

RSM Richter

**Third Report to Court of
RSM Richter Inc. as Receiver of the
Estate of Robert Mander, E.M.B. Asset
Group Inc. and the Related Entities**

RSM Richter Inc.
Toronto, June 8, 2010

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

B E T W E E N:

SA CAPITAL GROWTH CORP.

Applicant

- and -

**CHRISTINE BROOKS AS EXECUTOR OF THE ESTATE OF ROBERT MANDER,
DECEASED AND E.M.B. ASSET GROUP INC.**

Respondent

**IN THE MATTER OF RULE 14.05(3)(G) OF THE RULES OF CIVIL PROCEDURE AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43**

**THIRD REPORT OF RSM RICHTER INC.,
AS RECEIVER**

June 8, 2010

1. INTRODUCTION

This report ("Report") is filed by RSM Richter Inc. ("Richter") in its capacity as receiver ("Receiver") pursuant to an order of the Ontario Superior Court of Justice ("Court") dated March 17, 2010 ("Receivership Order"), as amended by orders of the Court made on March 17, 2010, March 19, 2010 and March 31, 2010 (the March 31, 2010 order being the "Fresh as Amended Receivership Order"). A copy of the Fresh as Amended Receivership Order (the "Order") is attached as Appendix "A".

Richter was appointed Receiver pursuant to an application by SA Capital Growth Corp. for the appointment of a receiver over the assets, property and undertaking of E.M.B. Asset Group Inc. ("EMB") and of Robert Mander ("Mander") (jointly, EMB and Mander are defined as the "Respondents") under Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended.

As a result of the amendments to the Receivership Order, the Receivership Order provides the Receiver authority regarding the assets, property and undertaking of entities related to EMB or Mander. These entities include but are not limited to Mand Asset Inc., Dunn Street Gallery Inc., Trafalgar Capital Growth Inc., Stonebury Inc. and Mander Group Inc. (“Related Entities”) (the Related Entities and the Respondents are collectively referred to as the “Debtors”).

On March 31, 2010, due to the death of Mander, this proceeding was continued against Christine Brooks as Executor of the Estate of Robert Mander and the title of proceedings was changed to reflect the continuance.

1.1 Purposes of this Report

The purposes of this Report are to:

- a) Provide background information concerning the Debtors;
- b) Advise the Court of an offer submitted on May 11, 2010 by Jennifer Barg (“Barg”) for the property located at 17 Stonebury Place, Freelon (“17 Stonebury”) and detail the terms of the offer and events leading to an agreement of purchase and sale between Barg and the Receiver, which is subject to the Court’s approval;
- c) Advise the Court of an offer submitted on May 21, 2010 by Mark Young (“Young”) for the property located at 1506 Highpoint Sideroad, Caledon (“Caledon Property”) and detail the terms of the offer and events leading to an agreement of purchase and sale between Young and the Receiver, which is subject to the Court’s approval;
- d) Recommend that this Honourable Court issue an order:
 - Approving the sale of 17 Stonebury to Barg;
 - Approving the sale of the Caledon Property to Young;
 - Authorizing and directing the Receiver to execute such documents and take such additional steps as are necessary to complete the sales of 17 Stonebury and the Caledon Property;
 - Vesting in Barg, as of closing, title to 17 Stonebury, free and clear of all liens, charges, security interests and other encumbrances;

- Vesting in Young, as of closing, title to the Caledon Property, free and clear of all liens, charges, security interests and other encumbrances;
- Authorizing and approving the use of the proceeds of sale from 17 Stonebury and the Caledon Property, net of the payment of the mortgage on 17 Stonebury and the Lien Claim (defined in Section 4 below), if valid, on the Caledon Property, and any costs associated with the sale transactions, by the Receiver to fund the costs of the receivership proceedings; and
- Approving this Report and the Receiver's activities set out in this Report.

1.2 Currency

All currency references are in Canadian dollars unless otherwise specified.

1.3 Restrictions

In preparing this Report, the Receiver has relied upon unaudited financial information and books and records located at the premises of the Debtors as well as at various other locations where Mander carried on business or is believed to have carried on business, maintained an office, files or a safe, whether presently, in the past and/or periodically, and documents, records and information provided by various individuals and financial institutions. The Receiver has not performed an audit or other verification of the documents and information it has accumulated. The Receiver expresses no opinion or other form of assurance with respect to the accuracy of any information, documents and financial information presented in and/or discussed in this Report, or relied upon by the Receiver in preparing this Report.

Because of Mander's death, the Receiver has not had the benefit of speaking with the one individual - Mander - who could have provided first-hand information regarding the businesses he conducted. As a result, the Receiver has been required to conduct its investigation by reviewing documents and meeting with individuals with knowledge of Mander and his businesses.

2. BACKGROUND

Background information concerning these receivership proceedings is included in the initial application materials and in the Receiver's reports dated March 29, 2010 ("First Report")¹ and May 28, 2010. These documents are available on the Receiver's website at www.rsmrichter.com.

3. 17 STONEBURY

17 Stonebury was purchased by Stonebury Inc. on June 23, 2008 for \$939,000. Mander owned 100% of Stonebury Inc. Toronto Dominion Bank has a mortgage on the property in the amount of approximately \$633,750. There are no other known mortgages or liens on the property.

On May 11, 2010 the Receiver entered into a listing agreement with Royal LePage Real Estate Services Ltd. ("Agent") to list 17 Stonebury for sale at \$899,000. 17 Stonebury was Mander's primary residence at the time of his death. At the time of Mander's death, the residence was in a state of disarray.

On May 11, 2010 Barg submitted an offer to purchase 17 Stonebury for \$700,000. After negotiation, the Receiver accepted an offer from Barg on May 26, 2010 for \$760,000. The proposed transaction is subject to Court approval, contemplates a closing date of July 30, 2010 and is consistent with standard insolvency transactions (limited representations and warranties). Barg has paid a deposit of \$50,000. In the period during which the Receiver was negotiating the transaction with Barg, other prospective purchasers viewed the property; however, there were no other offers submitted and no other serious expressions of interest were received.

A copy of Barg's offer is provided in Appendix "B".

¹ Including its supplement to the First Report dated March 30, 2010.

3.1 Recommendation

For the following reasons, the Receiver recommends that the Court issue an order approving the transaction and vesting title of 17 Stonebury in Barg:

- 17 Stonebury was marketed by a professional real estate firm using traditional methods for selling real estate;
- The Agent is familiar with the local real estate market;
- There are two other properties listed for sale on Stonebury Place, Freelon. The Receiver has been advised by the Agent that 1 Stonebury Place has been listed on MLS² since July, 2009 and 10 Stonebury Place was listed on MLS from February, 2009 to September, 2009; 10 Stonebury is now listed privately. The Agent has advised that these two properties are comparable to 17 Stonebury, although they are slightly larger and have characteristics that are somewhat more attractive. Both properties are currently listed for sale at approximately \$899,000. The Receiver has also been advised by the Agent that there has been little interest in these properties;
- Monthly upkeep (utilities, insurance and property taxes) totals approximately \$1,800. There is a significant risk that absent the recommended sale, a long marketing period would be required (as with the other Stonebury properties), thereby eroding the nominal equity³ in the property;
- The Agent has advised the Receiver that Barg was a motivated buyer - her mother lives next door and this was central to her desire to purchase 17 Stonebury;
- Barg's offer is only conditional upon Court approval; and
- It is the Agent's view that the purchase price represents market value, particularly given the negative "stigma" associated with the property. Real estate agents are obligated to advise prospective buyers that Mander died at 17 Stonebury.

4. CALEDON PROPERTY

The Caledon Property was purchased by Stonebury Inc. on June 22, 2008 for \$190,000. Prior to the commencement of the receivership proceedings, Mander was in the process of building a residence on this property for his personal use.

² Multiple Listing Service ®

³ Defined as the value by which the net selling price exceeds the mortgage.

On April 16, 2010, Huber & Heersche, legal counsel to Hometek Enterprises (“Hometek”) advised that Hometek is owed \$15,650 in respect of work it performed on the Caledon Property. On May 19, 2010, the Receiver consented to the perfection of a construction lien by Hometek against the Caledon Property (the “Lien Claim”). There are no other known liens or mortgages on the Caledon Property.

On April 30, 2010, the Receiver entered into a listing agreement with the Agent to list the Caledon Property for \$229,000. Subsequently, three conditional offers were presented to the Receiver. All of the offers were conditional on further diligence. The Receiver advised each prospective purchaser that it should complete its diligence and then, if still interested, submit a firm offer. On May 21, 2010, the Receiver received three firm offers. Two of the offers were from new parties. The Receiver selected the best of the three offers, being from Young. After negotiation, a purchase price of \$220,000 was agreed. The proposed transaction is subject to Court approval, contemplates a closing date of June 18, 2010 and is consistent with standard insolvency transactions (limited representations and warranties). Young has paid a deposit of \$10,000.

A copy of Young’s offer is provided in Appendix “C”.

The Lien Claim is to be paid out of the sale proceeds if the Receiver determines the Lien Claim is valid.

4.1 Recommendation

For the following reasons the Receiver recommends that the Court issue an order approving the sale transaction and vesting title of the Caledon Property in Young:

- The Caledon Property was marketed by a professional real estate firm using traditional methods for selling real estate;

- The Receiver received offers from five parties (three parties in the first round of offers submitted and two new parties in the second round of offers submitted). Young's offer is the highest and best received and is conditional only upon Court approval;
- Sale of the property will eliminate the cost to the estate of maintaining the property. Monthly upkeep (insurance and property taxes) totals approximately \$300; and
- In the Agent's view, the purchase price represents market value. The Agent is familiar with the local real estate market.

5. USE OF PROCEEDS

The only known claims against the properties are the claims noted in this Report. Pursuant to the Receivership Order and the subsequent orders issued in these proceedings, the Receiver has a first charge on the properties, assets and undertakings of the Debtors and the Related Entities. Accordingly, the Receiver intends to use the proceeds to fund the costs of the receivership, including professional fees.

6. CONCLUSION AND RECOMMENDATION

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

* * *

All of which is respectfully submitted,



**RSM RICHTER INC.
IN ITS CAPACITY AS COURT-APPOINTED
RECEIVER OF THE ESTATE OF ROBERT MANDER,
E.M.B. ASSET GROUP INC. AND THE RELATED ENTITIES
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEDNESDAY, THE 31ST DAY
)
JUSTICE MORAWETZ) OF MARCH, 2010

BETWEEN:

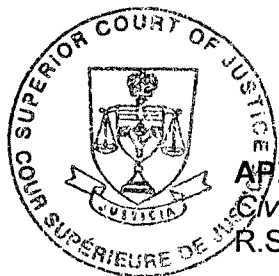
SA CAPITAL GROWTH CORP.

Applicant

- and -

CHRISTINE BROOKS AS EXECUTOR OF THE ESTATE OF ROBERT MANDER,
DECEASED AND E.M.B. ASSET GROUP INC.

Respondents



APPLICATION UNDER Rule 14.05(3)(g) of the *Rules of Civil Procedure* and section 101 of the *Courts of Justice Act*,
R.S.O. 1990. c. C.43, as amended

FRESH AS AMENDED RECEIVERSHIP ORDER

THIS MOTION made by RSM Richter Inc. (the "Receiver"), in its capacity as Receiver of all of the assets, undertakings and properties of the estate of Robert Mander and E.M.B. Asset Group Inc. (the "Debtors") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated March 29, 2010 (the "First Report"), the Supplement to the First Report date March 30, 2010 (the "Supplement") and on hearing the submissions of counsel for the Receiver and others,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 101 of the *Courts of Justice Act*, R.S.O., c. 43, as amended, RSM Richter Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors and any corporations or other entities associated with, related to or controlled by the Debtors (the "Related Entities") (the "Property").

3. **THIS COURT ORDERS** that "Related Entities" includes, in particular, but is not limited to the following corporations: Mand Asset Inc.; Dunn Street Gallery Inc.; Trafalgar Capital Growth Inc. and Mander Group Inc. and Stonebury Inc.

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of

independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to take any steps that the Receiver may, in its sole discretion, deem necessary or desirable to prevent any disbursement, withdrawal or transfer of funds by the Debtors or Related Entities or the sale, encumbrance or transfer of personal or real property of the Debtors or Related Entities, including the real property listed in Schedule B hereto (collectively, "Dispositions"), pending further order of this Court;
- (d) to direct any financial institution, wherever located and including those listed on Schedule A hereto to cease to allow any withdrawals or transfers from any account that the Debtors or Related Entities hold with such institution, including those listed on Schedule A hereto, unless otherwise directed by the Receiver in writing or by order of this Court;
- (e) to monitor and investigate the affairs of the Debtors and Related Entities;
- (f) to conduct examinations of any Person (as defined below), if deemed necessary or desirable in the Receiver's discretion;
- (g) to manage, operate, and carry on the business of the Debtors or Related Entities, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors or Related Entities;
- (h) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (i) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or Related Entities or any part or parts thereof;
- (j) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors or Related Entities and to exercise all remedies of the Debtors or Related Entities in collecting such monies, including, without limitation, to enforce any security held by the Debtors or Related Entities;
- (k) to settle, extend or compromise any indebtedness owing to the Debtors or Related Entities;
- (l) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors or Related Entities, for any purpose pursuant to this Order;
- (m) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors or Related Entities, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (n) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (o) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$300,000; and
- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (p) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (q) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (r) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (s) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors or Related Entities;
- (t) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors or Related Entities, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors or Related Entities;

- (u) to exercise any shareholder, partnership, joint venture or other rights which the Debtors or Related Entities may have;
- (v) to make or cause to be made an assignment in bankruptcy of any of the Debtors or Related Entities and to act as trustee in bankruptcy thereof; and
- (w) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

5. **THIS COURT ORDERS** that the Receiver shall file with the Court a report outlining its preliminary findings and recommendations with respect to the Debtors and Related Entities within 14 calendar days from March 17, 2010.

6. **THIS COURT ORDERS** that the Receiver may, in its sole discretion, apply to the Court at any time on three (3) days notice, for an Order that the Receiver shall be discharged as Receiver.

7. **THIS COURT ORDERS** that in the event that the Receiver applies for discharge in accordance with paragraph 6 above, such discharge shall be granted on such terms as this Court deems appropriate.

8. **THIS COURT ORDERS** that no party shall undertake any Dispositions except with the prior written consent of the Receiver or leave of this Court.

9. **THIS COURT ORDERS** that any transfer, disposition, encumbrance or other dealing with the real property legally or beneficially owned by the Debtors or Related Entities, including that real property specified in Schedule B, following registration of the Order of this Honourable Court made March 17, 2010 granted in this proceeding on title to such real property shall be invalid.

10. **THIS COURT ORDERS** that no financial institution, wherever located, with notice of this Order shall permit any transfer or disbursement of any funds whether currently deposited or received in the future in any account held in the name of either of the Debtors or Related Entities without the prior written consent of the Receiver or leave of this Court.

11. **THIS COURT ORDERS** that the Receiver may, in its discretion, provide a key to access the premises at 223 Church St., Oakville, to Colleen Auriemma, and in the event that a key is so provided, Colleen Auriemma shall not provide that key or a copy thereof to any other person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

13. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors or Related Entities, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 13 or in paragraph 14 of this

Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

16. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or Related Entities or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or Related Entities or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

18. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors or Related Entities, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

19. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or Related Entities or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors or Related Entities are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' or Related Entities' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges

for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or Related Entities or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

21. **THIS COURT ORDERS** that all employees of the Debtors or Related Entities shall remain the employees of the Debtors or Related Entities until such time as the Receiver, on the Debtors' or Related Entities' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

LIMITATION ON ENVIRONMENTAL LIABILITIES

22. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management

(separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

24. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements in respect of either Respondent, in each case at their standard rates and charges, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for all such fees and disbursements in respect of either Respondent, both before and after the making of this Order in respect of these

proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA, and also subject to any security interest perfected in accordance with the *Personal Property Security Act* (Ontario) as of March 17, 2010 or any security interest in real property of the Debtors or Related Entities, including the real property listed in Schedule B, which has been properly registered on title to such real property prior to March 17, 2010.

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

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

APPROVAL OF REPORTS AND ACTIVITIES

27. **THIS COURT ORDERS** that the First Report and the Supplement and the activities of the Receiver referred to therein be and are hereby approved.

GENERAL

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

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors or Related Entities.

Schedule B

Real Property

Lot 1, Plan 466, Oakville, being all of PIN 24796-0025 (LT), Land Registry Office #20, municipally known as 1225 Lawrence Cres., Oakville, Ontario.

Part Lot E, Block 3, Plan 1, Parts 9 and 27, Reference Plan 20R12967, Parts 2 and 4, Reference Plan 20R12968; Oakville, being all of PIN 24813-0327 (LT), Land Registry Office #20, municipally known as 223 Church St., Oakville, Ontario.

Part Lot E, Block 3, Plan 1, Parts 11 and 29, Reference Plan 20R12967, Parts 1 and 3, Reference Plan 20R12968, being all of PIN 24813-0328 (LT), Land Registry Office #20, municipally known as 225 Church St., Oakville, Ontario.

Parcel 8-1, Section 62M547; Lot 8, Plan 62M547; subject to LT235295; subject to LT220459; Flamborough City of Hamilton, being all of PIN 17524-0005 (LT), Land Registry Office #62, municipally known as 17 Stonebury Place, Freelon, Ontario.

Part Lot 26, Concession 3 WHS Caledon as in RO1108476, save and except Part 5 Plan 43R-16764; Caledon, being all of PIN 14280-0322 (LT), Land Registry Office #43, municipally known as 1650 High Point Road, Caledon, Ontario.

Part Lot 26, Concession 3 WHS Caledon, Part 4, Reference Plan 43R16764; Caledon, being all of PIN 14280-0316 (LT), Land Registry Office #43.

SA CAPITAL GROWTH CORP. and
Applicant

CHRISTINE BROOKS AS EXECUTOR OF THE ESTATE OF ROBERT
MANDER, DECEASED AND E.M.B. ASSET GROUP INC.
Respondents

Court File No: 10-8619-00CL

APPLICATION UNDER Rule 14.05(3)(g) of the *Rules of Civil Procedure* 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**

Proceeding commenced at Toronto

**FRESH AS AMENDED
RECEIVERSHIP ORDER
(RETURNABLE March 31, 2010)**

DAVIES WARD PHILLIPS & VINEBERG LLP
44th Floor, 1 First Canadian Place
Toronto, ON M5X 1B1

Matthew Gottlieb (LSUC #32268B)
Tel: 416.863.5516
Fax: 416.863.0971

Lawyers for the Receiver

Appendix “B”



Agreement of Purchase and Sale

for use in the Province of Ontario

This Agreement of Purchase and Sale dated May 11, 2010BUYER, Jennifer Berg

(Full legal name of all buyers)

agrees to purchase from

SELLER, RSM Richter Joint's capacity as last appointed Receiver of Stonebury Fr.

(Full legal name of all sellers)

REAL PROPERTY:

Address 17 Stonebury Place, Preston (City of Hamilton), fronting on the West side of Stonebury Place in the City of Hamiltonand having a frontage of 22.18 Feet more or less by a depth of 836.12 Feet more or less and legally described as [and Being Irregularly Shaped] Lot 8 Plan 62 M-547

(Exact description of land including any easements not described elsewhere)

(the "property")

PURCHASE PRICE: Seven Hundred Thousand Seven Hundred and Ninety NineSEVEN HUNDRED THIRTY TWO THOUSAND Dollars (CDN\$) 740,000.00DEPOSIT: Buyer submits Upon AcceptanceTwenty Five Thousand Dollars (CDN\$) 25,000.00

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

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

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

1. IRREVOCABILITY: This Offer shall be irrevocable by Seller until 8:00 p.m. on the 11th day of May, 2010, after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 30th day of July, 2010. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

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

Fax No. (905) 822-1240 (For delivery of notices to Seller)

Fax No. 905-878-8188 (For delivery of notices to Buyer)

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



Royal LePage Meadows Realty

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Respanco Systems Corp.
www.respanco.ca 332370

4. **CHATELS INCLUDED:** all electrical light fixtures, all window coverings including blinds/drapes & all remote controls, fridge, stove, oven, microwave oven, dishwasher, all small kitchen appliances, washer, dryer, heater, all closet organizers, built-in shelves in rec. rm., fridge in rec. rm., wall mounted TV screen and all components/remotes in rec. rm., Surround Media server & assoc. audio components/remotes, fishtank & stand, water heaters x2, water softener, jade plant in kitchen, corner cabinet in front hall, all existing wall mounted paint, garage door openers x3 & remotes, air vac and all attachments, all pool equipment, etc.
5. **EXCLUDED:** Continuation of Inclusions, globe in living rm., and all other things affixed and forming part of the real property. RUSCH AND MEDIA COMPONENTS, REMOTES WHICH ARE NECESSARY FOR OPERATION OF WIRED IN/BUILT IN SOUND SYSTEM, TV, DVD, etc. REMOTES, PLAY (CD/DVD) etc.
6. **RENTAL ITEMS:** The following equipment is rented and not included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: Hot Water Tank (if rental):
7. **GST:** If this transaction is subject to Goods and Services Tax (G.S.T.), then seller shall be included in the Purchase Price. If this transaction is not subject to G.S.T., Seller agrees to certify on closing, that the transaction is not subject to G.S.T.
8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on July 1st day of July, 2010 (Requisition Date) to examine the title to the Property of Buyer's own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy Buyer that there are no outstanding work orders or deficiency notices affecting the property, that its present use (Single Family Residence) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.
9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1997, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

- (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller. The Buyer acknowledges having the opportunity to include a requirement for a property inspection report in this Agreement and agrees that except as may be specifically provided for in this Agreement, the Buyer will not be obtaining a property inspection or property inspection report regarding the property.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rent, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
20. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered by bank draft or cheque certified by a Chartered Bank, Trust Company, Province of Ontario Savings Office, Credit Union or Caisse Populaire.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that in the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



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

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

[Signature]
(Witness)

[Signature]
(Buyer)

DATE May 11/10

(Witness)

(Buyer)

DATE

I, the Undersigned Seller, agree to the above Offer. I hereby irrevocably instruct my lawyer to pay directly to the Listing Brokerage the unpaid balance of the commission together with applicable Goods and Services Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the Listing Brokerage to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

[Signature]
(Witness)

[Signature]
(Buyer)

DATE

DATE May 17/10

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness)

(Spouse)

DATE

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with

all changes both typed and written was finally accepted by all parties at 4:00 pm this 26 th

of MAY 2010

[Signature]
(Signature of Buyer or Spouse)

INFORMATION ON BROKERAGE(S)

Listing Brokerage: <u>Royal LePage Real Estate Services Ltd.</u>
Phone: <u>(905) 822-6900</u> Fax: <u>(905) 822-1240</u>
Co-operating/Buyer Brokerage: <u>Royal LePage Meadowtowne Realty</u>
Phone: <u>905-878-8101</u> Fax: <u>905-878-8188</u>

ACKNOWLEDGEMENT

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

[Signature] DATE May 27/10

Address for Service: 17 Stenebury Place, Brantford (City of)

Hamilton, Ontario Phone

Seller's Lawyer: Dave's Word Phillips + Vindberg LLP

Address: 44th Floor, 1 First Canadian Place

Toronto, ON M5X 1B1

Phone Fax

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

[Signature] DATE May 26, 2010

Address for Service: 24 Pennsylvania Cres

Kitchener, ON N2P 3S5 Phone

Buyer's Lawyer: RICHARD FURLONG

Address: MILL TO P

Phone Fax

905-878-8123 905-878-2555

FOR OFFICE USE ONLY

CO-MEDICATION TRUST AGREEMENT

For Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale: In consideration for the Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale, I hereby declare that all monies received or receivable by me in connection with the transaction on completion of the transaction shall be paid to the Co-operating Brokerage and shall not be paid to me. This agreement shall constitute a Co-medication Trust Agreement as defined in the R.S.O.

DATED May 27/10 at Toronto, Ontario the foregoing Agreement of Purchase and Sale.

Attest:

[Signature]
(Witness to Listing Brokerage)

[Signature]
(Attest to Listing Brokerage)

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200 King St. W, Suite 1100
Toronto, ON M5H 3T4



Schedule A Agreement of Purchase and Sale

for use in the Province of Ontario

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

BUYER, Jennifer Barr

SELLER, RSM Richter Inc. its Corporation as last appointed Agent of Stenbury Inc.
for the purchase and sale of 17 Stonebury Place, Freeton (City of Hamilton) in the City of Hamilton
Agreement of Purchase and Sale dated May 11, 2010

THE BUYER AGREES to pay the balance of the purchase price, subject to adjustments by certified cheque, to the seller on completion of this transaction.

THE BUYER AND SELLER ACKNOWLEDGE that a) any information supplied by Royal LePage or any cooperating broker with respect to municipal taxes are current taxes only, and b) the taxes may change as a result of Current Value Assessment.

THE SELLER AGREES to allow the Buyer access to the property and enter the premises 3 more times prior to closing at a mutually agreeable time.

THE BUYER ACKNOWLEDGES that he is purchasing the property including all fixtures and any included chattels in "as-is" condition and that the Seller is under no obligation whatsoever to conduct any repairs or complete any unfinished work.

THE SELLER AGREES to provide at his own expense within FIFTEEN (15) days of acceptance of this Offer, a copy of the plan of survey of the property prepared by an accredited Ontario Land Surveyor which shows the dwelling located thereon in its present location together with all setbacks and boundaries.

Buyer and Seller accept that David Barg shall be added on title on closing.

Buyer discloses and Seller accepts that the buyer is related to the buyer's agent.

BUSINESS DAYS (EXCLUDING WEEK-ENDS & STATUTORY HOLIDAYS)

The Buyer Shall have five (5) days from acceptance of this Agreement to satisfy itself that there are no outstanding title issues that would prevent the Buyer from completing this Agreement and will confirm same in writing to the Seller within the five (5) day period. Buyer shall be entitled to perform a second title search by no later than

This page must be initialed by all parties to the Agreement of Purchase and Sale. July 21, 2010

INITIALS OF BUYER(S): [Signature]

INITIALS OF SELLER(S): [Signature]

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Royal LePage Meadowtown Realty

Form 103A
OFFER 2010 by R Regency Systems Corp.
www.Regency.ca

2010
112370

FROM :

FAX NO. : 5196391558

May. 13 2010 12:06PM P1

Schedule 8

Helping you is what we do.™

ROYAL LEPAGE

www.royallepage.ca

This schedule must be included with all transactions in which Royal LePage Real Estate Services Ltd., Brokerage, will be the deposit holder.

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

BUYER Jennifer Bora and

SELLER 0.5M. Richard Mills Capital Inc. (with 4,000,000.00) and Sharebuy Inc.

for the property known as 11111 Highway 104, Place Beaton

dated the 11th day of May, 2010

Trust Deposit Interest Agreement and Direction

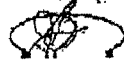
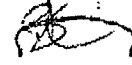
In accordance with Subsection 27 of the Real Estate and Business Brokers Act, 2002 (the "Act"), Royal LePage Real Estate Services Ltd., (the "Brokerage"), will be the deposit holder of the Buyer's deposit, which is given to the Brokerage to be held in trust with respect to this Agreement of Purchase and Sale. The deposit will be held by Royal LePage Real Estate Services Ltd. in its real estate trust bank account which earns a variable interest rate of the Brokerage's bank's Prime rate minus 2.00% per annum.

If the beneficial owner of the trust money would like to receive interest, and provided that the deposit to be held in trust is Five Thousand Dollars (\$5,000.00) or greater and will be held for more than 30 days, Royal LePage Real Estate Services Ltd. will invest the funds with TD Canada Trust in the Buyer's name earning interest at a rate of Prime minus 3.25%. The Brokerage shall pay any interest it receives on the deposit to the beneficial owner of the trust money, provided that the total interest earned on the deposit amounts to Forty Dollars (\$40.00) or more and the deposit is accompanied by the Buyer's Name(s) and Social Insurance Number(s). This agreement and direction must be included in the Agreement of Purchase and Sale by attaching this form as a schedule. No interest will be paid in respect of deposits that do not qualify with the terms hereof.

All interest generated by trust deposits that qualify for interest payments in accordance with the prior paragraph will be payable to the beneficial owner of the trust money upon completion of this transaction (referred to above). If required, a T5 will be issued for the interest amount as soon as possible after the closing or following the end of each calendar year, whichever occurs first. Any interest cheques issued and not negotiated within six (6) months from the date of issue shall be subject to an additional administration fee up to a maximum of \$40.00 or the value of the interest cheque.

Buyer would like interest: ☒ No ☐ Yes If deposit qualifies and Yes, SIN # is required.
(Unless Yes is specifically selected, no interest will be paid) (SIN # not required from corporations)

Your initials acknowledge receipt of this disclosure and confirm your agreement and direction as to whether or not you would like to receive the interest earned on the deposit. The parties to this Agreement of Purchase and Sale hereby acknowledge and agree that the Brokerage shall be entitled to retain any interest earned or received on the deposit if the conditions precedent to payment of interest have not been satisfied. This agreement and direction for interest on the deposit will supersede any existing disclosures found within this Agreement of Purchase and Sale.

SCHEDULE "C"

Except as expressly stated, the Buyer acknowledges that the Seller is selling the Property on an "as is, where is" basis. No representation, warranty or condition is expressed or can be implied as to any matter including title, description, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Property and, without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to legislation do not apply hereto and have been waived by the Seller. The Buyer acknowledges that the Seller is under no obligation whatsoever to conduct and repairs or complete any unfinished work.

The sale of the Property is conditional on the granting of an Order by the Ontario Superior Court of Justice approving the sale of the Property and vesting title to the Property in the Buyer prior to the Completion Date and the operation and effect of such order shall not have been stayed, amended, modified, reversed or dismissed and no appeals of such order shall be pending at the Completion Date.

THE BUYER AGREES, UPON ACCEPTANCE
OF THIS OFFER, AT THE BUYER'S EXPENSE,
TO MAKE ARRANGEMENTS TO KEEP THE
GRASS CUT UNTIL THE CLOSING DATE.



Confirmation of Co-operation and Representation

for use in the Province of Ontario

BUYER: Jennifer Barg

SELLER: RSM Richter in its capacity as Loan appointed Receiver of Stonebury Inc

For the transaction on the property known as: 17 Stonebury Place, Freelon (City of Hamilton)

For the purposes of this Confirmation of Co-operation and Representation, a "Seller" includes a vendor, a landlord, or a prospective, seller, vendor or landlord and a "Buyer" includes a purchaser, a tenant, or a prospective, buyer, purchaser or tenant and a "sale" includes a lease.

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

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

1. LISTING BROKERAGE

The Listing Brokerage represents the interests of the Seller in this transaction.

2. CO-OPERATING BROKERAGE

The Co-operating Brokerage represents the interests of the Buyer in this transaction. It is further understood and agreed that the Listing Brokerage will pay the Co-operating Brokerage:

☒ the commission as indicated in the MLS® information for the propertyor, if not an MLS® listing: ☐ a commission of

plus applicable Goods and Services Tax, from the amount paid by the Seller to the Listing Brokerage, on any trade wherein the Co-operating Brokerage has obtained an accepted Agreement of Purchase and Sale, option to Purchase or Agreement to Exchange and/or Lease.

Said payment of commission will not make the Co-operating Brokerage either the agent or sub-agent of the Seller or the Listing Brokerage.

Additional comments and/or disclosures by Listing Brokerage:

Additional comments and/or disclosures by Co-operating Brokerage:

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

SIGNED BY BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (WHERE APPLICABLE)

Royal LePage Real Estate Services Ltd.

(Name of Listing Brokerage)

1054 Lakeshore Rd West Mississauga, ON L5S 1J3

(905) 822-6900

(Phone)

(905) 822-1240

(Fax)

Date: May 11/10

Michael Chab

(Authorized to bind the Listing Brokerage)

(Print Name of Broker/Salesperson Representative of the Brokerage)

Royal LePage Meadowtowne Realty

(Name of Co-operating/Buyer Brokerage)

475 Main Street East, Milton, Ontario L9T 1R1

905-878-8101

(Phone)

905-878-8188

(Fax)

Date: May 11/10

Joseph Brazeau or Virginia Brazeau

(Authorized to bind the Co-operating/Buyer Brokerage)

(Print Name of Broker/Salesperson Representative of the Brokerage)

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction.)

The Seller / Buyer consent with their initials to their Brokerage representing more than one client for this transaction.

SELLER'S INITIALS

BUYER'S INITIALS

ACKNOWLEDGEMENT

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

Signature of Seller: RSM Richter in its capacity as Loan appointed Receiver of Stonebury Inc

Date: May 11/10

(Signature of Seller)

Signature of Buyer: Jennifer Barg

Date: May 11/10

(Signature of Buyer)

(Signature of Seller)

(Signature of Seller)

(Signature of Seller)

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Royal LePage Meadowtowne Realty

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Form 328

2008

Reagency Systems Corp.

332370

www.Reagency.ca



Registrant's Statement as Buyer

for use in the Province of Ontario

This Statement is made in accordance with the requirements of the Real Estate and Business Brokers Act and Code of Ethics Regulations of the Province of Ontario.

I, Virginia Brazeau declares that I am
(Name of Registrant)

a registered Real Estate Salesperson representing Royal LePage Meadowtowne Realty
(Salesperson/Broker) (Name of Brokerage)

In connection with a proposed Offer to Purchase/Lease/Exchange/Option your Property known as:

17 Stonebury Place, Fredon (City of Hamilton)

Please be advised that, if the proposed Offer is accepted, I will be either directly or indirectly acquiring an interest in your Property.

NOTE: If the Registrant's interest is indirect, explain the nature of the interest in accordance with the definition of a "Related Person", as defined in the Code of Ethics Regulations of the Real Estate and Business Brokers Act.

EXPLANATION: Buyer is Daughter of Registrant

I hereby declare that the following is a full disclosure of all facts within my knowledge that affect or will affect the value of your Property:

I Have Disclosed to the Buyer that the Previous Owner Had Ended His Life in the House @ 17 Stonebury and
That the Glass and Broken Back Door Are a Result of a Break-In.

(Attach Appendix if necessary)

AND

I hereby declare that the following is a full disclosure of the particulars of any agreement by, or on behalf of myself for the sale, lease, exchange, option or other disposition of any interest in your Property to any other person:

(Attach Appendix if necessary)

I will be receiving a portion of any commission payable in connection with this transaction.
(will/will not)

For the purposes of this Registrant's Statement as Buyer, "Buyer" includes purchaser, tenant and lessee and "Seller" includes vendor, landlord and lessor.

[Signature] DATE May 11/10
(Signature of Registrant who is making the statement)

..... DATE

ACKNOWLEDGEMENT

I/We, the undersigned, as Seller in this transaction have read and clearly understand this statement and acknowledge this date having received a copy of same, PRIOR TO BEING PRESENTED WITH AN OFFER TO PURCHASE, LEASE, EXCHANGE, OR OPTION.

..... DATE

..... DATE

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 332370

Appendix “C”

MAY-21-2010 01:20 FROM: YOUNG'S FIRE PROTECT 5199400780

TO: 19058221240

P.2



Agreement of Purchase and Sale

Toronto
Real Estate
Board

This Agreement of Purchase and Sale dated May 21, 2010

BUYER, Mark Young, agrees to purchase from
(Full legal name of all Buyers)
SELLER, Rsm Richter, Inc. Solely in its Capacity as Court Appointed Receiver of Stonebriar, the following
(Full legal name of all Sellers)

REAL PROPERTY:

Address 1506 Highpoint Sideroad fronting on the North side of Highpoint Sideroad
in the Town of Caledon
and having a frontage of Feet more or less by a depth of Feet more or less and legally
described as and Being Approximately 1.5 Acres

(the "property").

PURCHASE PRICE: Two Hundred Fifty Thousand 250,000 Dollars (CDNs). 250,000.00

DEPOSIT: Buyer submits Upon Acceptance
(Herein, Upon acceptance or otherwise described in this Agreement)
Ten Thousand Dollars (CDNs) 10,000.00

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

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

SCHEDULE(S) A, B and C attached hereto form(s) part of this Agreement.

- 1. IRREVOCABILITY:** This Offer shall be irrevocable by Buyer/Seller until 6:00 p.m. on
the 26th day of May, 2010, after which time, if not accepted, this
Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.
- 2. COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 18th day
of June, 2010. Upon completion, vacant possession of the property shall be given to the
Buyer unless otherwise provided for in this Agreement.
- 3. NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant
to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby
appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. Where a
Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled
or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices. Any
notice relating hereto or provided for herein shall be in writing. In addition to any provisions contained herein and in any Schedule hereto,
this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule
hereto shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the
Acknowledgement below, or where a facsimile number is provided herein, when transmitted electronically to that facsimile number.

Fax No. (905) 822-6900 (For delivery of notices to Seller)

Fax No. (905) 456-1924 (For delivery of notices to Buyer)

INITIALS OF BUYER(S): MY

INITIALS OF SELLER(S): MR

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RE/MAX Realty Services Inc.

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MAY-21-2010 01:20 FROM: YOUNG'S FIRE PROTECT 5199400780

TO: 19058221240

P.3

4. **CHATELS INCLUDED:** none *mv*
5. **FIXTURES EXCLUDED:** none *mv*
6. **RENTAL ITEMS:** The following equipment is rented and not included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: none *mv*
7. **GST:** If this transaction is subject to Goods and Services Tax (G.S.T.), then such tax shall be in addition to the Purchase Price. If this transaction is not subject to G.S.T., Seller agrees to certify on or before closing, that the transaction is not subject to G.S.T.
8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 31st day of May, 2010, (Requisition Date) to examine the title to the Property at Buyer's own expense and until the earlier of (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy Buyer that there are no outstanding work orders or deficiency notices affecting the property, that its present use (Vacant Land) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.
9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs of the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part 18 of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act

INITIALS OF BUYER(S): *mv*INITIALS OF SELLER(S): *mv*

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Possession *mv*

(Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller. The Buyer acknowledges having the opportunity to include a requirement for a property inspection report in this Agreement and agrees that except as may be specifically provided for in this Agreement, the Buyer will not be obtaining a property inspection or property inspection report regarding the property.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all Insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **PROPERTY ASSESSMENTS:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
20. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered by bank draft or cheque certified by a Chartered Bank, Trust Company, Province of Ontario Savings Office, Credit Union or Caisse Populaire.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



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Form 100

2010

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MAY-21-2010 01:24 FROM:YOUNG'S FIRE PROTECT 5199400780

TO:19058221240

P.8

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

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

[Signature]
(Witness)

[Signature]
(Buyer)

DATE May 21/10

(Witness)

(Buyer)



DATE

I, the Undersigned Seller, agree to the above Offer. I hereby irrevocably instruct my lawyer to pay directly to the Listing Brokerage the unpaid balance of the commission together with applicable Goods and Services Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the Listing Brokerage to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

[Signature]
(Witness)

[Signature]
(Seller)



DATE

(Witness)

(Seller)

DATE May 26/10

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness)

(Spouse)



DATE

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 5:15 PM p.m. this 26 day of 2010

INFORMATION ON BROKERAGE(S)

Listing Brokerage: Royal LePage Real Estate Services Ltd.	
Phone: (905) 822-6900	Fax: (905) 822-6900
Co-operating/Buyer Brokerage: RE/MAX Realty Services Inc.	
Phone: (905) 456-1000	Fax: (905) 456-1924

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Agent to forward a copy to my lawyer, Rsm Richter Inc. in its capacity as Receiver of Stewbury Inc.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Agent to forward a copy to my lawyer, Rsm Richter Inc. in its capacity as Receiver of Stewbury Inc.

[Signature] DATE May 27/10

[Signature] DATE May 26/10

(Said) Address for Service: 1608 Highpoint Sideroad, 200 King St W.

(Said) Address for Service: 1608 Highpoint Sideroad, 200 King St W.

Toronto, Ont. M5H 2T4 Phone: 416-932-8000

Toronto, Ont. M5H 2T4 Phone: 416-932-8000

Seller's Lawyer: Davis Ward Phillips & Vineberg LLP

Buyer's Lawyer: V. B. C. & P. R. T. T.

Address: 44th Flax, 1st Canadian Place, Toronto

Address: 44th Flax, 1st Canadian Place, Toronto

Phone: Ontario, M5H 1B1

Phone: Ontario, M5H 1B1

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

For Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale: In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and hour of the acceptance of the foregoing Agreement of Purchase and Sale.

Acknowledged by:

[Signature]
(Authorized to bind the Listing Brokerage)

[Signature]
(Authorized to bind the Co-operating Brokerage)



Schedule A Agreement of Purchase and Sale

Toronto
Real Estate
Board

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

BUYER, Mark Young

and
SELLER, Rsm Richter Inc., Solely in Its Capacity as Court Appointed Receiver of Stonebury Inc. ^{my}
for the purchase and sale of 1506 Highpoint Sideroad in the Town of Caledon ^{my}

Agreement of Purchase and Sale dated May 21, 2010

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, in cash or by certified cheque to the Seller on the completion of this transaction

^{my} ^{my} Seller agrees to discharge all mortgages which are not being assumed, and all liens which may be registered against the property at his own expense, either out of the proceeds of this sale or by his solicitor's personal undertaking on or before closing.

^{my} The Seller agrees to deliver to the Buyer on closing all documents, survey, engineer drawings, building permits, contracts and municipal applications in its possession or under its control. ^{my} ^{my}

^{my} ^{my} The parties acknowledge that any information provided by a real estate sales representative, broker, or brokerage company is not qualified construction, engineering, environmental, legal, tax, or zoning advice.

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

INITIALS OF BUYER(S): ^{my}

INITIALS OF SELLER(S): ^{my}

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04/30/2010 14:40 FAX 8058221240

ROYAL LePAGE Lakeshore

0002/0002

Schedule

"B"

Helping you is what we do.™



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

BUYER: MARK YOUNG

and SELLER: PSM PITCHER INC. SOLELY AS AGENTS, I.Y.A. SELLER

for the property known as 1500 HILKINS ROAD, APPOINTED RECEIVER

dated the 21ST day of MAY, 2010.

Stoneary INC.

Royal LePage Real Estate Services Ltd., Brokerage

Trust Deposit Interest Disclosure and Direction

In accordance with Subsection 27 of the Real Estate and Business Brokers Act, 2002 (the "Act"), Royal LePage Real Estate Services Ltd., (the "Brokerage"), will be the deposit holder of the Buyer's deposit which is given to the Brokerage to be held in trust with respect to an agreement of purchase and sale or other real estate transaction entered into by the Buyer. The deposit will be held by Royal LePage Real Estate Services Ltd. in its non-interest bearing Real Estate Trust bank account held with TD Canada Trust.

If the deposit to be held in trust is Five Thousand Dollars (\$5,000.00) or greater and will be held for more than 30 days, the Brokerage has the opportunity to earn interest on the deposit on behalf of the Buyer, provided that this direction is included in the Agreement of Purchase and Sale by attaching this form as a schedule and the deposit is accompanied by the Buyer's Name and Social Insurance Number.

All interest generated by the trust deposit will be payable to the Buyer upon completion of the transaction (referred to below) and a T5 will be issued as soon as possible following the closing for the amount if one is required. The rate of interest on the deposit will vary from time to time based on the prevailing rates on the date the monies are deposited and how long the monies will be on deposit. The rate is based on TD Canada Trust's Guaranteed Investment Certificate Short Term rates. Current rates may be found on the TD Canada Trust web site in the section titled "Guaranteed Investment Certificate Short-term", under the Rates column.

<http://www.tdcanadatrust.com/GICs/GICTable.jsp>

 Deposit is to earn interest: ☐ Yes ☒ No If deposit qualifies and Yes, SIN # is required.

Name and Social Insurance Number (to be submitted with deposit upon offer acceptance):

Your initials acknowledge receipt of this disclosure and confirms your direction as to whether or not you would like the deposit to earn interest. Provided that all conditions for interest stated above are satisfied, this direction for interest on the deposit will supersede any existing disclosures found within this agreement of purchase and sale.

INITIALS OF BUYER(S)

INITIALS OF SELLER(S)

SCHEDULE "C"

Except as expressly stated, the Buyer acknowledges that the Seller is selling the Property on an "as is, where is" basis. No representation, warranty or condition is expressed or can be implied as to any matter including title, description, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Property and, without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to legislation do not apply hereto and have been waived by the Seller. The Buyer acknowledges that the Seller is under no obligation whatsoever to conduct any repairs or complete any unfinished work.

The sale of the Property is conditional on the granting of an Order by the Ontario Superior Court of Justice approving the sale of the Property and vesting title to the Property in the Buyer prior to the Completion Date and the operation and effect of such order shall not have been stayed, amended, modified, reversed or dismissed and no appeals of such order shall be pending at the Completion Date.





Confirmation of Co-operation and Representation

Toronto
Real Estate
Board

BUYER: Mark Young

SELLER: Rsm Richter Inc., Solely in its Capacity as Court Appointed Receiver of Stonebury Fnc. Inc.

For the transaction on the property known as: 1506 Highpoint Sideroad

For the purposes of this Confirmation of Co-operation and Representation, a "Seller" includes a vendor, a landlord, or a prospective, seller, vendor or landlord and a "Buyer" includes a purchaser, a tenant, or a prospective, buyer, purchaser or tenant and a "sale" includes a lease.

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

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

1. LISTING BROKERAGE

The Listing Brokerage represents the interests of the Seller in this transaction.

2. CO-OPERATING BROKERAGE

The Co-operating Brokerage represents the interests of the Buyer in this transaction. It is further understood and agreed that the Listing Brokerage will pay the Co-operating Brokerage:

☒ the commission as indicated in the MLS® information for the property
or, if not an MLS® listing: ☐ a commission of _____

plus applicable Goods and Services Tax, from the amount paid by the Seller to the Listing Brokerage, on any trade wherein the Co-operating Brokerage has obtained an accepted Agreement of Purchase and Sale, option to Purchase or Agreement to Exchange and/or Lease.

Said payment of commission will not make the Co-operating Brokerage either the agent or sub-agent of the Seller or the Listing Brokerage.

Additional comments and/or disclosures by Listing Brokerage:

Additional comments and/or disclosures by Co-operating Brokerage:

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

SIGNED BY BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (WHERE APPLICABLE)

Royal LePage Real Estate Services Ltd.
(Name of Listing Brokerage)

(905) 822-6900
(Phone)

(905) 822-6900
(Fax)

Date:

(Authorized to bind the Listing Brokerage)

(Print Name of Broker/Salesperson Representative of the Brokerage)

RE/MAX Realty Services Inc.
(Name of Co-operating/Buyer Brokerage)

(905) 456-1000
(Phone)

(905) 456-1924
(Fax)

Date:

(Authorized to bind the Co-operating/Buyer Brokerage)

(Print Name of Broker/Salesperson Representative of the Brokerage)

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction.)

The Seller / Buyer consent with their initials to their Brokerage representing more than one client for this transaction.

SELLER'S INITIALS

BUYER'S INITIALS

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

ACKNOWLEDGEMENT

(Signature of Seller)

Date:

May 26/10

(Signature of Buyer)

Date:

May 21/10

(Signature of Seller)

Date:

(Signature of Buyer)

Date:

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RE/MAX Realty Services Inc.

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