out in the following table, 3.9 hours were billed by DLA personnel during the Billing Period, resulting in an average hourly rate of \$595 (exclusive of applicable taxes):

| Lawyers | Hours | Rate/Hr. |
|--------------|------------|----------------------------|
| Danny Nunes | 3.9 | \$595 |
| TOTAL | 3.9 | Avg. Rate/Hr: \$595 |

4. The activities detailed in the Statement of Account attached as Exhibit "A" accurately reflect the services provided by DLA and the rates charged are the standard hourly rates of those individuals at DLA at the time they were incurred.

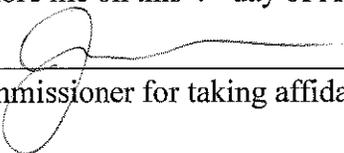
5. I swear this affidavit in support of a motion for, *inter alia*, approval of the fees and disbursements of DLA set out above and for no other or improper purpose.

Sworn before me at the)
City of Toronto, in the)
Province of Ontario, this)
4th day of August, 2020.)


A Commissioner for taking affidavits, etc.
JENNIFER LABRECQUE


DANNY NUNES

This is Exhibit "A" to the Affidavit of Danny Nunes
sworn before me on this 4th day of August, 2020.



A Commissioner for taking affidavits, etc.



DLA Piper (Canada) LLP
 Suite 6000, 1 First Canadian Place
 PO Box 367, 100 King St W
 Toronto ON M5X 1E2
 www.dlapiper.com
 T 416.365.3500
 F 416.365.7886

KSV Kofman Inc.
 150 King St. W.
 Suite 2308
 Toronto, ON M5H 1J9 Canada

Attention: Noah Goldstein

Our File No: 103454-00003

KSV Kofman Inc.
 Re: MarshallZehr re: 9265988 Canada Corp.

Date: May 12, 2020
 Invoice Number: 1945380

For Professional Services rendered and disbursements advanced through April 30, 2020.

PROFESSIONAL SERVICES

| <u>Date</u> | <u>Professional</u> | <u>Description</u> | <u>Hours</u> | <u>Amount</u> |
|--------------------------------------|---------------------|---|----------------|-----------------|
| 04/13/20 | Danny Nunes | Review relevant documents and draft security opinion; | 3.50 | 2,082.50 |
| 04/21/20 | Danny Nunes | Correspondence with N. Goldstein regarding security review; | 0.40 | 238.00 |
| Total Taxable Hours and Fees: | | | 3.90 \$ | 2,320.50 |

PROFESSIONAL SERVICES SUMMARY

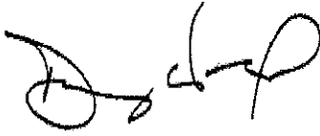
| <u>Professional</u> | <u>Title</u> | <u>Rate</u> | <u>Hours</u> | <u>Amount</u> |
|---------------------|------------------|-------------|--------------|-----------------|
| Danny Nunes | Counsel/Contract | 595.00 | 3.90 | 2,320.50 |
| Total Fees: | | | \$ | 2,320.50 |

BILL SUMMARY

| | | | |
|-------------------|-----------------------------------|---------------|-----------------|
| | Our Fees: | \$ | 2,320.50 |
| REG # 110 152 824 | Total HST: | \$ | 301.67 |
| | Total Current Invoice Due: | CAD \$ | 2,622.17 |

This is our account.

DLA Piper (Canada) LLP

Per: 

 Danny Nunes

Please note that this account is payable on receipt. If not paid within 30 days from the invoice date, interest at the rate of prime plus 2% per annum will be charged from the invoice date.

MARSHALLZEHR GROUP INC., as Administrator

-and-

Applicant

9265988 CANADA CORP.

Respondent

APPLICATION UNDER SECTION 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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AFFIDAVIT OF DANNY NUNES
(sworn August 4, 2020)

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Fax: 416.369.7945
Email: danny.nunes@dlapiper.com

Independent Solicitors for the Receiver

MARSHALLZEHR GROUP INC.

-and-

9265988 CANADA CORP.

Applicant

Respondent

Court File No. CV-20-00635650-0000

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

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD

(returnable August 11, 2020)
(re approval of sale transaction and other relief)

CHAITONS LLP

5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

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Lawyers for KSV Kofman Inc.

Court-appointed Receiver