

RSM Richter

**Eighth 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, October 15, 2010

Table of Contents

1.	INTRODUCTION.....	1
	1.1 Purposes of this Report	2
	1.2 Currency	3
	1.3 Restrictions	3
2.	BACKGROUND	4
3.	225 CHURCH.....	4
	3.1 Recommendation	5
4.	1650 HIGHPOINT	6
	4.1 Recommendation	7
5.	USE OF PROCEEDS	8
6.	NEED FOR CONFIDENTIALITY	8
7.	LEXUS	8
8.	CONCLUSION AND RECOMMENDATION	9

Index of Appendices

Fresh as Amended Receivership Order dated March 31, 2010	“A”
Agreement of Purchase and Sale – Arora Dentistry (Redacted)	“B”
Agreement of Purchase and Sale – Highpoint Acres (Redacted)	“C”
Agreement of Purchase and Sale – Arora Dentistry	Confidential Appendix “1”
Agreement of Purchase and Sale – Highpoint Acres	Confidential Appendix “2”

Index of Schedules

Legal Description of 225 Church	“A”
Legal Description of 1650 Highpoint	“B”

**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 AS AMENDED**

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

October 15, 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. (“Trafalgar”), Stonebury Inc. (“Stonebury”) 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) Advise the Court of an offer submitted by Arora Dentistry Professional Corp. (“Arora Dentistry”) for the property located at 225 Church Street, Oakville, Ontario (“225 Church”), as legally described in Schedule “A” attached, and detail the terms of the offer and events leading to an agreement of purchase and sale between Arora Dentistry and the Receiver, which is subject to the Court’s approval;
- b) Advise the Court of an offer submitted by Highpoint Acres Inc.¹ (“Highpoint Acres”), for the property located at 1650 Highpoint Sideroad, Caledon, Ontario (“1650 Highpoint”), as legally described in Schedule “B” attached, and detail the terms of the offer and events leading to an agreement of purchase and sale between Highpoint Acres and the Receiver, which is subject to the Court’s approval;
- c) Update this Honourable Court on the status of the 2008 Lexus RX400H (“Vehicle”) that had been purchased by Stonebury for Maria Zurini, a Stonebury employee; and
- d) Recommend that this Honourable Court issue an order:
 - Approving the sale of 225 Church to Arora Dentistry;

¹ The offer was originally submitted by Martin Jones and Mi Jones and name of the purchaser was subsequently amended to Highpoint Acres.

- Approving the sale of 1650 Highpoint to Highpoint Acres;
- Authorizing and directing the Receiver to execute such documents and take such additional steps as are necessary to complete the sales of 225 Church and 1650 Highpoint;
- Vesting in Arora Dentistry, as of closing, title to 225 Church, free and clear of all liens, charges, security interests and other encumbrances;
- Vesting in Highpoint Acres, as of closing, title to 1650 Highpoint, free and clear of all liens, charges, security interests and other encumbrances;
- Sealing the Arora Dentistry and Highpoint Acres agreements of purchase and sale until the respective sale transactions have closed;
- Vesting title to the Vehicle in the ultimate purchaser of the Vehicle, free and clear of any and all encumbrances, claims and the like, upon receipt of payment by the Receiver from the ultimate purchaser; 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 various reports to Court regarding these proceedings. These documents are available on the Receiver's website at www.rsmrichter.com.

3. 225 CHURCH

225 Church was purchased by EMB on October 10, 2008 for \$1.46 million. 225 Church was the premises from which EMB, Trafalgar and Stonebury operated. Home Trust Company ("Home Trust") has a mortgage on the property in the amount of approximately \$630,000. There are no other known mortgages or liens on the property.

225 Church was listed for sale by Mander with Re/Max Del Mar Realty Inc. ("Remax") on February 18, 2010 at a price of \$1.68 million. After its appointment the Receiver continued to list the property with Remax. As a result of the limited interest in the property, the listing price was reduced to \$1.499 million on April 30, 2010 and was further reduced to \$1.375 million on July 6, 2010. The Receiver continued to list the property with Remax until the expiration of the listing agreement on July 31, 2010. Subsequent to the expiration of the Remax listing the Receiver continued to work with Remax and a prospective purchaser that had submitted an offer at the end of July, 2010; however, an agreement could not be reached.

On August 24, 2010 the Receiver listed the property for sale with Avison Young Commercial Real Estate (Ontario) Inc. (“Avison”) at a price of \$1.295 million. Avison is the agent that marketed and sold the adjacent property located at 223 Church Street, Oakville, Ontario (“223 Church”), which is a property that was also owned by EMB. 223 Church was sold in August, 2010 at a price less than the purchase price of 225 Church.

On September 22, 2010, Arora Dentistry submitted an offer to purchase 225 Church for \$1 million. After negotiation, the Receiver accepted an improved offer from Arora Dentistry on September 29, 2010, a copy of which is provided in Appendix “B”.

The proposed transaction is subject only to Court approval, contemplates a closing date of October 22, 2010 and is consistent with standard insolvency transactions (limited representations and warranties). The Purchaser has paid a substantial deposit. The transaction was conditional on financing for two days after acceptance of the offer. The condition was waived by Arora Dentistry on October 2, 2010. The offer from Arora Dentistry was the highest and best offer received since the commencement of the marketing process.

3.1 Recommendation

For the following reasons, the Receiver recommends that the Court issue an order approving the transaction and vesting title of 225 Church in Arora Dentistry:

- 225 Church was marketed by professional real estate firms for approximately seven months using traditional methods for selling real estate;
- Avison is familiar with the local real estate market and it is its view that the purchase price is reasonable;
- Monthly upkeep (utilities, insurance and property taxes) totals approximately \$2,100. Absent the recommended sale, a long marketing period may be required and these costs would continue to be incurred;

- Arora Dentistry's offer is unconditional except for Court approval;
- Arora Dentistry's offer is the highest and best offer received; and
- The selling price is consistent with comparable transactions.

4. 1650 HIGHPOINT

1650 Highpoint was purchased by Stonebury on June 4, 2008 for \$2 million. As mentioned in the Fourth Report, the Receiver has spoken with real estate agents familiar with the properties that Mander purchased and the prices he paid. The agents advised that Mander overpaid for the majority of his real estate, including 225 Church, and particularly for 1650 Highpoint. Based on information provided to the Receiver, it appears that there were no sales that compared to the value paid by Mander for the 1650 Highpoint. 1650 Highpoint is approximately 94 acres with a one and half storey home on it, which is in poor condition and which has impaired the Receiver's ability to sell the property. There are no known liens or mortgages on this property.

On April 30, 2010 the Receiver entered into a listing agreement with Royal LePage Real Estate Services Ltd. ("Royal LePage") to list 1650 Highpoint for sale at \$1.499 million. There was next to no interest in the property at this price. The listing price was reduced to \$1.199 million on July 6, 2010. The reduced listing price generated some interest in the property; however, feedback from prospective purchasers and their agents was that the listing price was still too high due to the inferior quality of the home on the property. On September 24, 2010, after extensive discussions with Royal LePage, undertaking a detailed review of recent comparable sales and properties presently listed for sale, and an analysis of the offers that had previously been submitted to the Receiver, the listing price was reduced to \$899,000.

On September 28, 2010, Highpoint Acres submitted an offer to purchase 1650 Highpoint to which the Receiver did not respond. On September 30, 2010 Highpoint Acres submitted an improved offer, which the Receiver accepted. Several other offers were submitted, with a wide range in prices, although none was higher than the Highpoint Acres offer. A copy of the Highpoint Acres offer is provided in Appendix "C".

The proposed transaction is subject only to Court approval, contemplates a closing date of November 1, 2010 and is consistent with standard insolvency transactions (limited representations and warranties). The Purchaser has paid a substantial deposit relative to the purchase price. The offer from Highpoint Acres is unconditional and was the highest and best offer received for the property.

4.1 Recommendation

For the following reasons, the Receiver recommends that the Court issue an order approving the transaction and vesting title of 1650 Highpoint in Highpoint Acres:

- 1650 Highpoint was marketed by a professional real estate firm for five months using traditional methods for selling real estate;
- Royal LePage is familiar with the local real estate market and is of the view that the purchase price is reasonable;
- Upon completion, costs related to maintenance, upkeep and taxes will be discontinued;
- The Highpoint Acres' offer is only conditional upon Court approval;
- The Highpoint Acres' offer is the highest and best offer received;
- The selling price is consistent with comparable transactions.

5. USE OF PROCEEDS

The only known claim against these properties is the Home Trust mortgage against 225 Church. Assuming no issues with the quantum claimed to be outstanding by Home Trust, the mortgage is to be repaid on closing.

6. NEED FOR CONFIDENTIALITY

The Arora Dentistry and Highpoint Acres agreements of purchase and sale have been redacted to exclude the purchase price and the amount of the deposits paid. The Receiver respectfully requests that these documents be sealed until such time that the respective sale transactions close, as it is the Receiver's view that the availability of this information may negatively impact future realizations on the sale of these properties in the event that either transaction does not close. The Receiver believes that no stakeholder will be prejudiced if the information is sealed until the sale transactions are completed. A copy of the un-redacted Arora Dentistry and Highpoint Acres agreements are attached as Confidential Appendix "1" and Confidential Appendix "2", respectively.

7. LEXUS

In its Fourth Report the Receiver advised this Honourable Court that the \$78,000 Vehicle had been purchased by Stonebury for Maria Zurini, a Stonebury employee. As with the other assets purchased by the Debtors, including assets purchased by Stonebury, the Vehicle was purchased with investor monies – Stonebury's only source of capital.

On July 14, 2010, the return date of the motion to hear the matter related to, *inter alia*, the return of the Vehicle to the Receiver, Ms. Zurini advised the Court that she had not had an opportunity to retain legal counsel and requested that the portion of the motion dealing with the Vehicle be adjourned until such arrangements could be made. The Receiver consented to the adjournment.

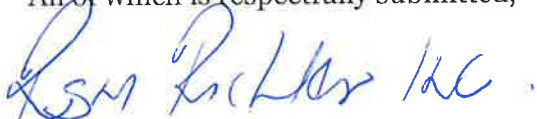
After lengthy communications and dealings with the Receiver, Ms. Zurini recently decided to purchase a new vehicle and is cooperating to return the Lexus to the Receiver. Based on discussions with automotive dealers and the "black book" value provided to the Receiver by Asset Engineering Corporation, a liquidator known to the Receiver, the proceeds from the sale of the Vehicle are unlikely to exceed \$50,000. As a result, the transaction for the sale of the Vehicle will fall under Section 4(o)(i) of the Order, which authorizes the Receiver to sell assets under \$100,000 outside the ordinary course of business without the approval of the Court, provided that the aggregate consideration for all such transactions does not exceed \$300,000. As of the date of this report the Receiver has not sold any of the Debtors' assets without this Honourable Court's approval.

8. 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,

A handwritten signature in blue ink, appearing to read "RSM Richter Inc.", is written over the typed name.

**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:

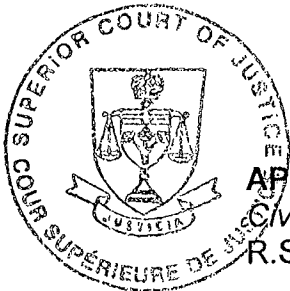
SA CAPITAL GROWTH CORP.

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.

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

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

32. **THIS COURT ORDERS** that the Applicant shall have its costs of this motion, up to and including entry and service of this Order, on a substantial indemnity basis to be paid by the Receiver from the Property with such priority and at such time as this Court may determine.

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

Dr. Francis J.

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

APR 01 2010

Tor#: 2495419.4

PER / PAR: TV

Schedule A

Banking Institutions

HSBC Bank Canada
102-271 Cornwall Road, Unit A
Oakville, Ontario L6J 7Z5

Account # : 930289 010

HSBC Bank Canada
2500 Appleby Line
Burlington, Ontario L7L 0A2

Account # : 003747 150

EMB Asset Group
Scotia Bank
207 Lakeshore Road East at George
Oakville ON L6J 1N4

Account Number: 30742 00840 18

EMB Asset Group
HSBC Bank Canada
2500 Appleby Line
Burlington, ON L7L 0A2

Account number: 342-013734-001
342-013734-002

Dunn Street Gallery Inc.
HSBC Bank Canada
2500 Appleby Line
Burlington, ON L7L 0A2

Account number: 342-013734-001

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, 2011)**

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”

This Agreement of Purchase and Sale dated this 22nd day of September 2010

BUYER, Arora Dennistry Professional Corp., agrees to purchase from
(Full legal names of all Buyers)

SELLER, RSM Richter Inc. Solely in its Capacity as Court Appointed Receiver of EMB Asset Group Inc. the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 225 Church Street fronting on the North side
of Church Street in the Town Oakville

and having a frontage of 24.07 feet more or less by a depth of 104.36 feet more or less

and legally described as Part Lot E, Block 3, Plan 1, Parts 11 & 29, 20R129A-7 Part 11 + 29 RP
20R12968 Part 1 + 3 (the "property").
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE:

Dollars (CDN\$) [REDACTED]

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

[REDACTED] Dollars (CDN\$) [REDACTED]

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

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

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

1. **IRREVOCABILITY:** This Offer shall be irrevocable by Seller until 5:00 p.m. on
(Seller/Buyer)

the 29th day of September 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 22nd day
of October 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 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
Acknowledgement below, or where a facsimile number is provided herein, when transmitted electronically to that facsimile number.

FAX No. (905)712-2937 (For delivery of notices to Seller) FAX No. (905)436-1924 (For delivery of notices to Buyer)

INITIALS OF BUYER(S): [Signature]

INITIALS OF SELLER(S): [Signature]



4. CHATELS INCLUDED:

all mirrors, central air conditioning equipment, central vacuum equipment and accessories, clothes dryer, clothes washer, dishwasher, electric light fixtures, Refrigerator, stove, all window coverings, all existing shelving and closet organizers, alarm monitoring system, and all others fixtures currently on the premises and belonging to the Seller, *excluding*

5. FIXTURES EXCLUDED: *any artwork on the premises.*

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/HST: If the sale of the property (Real Property as described above) is subject to Goods and Services Tax (GST) or Harmonized Sales Tax (HST) then such tax shall be in addition to the Purchase Price. If the sale of

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

8. TITLE SEARCH: Buyer shall be allowed until 6:00 p.m. on the *2nd* day of October 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, and that its present use *(Commercial)*

may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require. *or dealt with in the order referred to in Schedule "A"*

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 mortgagees, [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 assent to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.~~

12. DOCUMENTS AND DISCHARGE: Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada),

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

→ or is dealt with in the order referred to in Schedule "A"

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 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 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):



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

X SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:
[Witness] [Buyer] [Seal] DATE
[Witness] [Buyer] [Seal] 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:
[Witness] [Seal] DATE
[Witness] [Seal] DATE
[Seller: EMP ASSET GROUP INC. in its capacity as court appointed Receiver of]
[Seal] DATE
[Seal] DATE

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees 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] [Seal] DATE
CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at a.m./p.m. this day of 20.....
[Signature of Seller or Buyer]

INFORMATION ON BROKERAGE(S)

Listing Brokerage: Avison Young Commercial Real Estate (Ontario) Inc., Brokerage Tel. No. (905) 712-2100
30 EGLINTON AVE. W., STE. 300 MISSISSAUGA
Co-op/Buyer Brokerage: RE/MAX Realty Services Inc. Tel. No. (905) 456-1000

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.

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.

[Seal] DATE
[Seal] DATE
[Seal] DATE
Address for Service..... Tel. No.
Buyer's Lawyer.....
Address..... Tel. No. FAX No.
[Seal] DATE
[Seal] DATE
[Seal] DATE
Address for Service..... Tel. No.
Buyer's Lawyer.....
Address..... Tel. No. FAX No.

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT
Avison Young Commercial Real Estate (Ontario) Inc.
In consideration for the Co-operating Brokerage processing 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 MLSP 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 MLSP Rules and shall be subject to and governed by the MLSP Rules pertaining to Commission Trust.

DATED as of the day and time of the acceptance of the foregoing Agreement of Purchase and Sale.

Acknowledged by

[Authorized to bind the Listing Brokerage]

[Authorized to bind the Co-operating Brokerage]

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

BUYER, Arora Dentistry Professional Corp. and

SELLER, RSM Richter Inc. Solely in its Capacity as Court Appointed Receiver of EMB Asset Group Inc.

for the purchase and sale of 225 Church Street

Oakville dated the 22nd day of September 2010

Buyer agrees to pay the balance as follows:

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

This Agreement is conditional until 5 pm for 2 banking days from acceptance upon the Buyer arranging a new first mortgage at the Buyer's expense, for the balance of the purchase price on terms acceptable to the Buyer, acting reasonably. Unless this condition is waived by writing, signed by the Buyer and delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto on or before the specified time, this Agreement shall become null and void and the full deposit herein shall be returnable to the Buyer.

If required, the Seller agrees to permit an appraiser from the Buyer's financial institution access to the property for the purposes of appraising the property for financing.

The Seller agrees to grant the Buyer the right to re-enter the property ONE (1) time at a mutually agreed upon time.

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 (the "Vesting 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 shall not have been stayed, amended, modified, reversed or dismissed and no appeals of such order shall be pending at the Completion Date.

The Seller agrees to provide, at his/her expense, to the Buyer on closing day all keys currently in the Seller's possession.

For all purposes of this agreement, the terms "banking day" or "business day" shall mean any day, other than a Saturday, Sunday, or statutory holiday in Toronto, Ontario.

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

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



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

BUYER, Arora Dentistry Professional Corp., and

SELLER, RSM Richter Inc. Solely in its Capacity as Court Appointed Receiver of EMB Asset Group Inc.

for the property known as 225 Church Street

Oakville dated the 22nd day of September, 2010

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.

Unless stated otherwise in this agreement, the Seller represents that the chattels and fixtures (if any), which are included in the Purchase Price are being sold in "as is" condition, without warranty.

The parties acknowledge that if a real estate sales representative broker, or brokerage company provides services related to mortgage financing for the Buyer, such services are not included in the commissions for this transaction and agree that the brokerage company may be compensated for such services by the lender or a mortgage brokerage company. The parties further acknowledge that no guarantees or promises have been made that a mortgage will be obtained.

The Buyer agrees to pay to the Seller on closing, all Harmonized Sales Tax ("H.S.T.") eligible on the purchase price herein. In the alternative, the Buyer shall provide to the seller on or before closing, a statutory declaration on its authorized signing office that the Buyer is registered under the Subdivision V of part IX of the Excise Tax Act for the purposes of collecting and remitting H.S.T. together with an indemnity in favour on the Seller for any costs or expenses payable by the Seller as a result of the Seller's failure to collect H.S.T. from the Buyer on closing; such statutory declaration and indemnity to be in a form of satisfactory to the Seller's solicitor and shall include H.S.T. registration number of the proposed transferee and a copy of the Buyer's H.S.T. registration shall be delivered to the Seller or his solicitor.

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

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



SCHEDULE B

Agreement of Purchase and Sale

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

BUYER, Arora Dentistry Professional Corp.

Seller, RSM Richter Inc. solely in its capacity as Court Appointed Receiver of E.M.B. Asset Group Inc.

For the Purchase and Sale dated September 22, 2010.

Closing Arrangements

The Buyer acknowledges that title to the Property will be transferred to the Buyer pursuant to a Vesting Order and that the Vesting Order will not be effective until R.S.M. Richter Inc. in its capacity as Court Appointed Receiver of E.M.B. Asset Group Inc., delivers its certificate that it has received all of the purchase price and that the transaction has been completed. Accordingly, this transaction will be completed and the closing deliveries of the parties will be released prior to the time the Vesting Order is registered.



BUYER: Arora Dentistry Professional Corp.

SELLER: RSM Richter Inc. Solely in Its Capacity as Court Appointed Receiver of EMB Asset Group Inc.

REAL PROPERTY: 225 Church Street in the Town of Oakville

In accordance with the terms and conditions of the Agreement of Purchase and Sale dated
regarding the above property, I/we hereby waive the condition(s) which read(s) as follows:

September 22, 2010

This Agreement is conditional until 5 p.m. for 2 banking days from acceptance upon the Buyer arranging a new first mortgage at the Buyer's expense, for the balance of the purchase price or terms acceptable to the Buyer acting reasonably. Unless this condition is waived by writing, signed by the Buyer and delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto on or before the specified time, this Agreement shall become null and void and the full deposit herein shall be returnable to the Buyer.

All other terms and conditions in the aforementioned Agreement of Purchase and Sale to remain unchanged.

For the purposes of this Waiver, "Buyer" includes purchaser, tenant, and lessee, and "Seller" includes vendor, landlord, and lessor, and "Agreement of Purchase and Sale" includes an Agreement to Lease.

WITNESSED at Brampton, ON at 2:10 a.m. on this 1st day of OCTOBER 2010.
SIGNED, SEALED AND DELIVERED in the presence of: ON WITNESS whereof I have hereunto set my hand and seal:

Witness:

Buyer



DATE: 10/01/10

Buyer



DATE

Receipt acknowledged at

Print Name:

2004 Hoffman

4:50 a.m. on this 1st day of OCTOBER 2010

Signature:

RSM Richter Inc. in its capacity as
Court Appointed Receiver of
EMB Asset Group Inc.

Appendix “C”

OREA Ontario Real Estate Association **Agreement of Purchase and Sale**

Form 100
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 27 day of September 2010

BUYER, Martin Jones & Mi Jones (Full legal names of all Buyers) agrees to purchase from
SELLER, RSM Richter Inc. Solely In Its Capacity As Court Appointed Receiver of Stonebury Inc. (Full legal names of all Sellers), the following

REAL PROPERTY:

Address 1650 HIGHPOINT S/R fronting on the North side
of Highpoint in the City of CALEDON
and having a frontage of more or less by a depth of more or less
and legally described as Lot 26 Con 3 R01108476 (94.52 Acres)

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

PURCHASE PRICE: Dollars (CDN\$).
..... Dollars

DEPOSIT: Buyer submits Upon acceptance (Herewith/Upon Acceptance/as otherwise described in this Agreement) Dollars (CDN\$).

by negotiable cheque payable to ROYAL LEPAGE REAL ESTATE SERVICES LTD., BROKERAGE, "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 this deposit.

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

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

1. **IRREVOCABILITY:** This Offer shall be irrevocable by Buyer Sellers (Seller/Buyer) until 5:00-11:00 a.m./p.m. on the 4 day of October 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 1 day of November, 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 provision contained herein and in any Schedule hereto, this offer, any counteroffer, 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 Addressee for Service provided in the Acknowledgement below, or where a facsimile number is provided herein, when transmitted electronically to that facsimile number.

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

INITIALS OF BUYER(S): MJ

INITIALS OF SELLER(S): [Signature]

4. **CHATELS INCLUDED:**

5. **FIXTURES EXCLUDED:**

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

7. **GST/HST:** If the sale of the property (Real Property as described above) is subject to Goods and Services Tax (GST) or Harmonized Sales Tax (HST) then such tax shall be in addition to the Purchase Price. If the sale of the property is not subject to GST or HST, Seller agrees to certify on or before closing, that the sale of the property is not subject to GST or HST. Any HST on chattels, if applicable, is not included in the purchase price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 8 day of October, 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, and that its present use (Single Family Residential) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

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

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

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

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada),

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



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 statement 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 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 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):



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

SIGNED, SEALED AND DELIVERED in the presence of:

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

(Witness)

(Witness)

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:

(Witness)

(Witness)

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.

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 9:20 a.m. this 1st of October, 2010.

INFORMATION ON BROKERAGE(S)

Listing Brokerage: **ROYAL LEPAGE REAL ESTATE SERVICES LTD., BROKERAGE** To No. (905) 822-6900
1654 LAKESHORE RD. W. MISSISSAUGA

Co-op/Buyer Brokerage: **ROYAL LEPAGE REAL ESTATE SERVICES LTD., BROKER** Tel No. (905) 822-6900
1654 LAKESHORE RD. W. MISSISSAUGA

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.

DATE: 04/4/10

Ruthanne Macpherson
Ruthanne Macpherson, in her capacity as co-owner of Stonebury Ltd.

Address for Service:

Tel No.:

Seller's Lawyer: **Natasha Macpherson, Davis Ward Phillips Vineberg**
Address: 416-863-5567
n.macpherson@dwpv.com

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.

Andrew Jones DATE: Oct 1, 2010

[Signature] DATE: 10/1/10

Address for Service:

Tel No.:

Buyer's Lawyer:

Address:

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

As shown on the foregoing Agreement of Purchase and Sale, **ROYAL LEPAGE REAL ESTATE SERVICES LTD., BROKER** is the Commission Trust Agent for the Commission Trust. I, the undersigned, hereby declare that all monies received or receivable by me in connection with the Agreement of Purchase and Sale shall be deposited in the Commission Trust established by the MLSE Act and shall be held in trust for the Commission Trust.

DATED on 10/1/10, the undersigned of the foregoing Agreement of Purchase and Sale



Acknowledged by:

[Signature]
Promised to the Commission Trust

Schedule A

Agreement of Purchase and Sale

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

BUYER, Martin Jones & Mi Jones  , and

SELLER, RSM Richter Inc. Solely In Its Capacity As Court Appointed Receiver of Stonebury Inc.

for the purchase and sale of 1650 HIGHPOINT S/R

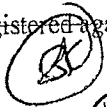

CALEDON L7K 0H8 dated the 27 day of September, 2010

Buyer agrees to pay the balance as follows:

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.

The buyer acknowledges that this property is for sale by the court appointed receiver of Stonebury Inc. and further acknowledges that the seller and listing brokerage make no representations or warranties of any kind in relation to the sale of this property.

The seller agrees to discharge all mortgages which are not being assumed, and all liens which may be registered against the property:

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

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



Schedule B

Helping you is what we do.™



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, Martin Jones and M. Jones

SELLER, RSM Richer Inc. in its Capacity As Court Appointed Receiver of
Stawby Inc.

for the property known as 1050 H. R. H. Rd. St. John's

dated the 27th day of September, 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 comes 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 confirms 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.

M-J.
INITIALS OF BUYER(S)

[Signature]
INITIALS OF SELLER(S)

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

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 ("Vesting Order") by the Ontario Superior Court of Justice approving the sale of the Property and vesting all the Seller's right, title and interest, if any, 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.

Closing Arrangements

The Buyer acknowledges that title to the Property will be transferred to the Buyer pursuant to a Vesting Order and that the Vesting Order will not be effective until RSM Richter Inc., in its capacity as Court appointed Receiver of Stonebury Inc., delivers its certificate that it has received all of the purchase price and that the transaction has been completed. Accordingly, this transaction will be completed and the closing deliveries of the parties will be released prior to the time the Vesting Order is registered.

Confirmation of Co-operation and Representation

BUYER: Martin Jones & Mi Jones
SELLER: RSM Richter Inc. Solely In Its Capacity As Court Appointed Receiver of Stonebury Inc.

For the transaction on the property known as: 1650 HIGHPOINT S/R CALEDON L7K 0H8

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 representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

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

MULTIPLE REPRESENTATION

The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Broker has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage.

However, the Listing Brokerage shall not disclose:

- That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
- The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- The price the Buyer should offer or the price the Seller should accept;
- And; the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

Additional comments and/or disclosures by Listing Brokerage:

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)	
ROYAL LEPAGE REAL ESTATE SERVICES LTD., RI <small>(Name of Listing Brokerage)</small> <u>1654 LAKESHORE RD. W. MISSISSAUGA</u> Tel: <u>(905)822-6900</u> Fax: <u>(905)822-1240</u> <u>Michael Chute</u> Date: _____ <small>(Authorized to bind the Listing Brokerage)</small> MICHAEL CHUTE <small>(Print Name of Broker/Salesperson Representative of the Brokerage)</small>	ROYAL LEPAGE REAL ESTATE SERVICES LTD., RI <small>(Name of Co-operating/Buyer Brokerage)</small> <u>1654 LAKESHORE RD. W. MISSISSAUGA</u> Tel: <u>(905)822-6900</u> Fax: <u>(905)822-1240</u> <u>Michael Chute</u> Date: _____ <small>(Authorized to bind the Co-operating/Buyer Brokerage)</small> MICHAEL CHUTE <small>(Print Name of Broker/Salesperson Representative of the Brokerage)</small>

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: [Signature] BUYER'S INITIALS: [Signature]

ACKNOWLEDGEMENT

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

Signature of Seller: [Signature] Date: Sept 27, 2010
 Signature of Buyer: [Signature] Date: Sept 27, 2010

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Form 320 Rev. 03/2010 Page 1 of 1

Schedule “A”

Schedule "A" – Real Property

Legal description of 225 Church

Property Identifier No. 24813-0328(LT)

PT LT E, BLK 3, PL 1, PTS 11 & 29, 20R12967, PTS 1 & 3, 20R12968. S/T EASEMENTS H763368, H763369, H763779 & H763780 OVER PT 29, 20R12967 & PT 3, 20R12968. S/T EASEMENTS H769480, H771420, H771429A, H772535, H774070, H774274, H775939, H776694, H779159, H781555A & H782243 OVER PT 29, 20R12967 & PT 3, 20R12968 FOR PTS 1-9, 12-27, 30-36, 20R12967 & PTS 2 & 4, 20R12968. T/W EASEMENTS H769480, H771420, H771429A, H772535, H774070, H774274, H775939, H776694, H779159, H781555A & H782243 OVER PTS 19-27, 30-36, 20R12967 & PT 4, 20R12968. SUBJECT TO AN EASEMENT AS IN HR800928 TOWN OF OAKVILLE.

Being the whole of the said PIN.

Land Titles Division of Halton (No. 20).

Schedule “B”

Schedule "B" – Real Property

Legal description of 1650 Highpoint

Property Identifier No. 14280-0322(LT)

PT LT 26 CON 3 WHS CALEDON AS IN RO1108476, SAVE AND EXCEPT PT 5 PL 43R-16764;
CALEDON.

Being the whole of the said PIN.

Land Titles Division of Peel (No. 43).