



**First Report of
KSV Restructuring Inc.
as Court-Appointed
Receiver and Manager of
JMD-M Canada Inc.**

November 15, 2023

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COURT FILE NO: CV-23-00696528-00CL

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

STERCUS ACCIDIT INVESTMENT CORP.

APPLICANT

- AND -

JMD-M CANADA INC.

RESPONDENT

**FIRST REPORT OF
KSV RESTRUCTURING INC.
AS COURT-APPOINTED RECEIVER**

NOVEMBER 15, 2023

1.0 Introduction

1. This report ("Report") is filed by KSV Restructuring Inc. ("KSV") in its capacity as receiver and manager (the "Receiver") of the property, assets and undertaking of JMD-M Canada Inc. (the "Company").
2. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on March 31, 2023 (the "Receivership Order"), KSV was appointed Receiver. A copy of the Receivership Order is attached as Appendix "A".
3. The Company's principal asset is real property municipally described as 605 Highway 7, Oakwood (City of Kawartha Lakes), Ontario (the "Real Property").
4. The principal purpose of these receivership proceedings is to conduct a Court-supervised sale process (the "Sale Process") for the Real Property that maximizes value for the Company's stakeholders, including Stercus Accidit Investment Corp. ("SAIC"), the Company's principal secured creditor and Applicant in these proceedings, and the Second Mortgagees (as defined below).
5. Pursuant to the Receivership Order, the Court approved a listing agreement with Keller Williams Advantage Realty ("KWAR"), a real estate brokerage firm, to list the Real Property for sale.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about the Company and these proceedings;
 - b) summarize the results of the Sale Process;
 - c) summarize a proposed transaction (the “Transaction”) with Robert Jekosz (the “Purchaser”) for the Real Property and certain other assets pursuant to an Agreement of Purchase and Sale dated July 13, 2023 between the Receiver and the Purchaser, as amended (the “APS”);
 - d) set out the Receiver’s recommendations regarding approval of the Transaction and the proposed distributions of the net proceeds thereof; and
 - e) recommend that the Court issue an order:
 - i. approving the APS and the Transaction;
 - ii. authorizing and directing the Receiver to complete the Transaction and convey to the Purchaser the purchased assets, and vesting the purchased assets in the Purchaser on closing, free and clear of claims and encumbrances other than the Permitted Encumbrances (as defined in the APS), upon execution and delivery of a certificate by the Receiver confirming completion of the Transaction; and
 - iii. authorizing the Receiver to make distributions to SAIC and a group of lenders holding a second-ranking mortgage/charge (the “Second Mortgagees”), up to the full amount of the Company’s obligations owing to SAIC and the Second Mortgagees, respectively, on the basis detailed herein.

1.2 Currency

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

1.3 Restrictions

1. In preparing this Report, KSV has relied upon the Company’s books and records, including unaudited financial information. KSV has not performed an audit or other verification of such information. KSV expresses no opinion or other assurance with respect to the Company’s financial or other information presented in this Report.

2.0 Background

1. The Company's principal asset is a four-acre parcel of real estate in the City of Kawartha Lakes, on which it operates an Esso gas station and a convenience store. There is also a commercial unit on the Real Property leased to 8783705 Canada Inc., which operates an auto repair shop known as Oakwood Auto Centre (the "Auto Repair Shop") under a lease which expires on September 1, 2025.
2. The gas station and the Auto Repair Shop have continued to operate in the normal course during these proceedings.
3. Further information about the Company and its background is set out in the receivership application materials and the Report of KSV as proposed receiver dated March 12, 2023 (the "Pre-Filing Report"), a copy of which, without appendices, is attached as Appendix "B".
4. Copies of Court materials filed in these receivership proceedings are available on the Receiver's website at <https://www.ksvadvisory.com/experience/case/jmd-m-canada>.

2.1 Creditors

1. The Company's creditor composition is summarized as follows:
 - a) the Applicant in these proceedings is SAIC, which holds a first-ranking mortgage/charge registered on title to the Real Property on July 23, 2021. The Company also granted SAIC additional security in the form of a general assignment of rents and a general security agreement dated July 23, 2021. As at the date of this Report, SAIC is owed approximately \$1.86 million under its mortgage and post-filing advances, plus interest and costs which continue to accrue;
 - b) the Second Mortgagees are a group of lenders comprised of Sreelu Consulting Inc., John Paul Kancherla, Balaji Ramu Dhuchetty, Likith Santosh Ambati, Sadasiva Rao Gadde, Keerthi Chowdary Sukhavasi and Vasu Karkarla. A second mortgage in favour of the Second Mortgagees in the principal amount of \$1 million was registered against the Real Property on June 10, 2022, and subsequently amended;
 - c) the Receiver understands there are property tax arrears of approximately \$22,000 owing to the City of Kawartha as at November 7, 2023; and
 - d) based on the Company's books and records, there are known unsecured creditors owed approximately \$871,000.

2.2 Funding of these Proceedings

1. Since the commencement of the receivership proceedings, SAIC has advanced \$50,000 under the Receiver's Borrowings Charge. In accordance with the Receivership Order, the Receiver issued Receiver's Certificates to SAIC evidencing these advances. Otherwise, the rental income generated from the Auto Repair Shop and revenue generated from gas station operations has funded the operating costs incurred during these proceedings. Certain post-filing expenses are contemplated to be paid from the proceeds of the Transaction.

3.0 Sale Process

3.1 Overview

1. Prior to these receivership proceedings, KWAR was retained by the Company. Immediately following its appointment, the Receiver entered into a new listing agreement with KWAR. The Receivership Order approved the Listing Agreement and authorized the Receiver to retain KWAR to market the Real Property. The Listing Agreement has been extended from time-to-time and is presently set to expire on December 31, 2023.
2. The Sale Process was detailed in the Pre-Filing Report and is summarized below.

Pre-marketing Phase

- a) KWAR, with the Receiver's assistance, prepared:
 - an investment summary detailing the acquisition opportunity for the Real Property (the "Investment Summary");
 - a confidentiality agreement ("CA");
 - a virtual data room, which contained, *inter alia*, copies of the Company's financial statements, lease agreement with the Auto Repair Shop, environmental report, asset listings and other diligence information.

Marketing

- a) Since January 8, 2023, the Real Property has been listed by KWAR on the Multiple Listing Service ("MLS").
- b) Over the course of the Sale Process, KWAR sent the Investment Summary to its network of over 390 prospective agents and investors.
- c) Interested parties were required to sign the CA to obtain access to the data room.

Bid Deadline

- a) Based on KWAR's recommendation, there was no set bid deadline. Offers were assessed as submitted over the course of the Sale Process.

3.2 Sale Process Results

1. On November 10, 2023, KWAR provided a memorandum to the Receiver which summarized its marketing process and the basis on which it is recommending the Transaction. A copy of KWAR's memorandum is attached as Appendix "C".
2. A summary of the results of the Sale Process is as follows:
 - a) the total number of views on MLS and Costar/Loopnet was 1,803 and 5,352, respectively;
 - b) KWAR arranged for 52 showings of the Real Property;
 - c) three parties, including the Purchaser, submitted conditional offers in the following amounts:

Offer Date	Purchase Price (\$)
May 23, 2023	2,225,000
June 12, 2023	2,800,000
July 13, 2023 (the Purchaser)	2,950,000

- d) on July 13, 2023, the Receiver entered into the APS with the Purchaser, which was amended on several occasions principally to extend the timeline for the Purchaser to complete its diligence and confirm its financing arrangements.

4.0 Transaction¹

1. A summary of the Transaction is as follows:
 - a) **Purchaser:** Robert Jekosz, who is arm's length to the Company's principal/shareholder.
 - b) **Purchased Assets:** The Real Property and certain other fixtures and equipment as set out in the APS.
 - c) **Purchase Price:** \$2,950,000.
 - d) **Deposit:** The Purchaser has funded \$150,000 (the "Deposit"), which is being held in KWAR's trust account. Pursuant to an Amending Agreement dated November 13, 2023, the Purchaser agreed that \$15,000 of the Deposit shall be non-refundable. Notwithstanding the foregoing, the full amount of the Deposit shall be credited to the Purchase Price on closing if the Transaction is completed.
 - e) **Representations and Warranties:** Consistent with the standard terms of an insolvency transaction, i.e. on an "as is, where is" basis, with limited representations and warranties.

¹ Capitalized terms in this section of the Report that are not defined have the meanings defined in the APS.

- f) **Closing Date:** December 14, 2023.
- g) **Material Conditions:** As at the date of this Report, the APS remains subject to the following two substantive conditions:
 - i. **Financing:** The Purchaser has until 12:00pm EST on November 23, 2023 to satisfy or waive its financing condition. To the extent the Purchaser is unable to clear this condition, the Receiver will not proceed with its sale approval motion on November 24, 2023. Accordingly, the Receiver intends to file a supplemental report with the Court on or before November 23, 2023 in order to update the Court and the Service List on the status of the Purchaser's financing. The Receiver has been provided with correspondence between the Purchaser and its prospective lender which states that a financing letter of intent is expected to be provided by November 22, 2023 and the lender would be in a position to fund the deal within two to three weeks thereafter; and
 - ii. **Court Approval:** The APS is also subject to the Court's issuance of the proposed approval and vesting order ("AVO").
- h) **Auto Repair Shop Lease:** The original APS with the Purchaser required vacant possession to be delivered on closing. The Receiver recently negotiated a Lease Amending Agreement with the tenant of the Auto Repair Shop, which amends the lease, conditional upon completion of the Transaction, to abridge the term of the lease to June 30, 2024 upon payment of an exit fee of \$125,000, which the Receiver proposes to pay from the sale closing proceeds. The Purchaser consented to this Lease Amending Agreement and the APS was amended accordingly.

- 2. A copy of the APS, including all amendments thereto, is attached as Appendix "D".

4.1 Sale Process Recommendation

- 1. For the following reasons, the Receiver recommends that the Court issue the AVO:
 - a) the Sale Process was conducted in accordance with the Court-approved Listing Agreement, as summarized in the Pre-Filing Report;
 - b) the market was widely canvassed by KWAR, an experienced realtor, using strategies commonly used to sell real property, including, but not limited to, listing the Real Property on MLS and direct solicitation of investors, developers and gas station operators;
 - c) in the Receiver's view, KWAR undertook a thorough and commercially reasonable marketing of the Real Property for over 10 months;
 - d) of the three conditional offers submitted since the Real Property was first listed by KWAR on January 8, 2023, the Transaction provides for the greatest recovery available in the circumstances;

- e) SAIC has consented to the Transaction;
 - f) KWAR is of the view that the Transaction is the best available in the circumstances; and
 - g) in the Receiver's view, further time marketing the Real Property is unlikely to improve recoveries and may enhance the risk of new issues arising and/or further costs being incurred, including potential environmental issues related to gas station operations as well as ongoing costs (wages, property taxes, insurance, utilities and professional fees).
2. As a result of the Transaction, the Second Mortgagees will incur a shortfall on their advances to the Company. Over the course of these proceedings, the Receiver has corresponded with representatives of, and legal counsel to, the Second Mortgagees, including in connection with the Transaction. The Second Mortgagees will be served with the Receiver's Motion Record.

5.0 Proposed Distributions

1. Following completion of the Transaction and subject to Court approval, the Receiver is proposing that it be authorized to make distributions to SAIC and the Second Mortgagees. In this regard, Chaitons LLP ("Chaitons"), the Receiver's legal counsel, has provided the Receiver with an opinion ² which, subject to the standard assumptions and qualifications contained therein, concludes that the mortgages in favour of SAIC and the Second Mortgagees create valid and perfected security interests in the Real Property.
2. The projected waterfall, reflecting the proposed distributions to SAIC and the Second Mortgagees, is provided in the table below.

Description	Amount (\$000s)
Sale Proceeds	2,950
KWAR real estate commissions (4% plus HST)	(135)
Property tax arrears (estimated)	(25)
Holdback for costs ³	(330)
Estimated Funds Available for Distribution	2,460
Proposed Distributions:	
SAIC: full repayment, including advances to the Receiver	(1,860)
Second Mortgagees	(600)
Total	-

3. The Receiver is not aware of any other secured creditors or any other claim that ranks or may rank in priority to SAIC or the Second Mortgagees, other than property tax arrears of approximately \$25,000 which will be satisfied on closing of the Transaction.

² A copy of Chaitons' security opinion can be made available to the Court upon request.

³ Includes an exit fee of \$125,000 payable to the tenant of the Auto Repair Shop, rent credit owing to the Purchaser as a result of the Lease Amending Agreement, unpaid post-filing expenses and professional fees.

4. Based on the foregoing, the Receiver recommends that this Honourable Court issue an order authorizing and directing the Receiver to distribute the net proceeds of the Transaction to SAIC and the Second Mortgagees. To the extent there are surplus funds remaining in the holdback once all expenses are paid, those funds would be distributed to the Second Mortgagees.

6.0 Conclusion and Recommendation

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

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF
JMD-M CANADA INC. AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”



Court File No. CV-23-00696528-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE
JUSTICE MCEWEN

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FRIDAY, THE 31st
DAY OF MARCH, 2023

STERCUS ACCIDIT INVESTMENT CORP.

Applicant

-and-

JMD-M CANADA INC.

Respondent

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C. 43, as amended (the "CJA") appointing KSV Restructuring Inc. ("KSV") as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of JMD-M Canada Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, and the Debtor's interest in the real property described at Schedule "A" to this Order (the "Real Property"), was heard this day by judicial teleconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Michael Kam sworn March 22, 2023 and the Exhibits thereto and the Report of KSV dated March 21, 2023 (the "KSV Report"), and on hearing the submissions of counsel for the Applicant and any other party present, all parties duly served as appears from the affidavits of service filed and on reading the consent of KSV to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof, and which includes the Debtor's interest in the Real Property (collectively, the "Property").

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, 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 Debtor;
- (d) 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;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) 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 Debtor, for any purpose pursuant to this Order;
- (i) 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 Debtor,

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;

(j) 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;

(k) 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 \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; 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.

(l) 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;

(m) 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;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) 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 Debtor;

(p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(r) 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its 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.

5. 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 Debtor, 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 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least

seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. 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

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor 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 Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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

11. 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 Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor 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 Debtor 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 Debtor's 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 Debtor 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

13. 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

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's 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*.

PIPEDA AND CASL COMPLIANCE

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

16. THIS COURT ORDERS that any interested stakeholder and their counsel are at liberty to serve or distribute this Order and any other orders, applications, correspondence, notices or other materials that are reasonably required in these proceedings, by forwarding true copies thereof by electronic message to the Debtor's creditors and other affected or interested parties and their advisors. Any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation or notice requirement within the meaning of section 3(c) of the Electronic Commerce Protection Regulations, SOR/2013-221.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. 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

18. 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

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

20. 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.

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

FUNDING OF THE RECEIVERSHIP

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$150,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

25. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

LISTING AGREEMENT

26. THIS COURT ORDERS that the Listing Agreement as described in the KSV Report is hereby approved.

27. THIS COURT ORDERS that the Receiver is hereby authorized and directed to take such steps as it considers necessary or desirable to carry out the Listing Agreement.

SERVICE AND NOTICE

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

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

GENERAL

30. 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.

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

32. 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.

33. 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.

34. THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

35. 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.



Justice Ontario Superior Court of Justice-
Commercial List

SCHEDULE "A"
REAL PROPERTY

PT LT 10 CON 9 MARIPOSA PT 2, 57R3732; S/T R199620; CITY OF KAWARTHA LAKES,
MUNICIPALLY KNOWN AS 605 HIGHWAY 7, OAKWOOD, ONTARIO- PIN 63186-0107 (LT)

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver (the "Receiver") of the assets, undertakings and properties JMD-M Canada Inc. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 31st day of March, 2023 (the "Order") made in an application having Court file number CV-23-00696528-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$150,000.00 which the Receiver is authorized to borrow under and pursuant to the Order.

1. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

2. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

3. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

4. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the ____ day of _____, 20__.

KSV Restructuring Inc., solely in its capacity as
Receiver of the Property, and not in its personal
capacity

Per: _____

Name:

Title:

Court File No. CV-23-00696528-00CL	
STERCUS ACCIDIT INVESTMENT CORP.	JMD-M CANADA INC.
-and-	
Applicant	Respondent
ONTARIO	
SUPERIOR COURT OF JUSTICE	
Proceeding commenced at TORONTO	
ORDER (APPOINTING RECEIVER)	
INCH HAMMOND PROFESSIONAL CORPORATION	
1 King Street West, Suite 500	
Hamilton, ON L8P 4X8	
Amanda Jordan McInnis LSO No. 506330	
amcinnis@inchlaw.com	
Tel: 905-525-4481	
Lawyers for the Applicant	

Appendix “B”



**Report of
KSV Restructuring Inc.
as Proposed Receiver of
JMD-M Canada Inc.**

March 21, 2023

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COURT FILE NO: _____

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

STERCUS ACCIDIT INVESTMENT CORP.

APPLICANT

- AND -

JMD-M CANADA INC.

RESPONDENT

**REPORT OF
KSV RESTRUCTURING INC.
AS PROPOSED RECEIVER**

MARCH 21, 2023

1.0 Introduction

1. KSV Restructuring Inc. ("KSV") understands that an application has been made to the Ontario Superior Court of Justice (Commercial List) (the "Court") by Stercus Accidit Investment Corp. ("Stercus") for an order (the "Receivership Order") pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act* ("BIA") and section 101 of the *Courts of Justice Act* to appoint KSV as receiver ("Receiver") of all the assets, undertaking and properties of JMD-M Canada Inc. (the "Company").
2. KSV has consented to act as Receiver. A copy of KSV's consent was filed as part of Stercus' receivership application.
3. KSV understands that the Company's principal asset is the real property municipally described as 605 Highway 7, Oakwood (City of Kawartha Lakes), Ontario (the "Real Property").
4. The principal purpose of the proposed receivership proceedings is to conduct a Court-supervised sale of the Real Property that maximizes value for the Company's stakeholders.

1.1 Purposes of this Report

1. The purposes of this report ("Report") are to:
 - a) provide background information on the proposed receivership proceedings; and
 - b) summarize the basis on which the Receiver, if appointed, recommends that it be authorized to retain and enter into a listing agreement with Keller Williams Advantage Realty ("KWAR") to act as the listing agent to market and sell the Real Property.

1.2 Restrictions

1. In preparing this Report, KSV has relied upon information, including financial information, provided by Stercus' legal counsel. KSV has not performed an audit or other verification of such information. The financial information discussed herein is preliminary and remains subject to further review. KSV expresses no opinion or other assurance with respect to the Company's financial or other information presented in this Report.

2.0 Background

1. The Company's principal, and potentially only, asset is the Real Property.
2. The Real Property is approximately four acres and consists of a gas station and commercial building. It is located just off Highway ON-7. Situated on the Real Property is an Esso gas station, convenience store and a commercial building, which includes space currently tenanted by an auto repair shop.
3. The Affidavit of Michael Kam, President of Stercus, filed in support of its receivership application (the "Affidavit") provides, *inter alia*, the Company's background and creditor composition and, accordingly, that detailed discussion has not been repeated in this Report.

3.0 Creditors

3.1 Stercus

1. Stercus holds a first-ranking mortgage/charge registered on title to the Real Property on July 23, 2021 (the "Mortgage"). The Company also granted Stercus additional security in the form of a general assignment of rents and a general security agreement dated July 23, 2021.
2. According to the Affidavit, the Mortgage matured on August 1, 2022. On or about October 12, 2022, Stercus made demand and served a Notice of Intention to Enforce Security pursuant to Section 244 of the BIA in respect of the amounts owing under the Mortgage.
3. As at October 12, 2022, Stercus is claiming approximately \$1.546 million under the Mortgage, plus interest and costs which continue to accrue.

3.2 Other Creditors

1. According to the Affidavit, the Company's other known obligations include:
 - a) a second-ranking mortgage/charge in the principal amount of \$1 million in favour of a group of lenders (collectively, the "Second Mortgagees") registered against the Property on June 10, 2022; and
 - b) municipal tax arrears of approximately \$6,500 owing to the City of Kawartha.
2. The proposed Receiver understands that each of these parties is being served with Stercus' receivership application materials.

4.0 Listing Agreement

1. As of the date of this Report, the Real Property is listed for sale by Sam Park, a broker with KWAR. The proposed Receiver has had preliminary discussions with Mr. Park to gather information and discuss KWAR's potential engagement by the Receiver, should it be appointed. Based on those discussions, the proposed Receiver understands that:
 - a) KWAR was engaged by the Company on January 8, 2023 and the Real Property has been listed on the Multiple Listing Services ("MLS") since that time for \$4.85 million; and
 - b) on March 3, 2023, the list price was reduced to \$4.29 million, following which activity levels have increased. There are presently several interested parties performing diligence on the Real Property.
2. The proposed Receiver and KWAR have agreed to the terms on which the Receiver, if appointed, would retain KWAR to continue its listing of the Real Property. The key terms and conditions of the proposed Listing Agreement include the following:
 - a) **List Price**: \$4.29 million (i.e. no change to the current list price).
 - b) **Term**: Earlier of June 30, 2023 or the closing of a transaction.
 - c) **Commission Rate**: 4% of the gross sale proceeds.
 - d) **Other**: In the Receiver's view, the Listing Agreement is generally standard and consistent with market. The Receiver inserted a schedule providing for certain terms of real estate transactions required in a receivership context, being:
 - i. the Real Property will be marketed on an "as is, where is" basis;
 - ii. the Receiver will have the right to reject any and all offers, including the highest dollar value offer(s); and

- iii. the form of agreement of purchase and sale submitted by any buyer will include a condition in favour of the Receiver providing that (a) completion of the sale transaction will be subject to Court approval, to be obtained by the Receiver, and (b) title to the Real Property shall be conveyed by way of Court order vesting title to the Real Property in the buyer.
- 3. A copy of the form of proposed Listing Agreement is attached as Appendix “A”. If appointed, the Receiver intends to execute and enter into the Listing Agreement so that the listing of the Real Property can continue uninterrupted by the commencement of these proposed receivership proceedings.

4.1 Recommendation

- 1. The proposed Receiver recommends that the Court issue an order approving and authorizing the Receiver, if appointed, to enter into the Listing Agreement for the following reasons:
 - a) it will provide for a fair, open and transparent process intended to canvass the market broadly on an orderly basis. The terms of the Listing Agreement are consistent with traditional real estate sale processes conducted in the context of receivership proceedings. In this regard, the Listing Agreement is in the standard Ontario Real Estate Association (“OREA”) form, amended to consider certain receivership provisions;
 - b) there will be no delay in the Receiver listing the Real Property – KWAR will be retained from the outset of these proceedings and is familiar with the Real Property and is presently in discussions with interested parties. This should allow for the process to be conducted on a timely basis, which will assist to reduce costs;
 - c) in the Receiver’s view, KWAR is qualified for this assignment – it has experience selling retail/commercial properties in the Kawartha area and has national reach;
 - d) KWAR’s commission rate of 4% is consistent with market;
 - e) KWAR has discouraged setting a bid deadline for the Real Property given the specific nature of the Real Property, being a gas station. Given the recent increase in activity levels by interested parties, KWAR has recommended that the Real Property continue to be listed for \$4.29 million;
 - f) the list price can be revised and the proposed Receiver intends to consult with Stercus and the Second Mortgagees before increasing or decreasing the list price; and
 - g) the Receiver understands that Stercus has consented to the retention of KWAR pursuant to the Listing Agreement.

5.0 Conclusion and Recommendation

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

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS PROPOSED RECEIVER OF
JMD-M CANADA INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “C”



LISTING SUMMARY

Prepared by: Sam Park, *Commercial Division Head (Broker)* with Keller Williams Advantage Realty, Brokerage

PROPERTY FOR SALE: 605 HWY 7 KAWARTHA LAKES

PROPERTY TYPE: COMMERCIAL GAS STATION

ZONING: C-2-3 (Highway Commercial)

OPINION OF ACCEPTED OFFER

It is my opinion, based on the existing market conditions and the feedback received from potential buyers that the accepted offer is the best possible price. The total offers that were received during the listing period is three (3), with two verbal offers at \$2 million and another at \$2.6 million. In the case of the second highest offer at \$2,800,000.00, the Buyer refused to increase on price citing there is too much risk as "the gas station and convenience store is barely running at the moment with empty shelves." The most common feedback received from buyers is that the interest rates are too high and that lending has become much tighter making it very difficult to get any approval especially when business financial statements cannot be relied upon.

LISTING ACTIVITY

January 8, 2023 – MLS Listing Commencement Date with JMD-M Canada Inc. Sale Price: \$4,850,000.00

March 3, 2023 – Price Reduction. New Sale Price: \$4,290,000.00

March 24, 2023 – Listing Expiry Date with JMD-M Canada Inc.

March 31, 2023 – MLS Listing Commencement Date with KSV Restructuring Inc. Sale Price: \$4,290,000.00

May 24, 2023 – Price Reduction. New Sale Price: \$1.00

August 1, 2023 – Status Change. Sold Conditional

OFFERS SUMMARY

May 23, 2023 – Offer received for \$2,225,000.00, deposit of \$50,000.00 with conditions. Offer rejected.

June 12, 2023 – Offer received for \$2,800,000.00, deposit of \$50,000.00 with conditions. Offer rejected.

July 13, 2023 – Accepted offer for \$2,950,000.00, deposit of \$150,000.00 with conditions.

PROPERTY MARKETING AND EXPOSURE

The property was listed on MLS and on paid commercial listing sites such as Costar and Loopnet for maximum exposure to the public and real estate agents.

Current MLS – **1,803 Total Views**

Costar/Loopnet – **5,352 Total Views**

Emails Sent to network of CRE Agents / Investors – **390**

Showings and Discussions with Interested Buyers - **52**

Social Media Marketing on LinkedIn and Facebook

Followed up with every contact and coordinated the scheduling of all property showings.

Costar / Loopnet Stats

Activity Summary

Summary of everyone that has seen your property.

1 Year ▼

5,352

👁 Total Views

1,932

👤 Unique Prospects

31s

🕒 Average Time on Page

145

📄 Detail Page Views

2.8

👥 Frequency

1h 9m 19s

🕒 Total Time on Page



\$1

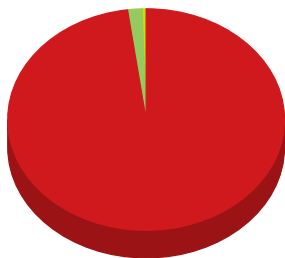
**605 HWY 7
Kawartha Lakes, Ontario
K0M2M0**

KELLER WILLIAMS ADVANTAGE REALTY
Brokerage

MLS® Number : X6002981 **Last Updated : 2023-09-28**

Views by Websites & Apps

Since Apr 01, 2023



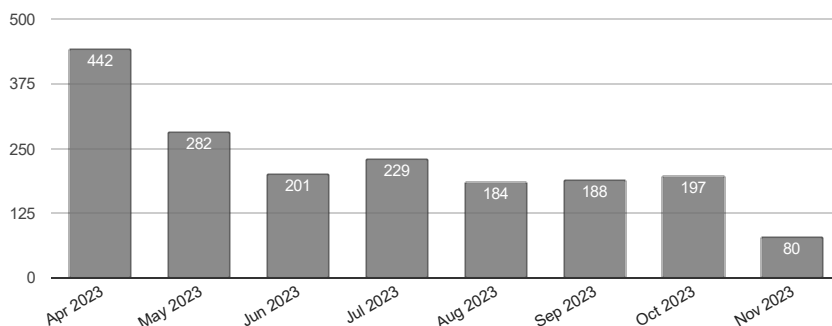
- REALTOR.ca Websites & Apps - [1684 view(s)]
- DDF® National Shared Pool Websites - [29 view(s)]
- Real Estate Advertising Websites - [8 view(s)]

Feedback

1803 Views on 12 Sites

Views Compared Over Time

Since Apr 01, 2023



Listing statistics are displayed in UTC time.

REALTOR.ca Websites & Apps (Since Apr 01, 2023: 1,684 Views on 4 Sites)

Real Estate Advertising Websites (Since Apr 01, 2023: 8 Views on 1 Sites)

Franchisor Sites (Since Apr 01, 2023: 82 Views on 1 Sites)

DDF® National Shared Pool Websites (Since Apr 01, 2023: 29 Views on 6 Sites)

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Appendix “D”



Form 500

for use in the Province of Ontario

Agreement of Purchase and Sale Commercial



COMMERCIAL NETWORK

This Agreement of Purchase and Sale dated this 13 day of July, 2023

BUYER: Robert Jekosz, agrees to purchase from
(Full legal names of all Buyers)

SELLER: Ksv Resructuring Inc., Court-Appointed Receiver Of The Property, the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 605 Hwy 7, Kawartha Lakes, ON K0M 2M0

fronting on the North side of Hwy 7

in the City of Kawartha Lakes

and having a frontage of 661.71 Feet more or less by a depth of 0 Feet more or less

and legally described as Pt Lt 10 Con 9 Mariposa Pt 2, 57R3732; S/T R199620

City of Kawartha Lakes (the "property")
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN\$) 2,950,000.00

Two million nine hundred fifty thousand and 00/100 Dollars

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

One hundred fifty thousand and 00/100 Dollars (CDN\$) 150,000.00

by negotiable cheque payable to Keller Williams Advantage Realty, 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 the deposit.

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

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

1. IRREVOCABILITY: This offer shall be irrevocable by Buyer Seller until 8pm on
20 17 day of July, 2023 (a.m./p.m.)
the 17 day of July, 2023, 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 29 day of September, 2023. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

RJ

INITIALS OF SELLER(S):

DS



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

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

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

Email Address:
(For delivery of Documents to Seller)

Email Address:
(For delivery of Documents to Buyer)

DS
RJ

- 4. CHATELS INCLUDED:** Further described in Schedules "C" & "A"

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

- 5. FIXTURES EXCLUDED:**

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

Hot Water Tanks (if applicable)

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

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

INITIALS OF BUYER(S):

RJ

INITIALS OF SELLER(S):

DS



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~~8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 15 day of September, 2023, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (.....) 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.~~

DS
RJ

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 telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication 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.~~

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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 Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.

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

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

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

INITIALS OF BUYER(S):

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INITIALS OF SELLER(S):

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- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act* (R.S.C., 1985, c. C-21), as amended from time to time.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing urea formaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains urea formaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. ELECTRONIC SIGNATURES:** The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act*, 2000, S.O. 2000, c17 as amended from time to time with respect to this Agreement and any other documents respecting this transaction.
- 28. 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):

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INITIALS OF SELLER(S):

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29. 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) **Robert Jekosz**
 (Buyer/Authorized Signing Officer) (Seal) 07/13/2023
 (Date)

.....
 (Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)

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

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

.....
 (Witness) **David Sieradzki**
 (Seller/Authorized Signing Officer) (Seal) 7/17/2023 | 4:52 PM EDT
 (Date)

.....
 (Witness) (Seller/Authorized Signing Officer) (Seal) (Date)

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

.....
 (Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 07/20/2023, 03:50:46 PM EDT this day of....., 20.....
 (a.m./p.m.) **Robert Jekosz**
 (Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)	
Listing Brokerage KELLER WILLIAMS ADVANTAGE REALTY	(416) 465-4545 (Tel.No.)
SAM PARK (Salesperson/Broker/Broker of Record Name)	
Co-op/Buyer Brokerage Keller Williams Advantage Realty, Brokerage	(416) 465-4545 (Tel.No.)
SAM PARK (Salesperson/Broker/Broker of Record Name)	

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.	I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
David Sieradzki 7/20/2023 | 5:49 PM EDT	Robert Jekosz 07/20/2023
(Seller) David Sieradzki (Date)	(Buyer) Robert Jekosz (Date)
..... (Seller) (Date)	..... (Buyer) (Date)
Address for Service	Address for Service
..... (Tel. No.)	..... (Tel. No.)
Seller's Lawyer	Buyer's Lawyer
Address	Address
Email	Email
..... (Tel. No.) (Fax. No.)	..... (Tel. No.) (Fax. No.)

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



**Form 500**

for use in the Province of Ontario

Schedule ~~A~~ c *RT* ^{DS}

Agreement of Purchase and Sale – Commercial



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

BUYER: Robert Jekosz....., and

SELLER: Ksv Restructuring Inc., Court-Appointed Receiver Of The Property.....

for the purchase and sale of 605 Hwy 7, Kawartha Lakes, ON K0M 2M0.....

..... dated the 13..... day of July....., 2023.....

Buyer agrees to pay the balance as follows:

BALANCE OF PURCHASE PRICE

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

DEPOSIT CHEQUE

The sum of FIFTY THOUSAND DOLLARS (CAD), \$50,000.00 as a deposit within six (6) business days after acceptance of this Agreement of Purchase and Sale (herein, the "Deposit"). The deposit is to be paid to "KELLER WILLIAMS ADVANTAGE REALTY, BROKERAGE" and held in trust by the Brokerage pending completion or other termination of the Agreement and is to be credited on account of the Purchase Price on closing. The Deposit is to be repaid immediately to the Buyer without penalty in the event the Buyer terminates this transaction within the conditional period.

A further deposit of ONE HUNDRED THOUSAND DOLLARS (CAD), \$100,000.00 shall be delivered to "KELLER WILLIAMS ADVANTAGE REALTY, BROKERAGE", in trust, within two (2) business days of waiver or fulfillment of all conditions set out in this Schedule "C", which second deposit will be held in trust pending completion or other termination of this Agreement and be credited toward the purchase price on completion.

COURTESY OF ACCESS TO PROPERTY

Upon acceptance of this Agreement of Purchase and Sale, the Buyer and its Agent(s) will be allowed to enter the property, from time to time, for the purpose of conducting environmental and geotechnical testing and site inspection of the property, utilities or services including the right to conduct intrusive testing and to take soil samples. The Buyer shall indemnify the Seller for any damage caused by the Buyer or its agents to the property of others as a result of the Buyer's actions. The Buyer shall restore the property as nearly as reasonably possible to its original state.

ASSIGNMENT OF AGREEMENT

The Buyer named herein shall have the privilege of assignment of the within Offer, and any ... (Continued: Schedule A - 500 - Agreement of Purchase and Sale - Commercial ..., paragraph 1)

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

INITIALS OF BUYER(S):

RT

INITIALS OF SELLER(S):

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Schedule A

Agreement of Purchase and Sale – Commercial

Form 500

for use in the Province of Ontario

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

BUYER: Robert Jekosz, and

SELLER: Ksv Restructuring Inc., Court-Appointed Receiver Of The Property

for the purchase and sale of 605 Hwy 7, Kawartha Lakes, ON K0M 2M0

dated the 13 day of July, 2023

Buyer agrees to pay the balance as follows:

1. (From: 500 Agreement of Purchase and Sale – Commercial – OREA (TRREB), Page 6, Terms and Conditions)...

agreement resulting there from, to any company incorporated, or to be incorporated, or to any person or firm (or combination thereof), on or after acceptance, provided that this transaction does indeed close. In the event of assignment, the Seller agrees to continue and complete this transaction of Purchase and Sale with the said assignee, as if the assignee were the Buyer named herein. Upon closing, the Buyer named herein shall be relieved of any covenants, obligations, and/or liabilities herein contained. In the event that the transaction does not close due to the Seller's default, the Buyer shall be relieved of all liability herein.

BUYER'S CONDITIONS TO THE AGREEMENT

The Buyer shall have SIXTY (60) days from the date of acceptance to conduct studies and investigations including but not limited to:

- a. Building inspections
- b. Zoning Review
- c. Financing
- d. Inventory Valuation
- e. Lawyer Review
- f. Environmental Review

If the results of said inspections and investigations do not meet the Buyer's satisfaction in his sole and absolute discretion, Buyer shall have the right to terminate this agreement during the this time period, the Deposit shall be returned to the Buyer without set-off. If the Buyer is satisfied with their findings they will notify the Seller by means of a waiver or notice of fulfillment.

DELIVERIES ON CLOSING

The Seller covenants and agrees to deliver the following to the Buyer on or before Closing; together with all other documents usually provided by the Seller in a similar transaction:

- a. A Statutory Declaration confirming that the Seller is not a non-resident of Canada within the ... (Continued: Schedule A – 500 – Agreement of Purchase and Sale – Commercial..., paragraph 1.2)

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

INITIALS OF BUYER(S):

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INITIALS OF SELLER(S):

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Form 500

for use in the Province of Ontario

Schedule A^c Agreement of Purchase and Sale – Commercial

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

BUYER: Robert Jekosz, and

SELLER: Ksv Restructuring Inc., Court-Appointed Receiver Of The Property

for the purchase and sale of 605 Hwy 7, Kawartha Lakes, ON K0M 2M0

dated the 13 day of July, 2023

Buyer agrees to pay the balance as follows:

1.2. (From: 500 Agreement of Purchase and Sale – Commercial – OREA (TRREB), Page 6, Terms and Conditions)...

meaning and intended purpose of Section 116 of the Income Tax Act of Canada;

b. Statement of Adjustments, in duplicate;

c. Clear title on the property.

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CHATELS AND FIXTURES INCLUDED

Except as otherwise set out under the "FIXTURES EXCLUDED", included in the purchase price are all chattels and fixtures of every nature and kind affixed to, incorporated or situate in, on, around or upon the Property and owned by the Seller or Business, and without limiting the generality of the foregoing, all buildings and related equipment including electric light fixtures, plumbing fixtures, HVAC equipment, sprinklers, drainage and other mechanical and electrical systems. The Seller represents and warrants that the chattels and fixtures as included in this Agreement of Purchase and Sale will not be replaced, shall be in good working order and will be free from all liens and encumbrances on completion. ~~The Parties agree that this representation and warranty shall survive and not merge on completion of this transaction but apply only to the state of the property at completion of this transaction.~~ and subject to the provisions of Schedule A

The buyer and seller agree that, all existing fixtures and chattels is to be included in the purchase price (including but not limited to):

-All Esso Signage, Canopy and Assets for Gas Station Business including pumps, tanks, convenience store, etc.

-All existing mechanical equipment, appliances, light fixtures (excluding tenant property)

VENDOR AGREES AND CONVENANTS:

~~1. to provide a clearance certificate pursuant to Section 6 of the Retail Sales Tax Act or if not required to be registered, to provide a statutory declaration that the Vendor is not a registrant and is not required to be a registrant, along with a confirmation of non-registration under the Retail Sales Tax Act issued by the Ontario Ministry of Finance;~~

~~2. to provide Worker's Safety Insurance Board Purchase Certificate;~~

... (Continued: Schedule A – 500 – Agreement of Purchase and Sale – Commercial..., paragraph 1.3)

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

INITIALS OF BUYER(S):

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INITIALS OF SELLER(S):

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Schedule A c

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Form 500

for use in the Province of Ontario

Agreement of Purchase and Sale – Commercial

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

BUYER: Robert Jekosz, and

SELLER: Ksv Resructuring Inc., Court-Appointed Receiver Of The Property

for the purchase and sale of 605 Hwy 7, Kawartha Lakes, ON K0M 2M0

dated the 13 day of July, 2023

Buyer agrees to pay the balance as follows:

1.3. (From: 500 Agreement of Purchase and Sale – Commercial – OREA (TRREB), Page 6, Terms and Conditions)...

3. to terminate all contracts with it's employees and make all payments on account of severance pay, vacation pay, and any other payments required under federal, provincial or municipal legislation;

~~4. without remuneration, to train the Purchaser and introduce the Purchaser to the existing customers for a period of two weeks before closing in order that the Purchaser may become acquainted with the operation of the business;~~

5. to file a joint election with the Purchaser to exempt the subject transaction from GST/HST.

6. to provide notice to terminate the current commercial lease with the Auto Repair Centre upon the waiver or fulfillment of all conditions and vacant possession to be provided on closing date.

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

INITIALS OF BUYER(S):

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INITIALS OF SELLER(S):

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Schedule "A" to Agreement of Purchase and Sale

1. In the event of any conflict or inconsistency between any provision of this Schedule "A" and any provision of the Agreement of Purchase and Sale, the provisions of this Schedule "A" shall govern and prevail.
2. If the transaction is not completed as a result of the Buyer's failure to perform any of its obligations under this Agreement, then the Deposit shall be forfeited to the Seller which shall also retain all of its other rights and remedies against the Buyer available at law or in equity.
3. The Property is being sold and shall be accepted by the Buyer on an "as is, where is" and "without recourse" basis with no representations, warranties or condition, express or implied, statutory or otherwise, of any nature and kind whatsoever as to title, encumbrances, description, present or future use, fitness for use, environmental condition including the existence of hazardous substances, merchantability, quantity, defect (latent or patent), condition, location of structures, zoning or lawful use of the property, rights over adjoining properties and any easements, rights-of-way, rights of re-entry, restrictions and/or covenants which run with or affecting the land, ingress and egress to the property, the condition or state of repair of any chattels, encroachments on the property by adjoining properties or encroachments by the property on adjoining properties, if any, any outstanding work orders, orders to comply, deficiency notices, municipal or other governmental agreements or requirements (including site plan agreements, development agreements, subdivision agreements, building or fire codes, building and zoning by-laws and regulations, development fees, imposts, lot levies and sewer charges) or any other matter or thing whatsoever, either stated or implied. The Buyer acknowledges having reviewed the state of title to the Property and agrees to accept title subject to all of the foregoing.
4. The Seller's obligations contained in this Agreement shall be conditional upon the Seller receiving an order of the Ontario Superior Court of Justice in a form satisfactory to the Seller, acting reasonably, approving the sale of the Property and vesting title thereto in the Buyer, free and clear of all claims and encumbrances against the Property, save for any permitted encumbrances described in paragraph 7 below (the "**Court Approval**").
5. The Seller covenants and agrees to use reasonable commercial efforts to attempt to obtain the Court Approval. If the sale of the Property is not approved by the Court, this Agreement shall be terminated without any penalty or liability whatsoever to the Seller or the Buyer, other than the return by the Seller to the Buyer of the Deposit, but without cost or other compensation, and each of the Seller and the Buyer shall be released from all other obligations hereunder except for the obligations of the Buyer that are specifically stated herein to survive Closing or other termination of this Agreement.
6. The description of the Property contained in this Agreement is for the purposes of identification only and no representation, warranty or condition has or will be given by the Seller concerning the existence or accuracy of such description.
7. The Buyer shall accept title to the Property subject to, and whether complied with or not, any and all registered restrictions, agreements or covenants which run with the land, registered easements for the supply of utilities and services to the Property or through the Property to

adjoining/adjacent properties or other easements, registered leases, rights-of-way, rights of re-entry by-laws, standard subdivision or site plan agreements (including any levies or charges payable thereunder) with the municipality and/or public utility, and any encroachments.

8. The Seller shall not be required to deliver a discharge, release or reassignment of any charge/mortgage of land, assignment, lien or other encumbrance registered against the title to the Property which would be extinguished by an order of the Court referred to in paragraph 4 above.

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

10. The Buyer shall have the right at any time prior to closing to assign this Agreement to a corporation and/or person, and when such assignment shall have been made and written notice thereof shall have been given to the Seller or its solicitors, the assignee shall assume all of the Buyer's rights and obligations hereunder to the same extent and in the same manner as if such assignee had executed this Agreement as Buyer, however the Buyer shall have personal liability for its obligations under this Agreement and shall not be released from its obligations notwithstanding any assignment thereof.

11. Prior to completion, the Seller shall: (a) remove any garbage around and inside the Property and deliver the Property in a broom-swept condition; and (b) provide vacant possession.

12. The Buyer covenants and agrees not to register Notices of this Agreement, assignment thereof, Caution, Certificate of Pending Litigation, or any other instrument or reference to this Agreement or to his/her/its interest in the Property. If any such registration occurs, the Seller may, at its option, terminate this Agreement and all deposit monies shall be forfeited as liquidated damages and not as a penalty. The Buyer hereby irrevocably consents to a court order removing any such registrations and agrees to bear all costs in obtaining such order.

Schedule B**Agreement of Purchase and Sale or
Agreement to Lease**

THE FOLLOWING TERMS ARE INTERCHANGEABLE: "Agreement of Purchase and Sale" as "Agreement to Lease"
 "Seller" as "Landlord"
 "Buyer" as "Tenant"

This Schedule is attached to and forms part of the Agreement of Purchase and Sale or Agreement to Lease between:
Robert Jekosz

BUYER,, and

Ksv Resructuring Inc., Court-Appointed Receiver
SELLER, Of The Property

for the property known as **605 Hwy 7 Kawartha Lakes**
 dated the **July 13, 2023** day of, 20.....

The Parties to this Agreement of Purchase and Sale or Agreement to Lease, hereby acknowledge and agree:

That the Deposit Holder shall place the deposit in its interest bearing real estate trust account, ~~which earns interest at a rate of prime less 2.80%~~, and the Deposit Holder shall pay any interest it earns or receives on the deposit to the beneficial owner of the trust money, provided the amount of the interest that the Deposit Holder earns or receives on the deposit is equal to or greater than the administration fee of \$100.00. The interest will be paid up to the completion of this transaction. The parties to this Agreement of Purchase and Sale/Agreement to Lease, hereby acknowledge and agree that the Deposit Holder shall be entitled to retain any interest earned or retained on the deposit, which is less than \$100.00. Furthermore, the parties hereto agree that any interest cheques issued by the deposit holder that are not cashed within six (6) months following completion of this transaction shall be forfeited to the Deposit Holder. If interest is requested, claimants must request the interest in writing within 30 days of the transaction completion date. Please provide a Social Insurance Number (SIN) for the individual claimant and Business Identification Number (BIN) and address for delivery.

RJ
 DS
 DS

That in the event of a Mutual Release or for Excess Funds, the deposit will be returned after the full bank clearing period. The period will start the next banking day after receipt and deposit of the deposit funds to the brokerage's trust account. For all methods of deposit, the period is TEN (10) banking days.

**** Please note: NSF deposit cheques will be subject to a \$50.00 administration fee****

That the term "Banking or Business Days" shall mean any day, other than Saturday, Sunday, or statutory holiday in the province of Ontario or the country of Canada.

In the event that the Seller requests the Listing Brokerage to provide the lockbox code to the Seller's Lawyer to release the keys to the Buyer upon closing on the Seller's behalf, the Seller hereby agrees to hold the listing Brokerage harmless from any damage and/or liability that results from the actions of third parties, including but not limited to the Seller's Lawyer, that may arise from the access granted to the premise as a result of this request. This clause shall survive and not merge on the closing of this transaction.

This form must be initialed by all parties to the Agreement.

INITIALS OF BUYER(S):

RJ

INITIALS OF SELLER(S):

DS
 DS



Form 320

for use in the Province of Ontario

Confirmation of Co-operation and Representation Buyer/Seller



BUYER: Robert Jekosz

SELLER: Ksv Restructuring Inc., Court-Appointed Receiver Of The Property

For the transaction on the property known as: 605 Hwy 7, Kawartha Lakes, ON K0M 2M0

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation:

"Seller" includes a vendor, a landlord, lessor or a prospective seller, vendor, landlord or lessor and "Buyer" includes a purchaser, tenant, lessee or a prospective buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

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

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

1. LISTING BROKERAGE

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

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

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

2. PROPERTY SOLD BY BUYER BROKERAGE – PROPERTY NOT LISTED

☐ The Brokeragerepresent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid (does/does not)

or: ☐ by the Seller in accordance with a Seller Customer Service Agreement
☐ by the Buyer directly

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

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

RJ

BUYER

CO-OPERATING/BUYER BROKERAGE

DS

SELLER

SP

LISTING BROKERAGE

3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1.**CO-OPERATING BROKERAGE - REPRESENTATION:**

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

CO-OPERATING BROKERAGE - COMMISSION:

- a) ☐ The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property
..... to be paid from the amount paid by the Seller to the Listing Brokerage.
(Commission As Indicated In MLS® Information)
- b) ☐ The Co-operating Brokerage will be paid as follows:
.....
.....
.....

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

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

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 3 above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

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

Keller Williams Advantage Realty, Brokerage
(Name of Co-operating/Buyer Brokerage)

1238 Queen St E Toronto ON M4L 1C3

Tel: **(416) 465-4545** Fax: **(416) 465-4533**

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

SAM PARK

(Print Name of Salesperson/Broker/Broker of Record)

KELLER WILLIAMS ADVANTAGE REALTY

(Name of Listing Brokerage)

1238 QUEEN ST EAST UNIT B TORONTO ONTARIO M4L1C3

Tel: **(416) 465-4545** Fax:

SAM PARK

(Authorized to bind the Listing Brokerage)

07/13/2023
(Date)

SAM PARK

(Print Name of Salesperson/Broker/Broker of Record)

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

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

RJ

INITIALS OF BUYER(S)

DS

INITIALS OF SELLER(S)

ACKNOWLEDGEMENT

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

Robert Jekosz

(Signature of Buyer) **Robert Jekosz**

07/13/2023
(Date)

(Signature of Buyer)

(Date)

DocuSigned by:

David Sieradzki

(Signature of Seller)

7/17/2023 | 4:52 PM EDT

(Date)

(Signature of Seller)

(Date)



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Form 570

for use in the Province of Ontario

Amendment to Agreement of Purchase and Sale - Commercial



COMMERCIAL NETWORK

BETWEEN:

BUYER: Robert Jekosz

AND

SELLER: Ksv Resructuring Inc., Court-Appointed Receiver Of The Property

RE: Agreement of Purchase and Sale - Commercial (Agreement) between the Seller and Buyer, dated the 13 day of July, 2023,

concerning the property known as 605 Hwy 7, Kawartha Lakes, ON K0M 2M0

as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete:

DEPOSIT CHEQUE

The sum of FIFTY THOUSAND DOLLARS (CAD), \$50,000.00 as a deposit by August 24, 2023 (herein, the "Deposit"). The deposit is to be paid to "KELLER WILLIAMS ADVANTAGE REALTY, BROKERAGE" and held in trust by the Brokerage pending completion or other termination of the Agreement and is to be credited on account of the Purchase Price on closing. The Deposit is to be repaid immediately to the Buyer without penalty in the event the Buyer terminates this transaction within the conditional period.

A further deposit of ONE HUNDRED THOUSAND DOLLARS (CAD), \$100,000.00 shall be delivered to "KELLER WILLIAMS ADVANTAGE REALTY, BROKERAGE", in trust, within two (2) business days of waiver or fulfillment of all conditions set out in this Schedule "C", which second deposit will be held in trust pending completion or other termination of this Agreement and be credited toward the purchase price on completion.

Insert:

DEPOSIT CHEQUE

The sum of ONE HUNDRED FIFTY THOUSAND DOLLARS (CAD), \$150,000.00 as a deposit by September 11, 2023 (herein, the "Deposit"). The deposit is to be paid to "KELLER WILLIAMS ADVANTAGE REALTY, BROKERAGE" and held in trust by the Brokerage pending completion or other termination of the Agreement and is to be credited on account of the Purchase Price on closing. The Deposit is to be repaid immediately to the Buyer without penalty in the event the Buyer terminates this transaction within the conditional period.

INITIALS OF BUYER(S):

DS

INITIALS OF SELLER(S):

DS



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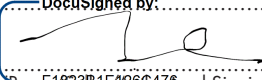
IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 10 (a.m./p.m.) on the 28 day of August, 2023, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. 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 solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of:

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

..... (Witness)	DocuSigned by:  (Buyer/Seller/Authorized Signing Officer)	8/24/2023 | 6:59 PM EDT (Seal) (Date)
..... (Witness)	..... (Buyer/Seller/Authorized Signing Officer)	..... (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

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

..... (Witness)	DocuSigned by: <u>David Sieradzki</u> (Buyer/Seller/Authorized Signing Officer)	8/24/2023 | 7:58 PM EDT (Seal) (Date)
..... (Witness)	..... (Buyer/Seller/Authorized Signing Officer)	..... (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

..... (Witness) (Spouse) (Seal) (Date)
--------------------	-------------------	------------------------

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 8/24/2023 | 7:58 PM EDT

..... this day of, 20.....
(a.m./p.m.)

DocuSigned by:
David Sieradzki
.....
(Signature of Seller or Buyer)
67A941534FCD4F4...

ACKNOWLEDGEMENT

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

DocuSigned by:
David Sieradzki
.....
(Seller) 67A941534FCD4F4... Xsv Restructuring Inc., Court-Appo
(Date)

.....
(Seller) (Date)

Address for Service

.....
(Tel. No.)

Seller's Lawyer

Address

Email

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

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

DocuSigned by:
Robert Jekosz
.....
(Buyer) F1823B1E126C476...
(Date)

.....
(Buyer) (Date)

Address for Service

.....
(Tel. No.)

Buyer's Lawyer

Address

Email

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

AMENDMENT TO AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made as of the 18th day of September, 2023.

AMONG:

ROBERT JEKOSZ
(herein referred to as the “**Buyer**”)

OF THE FIRST PART

- and -

**KSV RESTRUCTURING INC., in its capacity as Court-Appointed Receiver
of JMD-M CANADA INC.**
(herein referred to as “**Seller**”)

OF THE SECOND PART

WHEREAS:

The Buyer and Seller signed an Agreement of Purchase and Sale with respect to the property municipally known as 605 Hwy 7, Kawartha Lakes, Ontario (the “**Property**”) dated July 13, 2023 (the “**APS**”);

The Buyer has not paid the deposit of \$150,000 due under the APS (the “**Deposit**”);

The APS provides, *inter alia*, that the Buyer shall have 60 days from the date of acceptance to conduct studies and investigations, and the Buyer has the right to terminate the APS if the results of said inspections and investigations do not meet the Buyer’s satisfaction in that time period, which expires on September 18, 2023 (the “**Conditional Period**”);

The APS provides for a Completion Date of no later than September 29, 2023;

The APS provides that in the event of any conflict or inconsistency between any provision of Schedule “A” thereto and any provision of the APS, the provisions of Schedule “A” shall govern and prevail;

The Seller’s obligations contained in the APS are conditional upon the Seller receiving an order of the Ontario Superior Court of Justice in a form satisfactory to the Seller, acting reasonably, approving the sale of the Property and vesting title thereto in the Buyer, free and clear of all claims and encumbrances against the Property, save for any permitted encumbrances described in the APS (the “**Court Approval**”).

The Buyer is requesting an extension of the Conditional Period to September 25, 2023, and the Seller hereby agrees to same on the terms set out below:

NOW THEREFORE AGREED that, for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto), the parties agree as follows:

General

1. In this agreement, unless otherwise defined or the context otherwise requires, all capitalized terms shall have the respective meanings specified in the APS.

Acknowledgements

2. The parties hereto acknowledge and agree that each of the foregoing recitals are true and accurate both in substance and in fact.

Amendments to the APS

3. The Conditional Period is hereby extended to September 25, 2023.

4. The Deposit shall be paid in full by no later than September 20, 2023.

5. The Completion Date shall be 5 business days after Court Approval.

General

6. All the terms and conditions of the APS, except insofar as the same are amended by the express provisions of this agreement, are confirmed and ratified in all respects, shall survive and shall not merge with or be extinguished by the execution and delivery of this agreement, and shall hereafter continue in full force and effect, as amended.

7. This agreement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns, to the extent applicable.

8. This agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The parties irrevocably submit to the exclusive jurisdiction of the courts of such province and acknowledge the competence of such courts and irrevocably agree to be bound by a judgment of any such court.

9. This agreement may be executed in any number of separate counterparts by any one or more of the parties hereto, and all of said counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of this agreement by PDF or by other electronic means shall be as effective as delivery of a manually executed counterparts.

[Signature page to follow]

IN WITNESS OF WHICH the parties have duly executed this agreement as of the date described above.

**KSV RESTRUCTURING INC., in its
capacity as Court-Appointed Receiver of
JMD-M CANADA INC.**



Per:

Name: David Sieradzki

I have the authority to bind the corporation

WITNESSES

Print Name:

ROBERT JEKOSZ



Form 570

for use in the Province of Ontario

Amendment to Agreement of Purchase and Sale - Commercial

BETWEEN:

BUYER: Robert Jekosz

AND

SELLER: KSV Restructuring Inc., Court-Appointed Receiver of the Property

RE: Agreement of Purchase and Sale - Commercial (Agreement) between the Seller and Buyer, dated the 13 day of July, 2023,

concerning the property known as 605 Hwy 7, Kawartha Lakes, ON K0M 2M0

as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

Section 2: Completion Date of September 29, 2023

Seller: KSV Restructuring Inc., Court-Appointed Receiver of the Property

DEPOSIT CHEQUE

The sum of ONE HUNDRED FIFTY THOUSAND DOLLARS (CAD), \$150,000.00 as a deposit by September 11, 2023 (herein, the "Deposit"). The deposit is to be paid to "KELLER WILLIAMS ADVANTAGE REALTY, BROKERAGE" and held in trust by the Brokerage pending completion or other termination of the Agreement and is to be credited on account of the Purchase Price on closing. The Deposit is to be repaid immediately to the Buyer without penalty in the event the Buyer terminates this transaction within the conditional period.

BUYER'S CONDITIONS TO THE AGREEMENT

The Buyer shall have SIXTY (60) days from the date of acceptance to conduct studies and investigations including but not limited to:

- a. Building inspections
- b. Zoning Review
- c. Financing
- d. Inventory Valuation
- e. Lawyer Review
- f. Environmental Review

If the results of said inspections and investigations do not meet the Buyer's satisfaction in his sole and absolute discretion, Buyer shall have the right to terminate this agreement during the this time period, the Deposit shall be returned to the Buyer without set-off. If the Buyer is satisfied with their findings they will notify the Seller by means of a waiver or notice of fulfillment.

INSERT:

Section 2: Completion Date of November 10, 2023

Seller: KSV Restructuring Inc., Court-Appointed Receiver of the Property

DEPOSIT CHEQUE

The sum of ONE HUNDRED FIFTY THOUSAND DOLLARS (CAD), \$150,000.00 as a deposit by September 29, 2023 (herein, the "Deposit"). The deposit is to be paid to "KELLER WILLIAMS ADVANTAGE REALTY, BROKERAGE" and held in trust by the Brokerage pending completion or other termination of the Agreement and is to be credited on account of the Purchase Price on closing. The Deposit is to be repaid immediately to the Buyer without penalty in the event the Buyer terminates this transaction within the conditional period.

BUYER'S CONDITIONS TO THE AGREEMENT

This offer is conditional upon the Buyer arranging, at the Buyer's own expense, a new First Charge/Mortgage satisfactory to the Buyer in the Buyer's sole and absolute discretion. Unless the Buyer gives notice in writing 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 not later than October 30th, 2023 that this condition is fulfilled, this offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

INITIALS OF BUYER(S):

DS

INITIALS OF SELLER(S):

DS



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IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 5pm
(Seller/Buyer) (a.m./p.m.)

on the 29 day of September, 2023, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

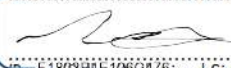
For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.

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 solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of:


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

..... (Witness)	DocuSigned by: <u>Robert Jekosz</u>  (Buyer/Seller/Authorized Signing Officer)	9/28/2023 | 3:03 PM EDT (Seal) (Date)
..... (Witness)	..... (Buyer/Seller/Authorized Signing Officer)	..... (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

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

..... (Witness)	DocuSigned by: <u>KSV Restructuring Inc., Court-Appointed</u> <u>David Sieradzki</u>  (Buyer/Seller/Authorized Signing Officer)	9/28/2023 | 3:05 PM EDT (Seal) (Date)
..... (Witness)	..... (Buyer/Seller/Authorized Signing Officer)	..... (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

..... (Witness) (Spouse) (Seal) (Date)
--------------------	-------------------	------------------------

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

9/28/2023 | 3:05 PM EDT

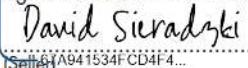

and written was finally accepted by all parties at this day of 20.....
(a.m./p.m.)

DocuSigned by:
David Sieradzki

.....
(Signature of Seller or Buyer)
67A941534FCD4F4...

ACKNOWLEDGEMENT

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

DocuSigned by: <u>David Sieradzki</u>  (Seller)	9/28/2023 | 3:05 PM EDT (Date)	DocuSigned by: <u>David Sieradzki</u>  (Buyer)	9/28/2023 | 3:03 PM EDT (Date)
..... (Seller)	..... (Date)	..... (Buyer)	..... (Date)
Address for Service .....	.....	Address for Service .....	.....
..... (Tel. No.)	.....	..... (Tel. No.)	.....
Seller's Lawyer	Buyer's Lawyer
Address	Address
Email	Email
..... (Tel. No.) (Fax. No.) (Tel. No.) (Fax. No.)



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FOURTH PURCHASE AND SALE AMENDING AGREEMENT

This **PURCHASE AND SALE AMENDING AGREEMENT** dated the 30th day of October, 2023

WHEREAS:

- A. Robert Jekosz (the “**Purchaser**”), as purchaser, and KSV Restructuring Inc., Court-Appointed Receiver of the assets, property and undertaking of JMD-M Canada Inc., including the property municipally known as 605 Highway 7, Kawartha Lakes, Ontario (the “**Property**”) (the “**Vendor**”), as vendor, entered into an agreement of purchase and sale dated July 13, 2023 (the “**APS**”), as amended by a first amending agreement dated August 24, 2023 (the “**First Amendment**”), a second amending agreement dated September 18, 2023 (the “**Second Amendment**”), and a third amending agreement dated September 28, 2023 (the “**Third Amendment**”, and collectively with the APS, the First Amendment, and the Second Amendment, the “**Purchase Agreement**”) with respect to the purchase and sale of the Property.
- B. The Purchaser and Vendor wish to further amend the Purchase Agreement upon the terms and subject to the conditions specified herein.

NOW THEREFORE, in consideration of the sum of One (\$1.00) Dollar now paid by each of the Purchaser and the Vendor to the other, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Purchaser and Vendor hereby agree as follows:

1. **Definitions.** Capitalized terms used but not defined in this Agreement shall have the same meanings as are given to them in the Purchase Agreement.
2. **Amendments.**
 - (a) The Completion Date as set forth in Section 2 of the Purchase Agreement, as amended, is hereby deleted and replaced with the following:

“**Completion Date:** November 24, 2023, subject to the Vendor receiving an order of the Ontario Superior Court of Justice in a form satisfactory to the Vendor, acting reasonably, approving the sale of the Property and vesting title thereto in the Purchaser on the said date, free and clear of all claims and encumbrances against the Property, save for any permitted encumbrances described in the Purchase Agreement (the “**Court Approval**”). The Vendor agrees to seek the Court Approval on the earliest available court date after the Buyer waives the conditions in its favour. The Completion Date shall be three (3) business days after the Court Approval has been obtained and all applicable appeal periods have expired.
 - (b) The Buyer’s Conditions to the Agreement heading, as set forth in Schedule C of the Purchase Agreement, as amended, is hereby amended by deleting “October 30, 2023” and replacing same with “November 13, 2023”.
 - (c) Section 6 under the Vendor Agrees And Covenants heading in Schedule C of the Purchase Agreement is hereby amended by replacing said section with the following:

“to amend the current term of the commercial lease with 8783705 Ontario Inc. (the “**Tenant**”) to expire on June 30, 2024, upon the waiver or fulfillment of all conditions set out herein.”
 - (d) The following paragraph shall be added under the Vendor Agrees And Covenants heading in Schedule C of the Purchase Agreement as Section 7:

“to provide the Purchaser, no later than five (5) business days before the completion date, an estoppel certificate from the Tenant, which shall disclose, without limitation, no material defaults or material undisclosed liabilities of the Vendor, and the amended expiry date of June 30, 2024. In the event that the Vendor is unable to obtain said estoppel certificate in the period set out above, the closing date shall automatically be extended by thirty (30) days in order to allow the Vendor additional time to obtain such, failing which this Agreement may be terminated by the Purchaser (in its sole discretion), without liability therefore and without recourse in favour of the Vendor, with the Deposit to be returned to the Purchaser without formality or delay. ”

3. **Confirmation.** Unless expressly amended, varied or modified by this Agreement, all terms and conditions of the Purchase Agreement are hereby ratified and confirmed in their entirety.
4. **Time of the Essence.** Time shall continue to be of the essence in all respects of the Purchase Agreement.
5. **Successors and Assigns.** This Agreement shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.
6. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and shall be treated in all respects as an Ontario contract.
7. **Counterparts.** This Agreement may be executed in several counterparts and by DocuSign, facsimile or other form of electronic transmission of an originally executed document, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same document.

[Signature page follows.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first set out above.

**KSV RESTRUCTURING INC., in its capacity as
Court-Appointed Receiver of JMD-M CANADA
INC.**



By: _____

Name: David Sieradzki

Title: Authorized Signatory

I have authority to bind the corporation

WITNESS:

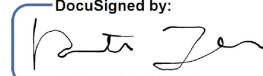
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Print Name: Simon Ashby

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By: **ROBERT JEKOSZ**

FIFTH PURCHASE AND SALE AMENDING AGREEMENT

This **PURCHASE AND SALE AMENDING AGREEMENT** dated the 13th day of November, 2023

WHEREAS:

- A. Robert Jekosz (the “**Purchaser**”), as purchaser, and KSV Restructuring Inc., Court-Appointed Receiver Of The Property (the “**Vendor**”), as vendor, entered into an agreement of purchase and sale dated July 13, 2023 (the “**APS**”), as amended by a first amending agreement dated August 24, 2023 (the “**First Amendment**”), a second amending agreement dated September 18, 2023 (the “**Second Amendment**”), a third amending agreement dated September 28, 2023 (the “**Third Amendment**”) and a fourth amending agreement dated October 30, 2023 (the “**Fourth Amendment**”, and collectively with the APS, the First Amendment, the Second Amendment, and the Third Amendment, the “**Purchase Agreement**”) with respect to the purchase and sale of the property municipally known as 605 Highway 7, Kawartha Lakes, Ontario (the “**Property**”).
- B. The Purchaser and Vendor wish to further amend the Purchase Agreement upon the terms and subject to the conditions specified herein.

NOW THEREFORE, in consideration of the sum of One (\$1.00) Dollar now paid by each of the Purchaser and the Vendor to the other, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Purchaser and Vendor hereby agree as follows:

1. **Definitions.** Capitalized terms used but not defined in this Agreement shall have the same meanings as are given to them in the Purchase Agreement.
2. **Amendments.**

- (a) The Completion Date as set forth in Section 2 of the Purchase Agreement, as amended, is hereby deleted and replaced with the following:

“**Completion Date:** December 14, 2023, subject to the Vendor receiving an order of the Ontario Superior Court of Justice in a form satisfactory to the Vendor, acting reasonably, approving the sale of the Property and vesting title thereto in the Purchaser on the said date, free and clear of all claims and encumbrances against the Property, save for any permitted encumbrances described in the Purchase Agreement (the “**Court Approval**”). Should the Vendor be unable to obtain the Court Approval by the Completion Date, the parties, acting reasonably, shall agree to extend closing by a period of five (5) days.

- (b) The Buyer’s Conditions to the Agreement heading, as set forth in Schedule C of the Purchase Agreement, as amended, is hereby amended by deleting “November 13, 2023” and replacing same with “November 23, 2023 at 12:00pm”.

- (c) The following paragraph shall be added as the last paragraph under the Deposit Cheque heading in Schedule A of the Purchase Agreement

“Notwithstanding anything to the contrary contained herein, the Purchaser hereby agrees, consents and acknowledges that Fifteen Thousand Dollars (\$15,000.00) of the Deposit shall be non-refundable to the Purchaser as of November 13, 2023, and hereby authorizes the Vendor’s solicitors to remit as of the date hereof such amount to the Vendor. For purpose of clarity, the said non-refundable amount of Fifteen Thousand Dollars (\$15,000.00) of the Deposit shall be applicable to the Purchase Price on closing if the transaction herein is completed.”

3. **Confirmation.** Unless expressly amended, varied or modified by this Agreement, all terms and conditions of the Purchase Agreement are hereby ratified and confirmed in their entirety.
4. **Time of the Essence.** Time shall continue to be of the essence in all respects of the Purchase Agreement.
5. **Successors and Assigns.** This Agreement shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.
6. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and shall be treated in all respects as an Ontario contract.
7. **Counterparts.** This Agreement may be executed in several counterparts and by DocuSign, facsimile or other form of electronic transmission of an originally executed document, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same document.

[Signature page follows.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first set out above.

**KSV RESTRUCTURING INC., in its capacity as
Court-Appointed Receiver OF JMD-M CANADA
INC.**



By: _____

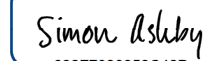
Name: David Sieradzki

Title: Authorized Signatory

I have authority to bind the corporation

WITNESS:

DocuSigned by:



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Print Name: Simon Ashby

DocuSigned by:



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By: _____

ROBERT JEKOSZ