



**Supplement to the Second Report of
KSV Restructuring Inc.
as Receiver and Manager of certain real
property, assets, undertakings and
property of Maplequest Ventures Inc.
and Digram Developments Caledon Inc.**

September 26, 2025

Contents

Page

1.0	Introduction	1
1.1	Purposes of this Supplemental Report.....	1
1.2	Restrictions	2
1.3	Currency	2
2.0	The September 17 th Motion	2
2.1	The Respondents' APS.....	2
3.0	Conclusion and Recommendation	3

Appendices

Appendix

Tab

Offer Email including the Respondents' APS.....	A
Endorsement.....	B
September 18 Email.....	C
Follow-Up Email	D
Revised AVO	E
Redline to form of AVO in the Motion Record.....	F
Redline to Commercial List Model Order	G

COURT FILE NO: CV-24-00722148-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.

APPLICANTS

- AND -

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

RESPONDENTS

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

SUPPLEMENT TO THE SECOND REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

SEPTEMBER 26, 2025

1.0 Introduction

1. This report (the "**Supplemental Report**") supplements the Receiver's report to Court dated September 10, 2025 (the "**Second Report**"). Capitalized terms not otherwise defined herein have the meanings given to them in the Second Report.

1.1 Purposes of this Supplemental Report

1. The purposes of this Supplemental Report are to:
 - a) provide an update to the Court on the Receiver's activities since the Second Report, specifically in respect of the Respondents' APS and the Respondents' Motion Materials (each as defined below); and
 - b) recommend that the Court issue the AVO approving the Phyllis Transaction, with certain minor amendments.

1.2 Restrictions

1. This Supplemental Report is subject to the same restrictions as the Second Report.

1.3 Currency

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

2.0 The September 17th Motion

1. On September 10, 2025, the Receiver served a motion record (the **"Motion Record"**), inclusive of the Second Report, for its motion returnable September 17, 2025. The Motion Record sought Court approval of the AVO and the Distribution, Sealing and Ancillary Matters Order.
2. On September 16, 2025 at 10:24 a.m. (the **"Offer Email"**), the day before the return of the Receiver's motion, counsel to the Receiver received an email from counsel to the Respondents which attached an Agreement of Purchase and Sale for the Phyllis Real Property (the **"Respondents' APS"**). The Offer Email also requested an adjournment of the Receiver's motion, barring which, the Respondents indicated that they intended to bring a cross-motion. A copy of the Offer Email, including the Respondents' APS, is attached as **Appendix "A"**. Neither the Receiver nor the Receiver's counsel had heard anything from the Respondents or their counsel in respect of the Respondents' APS prior to receiving the Offer Email.
3. On September 16, 2025 at 4:01 p.m., the Respondents served on the Service List a responding motion record along with a cross-motion record (together, the **"Respondents' Motion Materials"**).
4. Following discussions between counsel for the Receiver and the Respondents, the Receiver, in consultation with KingSett, despite the late breaking Offer Email and last-minute delivery of the Respondents' Motion Materials, agreed to adjourn the AVO and related distribution portion of its motion to give it time to consider the Respondents' APS, the Respondents' Motion Materials and to further engage and consult with interested parties.
5. On September 17, 2025, the Court granted an amended form of the Distribution, Sealing and Ancillary Matters Order and issued an endorsement (the **"Endorsement"**). Among other things, the Endorsement adjourned the AVO and approval of a sale transaction in respect of the Phyllis Real Property until October 3, 2025 at 10:00 a.m. A copy of the Endorsement is attached as **Appendix "B"**.

2.1 The Respondents' APS

1. Following the September 17th hearing, the Receiver and its counsel expeditiously reviewed and considered the Respondents' APS and the Respondents' Motion Materials. On September 18, 2025 at 4:29 p.m., counsel to the Receiver sent an email (the **"September 18 Email"**) to counsel to the Respondents wherein it:
 - a. confirmed that the Receiver had already entered into the Phyllis APS and, as a result, did not view it as appropriate to enter into a separate agreement with the proposed purchaser under the Respondents' APS;

- b. advised as to the Receiver's concerns with the Respondents' APS, including, among other things, that:
 - i. the Respondents' APS was on an OREA Form 500 which contemplated ordinary course closing mechanics. Specifically, the Receiver advised that any offer submitted should use the Receiver's form of agreement of purchase and sale (which was provided to the Respondents) and be subject to the issuance of an approval and vesting order with the appropriate closing mechanics;
 - ii. the Respondents' APS did not contemplate the Town Consent (as defined in the Phyllis APS) which is required to close any transaction in respect of the Phyllis Real Property in light of the s.118 no-transfer restriction registered on title; and
 - iii. the deposit contemplated under the Respondents' APS was insufficient in the circumstances given that the Receiver required a minimum deposit of 10% of the purchase price payable upon acceptance. Additionally, the Receiver required evidence of the proposed purchaser's financial wherewithal to tender the balance of the purchase price.
- 2. Counsel to the Receiver further advised the Respondents' counsel that, to the extent that the Respondents were to submit a revised offer that addressed the concerns in the September 18 Email and was otherwise acceptable to the Receiver (a **"Revised Offer"**), the Receiver expected that it would seek advice and directions from the Court as to which agreement of purchase and sale should be completed in the circumstances. In an effort to provide the Court and other stakeholders with adequate notice, the Receiver requested that a Revised Offer be submitted by September 22, 2025 at 5:00 p.m. (the **"Revised Offer Deadline"**) A copy of the September 18 Email is attached as **Appendix "C"**.
- 3. The Receiver did not receive a Revised Offer by the Revised Offer Deadline. The Receiver did not receive any response whatsoever to the September 18 Email.
- 4. On September 23, 2025, counsel to the Receiver left a voicemail with counsel to the Respondents and sent a follow-up email (the **"Follow-Up Email"**). Among other things, the Follow-Up Email: (i) sought confirmation that counsel had received the September 18 Email; and (ii) confirmed that the Receiver had not received a Revised Offer by the Revised Offer Deadline. A copy of the Follow-Up Email is attached as **Appendix "D"**.
- 5. As of the date of this Supplemental Report, the Receiver has yet to receive a Revised Offer or receive any response whatsoever to the September 18 Emails or the Follow-Up Email from the Respondents or its counsel.

3.0 Conclusion and Recommendation

- 1. The Receiver has made best efforts to engage with the Respondents on the Respondents' APS and the Respondents' Motion Materials, however, a Revised Offer addressing the Receiver's concerns has not been received and the Respondents have failed to meaningfully engage with the Receiver since the September 17th motion.

2. Since the beginning of these receivership proceedings, the Respondents have advised on multiple occasions, including on the return of the motion for the Sale Process Approval Order, that a refinancing was imminent. Additionally, at various times during these proceedings, the Respondents have proposed a variety of highly conditional, uneconomic and uncloseable transactions, as the Respondents themselves have detailed in the Respondents' Motion Materials. To date, despite their purported efforts, the Respondents have failed to produce: (i) any evidence of a viable refinancing; or (ii) any closeable transaction for some or all of the Real Property, including the Phyllis Real Property.
3. Moreover, the Purchaser recently contacted the Receiver and advised that the Respondents continue to make contact multiple times a day in what appears to be bad faith attempts to undermine the Phyllis APS. The Receiver understands that these efforts have included requests to have the Purchaser contact the Receiver and require that the Receiver transfer the Deposit to the Respondents' counsel in trust in order to enable the Respondents to consummate a transaction for the Phyllis Real Property. Further, the Receiver understands that the Respondents have advised the Purchaser that to the extent that it does not accommodate its requests or is unwilling to comply generally, that they will outbid it resulting in a loss of the Purchaser's transaction for the Purchased Assets, including the Phyllis Real Property.
4. Based on the events preceding the return of the Receiver's motion, the efforts of the Receiver following the adjournment of the AVO relief and the lack of any closeable offer other than the Phyllis APS, all as detailed in Section 2 of this Supplemental Report, the Receiver respectfully requests that this Honourable Court:
 - a. grant the AVO (with certain minor amendments), among other things, approving the Phyllis Transaction and transferring and vesting in the Purchaser all of Digram's right, title and interest in and to the Purchased Assets (as defined in the Phyllis APS); and
 - b. dismiss the Respondents' cross-motion.
5. Attached as **Appendix "E" –"G"** are: (i) a revised draft of the AVO; (ii) a redline to the draft included in the Motion Record; and (iii) a redline to the Commercial List Model Order.

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
IN ITS CAPACITY AS RECEIVER AND MANAGER OF
CERTAIN REAL PROPERTY, ASSETS, UNDERTAKINGS AND PROPERTY OF
MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

From: [Khaled Gheddai](#)
To: [Aiden Nelms](#); [Sean Zweig](#); [Linda Fraser-Richardson](#)
Cc: [Noah Goldstein](#); [Bill Friedman](#); mtallat@ksvadvisory.com
Subject: re: KingSett Mortgage Corporation et al v. Maplequest Ventures Inc. et al | Court File No.: CV-24-00722148-00CL | Motion Returnable September 17, 2025
Date: Tuesday, September 16, 2025 10:25:30 AM
Attachments: [image001.png](#)
[OFFER TO PURCHASE 54 PHYLISS DRIVE SEPT 15, 2025.pdf](#)

Hi Sean and Aiden,

As you know, we represent the Respondents on the above matter. We have instructions to oppose the Receiver's motion on the basis of the attached Agreement of Purchase and Sale for 54 Phyllis, which the Respondents submit is in the best interests of the stakeholders. We are advised that the purchase price for this transaction is higher than the contemplated agreement in support of your motion. This transaction is scheduled to close on or before September 30, 2025.

As the Receiver's motion was scheduled without input from the Respondents, we request that it be briefly adjourned to allow the Receiver to consider the attached agreement, or in the alternative, the Respondents will bring a cross-motion seeking leave of the Court to authorize and approve the contemplated transaction.

Regards,

FRIEDMANS
LAW FIRM

Khaled Gheddai B.A. (Hons), M.A., J.D.

Friedmans LLP

150 Ferrand Drive, Suite 800, Toronto, ON M3C 3E5

T: (416) 496-3340 x 139 | D: (416) 496-6267 | F: (416) 497-3809

E: kg@friedmans.ca | www.friedmans.ca

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Appendix “B”



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-00722148-00CL

DATE: September 17, 2025

NO. ON LIST: 2

TITLE OF PROCEEDING: KingSett Mortgage Corp. et al. v. Maplequest Ventures Inc. et al.

BEFORE: Justice Jana Steele

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Dave Rosenblat	KingSett	drosenblat@osler.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Khaled Gheddai	Respondents	kg@friedmans.ca
Aiden Nelms	Receiver KSV	nelmsa@bennettjones.com
Linda Fraser-Richardson	Receiver KSV	fraserrichardsonl@bennettjones.com
Murtaza Tallat	Receiver KSV	mtallat@ksvadvisory.com

ENDORSEMENT OF JUSTICE STEELE:

- [1] The Receiver brings a motion seeking, among other things, an order (a) approving the settlement and release dated as of Aug. 7, 2025 between the Receiver, Mayfield West Developers Group Inc. (as trustee) and Yeoman Developments Inc., (b) amending the Receivership Order to add certain additional property of Digram to the definition of “Property”, and (c) sealing the confidential appendix.

- [2] The Receiver had initially also sought the approval of a sale transaction in respect of the Phyllis Real Property, the approval of a proposed distribution, and approval of the second report and activities. However, on consent of the parties, this relief has been adjourned to **October 3, 2025, at 10 am (90 minutes)**. The adjournment was sought following the filing by the respondent of responding materials and a cross-motion on September 16, 2025. Among other thing, the respondents seek the approval of a competing sale transaction. The Receiver requires time to review and consider the newly filed materials.
- [3] **If 90 minutes is not required for the return on October 3, 2025, the parties shall advise the court as soon as possible so that the time required can be reduced accordingly.**
- [4] The relief sought today is unopposed.
- [5] Capitalized terms used in this endorsement that are not defined herein have the meaning set out in the Receiver's factum.

Should the Settlement Agreement be approved?

- [6] The Receiver seeks approval of the Settlement Agreement. Digram, Yeoman and the Trustee, among others are party to a Cost Sharing Agreement dated April 10, 2008, which governs a land development in Caledon. The Receiver, Yeoman and the Trustee negotiated the Settlement Agreement related to certain Digram funds that the Trustee was holding to which Yeoman was also asserting claims.
- [7] As noted by Chief Justice Morawetz in *Ontario Securities Commission v. Bridging Finance Inc.*, 2025 ONSC 539, at para. 13, the court generally considers the following factors when determining whether a settlement should be approved in the context of a receivership:
- a. Whether the settlement is fair and reasonable;
 - b. Whether the settlement provides substantial benefits to other stakeholders; and
 - c. Whether the settlement is consistent with the purpose and spirit of the relevant legislation.
- [8] Chief Justice Morawetz further noted in *Bridging*, at para. 14, that in receiverships the court frames the test for whether a settlement should be approved through the lens of the *Soundair* principles:
- a. Whether the party made a sufficient effort to obtain the best price and has not acted improvidently;

- b. The interests of all parties;
- c. The efficacy and integrity of the process by which the party obtained offers; and
- d. Whether the working out of the process was unfair.

Royal Bank of Canada v. Soundair Corp., 1991 CanLII 2727.

- [9] I am satisfied that the Settlement Agreement should be approved. The settlement is the product of extensive negotiations through counsel. The Receiver states that the Settlement Agreement is fair and reasonable. Among other things, the settlement eliminates the costs and delays that would be associated with litigating the subject matter of the agreement and provides finality and certainty for all applicable stakeholders. KingSett supports the Settlement Agreement.

Should the Court approve the requested sealing order?

- [10] A limited sealing order with respect to the Confidential Appendix is sought. The proposed sealing order is time limited – the Confidential Appendix will be sealed until the earlier of the closing of a transaction related to the Phyllis Real Property or further court order. The Confidential Appendix contain sensitive commercial information, namely the proposed purchase price (in respect of the Transaction that the Receiver had initially proposed be approved today), about the value of the property.
- [11] The court has jurisdiction to make the requested sealing order under s. 137(2) of the *Courts of Justice Act*.
- [12] The limited sealing order being sought is necessary to preserve the Receiver's ability to maximize the value of the property. No reasonable alternative measures exist that would adequately protect the commercially sensitive information in the Confidential Appendix. I am satisfied that the requested sealing order (which is limited in scope and time limited) for the Confidential Appendix satisfies the test in *Sherman Estate v. Donovan* 2021 SCC 25 at para 38 and that disclosure of this information would pose a risk to an important public interest; enabling stakeholders of a company in insolvency proceedings to maximize the realization of assets is an important public interest.
- [13] I direct counsel for the Receiver to file a hard copy of the Confidential Appendix with the Commercial List Office in a sealed envelope with a copy of the Order and this endorsement (with the relevant provisions highlighted). Counsel is further directed to apply, at the appropriate time, for an unsealing order, if necessary.

Should the Amendment to the Receivership order be approved?

- [14] The Receiver seeks to be appointed as receiver and manager over the Additional Personal Property, which property is part of the additional security granted by Digram in favour of KingSett to secure the Heritage Loan. Among other things, the Receiver seeks to continue to administer the proceedings in the most efficient manner possible. Accordingly, an amendment, *nunc pro tunc*, to the Receivership Order is sought by the Receiver.
- [15] Under s. 243(1) of the BIA, and s. 101 of the CJA, the court may appoint a receiver where it is “just or convenient” to do so.
- [16] KingSett supports the proposed amendment.
- [17] I am satisfied that amendment should be approved.
- [18] Order attached.

A handwritten signature in blue ink, appearing to be 'J. Hill', is located in the lower right quadrant of the page.

Appendix “C”

From: [Aiden Nelms](#)
To: [Khaled Gheddai](#); [Sean Zweig](#); [Linda Fraser-Richardson](#)
Cc: [Noah Goldstein](#); [Bill Friedman](#); [mtallat@ksvadvisory.com](#)
Subject: RE: KingSett Mortgage Corporation et al v. Maplequest Ventures Inc. et al | Court File No.: CV-24-00722148-00CL | Motion Returnable September 17, 2025
Date: Thursday, September 18, 2025 4:29:34 PM
Attachments: [image001.png](#)
[OFFER TO PURCHASE 54 PHYLLIS DRIVE SEPT 15, 2025.pdf](#)
[Form of APS - 54 Phyllis Drive, Caledon.docx](#)

Khaled,

Further to yesterday's appearance and our discussions, the Receiver has had an opportunity to review Auriga's proposed Agreement of Purchase and Sale (the "**Auriga APS**") for 54 Phyllis Drive, Caledon, Ontario (the "**Property**") – a copy of the Auriga APS is attached for ease of reference. As you know, the Receiver has already entered into an agreement of purchase and sale with a different purchaser, and therefore the Receiver does not believe it would be appropriate for it to enter into a separate agreement with Auriga. However, the Receiver is prepared to advise you with respect to its concerns with the Auriga APS. The Receiver notes the following deficiencies/issues:

1. Form of APS

- a. The Auriga APS is on an OREA Form 500 that contemplates ordinary course closing mechanics. In light of the fact that the Property is subject to receivership proceedings, the agreement of purchase and sale must be in a form that can be closed by the Receiver. Specifically, it must be subject to the issuance of an approval and vesting order and the closing mechanics must reflect that. Any offer submitted to be considered should use the attached form of agreement of purchase and sale.

2. Town Consent

- a. As you know, the real property is comprised of two parcels (54 Phyllis Drive Property and the Abutting 54 Phyllis Drive Property), each of which are whole blocks on plans of subdivision. The larger parcel has a s.118 no-transfer restriction on title for which the parties will require consent from the Town of Caledon before the application for vesting order is registered. This s.118 no-transfer restriction relates to a subdivision agreement requiring the two parcels to be transferred together. This needs to be contemplated as a closing deliverable (as it is in the attached).

3. Deposit and Purchaser Wherewithal

- a. The Auriga APS contemplates an initial \$10,000 deposit upon acceptance with a further \$10,000 deposit payable upon an order(s) being made, among other things, approving the Auriga APS. Any transaction that the Receiver is willing to consider will require a minimum deposit of 10% of the Purchase Price payable upon acceptance. The Receiver further requires evidence of the Purchaser's wherewithal to tender the balance of the Purchase Price, either by counsel's confirmation that it is holding the monies in trust or evidence from the purchaser satisfactory to the Receiver that it has will access to liquid funds at closing.

4. Purchaser Entity

- a. The Receiver believes that the Purchaser entity ought to be "Auriga Homes **Ltd.**, in trust [...]" as opposed to "Auriga Homes **Inc.**, in trust [...]".

As discussed, to the extent Auriga submits an APS that addresses the concerns above and is otherwise acceptable to the Receiver, the Receiver expects that it would seek advice and directions from the Court as to which APS should be completed. However, if there is no acceptable APS from Auriga, the Receiver will bring back on its motion to approve the existing transaction.

We are available to discuss if you have any questions. To the extent a new offer will be submitted by Auriga, please do so by **September 22nd at 5pm(ET)**.

Best,

Aiden Nelms, Associate, Bennett Jones LLP

T. [416 777 4642](tel:4167774642) | F. [416 863 1716](tel:4168631716)

From: Khaled Gheddai <KG@friedmans.ca>

Sent: Tuesday, September 16, 2025 10:24 AM

To: Aiden Nelms <NelmsA@bennettjones.com>; Sean Zweig <ZweigS@bennettjones.com>; Linda Fraser-Richardson <fraserrichardsonl@bennettjones.com>

Cc: Noah Goldstein <ngoldstein@ksvadvisory.com>; Bill Friedman <wf@friedmans.ca>; mtallat@ksvadvisory.com

Subject: re: KingSett Mortgage Corporation et al v. Maplequest Ventures Inc. et al | Court File No.: CV-24-00722148-00CL | Motion Returnable September 17, 2025

Hi Sean and Aiden,

As you know, we represent the Respondents on the above matter. We have instructions to oppose the Receiver's motion on the basis of the attached Agreement of Purchase and Sale for 54 Phyllis, which the Respondents submit is in the best interests of the stakeholders. We are advised that the purchase price for this transaction is higher than the contemplated agreement in support of your motion. This transaction is scheduled to close on or before September 30, 2025.

As the Receiver's motion was scheduled without input from the Respondents, we request that it be briefly adjourned to allow the Receiver to consider the attached agreement, or in the alternative, the Respondents will bring a cross-motion seeking leave of the Court to authorize and approve the contemplated transaction.

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Friedmans LLP

150 Ferrand Drive, Suite 800, Toronto, ON M3C 3E5

T: (416) 496-3340 x 139 | D: (416) 496-6267 | F: (416) 497-3809

E: kg@friedmans.ca | www.friedmans.ca

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Appendix “D”

From: [Aiden Nelms](#)
To: [Khaled Gheddai](#); [Sean Zweig](#); [Linda Fraser-Richardson](#)
Cc: [Noah Goldstein](#); [Bill Friedman](#); [mtallat@ksvadvisory.com](#)
Subject: RE: KingSett Mortgage Corporation et al v. Maplequest Ventures Inc. et al | Court File No.: CV-24-00722148-00CL | Motion Returnable September 17, 2025
Date: Tuesday, September 23, 2025 12:23:18 PM
Attachments: [image001.png](#)

Kahled,

Further to my earlier voicemail, the Receiver is seeking confirmation that you received our email on September 18th and to advise that it did not receive a new offer addressing the deficiencies/issues it identified by the requested deadline of **September 22nd at 5pm(ET)**. The Receiver is trying to get clarity in advance of the return of its motion related to the sale approval for 54 Phyllis on October 3rd.

Best,

Aiden Nelms, Associate, Bennett Jones LLP

T. [416 777 4642](#) | F. [416 863 1716](#)

From: Aiden Nelms
Sent: Thursday, September 18, 2025 4:29 PM
To: 'Khaled Gheddai' <KG@friedmans.ca>; Sean Zweig <ZweigS@bennettjones.com>; Linda Fraser-Richardson <fraserlinda@bennettjones.com>
Cc: Noah Goldstein <ngoldstein@ksvadvisory.com>; Bill Friedman <wf@friedmans.ca>; mtallat@ksvadvisory.com
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- a. As you know, the real property is comprised of two parcels (54 Phyllis Drive Property and the Abutting 54 Phyllis Drive Property), each of which are whole blocks on plans of subdivision. The larger parcel has a s.118 no-transfer restriction on title for which the parties will require consent from the Town of Caledon before the application for vesting order is registered. This s.118 no-transfer restriction relates to a subdivision agreement requiring the two parcels to be transferred together. This needs to be contemplated as a closing deliverable (as it is in the attached).

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Sent: Tuesday, September 16, 2025 10:24 AM

To: Aiden Nelms <NelmsA@bennettjones.com>; Sean Zweig <ZweigS@bennettjones.com>; Linda Fraser-Richardson <fraserrichardsonl@bennettjones.com>

Cc: Noah Goldstein <ngoldstein@ksvadvisory.com>; Bill Friedman <wbf@friedmans.ca>; mtallat@ksvadvisory.com

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FRIEDMANS
LAW FIRM

Khaled Gheddai B.A. (Hons), M.A., J.D.]

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150 Ferrand Drive, Suite 800, Toronto, ON M3C 3E5

T: (416) 496-3340 x 139 | D: (416) 496-6267 | F: (416) 497-3809

E: kg@friedmans.ca | www.friedmans.ca

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Appendix “E”

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

THE HONOURABLE	)	FRIDAY, THE 3 rd
	)	
JUSTICE [●]	)	DAY OF OCTOBER, 2025

B E T W E E N:

**KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.**

Applicants

- and -

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

Respondents

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

APPROVAL AND VESTING ORDER

THIS MOTION, made by KSV Restructuring Inc., in its capacity as the Court-appointed receiver and manager (in such capacities, the "**Receiver**"), without security, of the Property (as defined in the Receivership Order dated June 26, 2024) for an order, among other things: (i) approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the Receiver, as vendor, and Lakhvir Kaur, as purchaser (the "**Purchaser**"), dated July 31, 2025 (as amended, the "**Sale Agreement**"), a copy of which is attached as Appendix "B" to the Second Report of the Receiver dated September 10, 2025 (the "**Second Report**"), and vesting in the Purchaser, all of Digram Developments Caledon Inc.'s (the "**Company**") right, title

and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"); (ii) authorizing the Receiver, subject to establishing and maintaining certain holdbacks and reserves, to make one or more distributions to KingSett Mortgage Corporation ("**KingSett**") from the Phyllis Proceeds up to the amount secured by the Phyllis Charge (each as defined in the Second Report); and (iii) approving the Second Report and the Supplement to the Second Report dated September 26, 2025 (the "**Supplemental Report**" and together with the Second Report, the "**Reports**"), and the conduct and activities of the Receiver set out therein, was heard this day by judicial videoconference via Zoom.

ON READING the Reports and appendices thereto and, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one else appearing for any other person on the service list, although duly served as appears from the affidavit of service of Linda Fraser-Richardson sworn and filed,

DEFINITIONS

1. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein, have the meaning ascribed to them in the Sale Agreement or the Second Report, as applicable.

APPROVAL AND VESTING

2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be

necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Company's right, title and interest in and to the Purchased Assets, including without limitation the subject real property identified in **Schedule "B"** hereto (the "**Real Property**"), shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"), including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order of the Honourable Justice Osborne dated June 26, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "D"** hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets and are non-enforceable and non-binding as against the Purchaser.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Registry Office, Peel Region (No. 43) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is

hereby directed to enter the Purchaser as the owner of the Real Property in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule "C"** hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of the Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. **THIS COURT ORDERS** that, notwithstanding:

- i. the pendency of these proceedings;
- ii. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Company and any bankruptcy order issued pursuant to any such applications; and
- iii. any assignment in bankruptcy made in respect of the Company,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company and shall not be void or

voidable by creditors of the Company, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

APPROVAL OF THE DISTRIBUTIONS

8. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make one or more distributions to KingSett from the Phyllis Proceeds up to the amounts owing to it under the Phyllis Charge subject to such holdbacks and reserves described in the Second Report, including, for greater certainty, such holdbacks and reserves as the Receiver considers appropriate to fund the receivership, including its fees and the fees of its legal counsel.

9. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to establish and maintain the holdbacks and reserves as described in the Second Report. The Receiver is further authorized to pay the amounts of the holdbacks as agreed among the Receiver, KingSett and the applicable beneficiary of the holdback, or as otherwise ordered by this Court.

10. **THIS COURT ORDERS** that the Receiver shall not incur any liability in connection with the distributions set out in paragraphs 8 and 9 of this Order, whether in its personal capacity or in its capacity as the Receiver.

APPROVAL OF THE REPORTS AND ACTIVITIES

11. **THIS COURT ORDERS** that the Reports and the conduct and activities of the Receiver described therein are hereby approved, provided that only the Receiver, in its personal capacity

and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

12. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

13. **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.

14. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto Time) on the date of this Order, without the need for entry or filing.

SCHEDULE "A"
FORM OF RECEIVER'S CERTIFICATE

Court File No.: CV-24-00722148-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

**KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.**

Applicants

- and –

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

Respondents

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

RECEIVER'S CERTIFICATE

RECITALS

I. Pursuant to an Order of the Honourable Justice Osborne of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 26, 2024 (the "**Receivership Order**"), KSV Restructuring Inc. was appointed as receiver and manager (in such capacities, the "**Receiver**"), without security, of the Property (as defined in the Receivership Order).

II. Pursuant to an Order of the Court dated October 3, 2025, the Court, among other things, approved the agreement of purchase and sale between the Receiver, as vendor, and Lakhvir Kaur (the "**Purchaser**"), as purchaser, dated July 31, 2025 (as amended, the "**Sale Agreement**"), and provided for the vesting in the Purchaser of all of Digram Developments Caledon Inc.'s right, title

and interest in and to the property described in the Sale Agreement (the "**Purchased Assets**"), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the transaction has been completed to the satisfaction of the Receiver.

III. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received, the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;
2. The conditions to closing, as set out in the Sale Agreement, have been satisfied or waived by the Receiver and the Purchaser in accordance with their terms;
3. The transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

KSV RESTRUCTURING INC., solely in its capacity as court-appointed Receiver, and not in its personal capacity or in any other capacity

Per: _____
Name:
Title:

SCHEDULE "B"
LEGAL DESCRIPTION OF THE REAL PROPERTY

FIRSTLY

PIN: 14235-5967 (LT)

BLOCK 115, PLAN 43M2042; SUBJECT TO AN EASEMENT FOR ENTRY AS IN
PR3617553; TOWN OF CALEDON

SECONDLY

PIN: 14235-6773 (LT)

BLOCK 111, PLAN 43M2077; TOWN OF CALEDON

SCHEDULE "C"
PART 1: INSTRUMENTS TO BE DELETED FROM FIRSTLY LANDS

Reg. No.	Date	Instrument Type	Instrument Holder
PR3617556	2020/02/21	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3617557	2020/02/21	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822559	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822560	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822561	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822562	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822712	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822713	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822714	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822715	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR4351278	2024/07/08	RECEIVERSHIP ORDER	KSV RESTRUCTURING INC.

PART 2: INSTRUMENTS TO BE DELETED FROM SECONDLY LANDS

Reg. No.	Date	Instrument Type	Instrument Holder
PR2861457	2016/01/29	CHARGE	KINGSETT MORTGAGE CORPORATION
PR2861458	2016/01/29	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3050717	2016/12/20	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3050723	2016/12/20	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3097560	2017/03/22	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3097561	2017/03/22	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3240203	2017/11/22	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3566643	2019/11/05	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3566644	2019/11/05	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822559	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822560	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822561	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822562	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822593	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822594	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822595	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822596	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR4351278	2024/07/08	RECEIVERSHIP ORDER	KSV RESTRUCTURING INC.
PR4369233	2024/08/26	CONSTRUCTION LIEN	PENCO DRYWALL LTD.

SCHEDULE "D"
PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS
RELATED TO THE REAL PROPERTY

FIRSTLY LANDS - PIN: 14235-5967 (LT)

1. Instrument No. PR3204176 registered September 19, 2017 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel;
2. Instrument No. PR3206649 registered September 25, 2017 being an Application to Annex Restrictive Covenants S.119; and
3. Instrument No. PR3617553 registered February 21, 2020 being a Transfer containing an easement.

SECONDLY LANDS - PIN: 14235-6773 (LT)

1. Instrument No. PR3566641 registered November 5, 2019 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel; and
2. Instrument No. PR3566656 registered November 5, 2019 being an Application to Annex Restrictive Covenants S.118.

PART 1: GENERAL PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown;
2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;
3. all rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Property in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of any Governmental Authority;
4. rights of expropriation, access or use or any similar right conferred or reserved by or in any statute of Ontario or Canada;
5. applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing or industrial agreements, utility agreements, airport zoning regulations, cost sharing reciprocal agreements and building and other zoning restrictions and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of the Property;
6. any easements, servitudes, rights-of-way, licenses, agreements, restrictions that run with the land or other Encumbrances (including easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables) which do not materially impair the use, operation or marketability of the Property (based on the current use of the Property) affected thereby;
7. Encumbrances respecting minor encroachments by the Property over neighbouring lands or permitted under agreements with the owners of such other lands and minor encroachments over the Property by improvements of abutting land owners, provided the same do not materially adversely affect the use or marketability of the Property;
8. any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Receiver or the Debtor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such privileges do not materially affect the use or the operation of the assets affected thereby;
9. Encumbrances which will be vested out or otherwise discharged at Closing pursuant to the Approval and Vesting Order; and
10. Encumbrances permitted or created pursuant to the terms of this Agreement or which are otherwise expressly approved by the Purchaser in writing.

PART 2: SPECIFIC PERMITTED ENCUMBRANCES

FIRSTLY LANDS - PIN: 14235-5967 (LT)

1. Instrument No. PR3204176 registered September 19, 2017 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel;
2. Instrument No. PR3206649 registered September 25, 2017 being an Application to Annex Restrictive Covenants S.119; and
3. Instrument No. PR3617553 registered February 21, 2020 being a Transfer containing an easement.

SECONDLY LANDS - PIN: 14235-6773 (LT)

1. Instrument No. PR3566641 registered November 5, 2019 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel; and
2. Instrument No. PR3566656 registered November 5, 2019 being an Application to Annex Restrictive Covenants S.118.

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

**KINGSETT MORTGAGE CORPORATION
AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.**

and

**MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS
CALEDON INC.**

Applicants

Respondents

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

Proceedings commenced in Toronto

APPROVAL AND VESTING ORDER

BENNETT JONES LLP

One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario M5X 1A4

Sean Zweig (LSO# 57307I)

Tel: (416) 777-6254
Email: zweigs@bennettjones.com

Aiden Nelms (LSO# 74170S)

Tel: (416) 777-4642
Email: nelmsa@bennettjones.com

Linda Fraser-Richardson (LSO# 89718B)

Tel: (416) 777-7869
Email: fraserrichardsonl@bennettjones.com

Counsel to KSV Restructuring Inc., solely in its capacity
as Court-appointed Receiver and not in its personal
capacity

Appendix “F”

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

THE HONOURABLE	)	WEDNESDAY <u>FRIDAY</u> ,
	)	THE 17th <u>3rd</u>
JUSTICE STEELE <u>[.]</u>	)	DAY OF
		SEPTEMBER <u>OCTOBER</u> ,
		2025

B E T W E E N:

**KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.**

Applicants

- and -

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

Respondents

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

APPROVAL AND VESTING ORDER

THIS MOTION, made by KSV Restructuring Inc., in its capacity as the Court-appointed receiver and manager (in such capacities, the "**Receiver**"), without security, of the Property (as defined in the Receivership Order dated June 26, 2024) for an order, among other things: (i) approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the Receiver, as vendor, and Lakhvir Kaur, as purchaser (the "**Purchaser**"),

dated July 31, 2025 (as amended, the "**Sale Agreement**"), a copy of which is attached as Appendix "B" to the Second Report of the Receiver dated September 10, 2025 (the "**Second Report**"), and vesting in the Purchaser, all of Digram Developments Caledon Inc.'s (the "**Company**") right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"); (ii) authorizing the Receiver, subject to establishing and maintaining certain holdbacks and reserves, to make one or more distributions to KingSett Mortgage Corporation ("**KingSett**") from the Phyllis Proceeds up to the amount secured by the Phyllis Charge (each as defined in the Second Report); and (iii) approving the Second Report and the Supplement to the Second Report dated September 26, 2025 (the "**Supplemental Report**" and together with the Second Report, the "**Reports**"), and the conduct and activities of the Receiver set out therein, was heard this day by judicial videoconference via Zoom.

ON READING the ~~Second Report~~Reports and appendices thereto and, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one else appearing for any other person on the service list, although duly served as appears from the affidavit of service of Linda Fraser-Richardson sworn and filed,

DEFINITIONS

1. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein, have the meaning ascribed to them in the Sale Agreement or the Second Report, as applicable.

APPROVAL AND VESTING

2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved,

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with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Company's right, title and interest in and to the Purchased Assets, including without limitation the subject real property identified in **Schedule "B"** hereto (the "**Real Property**"), shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"), including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order of the Honourable Justice Osborne dated June 26, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "D"** hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged

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and discharged as against the Purchased Assets and are non-enforceable and non-binding as against the Purchaser.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Registry Office, Peel Region (No. 43) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the Real Property in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule "C"** hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of the Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. **THIS COURT ORDERS** that, notwithstanding:

- i. the pendency of these proceedings;

- ii. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Company and any bankruptcy order issued pursuant to any such applications; and
- iii. any assignment in bankruptcy made in respect of the Company,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company and shall not be void or voidable by creditors of the Company, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

APPROVAL OF THE DISTRIBUTIONS

8. THIS COURT ORDERS that the Receiver is hereby authorized and directed to make one or more distributions to KingSett from the Phyllis Proceeds up to the amounts owing to it under the Phyllis Charge subject to such holdbacks and reserves described in the Second Report, including, for greater certainty, such holdbacks and reserves as the Receiver considers appropriate to fund the receivership, including its fees and the fees of its legal counsel.

9. THIS COURT ORDERS that the Receiver is hereby authorized and directed to establish and maintain the holdbacks and reserves as described in the Second Report. The Receiver is further authorized to pay the amounts of the holdbacks as agreed among the

Receiver, KingSett and the applicable beneficiary of the holdback, or as otherwise ordered by this Court.

10. THIS COURT ORDERS that the Receiver shall not incur any liability in connection with the distributions set out in paragraphs 8 and 9 of this Order, whether in its personal capacity or in its capacity as the Receiver.

APPROVAL OF THE REPORTS AND ACTIVITIES

11. THIS COURT ORDERS that the Reports and the conduct and activities of the Receiver described therein are hereby approved, provided that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

12. ~~8.~~ THIS COURT ORDERS that this Order shall have full force and effect in all provinces and territories in Canada.

13. ~~9.~~ 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.

14. ~~10.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto Time) on the date of this Order, without the need for entry or filing.

SCHEDULE "A"
FORM OF RECEIVER'S CERTIFICATE

Court File No.: CV-24-00722148-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

**KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.**

Applicants

- and -

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

Respondents

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

RECEIVER'S CERTIFICATE

RECITALS

I. Pursuant to an Order of the Honourable Justice Osborne of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 26, 2024 (the "**Receivership Order**"), KSV Restructuring Inc. was appointed as receiver and manager (in such capacities, the "**Receiver**"), without security, of the Property (as defined in the Receivership Order).

II. Pursuant to an Order of the Court dated ~~September 17~~October 3, 2025, the Court, among other things, approved the agreement of purchase and sale between the Receiver, as vendor, and Lakhvir Kaur (the "**Purchaser**"), as purchaser, dated July 31, 2025 (as amended, the "**Sale**

|

Agreement"), and provided for the vesting in the Purchaser of all of Digram Developments Caledon Inc.'s right, title and interest in and to the property described in the Sale Agreement (the "**Purchased Assets**"), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the transaction has been completed to the satisfaction of the Receiver.

III. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received, the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;
2. The conditions to closing, as set out in the Sale Agreement, have been satisfied or waived by the Receiver and the Purchaser in accordance with their terms;
3. The transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at _____ [TIME] on [DATE].

KSV RESTRUCTURING INC., solely in its capacity as court-appointed Receiver, and not in its personal capacity or in any other capacity

Per: _____

Name:

Title:

SCHEDULE "B"
LEGAL DESCRIPTION OF THE REAL PROPERTY

FIRSTLY

PIN: 14235-5967 (LT)

BLOCK 115, PLAN 43M2042; SUBJECT TO AN EASEMENT FOR ENTRY AS IN
PR3617553; TOWN OF CALEDON

SECONDLY

PIN: 14235-6773 (LT)

BLOCK 111, PLAN 43M2077; TOWN OF CALEDON

SCHEDULE "C"
PART 1: INSTRUMENTS TO BE DELETED FROM FIRSTLY LANDS

Reg. No.	Date	Instrument Type	Instrument Holder
PR3617556	2020/02/21	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3617557	2020/02/21	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822559	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822560	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822561	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822562	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822712	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822713	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822714	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822715	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR4351278	2024/07/08	RECEIVERSHIP ORDER	KSV RESTRUCTURING INC.

PART 2: INSTRUMENTS TO BE DELETED FROM SECONDLY LANDS

Reg. No.	Date	Instrument Type	Instrument Holder
PR2861457	2016/01/29	CHARGE	KINGSETT MORTGAGE CORPORATION
PR2861458	2016/01/29	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3050717	2016/12/20	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3050723	2016/12/20	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3097560	2017/03/22	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3097561	2017/03/22	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3240203	2017/11/22	NOTICE	KINGSETT MORTGAGE CORPORATION
PR3566643	2019/11/05	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3566644	2019/11/05	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822559	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822560	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822561	2021/04/28	CHARGE	KINGSETT MORTGAGE CORPORATION
PR3822562	2021/04/28	NOTICE OF ASSIGNMENT OF RENTS - GENERAL	KINGSETT MORTGAGE CORPORATION
PR3822593	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822594	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822595	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR3822596	2021/04/28	POSTPONEMENT	KINGSETT MORTGAGE CORPORATION
PR4351278	2024/07/08	RECEIVERSHIP ORDER	KSV RESTRUCTURING INC.
PR4369233	2024/08/26	CONSTRUCTION LIEN	PENCO DRYWALL LTD.

SCHEDULE "D"
PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS
RELATED TO THE REAL PROPERTY

FIRSTLY LANDS - PIN: 14235-5967 (LT)

1. Instrument No. PR3204176 registered September 19, 2017 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel;
2. Instrument No. PR3206649 registered September 25, 2017 being an Application to Annex Restrictive Covenants S.119; and
3. Instrument No. PR3617553 registered February 21, 2020 being a Transfer containing an easement.

SECONDLY LANDS - PIN: 14235-6773 (LT)

1. Instrument No. PR3566641 registered November 5, 2019 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel; and
2. Instrument No. PR3566656 registered November 5, 2019 being an Application to Annex Restrictive Covenants S.118.

PART 1: GENERAL PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown;
2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;
3. all rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Property in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of any Governmental Authority;
4. rights of expropriation, access or use or any similar right conferred or reserved by or in any statute of Ontario or Canada;
5. applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing or industrial agreements, utility agreements, airport zoning regulations, cost sharing reciprocal agreements and building and other zoning restrictions and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of the Property;
6. any easements, servitudes, rights-of-way, licenses, agreements, restrictions that run with the land or other Encumbrances (including easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables) which do not materially impair the use, operation or marketability of the Property (based on the current use of the Property) affected thereby;
7. Encumbrances respecting minor encroachments by the Property over neighbouring lands or permitted under agreements with the owners of such other lands and minor encroachments over the Property by improvements of abutting land owners, provided the same do not materially adversely affect the use or marketability of the Property;
8. any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Receiver or the Debtor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such privileges do not materially affect the use or the operation of the assets affected thereby;
9. Encumbrances which will be vested out or otherwise discharged at Closing pursuant to the Approval and Vesting Order; and
10. Encumbrances permitted or created pursuant to the terms of this Agreement or which are otherwise expressly approved by the Purchaser in writing.

PART 2: SPECIFIC PERMITTED ENCUMBRANCES

FIRSTLY LANDS - PIN: 14235-5967 (LT)

1. Instrument No. PR3204176 registered September 19, 2017 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel;
2. Instrument No. PR3206649 registered September 25, 2017 being an Application to Annex Restrictive Covenants S.119; and
3. Instrument No. PR3617553 registered February 21, 2020 being a Transfer containing an easement.

SECONDLY LANDS - PIN: 14235-6773 (LT)

1. Instrument No. PR3566641 registered November 5, 2019 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel; and
2. Instrument No. PR3566656 registered November 5, 2019 being an Application to Annex Restrictive Covenants S.118.

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

**KINGSETT MORTGAGE CORPORATION
AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.**

and

**MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS
CALEDON INC.**

Applicants

Respondents

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

Proceedings commenced in Toronto

APPROVAL AND VESTING ORDER

BENNETT JONES LLP

One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario M5X 1A4

Sean Zweig (LSO# 57307I)

Tel: (416) 777-6254
Email: zweigs@bennettjones.com

Aiden Nelms (LSO# 74170S)

Tel: (416) 777-4642
Email: nelmsa@bennettjones.com

Linda Fraser-Richardson (LSO# 89718B)

Tel: (416) 777-7869
Email: fraserrichardsonl@bennettjones.com

Counsel to KSV Restructuring Inc., solely in its capacity as Court-appointed Receiver and not in its personal capacity

Appendix “G”

Court File No. ~~—~~: CV-24-00722148-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

<u>THE HONOURABLE</u>	)	<u>FRIDAY, THE 3rd</u>
	)	
THE HONOURABLE —	)	WEEKDAY, THE #
	)	
JUSTICE — <u>[•]</u>	)	DAY OF
		MONTH <u>OCTOBER,</u>
		20YR <u>2025</u>

B E T W E E N:

KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.

~~PLAINTIFF~~

~~Plaintiff~~ Applicants

- and -

~~DEFENDANT~~

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

~~Defendant~~

Respondents

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

APPROVAL AND VESTING ORDER

THIS MOTION, made by ~~[RECEIVER'S NAME]~~ KSV Restructuring Inc., in its capacity as the Court-appointed receiver ~~(and manager (in such capacities, the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor", without security, of the Property (as defined in the Receivership Order dated June 26, 2024) for an order, among other things: (i) approving the sale transaction (the "Transaction") contemplated by an agreement of purchase~~

and sale ~~(between the Receiver, as vendor, and Lakhvir Kaur, as purchaser (the "Purchaser"),~~
~~dated July 31, 2025 (as amended, the "Sale Agreement") between the Receiver and [NAME OF~~
~~PURCHASER] (the "Purchaser") dated [DATE] and appended to the,~~ a copy of which is
attached as Appendix "B" to the Second Report of the Receiver dated [DATE] September 10,
2025 (the "**Second Report**"), and vesting in the Purchaser ~~the Debtor's,~~ all of Digram
Developments Caledon Inc.'s (the "**Company**") right, title and interest in and to the assets
described in the Sale Agreement (the "**Purchased Assets**"); (ii) authorizing the Receiver, subject
to establishing and maintaining certain holdbacks and reserves, to make one or more
distributions to KingSett Mortgage Corporation ("**KingSett**") from the Phyllis Proceeds up to the
amount secured by the Phyllis Charge (each as defined in the Second Report); and (iii) approving
the Second Report and the Supplement to the Second Report dated September 26, 2025 (the
"**Supplemental Report**" and together with the Second Report, the "**Reports**"), and the conduct
and activities of the Receiver set out therein, was heard this day ~~at 330 University Avenue,~~
~~Toronto, Ontario~~ by judicial videoconference via Zoom.

ON READING the ~~Report~~ Reports and appendices thereto and, and on hearing the
submissions of counsel for the Receiver, ~~[NAMES OF OTHER PARTIES APPEARING], no~~
~~one~~ and such other counsel as were present, no one else appearing for any other person on the
service list, although ~~properly~~ duly served as appears from the affidavit of [NAME] service of
Linda Fraser-Richardson sworn [DATE] and filed⁺,

DEFINITIONS

⁺ ~~This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.~~

1. THIS COURT ORDERS that capitalized terms used in this Order and not otherwise defined herein, have the meaning ascribed to them in the Sale Agreement or the Second Report, as applicable.

APPROVAL AND VESTING

2. ~~1.~~ **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved,² and the execution of the Sale Agreement by the Receiver³ is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. ~~2.~~ **THIS COURT ORDERS AND DECLARES** that upon the delivery of a ~~Receiver's~~Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the ~~Debtor's~~Company's right, title and interest in and to the Purchased Assets ~~described in the Sale Agreement [and listed on~~, including without limitation the subject real property identified in **Schedule "B"** hereto⁴ (the "**Real Property**"), shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed

²In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.

³In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.

⁴To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.

trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"⁵), including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order of the Honourable Justice [NAME] Osborne dated [DATE] June 26, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "D" hereto**) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets and are non-enforceable and non-binding as against the Purchaser.

4. ~~3.~~ **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the ~~[Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver]~~[Land Titles Division of {LOCATION}] Land Registry Office, Peel Region (No. 43) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*⁶, the Land Registrar is hereby directed to enter the Purchaser as the owner of the ~~subject real property~~

⁵The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

⁶Elect the language appropriate to the land registry system (Registry vs. Land Titles).

~~identified in Schedule B hereto (the "Real Property")~~ in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule "C" hereto.

5. ~~4.~~ **THIS COURT ORDERS** that for the purposes of determining the nature and priority of the Claims, the net proceeds⁷ from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale⁸, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. ~~5.~~ **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

~~6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada Personal Information Protection and Electronic Documents Act, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "●" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information~~

⁷ ~~The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".~~

⁸ ~~This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.~~

~~provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.~~

7. **THIS COURT ORDERS** that, notwithstanding:

- i. ~~(a)~~ the pendency of these proceedings;
- ii. ~~(b)~~ any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the ~~Debtor~~Company and any bankruptcy order issued pursuant to any such applications; and
- iii. ~~(c)~~ any assignment in bankruptcy made in respect of the ~~Debtor~~Company,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the ~~Debtor~~Company and shall not be void or voidable by creditors of the ~~Debtor~~Company, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

APPROVAL OF THE DISTRIBUTIONS

8. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make one or more distributions to KingSett from the Phyllis Proceeds up to the amounts owing to it under the Phyllis Charge subject to such holdbacks and reserves described in the Second Report, including, for greater certainty, such holdbacks and reserves as the Receiver considers appropriate to fund the receivership, including its fees and the fees of its legal counsel.

9. THIS COURT ORDERS that the Receiver is hereby authorized and directed to establish and maintain the holdbacks and reserves as described in the Second Report. The Receiver is further authorized to pay the amounts of the holdbacks as agreed among the Receiver, KingSett and the applicable beneficiary of the holdback, or as otherwise ordered by this Court.

10. THIS COURT ORDERS that the Receiver shall not incur any liability in connection with the distributions set out in paragraphs 8 and 9 of this Order, whether in its personal capacity or in its capacity as the Receiver.

APPROVAL OF THE REPORTS AND ACTIVITIES

11. THIS COURT ORDERS that the Reports and the conduct and activities of the Receiver described therein are hereby approved, provided that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

12. ~~8. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the Bulk Sales Act (Ontario)~~ that this Order shall have full force and effect in all provinces and territories in Canada.

13. ~~9. 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.

14. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto Time) on the date of this Order, without the need for entry or filing.

Revised: January 21, 2014

Schedule A—Form of Receiver's Certificate

SCHEDULE "A"
FORM OF RECEIVER'S CERTIFICATE

Court File No. _____: CV-24-00722148-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

KINGSETT MORTGAGE CORPORATION AND FIRST SOURCE FINANCIAL
MANAGEMENT INC.

~~PLAINTIFF~~

~~Plaintiff~~ Applicants

- and -

~~DEFENDANT~~

MAPLEQUEST VENTURES INC. AND DIGRAM DEVELOPMENTS CALEDON INC.

~~Defendant~~
Respondents

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

~~RECEIVER'S~~ RECEIVER'S CERTIFICATE

RECITALS

I. ~~A.~~ Pursuant to an Order of the Honourable ~~[NAME OF JUDGE]~~ Justice Osborne of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated ~~[DATE OF ORDER], [NAME OF RECEIVER]~~ June 26, 2024 (the "Receivership Order"), KSV Restructuring Inc. was appointed as ~~the~~ receiver ~~(and manager (in such capacities, the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor", without security, of the Property (as defined in the Receivership Order).~~

II. ~~B.~~ Pursuant to an Order of the Court dated ~~[DATE]~~ October 3, 2025, the Court, among other things, approved the agreement of purchase and sale ~~made as of [DATE OF AGREEMENT]~~ (between the Receiver, as vendor, and Lakhvir Kaur (the "Purchaser"), as purchaser, dated July 31, 2025 (as amended, the "Sale Agreement") ~~between the Receiver [Debtor] and [NAME OF PURCHASER] (the "Purchaser")~~, and provided for the vesting in the Purchaser of ~~the Debtor's~~ sall of Digram Developments Caledon Inc.'s right, title and interest in and to the property described in the Sale Agreement (the "Purchased Assets"), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the ~~Purchase Price~~ purchase price for the Purchased Assets; (ii) that the conditions to ~~Closing~~ closing as set out in ~~section 1 of~~ the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the ~~Transaction~~ transaction has been completed to the satisfaction of the Receiver.

III. ~~C.~~ Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. ~~1.~~ The Purchaser has paid and the Receiver has received, the ~~Purchase Price~~ purchase price for the Purchased Assets payable on the ~~Closing Date~~ closing date pursuant to the Sale Agreement;

2. ~~2.~~ The conditions to ~~Closing~~closing, as set out in ~~section 4.1 of~~ the Sale Agreement, have been satisfied or waived by the Receiver and the Purchaser; ~~and~~ in accordance with their terms;

3. ~~3.~~ The ~~Transaction~~transaction has been completed to the satisfaction of the Receiver; ~~and~~ and

4. ~~4.~~ This Certificate was delivered by the Receiver at _____
[TIME] on _____
[DATE].

KSV RESTRUCTURING INC., solely in its capacity as court-appointed Receiver, and not in its personal capacity or in any other capacity

Per:

Name:

Title:

SCHEDULE "B"
LEGAL DESCRIPTION OF THE REAL PROPERTY

FIRSTLY

PIN: 14235-5967 (LT)

**BLOCK 115, PLAN 43M2042; SUBJECT TO AN EASEMENT FOR ENTRY AS IN
PR3617553; TOWN OF CALEDON**

SECONDLY

PIN: 14235-6773 (LT)

BLOCK 111, PLAN 43M2077; TOWN OF CALEDON

SCHEDULE "C"**PART 1: INSTRUMENTS TO BE DELETED FROM FIRSTLY LANDS**

<u>Reg. No.</u>	<u>Date</u>	<u>Instrument Type</u>	<u>Instrument Holder</u>
<u>PR36175</u> <u>56</u>	<u>2020/02/</u> <u>21</u>	<u>Per: CHARGE</u>	<u>KINGSETT MORTGAGE</u> <u>CORPORATION</u>
<u>PR36175</u> <u>57</u>	<u>2020/02/</u> <u>21</u>	<u>CHARGE</u>	<u>Name: ——— KINGSETT</u> <u>MORTGAGE CORPORATION</u>
<u>PR38225</u> <u>59</u>	<u>2021/04/</u> <u>28</u>	<u>CHARGE</u>	<u>Title: ——— KINGSETT</u> <u>MORTGAGE CORPORATION</u>
<u>PR3822560</u>	<u>2021/04/</u> <u>28</u>	<u>NOTICE OF ASSIGNMENT</u> <u>OF RENTS - GENERAL</u>	<u>KINGSETT MORTGAGE</u> <u>CORPORATION</u>
<u>PR3822561</u>	<u>2021/04/</u> <u>28</u>	<u>CHARGE</u>	<u>KINGSETT MORTGAGE</u> <u>CORPORATION</u>
<u>PR3822562</u>	<u>2021/04/</u> <u>28</u>	<u>NOTICE OF ASSIGNMENT</u> <u>OF RENTS - GENERAL</u>	<u>KINGSETT MORTGAGE</u> <u>CORPORATION</u>
<u>PR3822712</u>	<u>2021/04/</u> <u>28</u>	<u>POSTPONEMENT</u>	<u>KINGSETT MORTGAGE</u> <u>CORPORATION</u>
<u>PR3822713</u>	<u>2021/04/</u> <u>28</u>	<u>POSTPONEMENT</u>	<u>KINGSETT MORTGAGE</u> <u>CORPORATION</u>
<u>PR3822714</u>	<u>2021/04/</u> <u>28</u>	<u>POSTPONEMENT</u>	<u>KINGSETT MORTGAGE</u> <u>CORPORATION</u>
<u>PR3822715</u>	<u>2021/04/</u> <u>28</u>	<u>POSTPONEMENT</u>	<u>KINGSETT MORTGAGE</u> <u>CORPORATION</u>
<u>PR4351278</u>	<u>2024/07/</u> <u>08</u>	<u>RECEIVERSHIP ORDER</u>	<u>KSV RESTRUCTURING INC.</u>

PART 2: INSTRUMENTS TO BE DELETED FROM SECONDLY LANDS

<u>Reg. No.</u>	<u>Date</u>	<u>Instrument Type</u>	<u>Instrument Holder</u>
<u>PR2861457</u>	<u>2016/01/29</u>	<u>CHARGE</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR2861458</u>	<u>2016/01/29</u>	<u>NOTICE OF ASSIGNMENT OF RENTS - GENERAL</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3050717</u>	<u>2016/12/20</u>	<u>NOTICE</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3050723</u>	<u>2016/12/20</u>	<u>CHARGE</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3097560</u>	<u>2017/03/22</u>	<u>NOTICE</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3097561</u>	<u>2017/03/22</u>	<u>NOTICE</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3240203</u>	<u>2017/11/22</u>	<u>NOTICE</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3566643</u>	<u>2019/11/05</u>	<u>POSTPONEMENT</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3566644</u>	<u>2019/11/05</u>	<u>POSTPONEMENT</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3822559</u>	<u>2021/04/28</u>	<u>CHARGE</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3822560</u>	<u>2021/04/28</u>	<u>NOTICE OF ASSIGNMENT OF RENTS - GENERAL</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3822561</u>	<u>2021/04/28</u>	<u>CHARGE</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3822562</u>	<u>2021/04/28</u>	<u>NOTICE OF ASSIGNMENT OF RENTS - GENERAL</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3822593</u>	<u>2021/04/28</u>	<u>POSTPONEMENT</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3822594</u>	<u>2021/04/28</u>	<u>POSTPONEMENT</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3822595</u>	<u>2021/04/28</u>	<u>POSTPONEMENT</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR3822596</u>	<u>2021/04/28</u>	<u>POSTPONEMENT</u>	<u>KINGSETT MORTGAGE CORPORATION</u>
<u>PR4351278</u>	<u>2024/07/08</u>	<u>RECEIVERSHIP ORDER</u>	<u>KSV RESTRUCTURING INC.</u>
<u>PR4369233</u>	<u>2024/08/26</u>	<u>CONSTRUCTION LIEN</u>	<u>PENCO DRYWALL LTD.</u>

SCHEDULE "D"
PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS
RELATED TO THE REAL PROPERTY

FIRSTLY LANDS - PIN: 14235-5967 (LT)

1. Instrument No. PR3204176 registered September 19, 2017 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel;
2. Instrument No. PR3206649 registered September 25, 2017 being an Application to Annex Restrictive Covenants S.119; and
3. Instrument No. PR3617553 registered February 21, 2020 being a Transfer containing an easement.

SECONDLY LANDS - PIN: 14235-6773 (LT)

1. Instrument No. PR3566641 registered November 5, 2019 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel; and
2. Instrument No. PR3566656 registered November 5, 2019 being an Application to Annex Restrictive Covenants S.118.

PART 1: GENERAL PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown;
2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;
3. all rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Property in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of any Governmental Authority;
4. rights of expropriation, access or use or any similar right conferred or reserved by or in any statute of Ontario or Canada;
5. applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing or industrial agreements, utility agreements, airport zoning regulations, cost sharing reciprocal agreements and building and other zoning restrictions and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of the Property;
6. any easements, servitudes, rights-of-way, licenses, agreements, restrictions that run with the land or other Encumbrances (including easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables) which do not materially impair the use, operation or marketability of the Property (based on the current use of the Property) affected thereby;
7. Encumbrances respecting minor encroachments by the Property over neighbouring lands or permitted under agreements with the owners of such other lands and minor encroachments over the Property by improvements of abutting land owners, provided the same do not materially adversely affect the use or marketability of the Property;
8. any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Receiver or the Debtor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such privileges do not materially affect the use or the operation of the assets affected thereby;
9. Encumbrances which will be vested out or otherwise discharged at Closing pursuant to the Approval and Vesting Order; and
10. Encumbrances permitted or created pursuant to the terms of this Agreement or which are otherwise expressly approved by the Purchaser in writing.

PART 2: SPECIFIC PERMITTED ENCUMBRANCES

FIRSTLY LANDS - PIN: 14235-5967 (LT)

1. Instrument No. PR3204176 registered September 19, 2017 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel;
2. Instrument No. PR3206649 registered September 25, 2017 being an Application to Annex Restrictive Covenants S.119; and
3. Instrument No. PR3617553 registered February 21, 2020 being a Transfer containing an easement.

SECONDLY LANDS - PIN: 14235-6773 (LT)

1. Instrument No. PR3566641 registered November 5, 2019 being Notice of a Subdivision Agreement with The Corporation of the Town of Caledon and The Regional Municipality of Peel; and
2. Instrument No. PR3566656 registered November 5, 2019 being an Application to Annex Restrictive Covenants S.118.