

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

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF URBANCORP (WOODBINE) INC. AND URBANCORP (BRIDLEPATH) INC., THE TOWNHOUSES OF HOGG'S HOLLOW INC., KING TOWNS INC., NEWTOWNS AT KINGTOWNS INC. AND DEAJA PARTNER (BAY) INC. (COLLECTIVELY, THE "APPLICANTS")**

**AND IN THE MATTER OF TCC URBANCORP (BAY) LIMITED PARTNERSHIP**

**AFFIDAVIT OF GUY GISSIN**  
**(Affirmed October 15, 2018)**

I, Guy Gissin, of the City of **Tel Aviv – Jaffa**, in the State of Israel, HEREBY SOLEMNLY AFFIRM AND SAY:

1. I am the Israeli Court-appointed functionary officer and foreign representative (the "**Functionary**") of Urbancorp Inc. ("**UCI**") and the assignee of the claims of the holders of bonds issued by UCI (the "**Bondholders**").
2. This affidavit is made in support of the position of KSV Kofman Inc. ("**KSV**"), the monitor ("**Monitor**") of the Applicants in this proceeding, requesting that this Honourable Court uphold the disallowance of the claim of Terra Firma Capital Corporation ("**TFCC**") as against the Applicants.
3. This affidavit provides details around the role TFCC played in the UCI bond raise ("**Bond Raise**") and its relationship to the transaction that ultimately forms the underlying basis for the alleged TFCC claim in this proceeding. The information in this affidavit does not come from my direct personal knowledge. Instead, it is based upon my review of e-mails that the

Monitor recently provided to me pursuant to the Order of the Honourable Mr. Justice Myers dated June 26, 2018 which cover the period from July 1, 2015-April 21, 2016, as well as other materials provided to me in the framework of investigations I have undertaken in my capacity as Functionary. To the extent that I rely on such e-mails or investigations, I have identified the source of such information.

### **OVERVIEW**

4. The Bond Raise, which closed December 8, 2015, with funds being transferred to UCI on or about December 24, 2015, generated approximately NIS 180,583,000 which, at the time, was the equivalent of about CAD\$64,800,000. Of this amount, \$41,581,880 ended up being paid to TFCC. Of the remaining \$23,000,000, about \$3,000,000 remained in Israel for an interest and expenditure cushion, \$5.5 million covered issuance costs and approximately \$10.1 million was paid to Mattamy Downsview Limited, the joint venture partner in the Downsview Park development. UCI was left with cash of just under \$5 million after these payments. Annexed hereto and marked as Exhibit "A" is an April 10, 2016 e-mail from Phillip Gales ("Gales"), the former chief financial officer of the Urbancorp group, to Shirel Guttman Amira with the Agmon law firm, forwarded to me that same date. Agmon was Israeli counsel to UCI, until it resigned in March 2016.

5. The trail of e-mails shows that TFCC, through its CEO, Dov Meyer ("Meyer"), was intimately involved in all aspects of the Bond Raise, and had extensive direct dealings with UCI's Canadian counsel, Harris Sheaffer (and Barry Rotenberg in particular), as well as UCI's Israeli counsel and the underwriters. Meyer was kept updated at all times on issues relating to the Bond Raise, and frequently provided advice and direction to Saskin and various professionals in respect of the Bond Raise. Meyer was also regularly included in, or provided copies of, internal correspondence between Urbancorp and its various professional advisors during the course of the Bond Raise.

6. TFCC was the main beneficiary of the proceeds of the Bond Raise, receiving approximately \$41.5 million of a total of \$64 million that was raised. According to TFCC's Condensed Consolidated Interim Statements of Financial Position as at September 30, 2015, it

had \$82,302,799 in loan and mortgage investments outstanding. Accordingly, it appears that loans to Urbancorp projects made up a significant portion of TFCC's portfolio of loans. Annexed hereto and marked as Exhibit "B" is a true copy of TFCC's Condensed Consolidated Interim Statements of Financial Position as at September 30, 2015.

7. Further, as appears from the e-mails below, a number of those projects (both inside and outside of Bondco) were in serious financial distress at the time of the bond offering.

Additionally, throughout the period leading up to the Bond Raise, TFCC was well aware of the precarious financial position of Saskin and the various Urbancorp companies with both lenders and construction trades.

8. TFCC has acknowledged that it acted as an advisor to UCI in respect of the Bond Offering. TFCC was also to have a representative on the Board of UCI and receive a significant success fee in the event the Bond Raise was successful. The advisory relationship, Board representation and the fees were never disclosed in the prospectus.

9. By e-mail dated December 22, 2015, Meyer wrote to the TFCC Board:

"Dear Board Members and Colleagues,

After much anticipation, we are pleased to notify you that Urbancorp has completed its Bond Offering in Tel Aviv, raising \$64 million (its [sic] sounds better in Shekels – NIS180 million!).

This is the first transaction of its kind for a Canadian company and as you know TFCC acted as advisor to Urbancorp. This is one of the most innovative and exciting transactions that TFCC as a company have been involved in and each of you played an integral role and offered support all the way to the finish line...".

Annexed hereto and marked as Exhibit "C" is a true copy of the December 22, 2015 e-mail.

10. Additionally, TFCC took advantage of Alan Saskin's ("Saskin") desperate financial straits and need to obtain an equity advance in accordance with the terms of the Bond Raise to obtain the security that forms the basis for TFCC's claims as against the Applicants, despite the

fact that to the best of my knowledge no consideration was being provided to the Applicants, nor did the Applicants benefit from the Bond Raise.

11. As a condition of the Bond Raise, Saskin was required to inject \$12 million of equity into UCI. As set out in detail below, TFCC knowingly participated in a scheme with Saskin whereby \$12 million was advanced by TFCC subject to terms of a December 22, 2015 letter of intent (the “LOI”), with a secret side letter (the “Side Letter”) that materially modified the terms of the LOI by imposing material conditions, which if publicly disclosed would likely have resulted in the auditors concluding that the “loan” did not constitute equity.

12. Subsequently, TFCC unilaterally revoked the funds without the knowledge or consent of Urbancorp and ultimately negotiated terms of a new \$10,000,000 facility in late March, 2016 at a time when the Urbancorp Group was already teetering on insolvency and within approximately a month of the first insolvency filings of members of the Urbancorp Group. Full details of these transactions are set out below.

13. The December 31, 2015 transaction is described as follows in the notes to TFCC’s Consolidated Financial Statements for the years ended December 31, 2015 and December 31, 2014, which were released on March 23, 2016:

“On December 31, 2015, the Company deposited \$11,747,370 into a joint account established by the Company and a subsidiary of a borrower, requiring joint signatures, pending release for mortgage investment purposes. These mortgage investments were to be assigned to the Company and over which the Company was to have full control. Subsequent to the Company’s year end, the loan transaction was cancelled as funding and investment conditions were not met, and the funds were therefore returned to the Company.”

Annexed hereto and marked as Exhibit “D” is a true copy of note 4 to TFCC’s Consolidated Financial Statements for the years ended December 31, 2015 and December 31, 2014.

**MEYERS' DEALINGS IN RELATION TO THE BOND RAISE IN AUGUST AND SEPTEMBER AND CONCERNS OVER THE EDGE, LESLIEVILLE, BEACH, RIVERDALE PROJECTS AND TRADE DEBT**

14. TFCC was involved in advising Saskin on the Bond Raise from early on. By e-mail dated August 5, 2015, Meyer expressed concern to Saskin over the issues that Gales, and Yair Fecher (a consultant retained by Urbancorp) were experiencing as a result of difficulties in obtaining from MNP correct financial information relating to Urbancorp, which information was required by Deloitte Israel (which was acting as UCI's auditor in Israel). MNP had traditionally been the group's accountants. Annexed hereto and marked as Exhibit "E" is a true copy of the August 5, 2015 e-mail.

15. On August 6, 2015, Meyer advised that Saskin should only go to Israel to meet with Deloitte, once MNP signed off on the statements such that MNP can defend them to Deloitte. Meyer further advised Saskin that he needed to go to Israel and not send Gales on his own. In addition, Meyer told Saskin that a senior MNP partner also needed to go to Israel. Annexed hereto and marked as Exhibit "F" is a true copy of the August 6, 2015 e-mail.

16. By e-mail dated August 13, 2015 Saskin updated Meyer on the trip Gales had made to Israel and the timing of the prospectus in response to Meyer's query. Annexed hereto and marked as Exhibit "G" is a true copy of the August 13, 2015 e-mail.

17. By e-mail dated August 18, 2015, Saskin provided Meyer with a further update on the Bond Raise. Annexed hereto and marked as Exhibit "H" is a true copy of the August 18, 2015 e-mail.

18. By e-mail dated August 19, 2015, Meyer wrote to Saskin following a meeting they had and refers to TFCC as "an unsecured high leverage lender". Meyer further wrote that TFCC would like to know in "real time if any of your projects are off side or are incurring cost overruns." Meyer further advised that "letting us know 5 minutes before loans go into "Special Loans" doesn't really help us". Annexed hereto and marked as Exhibit "I" is a true copy of the August 19, 2015 e-mail.

19. Only a month before, on July 15, 2015, Meyer had expressed strong concern over the outstanding HST obligations in respect of the Edge project which were considerably higher than what TFCC expected. Meyer further expressed concern that if Urbancorp repaid TFCC's loan on Edge, CRA would "come after us for the HST". Annexed hereto and marked as Exhibit "J" is a true copy of the July 15, 2015 e-mail.

20. On August 24, 2015, Meyer arranged a call with Saskin, Fecher, Eliav Bar David (CEO of Apex Issuances, the underwriter for the Bond Raise) and Assaf Dagan. Annexed hereto and marked as Exhibit "K" is the August 24, 2015 e-mail.

21. By e-mail dated August 31, 2015, Meyer asked if Saskin wanted him to participate in the meetings that are taking place in Israel to resolve outstanding issues relating to the bond issuance. Saskin responded that he would greatly appreciate Meyer attending and further updated him the next day, September 1<sup>st</sup>, as to various updates on the financial modelling. Saskin further invited Meyer to attend a meeting with Apex the following day. Annexed hereto and marked as Exhibit "L" is a true copy of copy of the foregoing e-mail chain.

22. On September 7, 2015, Meyer asked Saskin whether the right people were attending the meeting with the rating agency (Midroog). Annexed hereto and marked as Exhibit "M" is a true copy of the September 7, 2015 e-mail.

23. On September 8, 2015, Fecher sent an e-mail to Meyer in Hebrew expressing concern over how a dry run for the rating agency meeting went. Fecher complained to Meyer that the model was not ready, along with other requests from Midroog and recommended that the meeting should be postponed until Jeremy Cole of MNP could participate. Meyer then wrote to Saskin that Phillip Gales and Michael Chong (of MNP) were "not strong enough to sit with Midroog". Annexed hereto and marked as Exhibit "N" is a true copy of the foregoing e-mail chain.

24. That same day, Meyer wrote to Saskin summarizing a discussion he had with Apex earlier that afternoon. Meyer expressed the collective concern that the Midroog meeting should be delayed until "after we file the prospectus". Meyer further advised that "...we all felt that we are not on a guaranteed path to filing on time. The message that we wanted to convey is that our recommendation is that you and Jeremy come right after rosh Hasahna and stay literally until the prospectus is received by the ISA." Annexed hereto and marked as Exhibit "O" is a true copy of the September 8, 2015 e-mail.

25. Saskin continued to keep Meyer informed of the remaining issues with the Bond Raise. The bond offering remaining issues is the first agenda item referenced in a September 10, 2015 e-mail from Saskin to Meyer. Annexed hereto and marked as Exhibit "P" is a true copy of the September 10, 2015 e-mail.

26. Saskin and Meyer had a further e-mail exchange on September 29, 2015. Saskin updated Meyer as to issues in the prospectus stating:

"Long conference call, went through entire prospectus. Only small issues, all being resolved. One last hurdle. Legal liability letter from our outside counsel, Jack Berkow. No one has seen it. Jack will say in letter that 'HST on Edge is a significant liability and CRA is taking steps to recover payment from the company'. This could still concern Deloitte. The full remaining HST is in the payables, and they know it will be paid from Bondco proceeds. Nonetheless, it will make Deloitte nervous about company as a going concern. We have to calm them and portray this as a normal business practice. If they stay calm, can file tomorrow."

Dov responds that he "had a discussion with Eliav...Happy with progress on the prospectus." Annexed hereto and marked as Exhibit "Q" is a true copy of the foregoing e-mail chain.

27. By e-mail dated September 16, 2015, Meyer agreed that TFCC would release 50% of its \$17 million in collateral against Edge (ie. \$8.5 million) so that Urbancorp would be able to pay Edge payables. The TFCC loan on Edge at that time was \$3.7 million. Annexed hereto and marked as Exhibit "R" is a true copy of the September 16, 2015 e-mail.

28. By e-mail dated September 29, 2015, Meyer agreed that TFCC would release Edge units, as per the previously discussed formula, for any Urbancorp payables (not just Edge) and also for debts that Saskin had personally incurred to the trades. Saskin explained to Meyer that: "As part of Bondco, we transferred these loans from project loans to personal loans so it would count as Bondco equity." The transfers of Edge units to pay liabilities of non-Bondco and Saskin personal liabilities are currently the subject of various proceedings in both Ontario and Israel. Annexed hereto and marked as Exhibit "S" is a true copy of the September 29, 2015 e-mail.

29. On October 13, 2015, Meyer received a notice from CIBC in respect of Urbancorp loans on the Leslieville, Beach and Riverdale projects in accordance with a subordination agreement between TFCC and CIBC (the "Notice"), which Meyer forwarded to Saskin. The Notice recited a number of acts of default that had been committed by Urbancorp in respect of these projects, including:

- (a) Failure to repay loans from net sales proceeds in the approximate amount of \$8 million;
- (b) Failure to pay for labour, material and supplies and failure to disclose material liabilities to CIBC and the independent cost consultant;
- (c) Misrepresentation of payables in project status certificates;
- (d) Failure of the project companies and the guarantors (which included Saskin and UTMI) to fund margin deficiencies and cost overruns as additional contributions of equity; and
- (e) Distributions made prior to loans being repaid in full.

Annexed hereto and marked as Exhibit "T" is a true copy of the October 13, 2015 e-mail chain and Notice.



### **REQUIREMENT FOR ADDITIONAL EQUITY**

30. By e-mail dated October 27, 2015, Saskin expressed concern to Meyer that the Bond Raise may not succeed as the rating might only be BBB+ and that Israeli investors would not likely buy a foreign issuer that is not at least A-. Saskin further noted that it was unlikely to be rated A- without additional capital. Saskin stated: "I don't know if an additional \$10 million will do it. Our Midroog discussions of 2 months ago suggested we needed an additional \$20 million of Equity." Saskin further asked Meyer "If adding \$10 million of capital does get us to A-, could we figure out a way to TF to arrange that, either as debt or a private placement?" Finally, Saskin referenced the potential for a \$100 million raise. Annexed hereto and marked as Exhibit "U" is a true copy of the October 27, 2015 e-mail.

31. Meyer responded that same day with, among other things, the idea that perhaps TFCC could consider \$10 million if TFCC could get direct security in the investments UCI would make. Annexed hereto and marked as Exhibit "V" is a true copy of the October 27, 2015 e-mail.

32. On November 3, 2015, Meyer then entered into direct discussions with Apex to determine whether an increased equity injection of \$12 million would result in a rating of A- in the event that an \$8 million injection was insufficient to achieve an A- rating. Meyer reported to Saskin that Assaf had conveyed a possible \$12 million equity injection to Midroog but that Apex first wanted to hear from Midroog as to the proposed rating before negotiating with them. Annexed hereto and marked as Exhibit "W" is a true copy of the foregoing e-mail chain.

33. On November 6, 2015, Meyer wrote to Saskin advising that he had discussed the Q3 reports with Yair and Assaf. Meyer suggested that it might be a good idea for Michael Chong of MNP and Gales to set a date review the draft reports instead of waiting until the end of the month. Annexed hereto and marked as Exhibit "X" is a true copy of the November 6, 2015 e-mail.

34. On November 8, 2015, Meyer provided Saskin and Apex with comments on Saskin's investor presentation. Annexed hereto and marked as Exhibit "Y" is a true copy of the November 8, 2015 e-mail.

35. It appears from the e-mail that Meyer continued to deal directly with Apex in connection with the Bond Raise. Annexed hereto and marked as Exhibit “Z” is a November 10, 2015 e-mail from Meyer to Saskin indicating that Meyer "Spoke to Eliav. Call me if your [sic] up."

### **PROBLEMS WITH THE Q3 FINANCIALS**

36. By e-mail dated November 15, 2015 Saskin expressed concerns to Meyer about the Q3 financials stating:

“I am concerned about our Q3’s. The income will be fine. However, various transactions look like we took a lot of money out of BondCo.  
We took \$2.5 million of edge cash to pay Valermo deposits back.  
We used \$2.5 million of edge cash to cover leslieville overdraft.  
We paid trade bills from nonbondco projects with edge units, \$2.5 million  
The TF edge mortgage, \$3M+/-, looks like cash out if (sic) edge.  
All together, it shows over \$10 million coming out of BondCo equity. And right before I have committed to put \$12M back.”

37. Meyer responded to Saskin’s concerns stating: "I raised this issue with you before you left. A possible solution would be to include valermo." Valermo was a non-Bondco project. Annexed hereto and marked as Exhibit “AA” is a true copy of the November 15, 2015 e-mail chain.

38. By e-mail dated November 23, 2015, Meyer advised Saskin that he understood that Apex wanted to postpone the tender for the Bond Raise until the Q3 financials were finalized. As part of that exchange, Saskin stated with respect to the loan agreement with TFCC to provide Saskin with the required \$12 million of equity:

"Agreement with you for \$12 million. Term sheet looks fair. Just want to haggle a bit over fees with you. My time over there has made me more middle eastern.  
(Still unclear on timing of \$12 million. From your and my perspective, its [sic] simultaneous with bond money flowing. Like one big escrow. \$50-\$65 million net of Israel transaction costs ((\$3 million ?)) flows into lawyers [sic] account (Barry ?). Existing TF loans get re-paid. TF advances new loan. After all the above is done, surplus funds flow to Urbancorp."

Annexed hereto and marked as Exhibit “**BB**” is a true copy of the November 23, 2015 e-mail chain.

39. By e-mail dated November 24, 2015, Saskin updated Meyer on the Q3 financial issues that had arisen. Saskin advised that the TFCC mortgage on Edge was an issue and that according to Shimonov, the Israeli law firm acting for UCI, it must be removed in order to file the prospectus. Annexed hereto and marked as Exhibit “**CC**” is a true copy of the November 24, 2015 e-mail.

40. On November 24, 2015, Saskin further forwarded to Meyer an e-mail chain relating to concerns that Gales had with the Q3 financial statements. Among the issues was a valuation for certain space in the Edge development (the TMAC space), in respect of which Saskin advised:

“Janterra tmac appraisal is \$4.4 million, he needs \$5.5 million. They show rent as \$30/sf, we need \$35+. To help them get there, Ann will tell them that Urbancorp mgt. inc. (outside bondco) is renting the entire 7,500 sf for \$38/sf. They can say that in the appraisal.”

Annexed hereto and marked as Exhibit “**DD**” is a true copy of the November 24, 2015 e-mail.

41. The e-mails demonstrate that Saskin continued to keep Meyer updated as to financial issues that were arising. By e-mail dated November 29, 2015, Saskin advised Meyers of issues Midroog was having due to the restatement of Q2 financials and various concerns around dealing with the Israeli Securities Authority. Annexed hereto and marked as Exhibit “**EE**” is a true copy of the November 29, 2015 e-mail.

42. On December 1, 2015, Saskin advised Meyer that Apex had noticed discrepancies between the numbers in the prospectus and what the investors were told during the road shows which they were working to resolve. Annexed hereto and marked as Exhibit “**FF**” is a true copy of the December 1, 2015 e-mail.

**LAST MINUTE PROBLEMS: IMPROPER ASSET TRANSFERS AND THE UNDISCLOSED SUCCESS FEE**

43. By e-mail dated December 3, 2015, Meyer recommended to Saskin that he should take \$150 million NIS at a lower interest rate rather than take \$167 million NIS at a higher rate. Saskin agreed with the recommendation prompting Meyer to state "Great. So we need to get cracking on the \$12 mm." Annexed hereto and marked as Exhibit "GG" is a true copy of the December 1, 2015 e-mail.

44. The Bond Raise was scheduled to close on December 8, 2015.

45. On December 7, 2015, Saskin wrote to Meyer about a "last minute problem". Saskin advised that:

"Shimonov needs a no change letter from Barry to proceed with the regulatory requirements for the public tender.

With Edge we have kept creditors at bay by transferring or securing mortgages on units. Some of these transactions occurred in the past few weeks. Satisfying Edge bills with Edge units is fine, actually satisfying any BondCo company obligation is fine and permitted. However, some units were secured or transferred to satisfy Leslieville or Epic obligations, companies outside BondCo. I don't know the magnitude yet, it might be \$1-\$2 million."

46. Saskin asked Meyer for TFCC to provide funds to reverse transactions where Edge units had been transferred to satisfy liabilities for non-Bondco companies. In order to reverse the transactions, UCI needed funds:

"Shimonov says the best solution is to reverse those transactions. I can only do that with funds. I would appreciate Terra Firma considering an additional loan, funded quickly, to get over this last hurdle. Security would be the security package we have discussed for the new \$12 million loan, without the offsetting mezz. Loans. It would be the assets outside Bondco and Bondco shares."

47. In response, Meyer wrote: "Our understanding was that the release of the edge security was for edge payables as well." Annexed hereto and marked as Exhibit "HH" is a true copy of the December 7, 2015 e-mail.

48. On December 7, 2015, Meyer and Saskin had a further exchange of e-mails relating to the fee TFCC was to receive for the bond offering. Meyer advised that it was "1% of the first \$50 and ½ on anything above net of expenses." Meyer further advised "Give Nir [Cohen of Shimonov, UCI's Israeli counsel] a rounded number say \$1 mm we will figure out how to allocate afterwards". Annexed hereto and marked as Exhibit "II" is a true copy of the foregoing e-mail chain.

49. By e-mail dated December 7, 2015, Nir Cohen advised Saskin that the proposed TFCC fee was a huge problem which should have been disclosed in the Prospectus:

"Terra firma- I spoke several times with Y. Dov, Apex, Yair and understood Y. Dov/Firma is not paid at all. The additional 1% was not disclosed, this is news to me. I really cannot understand how the lenders that is repaid with the proceeds of the bonds get paid additional fees that are not in the original terms of the loan agreements. Dov's status is very gentile, we expect him to be out of Urbancorp right after the offering and I don't want to get into inquiries after the offering whether he is a related party or not.

No local investment bankers are needed since the offering is in Israel. You could not explain this to the market. This is not acceptable in raising bonds in Israel.  
**This is a huge problem.**

I suggest we talk to Dov and ask him what this is all about. If terra firma had these terms we should disclosed this in the prospectus."

Saskin forwarded this e-mail to Meyer and advised that the fees will have to be dealt with from "non- bondco assets and the management company". Annexed hereto and marked as Exhibit "JJ" is a true copy of the foregoing e-mail chain.

50. Later that same morning, Saskin advised Meyer by e-mail that he was waiting on a "no change" letter from Barry Rotenberg in order to finalize the Bond Issuance. Saskin explained that there were 2 trade creditors that were in issue including Speedy Electric which received mortgage security on Bridge condominium units for payments due outside of BondCo. While Saskin was hopeful that he could resolve Speedy without paying any money, he asked Meyer for

TFCC, if needed, to loan him \$400,000 as "I can't have a zero balance and have to meet payroll." Annexed hereto and marked as Exhibit "KK" is a true copy of the December 7, 2015 e-mail.

51. By e-mail dated December 8, 2015, Saskin advised Meyer that the two problems from the day before were resolved but that there were another 3 transactions that needed to be reversed so that Barry Rotenberg could issue a clean comfort letter without any exceptions. Saskin requested that Meyer phone Bar-David of Apex to determine "...what the real deadline today for Barry is...." [to provide the clean comfort letter]. Annexed hereto and marked as Exhibit "LL" is a true copy of the December 8, 2015 e-mail.

### **THE \$12 MILLION EQUITY REQUIREMENT**

52. On December 8, 2015, Saskin forwarded to Meyer another e-mail from Nir Cohen Sasson of Shimonov outlining the timing of what needed to happen in order to file the supplementary prospectus and carry out the public offering the next day. This included, among other things, reverting all related party transactions as if they were never made and Barry Rotenberg delivering an updated draft of his opinion with no changes by noon with an executed copy by 1 pm. Additionally, Sasson advised that Saskin and Rotenberg were to ensure that the "transaction of the 12M is made right after the assignment of the assets is completed (tomorrow?)." The 12M transaction that Sasson refers to is the requirement for Saskin to inject \$12 million of equity into UCI which was a requirement of the Bond Raise. Annexed hereto and marked as Exhibit "MM" is a true copy of the December 8, 2015 e-mail.

53. At 1:12 pm on December 8, 2015, Saskin sent Meyer an e-mail advising that Rotenberg had not yet provided an opinion. Saskin stated:

"we're all assuming he will sign and send it soon but no one has called him to enquire.

David thinks he'll just do it and leave him alone to his task.

His partners won't be pleased if he sends it, but won't stop him, according to david

The whole enterprise rests on this now

I think he'll sign, based on all the documents he's asked us to sign today

He does not respond to pressure, he does to loyalty and friendship

Leave it alone and wait?

You call?

I call?  
Would worrying help?

Annexed hereto and marked as Exhibit “NN” is a true copy of the December 8, 2015 e-mail.

54. Later on December 8, 2015, Saskin forwarded to Meyer an e-mail chain between Felder and Cohen Sasson (from the Shimonov law firm) and Rotenberg addressing various issues, including the requirement for Saskin to contribute \$12 million of equity. Rotenberg, in his e-mail to Felder advised that “I always understood that the 12 million must be committed. I thought it was to fund within 30 days. Dov will not fund unless he is paid back. You are holding the Bond proceeds in Trust, so you see the dilemma.”

55. In response, Felder advised Rotenberg, among other things:

“Something is terribly wrong in this e-mail. That’s is not what is agreed and described in the prospectus. There is a specific designation for the proceeds. The flow of the proceeds is described in the trust deed. We’ve all read it many times. I had a call with David regarding those specific sections you are dealing with the release of funds. It may take a week or a few weeks, depends on the trustee and your legal advisor. Dov is irrelevant to the 12M investment, the company is not aware of the origin of the funds that Alan put in the company. Dov is not mentioned. I remind you all that the mechanism regarding Alan’s investment was changed while we were in Toronto. This was clear to all that the origin is not from the repayment of terra firma’s loans!!! Alan should have taken steps to have the sum from his own equity. If he would take a loan on his private end from a certain lender regardless the repayment to terra firma that is ok. The link to terra firma was cut a few months ago.”

Annexed hereto and marked as Exhibit “OO” is a true copy of the foregoing e-mail chain.

56. It appears that Saskin and Meyer were contemplating that UCI would use the proceeds from the Bond Raise to repay the TFCC mortgages and that subsequent to repayment, TFCC would essentially re-advance a portion of the funds it had just received as a new loan to satisfy Saskin’s \$12 million equity requirement.

57. On December 8, 2015, the Bond Raise finally closed. Saskin continued to be required to contribute \$12 million of equity which was a principal condition of the Bond Raise.

58. By e-mail dated December 9, 2015, Meyer wrote directly to Rotenberg asking “What is the schedule for getting the funds from the Trustee? Are we clear exactly what the deliverables are?” Annexed hereto and marked as Exhibit “**PP**” is a true copy of the December 9, 2015 e-mail.

59. Saskin and Meyer then engaged in negotiations in respect of TFCC advancing Saskin \$12 million to enable Saskin to satisfy the condition of the Bond Raise to inject \$12 million of equity into UCI. Meyer then advanced terms which were incompatible with Saskin’s requirement.

60. By e-mail dated December 17, 2015, Meyer wrote to Saskin and Rotenberg, outlining his concept for a loan by TFCC which Saskin would then claim satisfied his equity requirement. Meyer proposed that UCI would set up a subsidiary to hold \$12 million loan proceeds and TFCC would get security over the subsidiary. The funds would be used to fund mezzanine loan transactions identified by TFCC. Annexed hereto and marked as Exhibit “**QQ**” is a true copy of The December 17, 2015 e-mail.

61. That same day Saskin forwarded to Meyer an e-mail from Ran Felder, of Shimonov, advising that the \$12 million should have been transferred to UCI right after the Bond Raise, which had happened a week earlier. Saskin told Meyer that: "I think it best to stay away from this one. Nothing in the prospectus or trust deed says what he just said". Annexed hereto and marked as Exhibit “**RR**” is a true copy of the December 17, 2015 e-mail.

62. Later on December 17, 2015, Rotenberg had a series of e-mail exchanges with Norman Winter, who had been retained to act for TFCC after the Bond Raise, on which Meyer is copied, in which Rotenberg said that the proposal from Meyer will not work. Additionally, Rotenberg advised Saskin that the loan structure proposed by Meyer was not equity (as required under the Prospectus) and that he was wasting valuable time going down the wrong path. Annexed hereto and marked as Exhibit “**SS**” is a true copy of the foregoing e-mail chain.



63. On December 19, 2015, Meyer wrote to Rotenberg that the \$12 million would be loaned to Urbancorp Holdco Inc. ("Holdco"), the parent company to UCI, and that Holdco would contribute the money as equity to UCI. Annexed hereto and marked as Exhibit "TT" is a true copy of the December 19, 2015 e-mail.

64. On December 20, 2015, Meyer and Rotenberg exchanged e-mails relating to terms for the \$12 million loan and a call that was being scheduled to finalize the structure of the loan.

Rotenberg stated:

"I don't think so. How do we report the security on subco? There is no explanation for it. If Alan needs to 12 mill to be "equity" he can give security on it. The original deal worked which was security to you on the Non Bondco assets. Once you go inside Bondco there are problems."

65. In response, Meyer stated:

"That was never the deal. The deal was always that I am giving him 8mm for coinvestments on which I am getting security. The deal then went to 12!?! Specifically under those terms. This is not negotiable and it should not come up in the call. Whether he reports or not in non [sic] of my business."

Annexed hereto and marked as Exhibit "UU" is a true copy of the December 20, 2015 e-mail.

66. On December 22<sup>nd</sup>, Meyer sent an e-mail to Nir Cohen Sasson of Shimonov expressing frustration at the delays and stated:

"Nir

I think we need to be practical about some of these things. You have to realize that once Thursday comes around Toronto will shut down for xmas and New Years. Just to give an example our office is closed from the 24<sup>th</sup> until the 4<sup>th</sup>. I believe that now that everything is signed, if you have any further requirements they should be 'post closing'. You can't keep on adding more and more requirements. **I understand that you are looking after the 'legals' but in the end the 'legals' are going to kill us.** As it is we had to redo all the payoff statements over and over again. Please consider the timing. Call me if you would like to discuss." [emphasis added]

Annexed hereto and marked as Exhibit "VV" is a true copy of the December 22, 2015 e-mail.

67. Sasson responded to Meyer by e-mail later that day in effect saying that it was UCI's own incompetence that was causing the delays and that they have not added any issues. Sasson further stated "Please note that Alan's 12M should be delivered ASAP to the company. The 46M in the dedicated account. We keep saving them from catastrophies. Now it's their responsibility to do what they have to do. They cannot have any more excuses." Meyer forwarded Sasson's response to Saskin who responds that: "he may be right!". Annexed hereto and marked as Exhibit "**WW**" is a true copy of the foregoing e-mail chain.

68. Later that day Meyer advised Saskin that TFCC cannot fund the \$12 million since they have not been repaid from the Bond Raise proceeds. In other words TFCC was going to advance back the money it was receiving from the Bond Raise. Annexed hereto and marked as Exhibit "**XX**" is a true copy of the December 22, 2015 e-mail.

69. In fact, after repayment of the TFCC debt, and other debts and expenses, UCI would be left with no funds for continued operations. Saskin was further dependent on obtaining the \$12 million loan from TFCC in order to satisfy the condition for the Bond Raise. By e-mail dated December 22, 2015 to Rotenberg, Meyer and Urbancorp management Saskin stated:

"The first \$46 million will be in Urbancorp accounts tomorrow, hopefully early. The priority is to repay the TFCC loans on Caledonia, Lawrence, Mallow and Patricia and the Downsview loan and equity. The entire \$46 million will be utilized. After repayment, we will do the new \$12 million TFCC loan. Carolyn and I (and others) have been working on an additional idea. Urbancorp Inc. is using the entire \$46 million to re-pay debt. There are no funds available to pay bills or new bills, to finance the projects."

Annexed hereto and marked as Exhibit "**YY**" is a true copy of the December 22, 2015 e-mail.

70. On December 23, 2015, discussions continued around the \$12 million equity injection. Saskin told Meyer that on top of \$6.8 million which TFCC had received, he expected to be able to pay \$4 million the next day from LTT money from other projects and asked whether TFCC could bridge the remaining difference of \$1.2 million. Saskin told Meyer: "...if nothing else I would like to show some cash on my balance sheet for year end. Its [sic] more important though,

to show the \$12 million equity injection." Annexed hereto and marked as Exhibit "**ZZ**" is a true copy of the December 23, 2015 e-mail.

71. Also on December 23, 2015, Meyer summarized his discussions in an e-mail to Saskin, Rotenberg and Winter, stating, among other things:

"TFCC share of Management Fees  
TFCC will be entitled to \$100,000 of the management fees due from Inc. on a monthly basis  
\$100,000 monthly amount will be allocated first to pay the Bond Advisory fee (this should take the first 5 to 6 months)."

Annexed hereto and marked as Exhibit "**AAA**" is a true copy of the December 23, 2015 e-mail

72. Meyer responded to Saskin the next day: "So just to be clear: Urbancorp is going to be repaying \$4 mm and then we will be funding \$12mm. When are you going to fund? Today or Tuesday?" to which Saskin responded: "At the same time". Annexed hereto and marked as Exhibit "**BBB**" is a true copy of the foregoing e-mail chain.

73. By e-mail dated December 23, 2015, Mano Thiagarajah (the CFO of TFCC) confirmed to Rotenberg that the two signing authorities from the Investco bank account would be employees of TFCC. Annexed hereto and marked as Exhibit "**CCC**" is a true copy of the December 23, 2015 e-mail.

74. On December 27, 2015, Saskin wrote to Meyer to express concern that in order to get the loan "...Urbancorp is turning over essentially complete control of our cash flow to TFCC." Saskin then outlined specific concerns over the lack of cash flow to run the management company [UTMI] and that the cash flows are nowhere near the levels that the investors were told before the Bond Raise. Saskin further advised that he personally guaranteed approximately \$4 million of trade debt as "It was the only way to get a clean legal claims letter for Urbancorp Inc. It also increased my equity by about \$4 million. The 5 or 6 trades involved are reasonably patient but in the proposed situation, I can't give them anything for a long time. That won't work for long." Annexed hereto and marked as Exhibit "**DDD**" is a true copy of the December 27, 2015 e-mail.

75. Meyer responded to Saskin the following morning stating:

"Alan

Thank you for the email. Terra Firma 'controls' the cash flow because in a lot ways we are the only real equity both in and outside of bondco. I do not have approval to move forward in any other way. I have gone back to our committee too many times. We will have to start liquidating nonbondco assets to help with the cash flow."

Annexed hereto and marked as Exhibit "EEE" is a true copy of the December 28, 2015 e-mail.

76. Meyer followed up with a December 29, 2015 e-mail to Alan Saskin, who had gone on holiday to Spain, to see: "Is anyone taking ownership on your side to make sure you have the \$12mm of equity in Bondco in the next 48 hours?". Annexed hereto and marked as Exhibit "FFF" is a true copy of the December 29, 2015 e-mail.

77. It appears from the e-mail correspondence that on December 30, 2015, the funding arrangements were finalized with Urbancorp paying TFCC \$6 million that day and TFCC loaning back \$12 million the next day. By e-mail dated December 30, 2015 between Meyer and Christine Honrade, of Urbancorp, Meyer stated that: "...we will need confirmation from our counsel that documents are final signed and that security is in place. All this prior to funding." I believe that the referenced security includes the charges over the assets of the Applicants, which were not receiving any consideration for this supposed new advance to Holdco. Annexed hereto and marked as Exhibit "GGG" is a true copy of the December 30, 2015 e-mail.

78. It appears from the e-mails that at the same time as the funding arrangements were being finalized, an issue remained as to whether the cross default and collateralization provisions should remain in the letter of intent relating to the loan arrangement with Holdco. TFCC's counsel insisted on this remaining notwithstanding the objections of Israeli counsel to such provisions. Annexed hereto and marked as Exhibit "HHH" is a true copy of the December 30, 2015 e-mail chain between the parties' respective counsel.

79. On December 30, 2015, in addition to the letter of intent outlining the \$12 million loan to Holdco, the parties negotiated a separate side letter (the "Side Letter") which supplemented and in the case of inconsistency superseded the Letter of Intent. By e-mail dated December 30, 2015, Rotenberg provided Saskin with the then current version of the Side Letter which contained TFCC's revisions. Rotenberg counselled Saskin that "You know you can not do this". The Side Letter contained additional conditions relating to both Holdco and UCI. Among other things, the Side Letter provided that Holdco would contribute the \$12 million TFCC loan to UCI as equity. UCI would be required to contribute the \$12 million as equity in a newly incorporated entity Urbancorp Investco Inc. ("Investco"). The \$12 million could only be used by Investco to co-invest with TFCC in syndicated loans for property located in the Greater Toronto Area. The funds would be held in a segregated account under the exclusive control of TFCC. TFCC would have discretionary authority to invest the funds. Investco would provide TFCC with a pledge of its interest in the segregated account and in any charges securing any co-investment loans. Any interest earned by Investco on any co-investment loans or principal repayments would be paid into a segregated co-investment account under TFCC's name. Annexed hereto and marked as Exhibit "III" is a true copy of the December 30, 2015 e-mail from Rotenberg attaching the draft Side Letter.

80. By e-mail dated December 30, 2015, Thiagarajah provided Saskin with a funding statement for the \$12 million loan to Holdco and advised that it would be funded once TFCC received payment of its other loans. Annexed hereto and marked as Exhibit "JJJ" is a true copy of the December 30, 2015 e-mail.

81. The e-mails reflect that negotiations continued overnight of December 30 and into the early morning hours of December 31. In the various exchanges Rotenberg writes to Winter:

"The revised letter is worse than yesterday and not what we agreed to this morning. 1. You have Bondco Guaranteeing [sic] non Bondco assets which it cannot do  
2. The existing Loans on Leslieville and Epic are if not in actual default, are in technical default. This would allow your client to seize the entire company immediately."

Rotenberg advised Saskin that "You can not possible proceed with this."

Annexed hereto and marked as Exhibit "**KKK**" is a true copy of the foregoing e-mail chain.

82. By e-mail dated December 31, 2015, Saskin reported to Rotenberg on a phone call he had with Meyer to discuss the terms of the side letter. Saskin reported that:

"Dov and I just talked. He said he needs more in the side letter[.] I said fine. I told him I'm in default right now of the side letter since Leslieville is in special loans. He had 100% control of the company, so why does he need more control provisions. He said he would never put the company into default, he just needs control if Urbancorp does not perform in the future. I told him that it's better to do the deal with him for the \$12 million than in the alternative, start to be in default on the bonds."

Annexed hereto and marked as Exhibit "**LLL**" is a true copy of the December 31, 2015 e-mail.

83. On December 31, 2015, Saskin and Meyer agreed to proceed on the basis of both the Letter of Intent and the Side Letter. Annexed hereto and marked as Exhibit "**MMM**" is a true copy of the Letter of Intent and Side Letter.

84. At 2:24 pm on December 31, 2015, Meyer advised Saskin that the funds had been wired. In response to Saskin's request for confirmation that the funds were wired to UCI, Mandell wrote to Saskin that "They wired the money to the Investco account. We have no ability to look into that account. It is completely controlled by TFCC." Annexed hereto and marked as Exhibit "**NNN**" is a true copy of the December 31, 2015 e-mail.

85. I believe that the purpose of the Side Letter was to hide from the Israeli auditors and lawyers the various provisions with respect to fees, Board participation rights and restrictions around the \$12 million so that it would appear as an equity contribution instead of as debt which would then allow UCI to say that it had satisfied the Bond Raise condition that required a \$12 million equity contribution from an Alan Saskin controlled entity.

### THE MARCH 2016 LOAN

86. From a February 1, 2016 e-mail exchange it appears that TFCC was following up seeking from Urbancorp a number of post-closing deliveries with respect to the Letter of Intent and the Side Letter. It also appears in that regard that there was internal concern at UCI. In particular, on February 1, 2015 in response to Meyer's inquires about the status of the outstanding documents, Rotenberg advised Meyer: "Philippe [sic] and David said they don't know anything about it and won't approve. You have to speak to Alan. We will not participate in it." Annexed hereto and marked as Exhibit "OOO" is a true copy of the foregoing e-mail chain.

87. On or about March 1, 2016, Saskin discovered that TFCC had withdrawn the \$12 million from the Investco account, without any notice to Urbancorp. Annexed hereto and marked as Exhibit "PPP" is a true copy of an e-mail exchange between Christin Honrade of Urbancorp and Mano Thiyagarajah, CFO of TFCC.

88. It appears from the e-mails that Saskin and Meyer entered into further negotiations around a revised loan structure. Saskin summarized his negotiations with Meyer in an e-mail to Rotenberg dated February 17, 2016 as follows:

"Dov's new offer is \$10 million, not the \$12 million he promises. Its conditional on me putting in \$2.5 million from personal resources. never happen. Other family members will not fund without complete solution...not sure how to move forward. He seems not to appreciate the gravity of the situation"

Annexed hereto and marked as Exhibit "QQQ" is a true copy of the February 17, 2016 e-mail.

89. By e-mail dated February 28, 2016, Saskin wrote to Meyer:

"I'm concerned there is no deadline for closing.

TFCC seems to still be being due diligence on Bayview [sic]. The risk seems much higher than worrying about such things.

The first Urbancorp Inc. Board meeting must be held by March 9<sup>th</sup> by law, or its a default. Its [sic] only a week from Monday. I have no board members and can't have any until we close and the equity injection is cleaned up. The other things,

finalizing with board members, also needs some time and we are rapidly running out of time. Shimonov and Deloitte have both given us ultimatums to withdraw their services, early next week, if immediate reports are not filed. If the reports are filed, without cleaning up the \$12 million, then a filing is inevitable.

We can close Monday, tomorrow, if you instruct your counsel. My counsel already has these instructions.

We are running out of time."

Annexed hereto and marked as Exhibit "**RRR**" is a true copy of the February 28, 2016 e-mail.

90. It appears from the e-mails that a meeting was scheduled between Meyer and Ted Saskin on March 3, 2016 to try and resolve terms for TFCC to advance funds to enable Saskin to make the \$12 million equity injection into UCI. Ahead of the meeting, Ted Saskin sent Meyer an e-mail setting out two potential versions of a disclosure statement which would have to be filed with the Israeli Securities Commission depending on whether or not there is an agreement with TFCC. In his cover e-mail, Ted Saskin notes that:

"I know we are meeting today and am very hopeful that we can reach an agreement that enables Urbancorp to put the \$12 million in. we just got off a conference call with Israeli counsel and very much want to submit the shorter version. We are told the implications of filing the longer version will almost certainly lead to a protective filing by Alan and Urbancorp."

91. The first version of the Immediate Report that Ted Saskin provided to Meyer was short and relatively simple. The second version was highly critical of the actions that Dov Meyer and TFCC took given the various roles that he was playing including "...Meyer also acted as a consultant to the Company in connection with the Company's Prospectus and Debentures and had committed [sic] to make the Loan in order to improve the likelihood of a successful sale of the Debentures." The release also noted that TFCC and its investors/partners were the recipient of most of the proceeds of the Bond Raise and still insisted on additional restrictions contrary to previous agreements. Annexed hereto and marked as Exhibit "**SSS**" is a true copy of the March 3, 2016 e-mail from Ted Saskin, together with the draft Immediate Reports.



92. On March 7, 2016, a replacement \$10,000,000 loan was signed with Holdco as the Borrower. Saskin and Meyer agreed that the security which had previously been granted for the December 2015 loan, which included the security from the Applicants, would stand as security for the new loan. The loan proceeds were directed, with the knowledge of TFCC, to partially pay down the HST liability at Edge. Annexed hereto and marked as Exhibit “TTT” is a true copy of the March 7, 2016 loan agreement.

93. By e-mail dated March 9, 2016, Meyer informed Rotenberg that the loan proceeds would not be released until TFCC approved the form of Immediate Release which UCI would send to the Israeli Securities Commission. Annexed hereto and marked as Exhibit “UUU” is a true copy of the March 9, 2016 e-mail.

94. By e-mail exchanges on March 30 and 31, 2016, Saskin, Meyer and Glenn Watchorn (the CEO of TFCC) discussed Saskin’s request that TFCC provide confirmation in writing that the December 22, 2015 Side Letter was not in existence as of December 31, 2015 otherwise the \$12 million loan of December 31, 2015 would not constitute “equity”. Saskin stated:

“Your changes create some problems for us.  
Our auditors know the funds are restricted and that aspect does not concern them.  
They also have bank confirmation of the funds in an Urbancorp Inc. bank account on Dec. 31, which they are satisfied with.  
Its the additional security provisions in the second letter, the attached letter, that concern them.  
They say the \$11.667M is not equity if the letter conditions exist on Dec.31.  
Urbancorp would like us to agree that the attached letter was not binding on Dec. 31 (that it was not binding before or after that date is not our auditors concern, and we prefer to not mention the loan agreement letter).”

Annexed hereto and marked as Exhibit “VVV” is a true copy of the foregoing e-mail chain.

95. Although recorded as an equity contribution to UCI, and then a loan from UCI to Edge, the March 2016 transaction was never discussed with or approved by the UCI Board, nor was it in the best interests of UCI to pay the outstanding HST of Edge which I believe based on information provided by Fuller Landau, Monitor of the Urbancorp Cumberland 2 LP Group of companies, was insolvent at the time of the loan and payment of HST. Further, the Applicants

received no benefit from the loan but were required to provide security, the validity and enforceability of which is the subject of the within motion.

96. Eyal Geva, one of the independent members of UCI's Board of Directors characterized TFCC's involvement in the Bond Raise at a meeting of UCI's Audit Committee on April 11, 2016, as "It seems that Terra Firma, that pushed him [Mr. Saskin] to issue [the Bond] here [in Israel], dig him a grave in every possible way." Annexed hereto and marked as Exhibit "A" is a true copy of the April 11, 2016 minutes of the Audit Committee of UCI.

97. This Affidavit is made in support of the within motion and for no other or improper purpose whatsoever.

**AFFIRMED** before me at the City of Tel Aviv, in the State of Israel this 15 day of October, 2018.



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Yael Hershkovitz  
Lawyer



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**GUY GISSIN**

THIS IS EXHIBIT "A" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer



**Kraft, Kenneth**

**From:** Guy Gissin  
**Sent:** April 10, 2016 9:27 AM  
**To:** Yossi Reznik; הרג; הגר; אבטליון; מיכל אבטליון; הגר; Sandra Schneier; אלעד סירקיס; Yael Hershkovitz  
**Subject:** Fwd: Uses of bond proceeds  
**Attachments:** Use of Bond Proceeds.pdf; ATT00001.htm  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

נשלח מה-iPhone שלי

תחילת ההודעה שהועברה:

**מאת:** "Shirel Guttman Amira" <[shirel@agmon-law.co.il](mailto:shirel@agmon-law.co.il)>  
**אל:** "Guy Gissin" <[guy@gissinlaw.co.il](mailto:guy@gissinlaw.co.il)>  
**עותק:** "Ran Shalom" <[ran@agmon-law.co.il](mailto:ran@agmon-law.co.il)>  
**נושא:** FW: Uses of bond proceeds

הי גיא,  
 מצ"ב פירוט תמורת ההנפקה ותימוכין.

אם יש שאלות דבר עמי,

שיראל

**שיראל גוטמן-עמירה, עו"ד**

[shirel@agmon-law.co.il](mailto:shirel@agmon-law.co.il)

**תל אביב** מגדל אלקטרה, יגאל אלון 98  
 | טלפון: 03-6078607 | פקס: 03-6078666

**ירושלים** הגן הטכנולוגי מלחה, בניין 1  
 | טלפון: 02-5607607 | פקס: 02-5639948  
[www.agmon-law.co.il](http://www.agmon-law.co.il)

המידע הכלול בתשדורת אלקטרונית זו נשלח על ידי עורך דין, ונועד להיות חסוי ולשימוש הבלעדי של הנמענים הנזכרים לעיל. אם הנמען הוא לקוח, תשדורת זו עשויה להיות למטרת מתן ייעוץ משפטי ועל כן הנה פרטית. תשדורת זו עשויה אף להכיל את תוצר עבודתו של עורך הדין. אם אינך הנמען אליו כוונה התשדורת, ראה כי כל החזקה או הפצה של תשדורת זו אסורות בהחלט. אם קיבלת את התשדורת בשוגג, אנא מחק את כל עותקיה האלקטרוניים של התשדורת, את כל צרופותיה, השמד כל העתק אחר בכל אמצעי אחסנה או הצגה שיצרת מתשדורת זו או מצרופותיה ודווח לשולח מיד. תודה.

**From:** Phillip Gales [<mailto:phillipg@urbancorp.com>]

**Sent:** Sunday, April 10, 2016 4:13 PM

**To:** Shirel Guttman Amira  
**Subject:** Uses of bond proceeds

Shirel,

Please find enclosed a summary of the uses of the bond proceeds from the Urbancorp Inc bond issuance: -

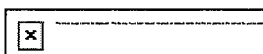
<b>Use of Bond Proceeds</b>	<b>Amount (CAD)</b>	<b>Date</b>
<b>Issuance Costs</b>		
Underwriters' and Investment Bankers fees	2,820,379	Vari
Accounting fees	1,125,313	Vari
Legal fees	1,044,356	Vari
Other Issuance costs	326,246	Vari
<b>Trustee</b>		
Interest Cushion held in Israeli bank account with Trustee	2,882,879	
Expenditure Cushion held in Israeli bank account with Trustee	101,428	
<b>Repayment of Loans</b>		
Repayment of loans on Caledonia to Terra Firma	7,672,226	
Repayment of loans on Lawrence to Terra Firma	8,558,873	
Repayment of loans on Mallow to Terra Firma	9,730,342	
Repayment of loans on Patricia to Terra Firma	2,420,439	
Repayment of loans on Patricia to Laurentian Bank	7,200,000	
Repayment of loans to Mattamy on Downsview *	10,094,562	
Repayment of loan on 952 Queen to Terra Firma	732,640	
Repayment of loan on Edge (Bosvest) to Terra Firma	3,109,724	
Repayment of loan on 1071 King to Terra Firma	2,157,636	
<b>Cash</b>		
Cash in Urbancorp Inc bank account as of 31-Dec-2015	4,855,821	
	<b>64,832,864</b>	

\* Of which loans of CAD 9,760,682 were repaid on 23-Dec-2015

Best regards,

Phillip

**Phillip Gales**, M.A., M.Eng., MBA  
 CFO



120 Lynn Williams Street, Suite 2A, Toronto, Ontario M6K 3N6  
 Direct: (647) 963-0400 | Fax: (416) 928-9501  
 Email: [phillipg@urbancorp.com](mailto:phillipg@urbancorp.com) | website: [www.urbancorp.com](http://www.urbancorp.com) | Map: [Urbancorp](#)

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Branch: 1637 LIBERTY VILLAGE  
61 HANNA AVE  
TORONTO, ON

Date: Dec 23, 2015, 03:07 PM  
Ref #: 009441268 - ZIDAN

From: 1085-53\*\*\*97  
Debit Memo  
URBANCORPSTC  
7,672,306.00

To: Wire Payment

TERRA FIRMA CAPITAL  
CORPORATION

Payment ID  
151223187699300  
7,672,226.00

To: 1637-470 Wire Processing  
Fee  
40.00

To: 1637-470 Wire Service Fee  
40.00

Customer Signature

X

Banking can be this comfortable



Branch: 1637 LIBERTY VILLAGE  
61 HANNA AVE  
TORONTO, ON

Date: Dec 23, 2015, 03:18 PM  
Ref #: 009441288 - ZIDAN

From: 1085-53\*\*\*00  
Debit Memo  
URBANCORPLAW  
8,558,873.00

To: Wire Payment

TERRA FIRMA CAPITAL  
CORPORATION

Payment ID  
151223187716500  
8,558,873.00

To: 1637-470 Wire Processing  
Fee  
40.00

To: 1637-470 Wire Service Fee  
40.00

From: 1085-53\*\*\*97  
Withdrawal  
URBANCORPSTC  
80.00

Customer Signature

X

Banking can be this comfortable



Branch: 1637 LIBERTY VILLAGE  
61 HANNA AVE  
TORONTO, ON

Date: Dec 23, 2015, 03:21 PM  
Ref #: 009441298 - ZIDAN

From: 1085-53\*\*\*19  
Debit Memo  
URBANCORPMAL  
9,730,342.00

To: Wire Payment

TERRA FIRMA CAPITAL  
CORPORATION

Payment ID  
151223187725000  
9,730,342.00

To: 1637-470 Wire Processing  
Fee  
40.00

To: 1637-470 Wire Service Fee  
40.00

From: 1085-53\*\*\*97  
Withdrawal  
URBANCORPSTC  
80.00

Customer Signature

X

Banking can be this comfortable



Branch: 1637 LIBERTY VILLAGE  
61 HANNA AVE  
TORONTO, ON

Date: Dec 23, 2015, 03:24 PM  
Ref #: 009441308 - ZIDAN

From: 1085-53\*\*\*27  
Debit Memo  
URBANCORPAT  
9,620,439.00

To: Wire Payment

TERRA FIRMA CAPITAL  
CORPORATION

Payment ID  
151223187730100  
9,620,439.00

To: 1637-470 Wire Processing  
Fee  
40.00

To: 1637-470 Wire Service Fee  
40.00

From: 1085-53\*\*\*97  
Withdrawal  
URBANCORPSTC  
80.00

Customer Signature

X

Banking can be this comfortable



# URBANCORP

120 Lynn Williams Street, Suite 2A, Toronto, Ontario M6K 3N6  
P: 416-583-0225 F: 416-928-9501

**Date:** 23-Dec-15

**To:** TD Canada Trust  
61 Hanna Avenue  
Toronto, Ontario M6K 3N7

**From:** Christine Honrade (e-mail: christineh@urbancorp.com)  
Urbancorp (cell # 647-393-1817)

Please do the following wire transfers today:

FROM:	
1) Account name:	Urbancorp (St. Clair Village) Inc. <i>Ac. 94</i>
Account number:	1085-5399397
Amount:	\$7,672,226 <i>93160-1</i>
2) Account name:	Urbancorp (Lawrence) Inc. <i>Ac. 95</i>
Account number:	1085-5399400
Amount:	\$8,558,873 <i>93161-1</i>
3) Account name:	Urbancorp (Mallow) Inc. <i>Ac. 99</i>
Account number:	1085-5399419
Amount:	\$9,730,342 <i>93162-1</i>
4) Account name:	Urbancorp (Patricia) Inc. <i>Ac. 100</i>
Account number:	1085-5399427
Amount:	\$9,620,439
TO:	
Beneficiary:	Terra Firma Capital Corporation
Address:	22 St. Clair Ave. East, Level 2, Suite 200, Toronto, ON M4T 2S5
Bank Name:	Bank of Montreal
Branch Name:	First Canadian Place
Branch Address:	100 King Street West, P.O. Box 3, Mezzanine Level, Toronto, ON M5X 1A3
Bank Code:	001
Branch Transit:	00022
Account Number:	1550-474
CC#:	000100022 (please use this code if wire is within Canada)
SWIFT Code:	BOPMCAM2 (Montreal-central)
Remarks:	Terra Firma loan and profit participation payment
Total:	\$35,581,880
Account #1085-5399397	Please debit this bank account for all the bank charges



**WIRE PAYMENT INSTRUCTIONS**

Branch: 1637 LIBERTY VILLAGE  
611 HANNA AVE  
TORONTO, ON

Wire Payment ID: 15122317827700  
Financial Transaction ID: 944243

Date: Dec 23, 2015, 04:32 PM  
Ref #: 00944243-9 - ZNUZ

Wire Payment Amount: 9,760,601.96 CAD  
Handling Fees: 80.00 CAD

From: 1085-53\*\*\*35  
Debit Memo  
URBANCORP/DOW  
9,760,601.96

EW PARK DEVELOPME  
TE 2A

199435

To: Wire Payment

EW) LTD.

MATHEMY  
(B) WNSVIR-W) LTD.

Payment ID  
15122317827700  
9,760,601.96

A

To: 1637-470 Wire Processing  
Fee  
-80.00

To: 1637-470 Wire Service Fee  
-80.00

**TERMS AND CONDITIONS**

Customer Signature

X

Banking can be this comfortable

The customer confirms that (a) the information set out in the Wire Payment Form and (b) authorizes The Toronto-Dominion Bank (the "Bank") to execute the wire payment and will not have any recourse to the Bank due to the inaccuracy or insufficiency of any account number for an account held by someone other than the beneficiary named in the account number shown in the Form notwithstanding such inconsistency.

By signing this Form, the customer agrees to pay to the Bank the Handling Fees shown on the Form.

The customer agrees that the Bank, its affiliates, a foreign correspondent and/or another third party (the "Other Parties") acting as the customer's agent, to send wire payments. The customer agrees that the Other Parties may be liable for these fees, together with any fees charged by the beneficiary bank, might be incurred by the beneficiary receiving an amount less than the Wire Payment Amount. These Other Parties shall be held liable for any fees so deducted. The customer acknowledges the imposition of these fees charged by the Other Parties or the beneficiary bank.

**Foreign Currency Conversions:** The customer authorizes the Bank to send the wire payment in the currency of the Wire Payment Amount shown on the Form. If the customer is paying for the Wire Payment Amount in a currency other than the currency of the Wire Payment Amount, the Bank is authorized to convert such currency into the currency of the Wire Payment Amount. The rate of exchange to be used in any such conversion will be determined by the Bank and the customer acknowledges being advised of, and authorizing the rate of exchange. The customer understands that the exchange rate being used may result in revenue being earned on the conversion by the Bank. The customer acknowledges that the beneficiary bank may (a) reject a wire payment or (b) convert the wire payment for any reason, including for the reason that the wire payment was sent in a currency other than the local currency of the beneficiary bank or that the wire payment is not in the currency of the beneficiary's account. Foreign wire payments may be subject to delays for reasons including time-zone issues, the remote location of the beneficiary bank and cultural differences with respect to holidays.



URBANCORP DOWNSVIEW PARK DEVELOPMENT

Customer Name: INC.

**Loans / Liabilities**

Nature of Liability	Interest Rate	Interest Date	Due Date	Credit Facility Agreement Date	Amount Outstanding	Currency
nil						

Additional Credit Facility Agreements:

**Deposits / Overdrafts**


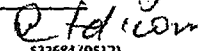
Nature of Asset	Account Number	Interest Rate	Issue Date	Maturity Date	Amount	Currency
	5399435/1085				\$333,848.04	CAD

Comments:

**STATEMENT OF PROCEDURES PERFORMED BY FINANCIAL INSTITUTION**

The above information was completed in accordance with the Bank Confirmation Completion Instructions.

  
Authorized signature of financial institution

  
CONTACT - Name and telephone number   
532684 (0512)



1 Toronto Street, Suite 400  
 Toronto, Ontario  
 Canada M5H 3V5  
 T: 416 866 3000  
 F: 416 866 3061

Date: December 31, 2016  
 Lender Solicitor: Harris, Sheaffer

### Mortgage Statement

Borrower(s): Urbancorp (952 Queen West) Inc.  
 Property Address: 944 and 952 Queen Street West, Toronto  
 Closing Date: December 31, 2016

Interest Rate:	0.00%	Principal & Interest:	\$	732,640.00
Maturity Date:	December 31, 2016	Property Tax:		
Payment Frequency:	Monthly	Escrow:		
Next Payment Due:	December 31, 2016	TOTAL PAYMENT:	\$	732,640.00

Profit Participation Fee	\$	732,640.00
Total amount required in certified funds (1:00 p.m. December 31, 2016)	\$	<u>732,640.00</u>

### CONDITIONS

The Borrower is responsible for legal fees which may be added to the amount of discharge.

This statement is correct only if all payments have been made and honoured and is subject to the correction of any errors or omissions.

THIS STATEMENT IS VALID ONLY UNTIL DECEMBER 31, 2016.

Yours truly,

Mano Thiyagarajah  
 Chief Financial Officer

E&EO



22 St. Clair Avenue East  
Level 2, Suite 200  
Toronto, Ontario  
Canada M4T 2S8  
T: 416 792 4700  
F: 416 792 4711

Date: December 31, 2015  
Lender Solicitor: Harris, Sheaffer

### Mortgage Statement

Borrower(s): Bosvest Inc.  
Property Address: Edge on Triangle Park & Leslieville  
Closing Date: December 31, 2015

Interest Rate:	16.00%	Principal & Interest:	\$	3,491,927.53
Maturity Date:	December 31, 2015	Property Tax:		
Payment Frequency:	Monthly	Escrow:		
Next Payment Due:	December 31, 2015	TOTAL PAYMENT:	\$	3,543,971.60

Principal Balance		\$	3,491,927.53
Accrued Current Interest (Nov 27 - Dec 30, 2015)	30 days	\$	52,044.07
Total amount required in certified funds (1:00 p.m. December 31, 2015)		\$	3,543,971.60
Total amount paid on December 31, 2015		\$	(3,109,723.75)
Loan balance		\$	434,247.85

### CONDITIONS

The Borrower is responsible for legal fees which may be added to the amount of discharge.

This statement is correct only if all payments have been made and honoured and is subject to the correction of any errors or omissions.

**THIS STATEMENT IS VALID ONLY UNTIL DECEMBER 31, 2015.**

Yours truly,

Mano Thiyagarajah  
Chief Financial Officer

E&EO



22 St. Clair Avenue East  
Level 2, Suite 200  
Toronto, Ontario  
Canada M4T 2S5  
T: 416 792 4700  
F: 416 792 4711

Date: December 29, 2015  
Lender Solicitor: Harris, Sheaffer

### Mortgage Discharge Statement

Borrower(s): Urbancorp  
Property Address: 1071 King Street, 840 St. Clair Ave. W.  
Closing Date: December 31, 2015

Interest Rate:	16.00%	Principal & Interest:	\$	2,000,000.00
Maturity Date:	December 31, 2016	Property Tax:		
Payment Frequency:	Monthly	Escrow:		
Next Payment Due:	December 31, 2016	TOTAL PAYMENT:	\$	2,157,636.41

Principal Balance		\$	2,000,000.00
Capitalized Interest (Dec 31, 2014 to Nov 30, 2015)	335 days	\$	112,576.18
Accrued Current Interest (Nov 1 - Dec 30, 2015)	60 days	\$	45,060.28

Total amount required in certified funds (1:00 p.m. December 31, 2015) \$ 2,157,636.41

#### CONDITIONS

The Borrower is responsible for legal fees which may be added to the amount of discharge.

This statement is correct only if all payments have been made and honoured and is subject to the correction of any errors or omissions.

Should the mortgage be in arrears, the "Principal Balance" will be as at the due date of the last paid instalment. All taxes and other charges paid by us from the time of preparation to the closing date and not indicated on this statement, are the responsibility of the mortgagor.

Funds received after 1:00pm of the proposed discharge date will be subject to an additional daily interest charge of \$930.78 until paid. If the proposed discharge date is on Friday, funds after 1:00pm will be subject to additional interest until the next business day. Payments to be made to Harris, Sheaffer, In Trust.

It is the responsibility of your office to ensure that the appropriate discharge documents are prepared and forwarded to Terra Firma Capital for execution. This includes any applicable PPSA discharge documentation.

THIS STATEMENT IS VALID ONLY UNTIL DECEMBER 31, 2015.

Yours truly,

Mano Thiyyagarajah  
Chief Financial Officer

E&EO

BEAVER CREEK CRC  
220 COMMERCE VALLEY DR W U 100  
HARRMAN, OH 43128

TD Canada Trust

RECEIVED JAN 1 3 2016

Tel: 1-866-222-3456  
TTY: 1-800-361-1188

T80B41100\_4307A26\_004 E & D1685 19308

URBANCORP INC.  
120 LYNN WILLIAMS ST SUITE 2A  
TORONTO ON M6K 3N6

Statement of Account		Account Type		Statement From - To	
Branch No.	Account No.	CURRENT ACCOUNT		DEC 08/15 - DEC 31/15	
1885	1085-5392805			Page 1 of 6	
DESCRIPTION	CHEQUE/DEBIT	DEPOSIT/CREDIT	DATE	BALANCE	
BALANCE FORWARD			DEC08	0.00	
OPEN ACCOUNT		0.00	DEC08	0.00	
DEPOSIT		1,000.00	DEC10	1,000.00	
CHQ#00002-0500370298	10.00		DEC11	980.00	
CHQ#00001-0500370299	10.00		DEC11	970.00	
15121759062100WIRE		5,627,291.10	DEC17	5,628,271.10	
WIRE TO TDCT BRANCH	485,816.00		DEC18	5,142,455.10	
CHQ#00002-114048746	495,000.00		DEC18	4,647,455.10	
CHQ#00004-3141943258	5,000.00		DEC18	4,642,455.10	
CHQ#00006-0100427677	12,508.50		DEC21	4,629,946.60	
CHQ#00008-1141594929	47,985.56		DEC21	4,581,961.04	
CHQ#00005-2141394973	71,436.74		DEC22	4,510,524.30	
CERTIFIED CHQ 408813	58,481.77		DEC23	4,452,042.53	
OC 1637-CASH WITHDR	10.00		DEC23	4,442,042.53	
CERTIFIED CHQ #00014	2,825.00		DEC23	4,439,217.53	
OC 1637-CASH WITHDR	10.00		DEC23	4,439,207.53	
CHQ#00007-1143713226	4,980.65		DEC24	4,434,226.88	
15122950866500WIRE		6,368,466.58	DEC29	10,802,693.46	
CHQ#00012-3140194964	5,559.60		DEC29	10,797,133.86	
WIRE TO CUSTOMER	6,000,000.00		DEC30	4,797,133.86	
SERVICE CHARGE	22.50		DEC31	4,797,111.36	
ITEMS DEP FEE	0.72		DEC31	4,797,110.64	
9 CHQS ENCLOSED NEXT STATEMENT DATE IS JAN 29/16			No.	Amount	
MONTHLY AVER. CR. BAL.			4	11996,757.68	
MONTHLY MIN. BAL.				\$0.00	
DEP CONTENT- CASH 0			17	7140,936.58	
ITEMS 1				UNC BATCH 0	

Please note that you agree to verify any errors or irregularities found within this statement within 90 days of the statement date. If you do not, the statement of account shall be conclusively deemed correct. For any amount credited to the account interest.

Account owned by THE TORONTO-DOMINION BANK

THIS IS EXHIBIT "**B**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer





Condensed Consolidated Interim Financial Statements  
(In Canadian dollars)

## **TERRA FIRMA CAPITAL CORPORATION**

Three and nine months ended September 30, 2015 and 2014  
(Unaudited)

### **NOTICE TO READER**

These condensed consolidated interim financial statements have been prepared by management, reviewed by the Audit Committee, and approved and authorized for issue by the Board of Directors of the Company on November 4, 2015. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, Terra Firma Capital Corporation discloses that its external auditors have not reviewed these condensed consolidated interim financial statements, notes to the condensed consolidated interim financial statements and the related quarterly Management Discussion and Analysis.

# TERRA FIRMA CAPITAL CORPORATION

Condensed Consolidated Interim Statements of Financial Position  
(In Canadian dollars)  
(Unaudited)

	September 30, 2015	December 31, 2014
<b>Assets</b>		
Cash and cash equivalents	\$ 4,989,726	\$ 1,083,745
Funds held in trust	519,238	834,065
Amounts receivable and prepaid expenses (note 4)	2,478,112	2,058,846
Loan and mortgage investments (note 5)	82,302,799	78,635,796
Investment properties held in joint operations (notes 6 (b))	2,063,654	2,062,661
Portfolio investments (note 7)	3,968,293	1,620,828
Deferred income tax asset (note 19)	483,731	48,381
<b>Total assets</b>	<b>\$ 96,805,553</b>	<b>\$ 86,344,322</b>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 8)	\$ 3,088,279	\$ 2,227,308
Provision for discontinued operations (note 9)	-	27,500
Unearned income	464,805	639,307
Income taxes payable (note 19)	893,395	341,432
Short-term unsecured notes payable (note 10)	7,637,003	1,500,000
Revolving operating facility (note 11)	1,839,645	-
Loan and mortgage syndications (note 5)	27,080,063	45,390,821
Mortgages payable (note 6 (c))	1,128,158	1,151,118
Convertible debentures (note 12)	10,598,752	10,514,431
<b>Total liabilities</b>	<b>52,730,100</b>	<b>61,791,917</b>
<b>Equity</b>		
Share capital (note 14 (a))	\$ 30,837,646	\$ 16,654,718
Equity component of convertible debentures (note 12)	284,490	284,490
Contributed surplus (notes 14 (b) and 15)	2,263,682	1,049,585
Retained earnings	10,478,980	6,352,957
<b>Shareholders' equity</b>	<b>43,864,798</b>	<b>24,341,750</b>
Non-controlling interest	210,655	210,655
<b>Total equity</b>	<b>44,075,453</b>	<b>24,552,405</b>
<b>Commitments and contingencies (note 13)</b>		
<b>Total liabilities and equity</b>	<b>\$ 96,805,553</b>	<b>\$ 86,344,322</b>

*The accompanying notes are an integral part of these condensed consolidated interim financial statements.*

THIS IS EXHIBIT "C" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

⑦

**Kraft, Kenneth**

**From:** Guy Gissin  
**Sent:** September 3, 2018 3:38 AM  
**To:** Yael Hershkovitz  
**Subject:** FW: Urbancorp raises \$64 million subordinated debt

---

**From:** Y. Dov Meyer [mailto:ydmeyer@tfcc.ca]  
**Sent:** Tuesday, December 22, 2015 12:38 AM  
**To:** "Chris Bart" <dr.c.k.bart@gmail.com>, "John Kaplan - Runnymede (john@rinvestment.com)" <john@rinvestment.com>, "Phillip Reichmann (preichmann@rhcp.ca)" <preichmann@rhcp.ca>, "Reuben Rosenblatt (RRosenblatt@mindengross.com)" <RRosenblatt@mindengross.com>, "Seymour Temkin (seymourtemkin@bell.net)" <seymourtemkin@bell.net>, "Y. Dov Meyer" <ydmeyer@tfcc.ca>, "Carolyn Montgomery" <cmontgomery@tfcc.ca>, "Glenn Watchorn" <GWatchorn@tfcc.ca>, "Henry Reichmann" <hreichmann@tfcc.ca>, "Investor Relations" <investorrelations@tfcc.ca>, "Kathy Guan" <kguan@tfcc.ca>, "Kirsten Aker" <kakerold@tfcc.ca>, "Mano Thiyagarajah" <mthiyagarajah@tfcc.ca>, "Seth Greenspan" <sgreenspan@tfcc.ca>  
**Cc:** "alansaskin@gmail.com" <alansaskin@gmail.com>  
**Subject:** Urbancorp raises \$64 million subordinated debt

**Internal Memo**

**Dear Board Members and Colleagues,**

**After much anticipation, we are pleased to notify you that Urbancorp has completed its Bond Offering in Tel Aviv, raising \$64 million (its sounds better in Shekels - NIS180 million!).**

**This is the first transaction of its kind for a Canadian company and as you know TFCC acted as advisor to Urbancorp. This is one of the most innovative and exciting transactions that TFCC as a company has been involved in and each of you played an integral role and offered support all the way to the finish line. Thank you.**

**On behalf of all of us at TFCC we want to congratulate Alan Saskin and his team on this outstanding achievement!**

**Enclosed please find a personal note from Alan.**

**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

22 St. Clair East, Suite 200, Toronto, ON

Tel: 416-792-4709 Mobile: 416-843-5457

Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

### From The Desk of Alan Saskin

As a proud Canadian private company and as a leader in residential real estate, Urbancorp remains committed to its strategy of measured growth and expansion.

To that end, we are delighted to announce that we have successfully raised \$64 million in a public bond offering in Israel, which will provide the company with additional capital to complete our current development program and continue to acquire new sites.

Urbancorp is the first Canadian real estate developer to use the Israeli bond market and we are in good company since the Israeli bond market has been utilized this year by various American real estate companies, including Extell and Related Group. The bonds are subordinated debt, rated A3 by Moody's.

More information is attached in a translated article from an Israeli newspaper.

### The new immigrant from Canada has raised NIS180 million

Interest in the issue of a development property Urbancorp was set at 8.15 % unlike that of the US real estate companies, Urbancorp issued as a limited company, rather than through a BVI incorporated in the Virgin Islands, due to legal and tax restrictions that exist in Canada.

Another newcomer is joining the TASE - this time from Canada: a development property Urbancorp, owned by Alan Saskin, completed the first issue of bonds, raising NIS180 million. As part of the public stage was held yesterday (Wednesday) received moderate demand of about 33 million, have joined to raise NIS 148 million institutional phase.

Urbancorp initially planned to raise 150 million, but given the demand of about 170 million institutional phase, has decided to expand the offering up to a maximum amount of 200 million. The institutional phase of the offering was attended by the peaks, Yelin Lapidot and Ayalon (mutual funds). Thus, became a Canadian real estate company Urbancorp first **Israel Bonds raises**.

Interest in the issue Urbancorp - ranked at A3 Midroog (rated medium-height) - was relatively high, 8.15%, and struck the nature of the activities of Urbancorp initiation estate. By comparison, Yizum Brookland April ranked at BBB-plus and offered collateral Bonds, last week raised \$ 66 million for an effective rate of 8.8%. At the same time, the bonds of real estate giant Extell, ranked higher level of A2 - traded market yield to maturity of 5.6%. Rising interest in issues of real estate companies in America illustrate the increase in the risk perception of investors from Israel.

The issue of Urbancorp led Apex offerings, under the direction of David Eliav Bar which was attended by the acting-IBI, Rosario Capital, Epsilon, Barak Capital Excellence.

Different from the American real estate companies, Urbancorp issued as a limited company, rather than through a BVI incorporated in the Virgin Islands. The decision issued as a limited company resulted from legal and taxation aspects of the law relating to Canadian companies. Debentures issued by the Company are denominated in shekels. Interest will be paid twice a year, in June and December, between the years 2016 to 2019 (inclusive).

Urbancorp operates in Central Toronto (the fourth largest city in North America), and is engaged in the development, marketing and sale of residential projects, the leasing of rental properties and the initiation and operation of geothermal systems for residential buildings built. The company has strategic alliances, inter alia with First Capital Realty, Gazit Globe Group; and Mattamy Homes - initiated largest residential apartments in

Canada; And with CAPREIT, Canada's largest REITs. Over the years, the group has built and delivered more than 5,500 residential units. The company is currently 12 active projects with 2,633 units (with partners), under development or construction different with early sales of 550 units, totaling approximately C \$ 170 million.

THIS IS EXHIBIT "D" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to read 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer



Consolidated Financial Statements  
(In Canadian dollars)

## **TERRA FIRMA CAPITAL CORPORATION**

Years ended December 31, 2015 and 2014





KPMG LLP  
 Bay Adelaide Centre  
 333 Bay Street Suite 4600  
 Toronto ON M5H 2S5  
 Canada

Telephone (416) 777-8500  
 Fax (416) 777-8818  
 Internet www.kpmg.ca

## INDEPENDENT AUDITORS' REPORT

To the Shareholders of Terra Firma Capital Corporation

We have audited the accompanying consolidated financial statements of Terra Firma Capital Corporation, which comprise the consolidated statements of financial position as at December 31, 2015 and 2014, the consolidated statements of income and comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Terra Firma Capital Corporation as at December 31, 2015 and 2014, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Chartered Professional Accountants, Licensed Public Accountants

March 23, 2016  
 Toronto, Canada

# TERRA FIRMA CAPITAL CORPORATION

Consolidated Statements of Financial Position  
(In Canadian dollars)

December 31, 2015 and 2014

	2015	2014
<b>Assets</b>		
Cash and cash equivalents	\$ 11,723,550	\$ 1,083,745
Funds held in trust	2,061,207	834,065
Deposits (note 4)	11,747,370	–
Amounts receivable and prepaid expenses (note 5)	2,279,977	2,058,846
Loan and mortgage investments (note 6)	95,135,201	78,635,796
Investment properties held in joint operations (note 7(b))	2,143,794	2,062,661
Portfolio investments (note 8)	2,339,555	1,620,828
Investment in associates (note 9)	2,315,414	–
Deferred income tax asset (note 21)	–	48,381
	<u>\$ 129,746,068</u>	<u>\$ 86,344,322</u>
<b>Liabilities and Equity</b>		
<b>Liabilities:</b>		
Accounts payable and accrued liabilities (note 10)	\$ 5,980,560	\$ 2,227,308
Provision for discontinued operations (note 11)	–	27,500
Unearned income	301,099	639,307
Income taxes payable (note 21)	322,046	341,432
Deferred income tax liability	18,665	–
Short-term unsecured notes payable (note 12)	9,286,000	1,500,000
Revolving operating facility (note 13)	9,865,144	–
Loan and mortgage syndications (note 6)	45,691,948	45,390,821
Mortgages payable (note 7)	1,120,314	1,151,118
Convertible debentures (note 14)	10,628,301	10,514,431
	<u>83,214,077</u>	<u>61,791,917</u>
<b>Equity:</b>		
Share capital (note 16(a))	31,257,404	16,654,718
Equity component of convertible debentures (note 14)	284,490	284,490
Contributed surplus (notes 16(b) and 17)	2,360,575	1,049,585
Retained earnings	12,374,881	6,352,957
	<u>46,277,350</u>	<u>24,341,750</u>
Non-controlling interest	254,641	210,655
	<u>46,531,991</u>	<u>24,552,405</u>
Commitments and contingencies (note 15)		
	<u>\$ 129,746,068</u>	<u>\$ 86,344,322</u>

See accompanying notes to consolidated financial statements.

The consolidated financial statements were approved  
by the Board on March 23, 2016 and signed on its behalf by:

“John Kaplan” \_\_\_\_\_ Director

“Seymour Temkin” \_\_\_\_\_ Director

# TERRA FIRMA CAPITAL CORPORATION

Notes to Consolidated Financial Statements (continued)  
(In Canadian dollars)

Years ended December 31, 2015 and 2014

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## 3. Significant accounting policies (continued):

- (ii) IFRS 15, Revenue from Contracts with Customers ("IFRS 15"), provides a comprehensive framework for recognition, measurement and disclosure of revenue from contracts with customers, excluding contracts within the scope of the standard on leases, insurance contracts and financial instruments. IFRS 15 becomes effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively. Early adoption is permitted. The extent of the impact of adoption of the standard has not been determined.
- (iii) IFRS 16 Leases ("IFRS 16"), will replace existing lease guidance in IFRS and related interpretations, and requires companies to bring most leases on-balance sheet. The financial reporting impact of adopting IFRS 16 is being assessed and is effective for years beginning on or after January 1, 2019. Early adoption will be permitted only if the company has adopted IFRS 15 Revenue from Contracts with Customers. The extent of the impact of adoption of the standard has not been determined.
- (iv) Amendments to IAS 1, Presentation of Financial Statements ("IAS 1") was issued as part of its major initiative to improve presentation and disclosure in financial reports (the "Disclosure Initiative"). The amendments are effective for annual periods beginning on or after January 1, 2016. Early adoption is permitted. The Company is currently assessing the impact of the amendments on its consolidated financial statements.

## 4. Deposits:

On December 31, 2015, the Company deposited \$11,747,370 into a joint account established by the Company and a subsidiary of a borrower, requiring joint signatures, pending release for mortgage investments purposes. These mortgage investments were to be assigned to the Company and over which the Company was to have full control. Subsequent to the Company's year end, the loan transaction was cancelled, as funding and investment conditions were not met, and the funds were therefore returned to the Company.

THIS IS EXHIBIT "E" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** August 5, 2015 7:06 PM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Cc:** "Phillip Gales" <phillipg@urbancorp.com>  
**Subject:** Mnp

Alan

I just got off the phone with Philip and Yair.

I really think you need to get on the phone with somebody senior at MNP. There is something really wrong if they can't get you statements that are defensible from an audit after such a long period of time.

I am not sure what the problem is but they should be handing over the file to Deloitte only after they have signed off on them and can answer any question in an audit. It seems like Deloitte keeps on picking up mistakes.

Happy to discuss.

Sent from my iPhone

THIS IS EXHIBIT "F" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** August 6, 2015 12:11 PM  
**To:** "Phillip Gales" <phillipg@urbancorp.com>  
**Subject:** Fwd: Mnp

Keep this to yourself  
 Best  
 Alan

Sent from my iPhone

Begin forwarded message:

**From:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Date:** August 6, 2015 at 11:20:38 AM EDT  
**To:** Alan Saskin <alansaskin@gmail.com>  
**Subject: RE: Mnp**

How about 2:00?

You can reach me at the office 416-792-4709.

I apologize for being Talmudic but its less important "when you go" and more important "what you are going with".

You should only go when MNP tells you that "these are the statements!". Financial statements are binary. Either you have them or you don't. Its not a question are these the best statements you have. The person that is preparing them – MNP not Philip has to be able to stand up to Deloitte and defend them. If they can't - then you don't have statements.

Philip should not go alone. You have to go with him. Philip is great and its amazing that he knows so much in such a short period of time but you are the principal and you have a very good way at calming people, presenting, explaining etc.

But again you should only go after MNP signs off on your statements – not Michael but a senior partner who will put the firms name on the line.

Again, I apologize for being direct, blunt and straightforward. Its coming from a good place.

Dov

<image003.jpg>

**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

5000 Yonge Street, Suite 1502, Toronto, ON M2N7E9

Tel: 416-792-4709 Mobile: 416-843-5457

Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

**From:** Alan Saskin [<mailto:alansaskin@gmail.com>]

**Sent:** Thursday, August 06, 2015 9:24 AM

**To:** Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>

**Subject:** Re: Mnp

Dov

Can we talk today sometime between 1:30 and 4?

It's frustrating that while MNP must produce hundreds of financial statements every year, they can't seem to produce one now.

I think part of the problem is we send Deloitte the statements too quickly, without taking a few days to check them ourselves

By ourselves, we also have CFO direct to assist.

Another problem is illustrated by edge

We show revenue in two quarters, following the closings

But

The profit margin is different in each quarter

This only shows up when you analyze the statements, not when you prepare them

It results from following proper accounting procedures but results in what appears wrong

The profit margin in each quarter should be the same

Different costs, specifically commissions, are not allocated directly to revenues

They end up being loaded on the last quarter, creating different profit margins

But the accounting treatment is correct

Although the current plan is for philip and michael Chong (MNP)

To go to Israel Friday night and spend the week in Israel with Deloitte,

I wonder wether we should delay that trip for a week, use the time to make the statements as good as they can be, and then go to Israel.

Phillip is reviewing the financial with jeremy and michael today and we will talk at the end of the day and make that decision

As an aside, this will be Phillips first trip to Israel

I had hoped to go with him for the first trip

But we'll do whatever makes most sense for the offering

If the trip is delayed a week, I'll go as well.

I have a bar mitzvah in Brooklyn (my nieces son) on August 22nd

But could go to Israel the week before.

Let me know

Best

Alan

On Wednesday, August 5, 2015, Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)> wrote:

Alan

I just got off the phone with Philip and Yair.

I really think you need to get on the phone with somebody senior at MNP. There is something really wrong if they can't get you statements that are defendable from an audit after such a long period of time.

I am not sure what the problem is but they should be handing over the file to Deloitte only after they have signed off on them and can answer any question in an audit. It seems like Delloite keeps on picking up mistakes.

Happy to discuss.



Sent from my iPhone

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---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** August 13, 2015 7:37 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Cc:** "phillipg@urbancorp.com" <phillipg@urbancorp.com>, "barry rotenberg" <Brotenberg@harris-sheaffer.com>  
**Subject:** Re: Bond

Phillip has been in Israel this week, he is returning today. He's going back to Israel Sunday night.

MNP is finalizing the financial statements, they will be finished tonite. CFO Direct, who has been reviewing them for 6 weeks, will check them one more time and then the statements go to Deloitte on Sunday for auditing.

The audit should take about 2 weeks.

jeremy and I plan to join Phillip and Michael is Israel, either later next week or the following week.

The plan is to have audited financials by sept.3-4th and submit the prospectus by sept.10-11th.

Jeremy and Phillip have had conversations with Ran, Phillip had dinner with him in Tel Aviv last night. Ran told both of them " We are almost there "

Jeremy and I want to be in Israel after Deloitte has the complete financial statements.

I'm in Maine, back Sunday. There have been daily conference calls, that I have also participated in. there don't seem to be issues left, just details. None of the remaining details, according to jeremy, are material.

Best  
Alan

On Thu, Aug 13, 2015 at 6:47 AM, Y. Dov Meyer <ydmeyer@tfcc.ca> wrote:  
Where do things stand?

Sent from my iPad

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ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** August 18, 2015 3:24 PM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** Re: bond update

Very nice

Sent from my iPhone

> On Aug 18, 2015, at 2:59 PM, Alan Saskin <alansaskin@gmail.com> wrote:  
>  
> it really seems to be going well  
>  
> Conference call this morning with Israel, Deloittes  
>  
> Everyone agreed annuals are ok. Ran said that. Whewwww..... He is waiting for  
CFO Direct to finish cash flow statements, will be done by tomorrow.  
> Quarterlies ready by Thursday. All agreed they are not audited, just reviewed,  
should be quick.  
>  
> Deloitte promised and delivered an hour ago a list of outstanding issues. Very  
small list. Jeremy says can be easily answered. Daily conference calls now with  
Deloittes and our team, to resolve issues left on list.  
>  
> An appraisal for King Club for 2012 was the only issue delaying finalizing the  
equity number still not complete but since meeting, commitments from appraiser  
it will be finished tonite the way they want it.  
>  
> Deloitte planning to take statements to their Standards group by Sunday, have  
comments, if any, back by Monday.  
>  
> Ran prefers Jeremy comes to Israel Sunday august 29th, to help answer questions  
to finalize audit in last few days. Feels this Monday is a few days too early.  
> Jeremy and I will decide Friday, based on progress next few days. I may still  
go twice.  
>  
> seems to be coming together.  
> best  
> alan

THIS IS EXHIBIT "I" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** August 19, 2015 5:31 PM  
**To:** "'alansaskin@gmail.com'" <alansaskin@gmail.com>  
**Subject:** Follow up

Alan

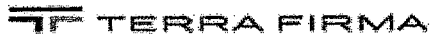
Thanks for the meeting today.

I just wanted to comment that we would appreciate knowing in real time if any of your projects are off side or are incurring cost overruns.

As a lender and especially an unsecured high leverage lender the trust factor is very important. Letting us know 5 minutes before loans go into "Special Loans" doesn't really help us.

Best

Dov



**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

5000 Yonge Street, Suite 1502, Toronto, ON M2N7E9

Tel: 416-792-4709 Mobile: 416-843-5457

Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

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ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer



**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** July 15, 2015 6:40 PM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Re: Edge Details - Important

I thought we would get the \$4million on Edge and then look at Leslieville for the next tranche. my pressing need is \$1.25 million to CIBC by Friday on Leslieville to pay off the overdraft. Then the Leslieville sites need \$1.4 million to get the trades to finish.

We have cash surpluses on Leslieville of about about \$16 million. Thats sales minus bank loans minus cost to complete, so big surpluses.

Can we do \$3 million on Edge with us selling units and paying you out from unit sales over the next 6 months. We can get you the Leslieville numbers for the next loan, I just think it will take a bit of time to get funding from you there.

If you prefer not proceeding on Edge, I'd like to find a way to get the \$1.25 million form you for the CIBC by Friday. We can send you the Leslieville information tomorrow first thing.

Let me know  
Best  
alan

On Wed, Jul 15, 2015 at 5:01 PM, Y. Dov Meyer <ydmeyer@tfcc.ca> wrote:

Alan

The HST payable is significantly higher than what we expected and in fact represents close to 100% of the value of the unsold units. We wouldn't have a leg to stand on! Even if we were repaid and you sold the units, CRA would come after us for the HST.

Wouldn't it make sense to solve the leslieville CIBC funding by us advancing against Lesliville?



**Y. Dov Meyer**

*CEO*

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---

**From:** Carolyn Montgomery  
**Sent:** Wednesday, July 15, 2015 3:27 PM  
**To:** Y. Dov Meyer  
**Subject:** FW: Edge Details - Important

FYI.

HST liability is significantly more than we anticipated. See below.

---

**From:** Christine Honrade [<mailto:ChristineH@urbancorp.com>]  
**Sent:** Wednesday, July 15, 2015 3:28 PM  
**To:** Carolyn Montgomery  
**Cc:** Raymond Lau; Barry Rotenberg ([brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com))  
**Subject:** RE: Edge Details - Important

Hi Carolyn,

On final closing, we determined that most purchasers are renting out their suites and therefore, they are classified as investor rather primary user. Because they are investors, they are not entitled to HST rebates.

On final closing, since they are not entitled to HST rebate, they paid us the full 13% HST and that's the reason why HST payable increased significantly. It also means that closing proceeds are higher than originally projected.

Thanks,

Christine

**From:** Carolyn Montgomery [<mailto:cmontgomery@tfcc.ca>]  
**Sent:** July-15-15 3:05 PM  
**To:** Christine Honrade  
**Cc:** Raymond Lau; Barry Rotenberg ([brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com))  
**Subject:** RE: Edge Details - Important

This amount is so much larger than what had always been represented in the Altus report as well as what was in your Waterfall from February 2015 (about \$8.5MM).

**From:** Christine Honrade [<mailto:ChristineH@urbancorp.com>]  
**Sent:** Wednesday, July 15, 2015 3:00 PM  
**To:** Carolyn Montgomery  
**Cc:** Raymond Lau; Barry Rotenberg ([brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com))  
**Subject:** RE: Edge Details - Important

HST payable as requested.

We are working on item # 2 and will send to you shortly.

EDGE on Triangle Park Inc.		
Schedule of HST Payable		
As of July 15, 2015		
	<u># of units</u>	<u>HST Payable</u>
HST for condos that closed in May	505	\$12,267,525.84
HST for condos that closed in June	82	1,717,550.27
HST for condos that closed in July 15	4	91,205.01
Suites that have not closed yet	10	182,938.78
Unsold suites	62	961,893.42
Super suite and guest suites	3	51,813.38
Commercial units		-
TPA		-
	<b>666</b>	<b>\$15,272,926.70</b>
	666	
	-	

**From:** Carolyn Montgomery [<mailto:cmontgomery@tfcc.ca>]  
**Sent:** July-15-15 11:23 AM  
**To:** Christine Honrade  
**Subject:** Edge Details - Important  
**Importance:** High

Hi Christine,

We are looking to get this wrapped up ASAP. I'm really under the gun now.

If you can provide:

- 1) HST breakdown (email from yesterday)
- 2) Detailed schedule of payables and cost to complete on the project.

Thanks

*Carolyn Montgomery*

Vice President & Principal Broker



**Terra Firma MA Ltd.**

**Terra Firma Capital Corporation**

5000 Yonge Street, Suite 1502

Toronto, Ontario

Canada M2N 7E9

Tel 416-792-4700 Ext. 302

Cell 416-903-3078

Brokerage Licence #12425

[cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)

THIS IS EXHIBIT "K" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Yair Fecher <yair@equibright.com> on behalf of Yair Fecher  
**Sent:** August 24, 2015 10:41 AM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Cc:** "Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Re: Call today

Let's use the usual call in number and code 427195 to avoid confusion as Eliav and Assaf will join as well.

Dov - thank you for arranging

On Mon, Aug 24, 2015 at 2:25 PM, Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)> wrote:  
yes  
call in number?

On Mon, Aug 24, 2015 at 6:01 AM, Yair Fecher <[yair@equibright.com](mailto:yair@equibright.com)> wrote:  
Alan, Dov,

Are you available today for a call at 11 am Toronto time?

Regards,

Yair

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AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** August 31, 2015 1:16 PM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Cc:** "barry rotenberg" <Brotenberg@harris-sheaffer.com>, "Yair Fecher" <yair@equibright.com>  
**Subject:** Re: day 1 in Israel

Would you like to participate I any of them?

Sent from my iPhone

> On Aug 31, 2015, at 11:18 AM, Alan Saskin <alansaskin@gmail.com> wrote:  
>  
> good first day working for Jeremy and I.  
>  
> 1.Team agreed that annuals will be 100% finished by this Thursday  
> Sept.3 2. Rest of statements, notes, quarterlies, finished by Sept.10  
> 3. Finalize prospectus, fill in tables, review english translations.  
> Sept.10-24 4. File prospectus Sept.24 5. Meet ISA Oct.6-8 6. road show  
> Oct.19-30 7. Rating Nov.2-13 8. Tender Nov.16-19  
>  
> The remaining issues seem very minor. ( except to the people who raise them)  
Many meetings over next few days to deal with all outstanding issues, large and small.  
>  
> Phillip arrives tomorrow, with Michael.



78

## Kraft, Kenneth

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** September 1, 2015 11:09 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Re: day 1 in Israel

Another full day here

Deloitte's standards group has written concerns with the notes to annuals, so CFO direct came here and are working here to satisfy.

We have their written comments on the annuals, 3 pages and Jeremy says they are minor and can be addressed and answered by tomorrow. They are questions that we have the answers and backup for.

Met with Midroog CEO with Assaf and Phillip. We all thought it went well.

Most interesting meeting was Eliav, Assaf and us going over projection model and cash flow to determine bond repayment schedule. Many helpful suggestions so Phillip updating model now and we will all resume tomorrow. It would be helpful if you could join us. A time and place has not been determined. Likely Deloitte's offices in Azrielli center, 45th floor. They given us a nice office here and we've been working from here.

By the time you land, we'll have a location.

best  
alan

On Mon, Aug 31, 2015 at 9:09 PM, Y. Dov Meyer <ydmeyer@tfcc.ca> wrote:  
Wednesday at noon

Sent from my iPhone

> On Aug 31, 2015, at 1:50 PM, Alan Saskin <alansaskin@gmail.com> wrote:

>

> Yes

> Your advice would be appreciated

> When are you arriving ?

>

> Sent from my iPhone

>

>> On Aug 31, 2015, at 8:16 PM, Y. Dov Meyer <ydmeyer@tfcc.ca> wrote:

>>

>> Would you like to participate in any of them?

>>

>> Sent from my iPhone

>>

>>> On Aug 31, 2015, at 11:18 AM, Alan Saskin <alansaskin@gmail.com> wrote:

>>>

>>> good first day working for Jeremy and I.

>>>

>>> 1. Team agreed that annuals will be 100% finished by this Thursday Sept.3

>>> 2. Rest of statements, notes, quarterlies, finished by Sept.10

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>>> 4. File prospectus Sept.24

>>> 5. Meet ISA Oct.6-8

>>> 6. road show Oct.19-30

>>> 7. Rating Nov.2-13

>>> 8. Tender Nov.16-19

>>>

>>> The remaining issues seem very minor. ( except to the people who raise them) Many meetings over next few days to deal with all outstanding issues, large and small.

>>>

>>> Phillip arrives tomorrow, with Michael.

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** September 6, 2015 1:06 PM  
**To:** "Yair Fecher" <yair@equibright.com>  
**Cc:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>, "phillipg@urbancorp.com" <phillipg@urbancorp.com>, "barry rotenberg" <Brotenberg@harris-sheaffer.com>, "jeremy cole" <jeremy.cole@mnp.ca>, "David Mandell" <davidm@urbancorp.com>, "Christine Honrade" <christineh@urbancorp.com>  
**Subject:** Fwd: Schedule

good schedule  
I added the rest  
its not critical path  
I just want everyone focussed on the "prize"  
namely, funding the \$100 million  
and not just the process of auditing  
go ahead and send it out  
with the additional dates I added  
thanks  
alan

----- Forwarded message -----  
**From:** **Yair Fecher** <yair@equibright.com>  
**Date:** Sun, Sep 6, 2015 at 12:15 PM  
**Subject:** Schedule  
**To:** Alan Saskin <alansaskin@gmail.com>, Dov Meyer <ydmeyer@tfcc.ca>

Alan,  
Please review the following schedule. Phillip says it makes sense to him.

Please let me know whether we can distribute.

Thanks,  
Yair

- Today September 6<sup>th</sup> – Liora sends out final annual financial statements
- Tomorrow, September 7<sup>th</sup>, Phillip starts implementing the new numbers into chapter 7
- September 8<sup>th</sup>, Quarterly financial statements ready
  - Midroog model and forms submitted
- September 10<sup>th</sup>, Final appraisals ready
  - Meeting with Midroog

September 11<sup>th</sup>, Annual and quarterly numbers (excel format) audited by Deloitte

(September 13<sup>th</sup>-15<sup>th</sup> Rosh HaShana)

September 15<sup>th</sup> End of the day – updated chapter 7 ready

September 17<sup>th</sup> – Deloitte team completes final audit of the statements (word format)

Hebrew and English versions of the prospectus are distributed for review

September 20<sup>th</sup> by the end of the day – all changes and comments relating to the prospectus are submitted to Shimonov

(September 23<sup>rd</sup> – Yom Kippur)

September 24<sup>th</sup> – Submission of first prospectus draft to the ISA

Oct. 8-15<sup>th</sup>. Meet ISA

Oct. 15-Nov. 5<sup>th</sup>. revise drafts

Nov. 8-22. Road show

Nov. 22-30. Tender and funding

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ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** September 7, 2015 8:50 AM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** Rating agency meeting

Hi Alan,

Are you comfortable with the people that will be attending the meeting with the rating agency on Thursday to represent you appropriately thanks



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---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** September 8, 2015 1:50 PM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** Fwd: מדרוג

Alan

The gist of the email from yair is that they had a dry run with Philip and Michael this morning and they felt they are not ready not strong enough to sit with midroog and that they are postponing the meeting.

This is very disturbing.

I can tell you that you will not succeed if you keep on knowingly making the same mistakes.

You are putting the future of Urbancorp in the hands of Michael.

Please call me

Sent from my iPhone

Begin forwarded message:

**From:** Yair Fecher <yair@equibright.com>  
**Date:** September 8, 2015 at 1:38:29 PM EDT  
**To:** Dov Meyer <ydmeyer@tfcc.ca>  
**Subject:** מדרוג

עברנו היום עם פיליפ על המודל לקראת הפגישה שהייתה מתוכננת ליום חמישי. המודל לא היה מוכן ושאר החומרים שמדרוג ביקשו גם הם לא מוכנים. אנחנו דוחים את הפגישה למועד שבו גם ג'רמי יוכל להשתתף.



THIS IS EXHIBIT "O" REFERRED TO IN THE  
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---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** September 8, 2015 8:20 PM  
**To:** "phillipg@urbancorp.com" <phillipg@urbancorp.com>  
**Cc:** "jeremy cole" <jeremy.cole@mnp.ca>  
**Subject:** Fwd: midroog meeting

lets discuss  
alan

----- Forwarded message -----  
**From:** **Y. Dov Meyer** <ydmeyer@tfcc.ca>  
**Date:** Tue, Sep 8, 2015 at 7:18 PM  
**Subject:** Re: midroog meeting  
**To:** Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>

Alan

Assaf, Eliav and yair spoke this afternoon.

The midroog meeting happens not to be so important right now. It should take place after we file the prospectus. Having said that we all felt that we are not on a guaranteed path to filing on time.

The message that we wanted to convey is that our recommendation is that you and Jeremy come right after rosh Hashana and stay literally until the prospectus is received by the ISA.

Sent from my iPhone

THIS IS EXHIBIT "P" REFERRED TO IN THE  
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ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** September 10, 2015 8:37 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** meeting or talking

Can we talk today about a few things:

- 1) bond offering remaining issues
- 2) Line of credit or guarantee ideas
- 3) Gazit investment in Bondco, meeting Dori tomorrow to discuss
- 4) Valermo, the Mattamy proposal
- 5) Releasing units at edge to pay trades
- 6) leslieville status, Potential Meridien loan

Let me know what times work for you  
thanks  
alan

THIS IS EXHIBIT "Q" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** September 29, 2015 7:06 AM  
**To:** "phillipg@urbancorp.com" <phillipg@urbancorp.com>  
**Subject:** Fwd: Monday night update

cheer up  
dov and eliaiv feeling good  
about process  
have to try to manage deloittes today and tomorrow best we can  
my day pretty open, king meeting at 9;30 for 90 minutes but I can miss it if I can help with legal claims letter  
and deloitte  
important that Assaf and shiminov familiar with legal letter  
they will be part of process of calming deloittes

can also talk to some of the trades and either settle today with them or have them send letters withdrawing or  
reducing their claims

or shifting claims to non-bondco companies

talk soon  
alan

----- Forwarded message -----  
**From:** Y. Dov Meyer <ydmeyer@tfcc.ca>  
**Date:** Tue, Sep 29, 2015 at 5:11 AM  
**Subject:** Re: Monday night update  
**To:** Alan Saskin <alansaskin@gmail.com>

That's wonderful.had a discussion with Eliav this morning.  
Happy with the progress on the prospectus. Confident that it will be filed on time. Somewhat concerned about  
market but that is really out of their control. I am sure that they will pull all the strings that they have.  
I am sure sun is looking a bit brighter for you this morning.  
Happy for you that you have overcome the Firm Capital disconnect. Not so happy for me.

On Sep 29, 2015, at 3:14 AM, Alan Saskin <alansaskin@gmail.com> wrote:

So much going on

1) Hullmark has firmed on purchase of 952 Queen West. \$14.1 million, Oct.16th closing. Repays just over \$10 million of TF loans. Urbancorp nets about \$3 million, has about \$800,000 of payables. ( and funds for TF Nov.1 interest)

2) Valermo Mattamy deal should be signed tomorrow, close this week. Laurentian is extending their loan of \$12 million for Mattamy. TF gets repaid in October, about \$7.1 aprox. Urbancorp nets \$2.9 million, from which pays TF about \$450,000 and Oct.1 interest. About \$2 million of payables will be paid by Mattamy.

Monthly interest out the door for Urbancorp will reduce with both these deals off our books. With 952 payables, we will seek 50% discounts from amounts owed, based on project not going forward and Mattamy paying mostly the same consultants in full on Valermo.

3) FCR extended due date of \$2 million loan on 1071 to Nov.30th from Sept.30th.

4) CIBC looking for workout plan for Leslieville by Friday.

5) Met Firm Capital. They are preparing finance offer to take out all banks in Leslieville, after Howie closings. About \$23 million plus they will fund cost to completes on both sites. Gets us out of Special loans, no foreclosure agreement, cost to complete financing. Will not proceed with anything on this without discussing with you and agreeing with you. Sending you separate, more detailed memo on this.

6) Laurentian, Jeff Weller, told me that Leslieville loan has to go into their Special Loans group and Jeff Weller will no longer be on any of our files. Sounds like new guy will want other Laurentian loans with Urbancorp re-paid when due.

7) Prospectus. Long phone conference call, went through entire prospectus. Only small issues, all being resolved. One last hurdle. Legal liability letter from our outside counsel, Jack Berkow. No one has seen it yet. Jack will say in letter that " HST on Edge is a significant liability and CRA is taking steps to recover payment from the company". This could still concern Deloitte. The full remaining HST payable is in the payables, and they know it will be paid from Bondco proceeds. Nonetheless, it will make Deloitte nervous about company as going concern. We have to calm them and portray this as a normal business practice. If they stay calm, can file tomorrow.

THIS IS EXHIBIT "R" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer



**Kraft, Kenneth**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** September 16, 2015 4:41 PM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Cc:** "Carolyn Montgomery" <cmontgomery@tfcc.ca>, "Barry Rotenberg" <brotenberg@harris-sheaffer.com>  
**Subject:** Edge Units

Alan

Assuming we currently have \$17mm of collateral against the \$3.7 mm loan We will release \$8.5mm so you can take care of payables at the edge.

When you sell units and pay us down by 1.5mm as you mentioned we will release additional units to reach 50% LTV.

Does that make sense?

Sent from my iPhone

THIS IS EXHIBIT "S" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** September 29, 2015 9:04 AM  
**To:** "barry rotenberg" <Brotenberg@harris-sheaffer.com>  
**Subject:** Fwd: Edge Units

----- Forwarded message -----

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca>  
**Date:** Tue, Sep 29, 2015 at 9:00 AM  
**Subject:** Re: Edge Units  
**To:** Alan Saskin <alansaskin@gmail.com>

Ok

On Sep 29, 2015, at 3:55 PM, Alan Saskin <alansaskin@gmail.com> wrote:

I need that as well

Trades had loans to specific projects and were part of Urbancorps equity in projects.

As part of the Bondco, we transferred those loans from project loans to personal loans so it would count as Bondco equity. They look like personal loans so the money is invested in the projects and shows up as equity.

All the trade loans to me were 100% invested in Bondco companies.

Just got off the phone with Mattamy. We will sign the JV agreement later today.

thanks  
alan

On Tue, Sep 29, 2015 at 8:48 AM, Y. Dov Meyer <ydmeyer@tfcc.ca> wrote:  
Alan?

Begin forwarded message:

**From:** Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)>  
**Date:** September 29, 2015 at 3:20:16 PM GMT+3  
**To:** "ydmeyer@tfcc.ca" <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>  
**Subject: Re: Edge Units**

Does that include Alans personal debt with trades?

---

**From:** Y. Dov Meyer [<mailto:ydmeyer@tfcc.ca>]  
**Sent:** Tuesday, September 29, 2015 07:50 AM  
**To:** Barry Rotenberg  
**Cc:** Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>; Carolyn Montgomery <[cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)>  
**Subject:** Edge Units

Barry

I just want to clarify that we are in agreement to release units in edge (as per the formula we previously discussed) for any payables across the Urbancorp portfolio. Not just edge payables.

Thank you

THIS IS EXHIBIT "T" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.




---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Rabinovitch, Neil  
**Sent:** October 8, 2018 5:27 PM  
**To:** Kraft, Kenneth; Rabinovitch, Neil  
**Subject:** FW: Fwd: Scanned image from MY41  
**Attachments:** kaker@tfcc.ca\_20151013\_082259.pdf; ATT00001.htm

 **Neil S. Rabinovitch**  
 Partner

D +1 416 863 4656  
 neil.rabinovitch@dentons.com  
 Bio | Website

Dentons Canada LLP  
 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1 Canada

HPRP > Zain & Co. > Delany Law > Dinner Martin > Maclay Murray & Spens > Gallo Barrios Pickmann  
 > Muñoz > Cardenas & Cardenas > Lopez Velarde > Rodyk > Boekel > OPF Partners > 大成

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**From:** Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>  
**Sent:** October 13, 2015 11:57 AM  
**To:** "Alan Saskin" <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
**Subject:** Fwd: Scanned image from MY41

FYI  
 I am getting if a meeting in 10 minutes  
 Can I call you?

Sent from my iPhone

Begin forwarded message:

**From:** "Carolyn Montgomery" <[cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)>  
**To:** "Y. Dov Meyer" <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>  
**Subject:** FW: Scanned image from MY41

Dov

This letter was sent to Terra Firma from CIBC. We obviously need to discuss what the next steps are on the part of CIBC.

-----Original Message-----

From: [kaker@tfcc.ca](mailto:kaker@tfcc.ca) [mailto:[kaker@tfcc.ca](mailto:kaker@tfcc.ca)] On Behalf Of [kaker@](mailto:kaker@tfcc.ca)  
Sent: Tuesday, October 13, 2015 8:23 AM  
To: Carolyn Montgomery  
Subject: Scanned image from MY41

Reply to: [kaker@tfcc.ca](mailto:kaker@tfcc.ca) <[kaker@tfcc.ca](mailto:kaker@tfcc.ca)>  
Device Name: MY41  
Device Model: MX-4111N  
Location: 1502-5000 YONGE ST, CORPORATION, MY41-009819

File Format: PDF (Medium)  
Resolution: 200dpi x 200dpi

Attached file is scanned image in PDF format.

Use Acrobat(R)Reader(R) or Adobe(R)Reader(R) of Adobe Systems Incorporated to view the document.

Adobe(R)Reader(R) can be downloaded from the following URL:

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<http://www.adobe.com/>



**Paul Montgomery**  
 Senior Director  
 Special Loans, Head Office  
 25 King Street West, 16<sup>th</sup> Floor  
 Toronto, Ontario  
 M5L 1A2

October 6, 2015

*VIA DELIVERY*

**PERSONAL & CONFIDENTIAL**

Terra Firma Capital Corporation  
 5000 Yonge Street, Suite 1502  
 Toronto, Ontario  
 M2N 7E9

Dear Sirs:

Re: Urbancorp (Leslieville) Developments Inc. ("**Urbancorp (Leslieville)**")  
 Riverdale, Leslieville and Beach Projects

We refer to the subordination and standstill agreement made as of July 22, 2015 between Canadian Imperial Bank of Commerce, as administrative agent, Terra Firma Capital Corporation ("**Terra Firma**"), and Urbancorp (Leslieville) ("**Subordination Agreement**"). Each capitalised term used in this letter and not otherwise defined shall have the meaning set out in the Subordination Agreement.

We also refer to the credit agreement dated as of July 13, 2012, as amended from time to time ("**Credit Agreement**") between UrbanCorp (Leslieville), UrbanCorp (Riverdale) Developments Inc. ("**Riverdale**"), UrbanCorp (The Beach) Developments Inc. ("**Beach**" and collectively with Urbancorp (Leslieville) and Riverdale, the "**Project Companies**"), UrbanCorp Toronto Management Inc. ("**Management**") and Alan Saskin ("**Saskin**" and collectively with Management, Riverdale and Beach, the "**Guarantors**"), the financial institutions that are party thereto as lenders from time to time (collectively, the "**Lenders**") and Canadian Imperial Bank of Commerce as Administrative Agent (in such capacity, the "**Agent**") on behalf of the Lenders.

In our capacity as Agent pursuant to section (4) of the Subordination Agreement, the Agent hereby gives notice to Terra Firma that Events of Default have occurred under the Credit Agreement. The defaults and Events of Default include (but are not limited to) the following:

1. Urbancorp (Leslieville) failed to repay loans outstanding under the Credit Agreement from the net sale proceeds in the approximate amount of \$8 million received from purchasers of units in the project located at 55 Howie Street, Toronto, Ontario ("**Riverdale Project**") on interim occupancy in late 2013 and early 2014;
2. The Project Companies failed to pay for labour, material and supplies when due and failed to disclose material liabilities incurred in respect of each of the Riverdale, Leslieville and Beach Projects to the Lenders and the independent cost consultant. Further, Urbancorp (Leslieville) misrepresented the payables incurred and/or outstanding in connection with each of such projects in, among other things, various project status certificates submitted in connection with draw downs under the Credit Agreement;

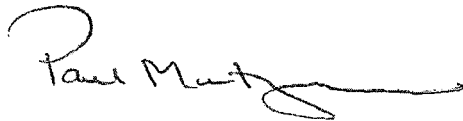


3. The Project Companies and the Guarantors failed to fund all margin deficiencies and cost overruns on a line by line basis by additional contributions of project equity; and
4. Distributions were made prior to all loans having been repaid in full and the letters of credit cash collateralized or secured as required under the Credit Agreement.

The foregoing list of defaults and Events of Default is not exhaustive.

Please do not hesitate to contact us if you wish to discuss any of the foregoing.

Yours truly

A handwritten signature in black ink, appearing to read "Paul M. Siskin". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

c.c. Urbancorp (Leslieville) Developments Inc. (Attn: Alan Saskin)

THIS IS EXHIBIT "U" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** October 27, 2015 9:50 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** bond offering

Assaf has met with some investors and his conclusion is that investors will buy A- but many won't buy a foreign BBB+.

we expressed hope that we could still be A-

I think that's unlikely without additional capital.

No one is keen on the First Capital \$25 million pref. share conversion idea.

I don't know if an additional \$10 million will do it. Our Midroog discussions of 2 months ago suggested we needed an additional \$20 million of equity. We meet Midroog Thursday and will try to clarify that.

If adding \$10 million of capital does get us to A-, could we figure out a way for TF to arrange that, either as debt or a private placement?

My preliminary thoughts are a \$10 million preferred share in BondCo. Perhaps a 9% coupon, assuming an A-rating with a bond debt coupon of 6.5%. Since Bondco would have the right to not make the coupon payment if cash was tight, perhaps nonBondco assets would also guarantee the payment.

Last year, during Credit Suisse discussions, we kicked around ideas for a \$20 million capital injection. Perhaps you have some further ideas how this could be achieved.

We've come so far, it would be a shame if we are not successful due to not having an A- rating.

Assaf also mentioned that maybe a \$50 million offering would be A-, since the repayment is easier.

I believe the the \$100 million bond issue being successful will be so transformative and profitable for Urbancorp that I'm open to any reasonable finance idea for the additional capital.

lets think about this.

Best  
alan

THIS IS EXHIBIT "V" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer



## Kraft, Kenneth

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** October 27, 2015 12:14 PM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** RE: bond offering

1. When he says "many" won't buy does that mean that the deal cant happen without them?
2. If the structure we are talking about by whereby we get direct security of the investment UC makes with the proceeds, works for the \$8mm then maybe we could consider increasing it to \$10mm.
3. Assaf should introduce you to some Israeli real estate companies that may have a strategic interest to invest in a CDN developer.
4. I agree about the first capital idea
5. What about the idea of getting mortgage registration on some of the assets?
6. \$50mm @ A- to get the door open would be a great execution
7. Another idea would be for you to talk to Malibu. I can make the introduction



**Y. Dov Meyer**  
*CEO*

Terra Firma Capital Corporation  
 5000 Yonge Street, Suite 1502, Toronto, ON M2N7E9  
 Tel: 416-792-4709 Mobile: 416-843-5457  
 Email:[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website:[www.tfcc.ca](http://www.tfcc.ca)

**From:** Alan Saskin [<mailto:alansaskin@gmail.com>]  
**Sent:** Tuesday, October 27, 2015 9:50 AM  
**To:** Y. Dov Meyer <ydmeyer@tfcc.ca>  
**Subject:** bond offering

Assaf has met with some investors and his conclusion is that investors will buy A- but many won't buy a foreign BBB+.

we expressed hope that we could still be A-

I think thats unlikely without additional capital.

No one is keen on the First Capital \$25 million pref. share conversion idea.

I don't know if an additional \$10 million will do it. Our Midroog discussions of 2 months ago suggested we needed an additional \$20 million of equity. We meet Midroog Thursday and will try to clarify that.

If adding \$10 million of capital does get us to A-, could we figure out a way for TF to arrange that, either as debt or a private placement?

My preliminary thoughts are a \$10 million preferred share in BondCo. Perhaps a 9% coupon, assuming an A-rating with a bond debt coupon of 6.5%. Since Bondco would have the right to not make the coupon payment if cash was tight, perhaps nonBondco assets would also guarantee the payment.

Last year, during Credit Suisse discussions, we kicked around ideas for a \$20 million capital injection. Perhaps you have some further ideas how this could be achieved.

We've come so far, it would be a shame if we are not successful due to not having an A- rating.

Assaf also mentioned that maybe a \$50 million offering would be A-, since the repayment is easier.

I believe the the \$100 million bond issue being successful will be so transformative and profitable for Urbancorp that I'm open to any reasonable finance idea for the additional capital.

lets think about this.

Best

alan

THIS IS EXHIBIT "**W**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** November 3, 2015 7:32 AM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** Fwd: :השב השב: Urbancorp  
**Attachments:** image002.jpg

I spoke to Assaf.  
He has already conveyed to Midrug a possibility of a \$12mm injection but in any case he wants to wait to hear from them on Thursday and if we are not happy with the rating to negotiate with them then.

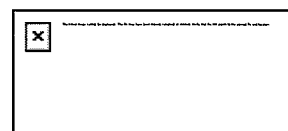
Sent from my iPhone

Begin forwarded message:

**From:** Assaf Dagan <assafd@apex-md.co.il>  
**Date:** November 3, 2015 at 6:46:55 AM EST  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** RE: השב השב: Urbancorp

הי,

מה המספר שלך?



---

**From:** Y. Dov Meyer [<mailto:ydmeyer@tfcc.ca>]  
**Sent:** Tuesday, November 03, 2015 12:07 PM  
**To:** Assaf Dagan  
**Subject:** Re: השב השב: Urbancorp

אתה חושב שככה הם יחזרו אליך - עם שתי חלופות?  
חלופה אחת עם \$8 והשנייה עם \$12

Sent from my iPad

On Nov 3, 2015, at 5:04 AM, Assaf Dagan <assafd@apex-md.co.il> wrote:

הי,



אנחנו נדע רק בחמישי איפה עומדים ש, ועוד שעבר הינו יותר אופטי ים אחרי הפגישה במדרוג. השובע שוחחתי עם החברה שם וקיבלתי תחושה שלא בטוח שאנחנו שם. הם מכירים הזרמה של 8 מיליון הם יחזרו אלי ויעדכנו בחמישי האם בשביל קבוצת ה A צריך להגדיל את ההזרמה ל 12 מיליון. זה הסכום שאמרתי להם שיבדקו

Assaf Dagan  
+972-54-2525465

-----הודעה מקורית-----

**מאת:** Y. Dov Meyer  
**תאריך:** 11:27 20 15 יום ג', 3 בנוב'  
**אל:** Assaf Dagan;  
**נושא:** Re: השב: Urbancorp

אסף השאלה היא איפה להערכתך אנחנו עומדים עם מדרוג והאם לדעתך יש אפשרות לקבלת A- עם עוד קצת equity

Sent from my iPad

On Nov 2, 2015, at 11:27 PM, Assaf Dagan <[assafd@apex-md.co.il](mailto:assafd@apex-md.co.il)> wrote:

Good morning,

We can talk call my cell +972-54-2525465

Assaf

Assaf Dagan  
+972-54-2525465

-----הודעה מקורית-----

**מאת:** Y. Dov Meyer  
**תאריך:** 03:38 2015 יום ג', 3 בנוב'  
**אל:** Assaf Dagan;  
**נושא:** Urbancorp

Can you talk first thing in the morning israel time.  
 Alan is asking if we would increase the equity.  
 I need to discuss with you.

Sent from my iPhone

THIS IS EXHIBIT "X" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_15\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to read 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** November 6, 2015 7:45 AM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** Q3

Alan

I had a discussion with Yair and Assaf today about Q3 reports. They wanted to make sure that Michael would have them ready on time. Would it be a good idea for he and Philip to decide on a date to review draft reports rather than wait until the 30th?

Sent from my iPhone

THIS IS EXHIBIT "Y" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Eliav Bar-David <eliavb@apex-md.co.il> on behalf of Eliav Bar-David  
**Sent:** November 8, 2015 3:38 PM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>, "Alan Saskin" <alansaskin@gmail.com>, "Assaf Dagan" <assafd@apex-md.co.il>  
**Subject:** RE: Presentation

Thanks

-----Original Message-----

From: Y. Dov Meyer [mailto:ydmeyer@tfcc.ca]  
Sent: Sunday, November 8, 2015 7:18 PM  
To: Alan Saskin; Eliav Bar-David; Assaf Dagan  
Subject: Presentation

Reflections

Toronto market - the question will keep on coming up.

Maybe a few more comments

1. The answer is that we do have corrections but they are small and manageable.
2. Urbancorp builds entry level, first time buyer homes not high luxury homes which tend to be more volatile.
3. Also may want to add a slide with relative home prices for Toronto NY tel aviv. Toronto is approximately NIS 16,000 per Sqm. I think the tel aviv area would be 50% higher.

Important to emphasize that you have banking relationships with every schedule bank in the country.

Finally is it not customary to have a summary Sher of the deal which would include size, rating, ltv , major covenants, etc

Finally finally  
CEO and owner must do presentation.

Sent from my iPhone

THIS IS EXHIBIT "Z" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** November 10, 2015 3:25 PM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** Fwd: השיב: שיחת ועידה

Spoke to Eliav.  
Call me if your up.

Sent from my iPhone

Begin forwarded message:

**From:** Eliav Bar-David <eliavb@apex-md.co.il>  
**Date:** November 10, 2015 at 8:19:00 PM GMT+2  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** השיב: שיחת ועידה

כן

אליאב בר דוד

----- הודעה מקורית -----  
מאח: "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
20:16 2015/11/10 תאריך: (GMT+02:00)  
אל: Eliav Bar-David <eliavb@apex-md.co.il>  
נושא: שיחת ועידה

אתה פנוי יותר מאוחר?

Sent from my iPhone

THIS IS EXHIBIT "AA" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer



**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** November 15, 2015 11:47 PM  
**To:** "Phillip Gales" <phillipg@urbancorp.com>, "Barry Rotenberg" <brotenberg@harris-sheaffer.com>  
**Subject:** Fwd: q3

Sent from my iPhone

Begin forwarded message:

**From:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Date:** November 15, 2015 at 9:00:34 PM GMT+2  
**To:** Alan Saskin <alansaskin@gmail.com>  
**Subject: Re: q3**

Alan

I raised this with you before you left.

A possible solution would be to include valermo.

Now that you only own 50% maybe you can include only the quite portion

Sent from my iPad

On Nov 15, 2015, at 12:04 PM, Alan Saskin <alansaskin@gmail.com> wrote:

road trip started up again today, continues to go well.

Investors seem interested. Assaf has solved this lien on cash requirement that many investors have. It is being drafted into the trust deed, should see draft soon.

Road show ends Thursday . Assaf thinks institutional tender a week later.

Strawberry tender ( nursing homes) is Wednesday this week, give small indication of where market is, even though different company. And interest rate.

I am concerned about our Q3's.

The income will be fine.

However, various transactions look like we took a lot of money out of BondCo.

- 1) we took \$2.5 million of edge cash to pay Valermo deposits back.
- 2) we used \$2.5 million of edge cash to cover leslieville overdraft.
- 3) we paid trade bills from nonbondco projects with edge units , \$2.5 million
- 4) the TF edge mortgage , \$3M +/-, looks like cash out if edge

All together, it shows over \$10 million coming out of BondCo equity. And right before I have committed to put \$12M back.

We're still figuring this out with deloittes but some quick, creative, as yet unknown solutions may be essential.

We think Q3 profit is \$2-4 million, which adds to equity. The magnitude may be another \$2-4 million to somehow not show as an equity withdrawal .

Meeting at deloittes tomorrow night, jeremy by conference call. The magnitude of the actual problem is not known yet, I 'm speculating above what it might be.

Would appreciate your thoughts.

Best

Alan

THIS IS EXHIBIT "**BB**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** November 23, 2015 10:01 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Re: Israel update

ah  
Assaf never said that  
Q3's are good, about \$6-\$8 million profit

On Mon, Nov 23, 2015 at 9:59 AM, Y. Dov Meyer <ydmeyer@tfcc.ca> wrote:

Nir explained to me that asaf would like to postpone the tender until he sees the Q3 numbers



**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

22 St. Clair East, Suite 200, Toronto, ON

Tel: [416-792-4709](tel:416-792-4709) Mobile: [416-843-5457](tel:416-843-5457)

Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

**From:** Alan Saskin [mailto:[alansaskin@gmail.com](mailto:alansaskin@gmail.com)]  
**Sent:** Monday, November 23, 2015 9:07 AM  
**To:** Y. Dov Meyer <ydmeyer@tfcc.ca>  
**Cc:** barry rotenberg <[Brotenberg@harris-sheaffer.com](mailto:Brotenberg@harris-sheaffer.com)>; David Mandell <[davidm@urbancorp.com](mailto:davidm@urbancorp.com)>  
**Subject:** Fwd: Israel update

As per below, I don't think Thursday is realistic for the institutional tender.

Assaf suggested before we left Tel Aviv, that Monday next week, a week today, would be likely for the tender. He, Eliav and the other underwriters do need time to speak to the potential investors and line them up, after the

trust indenture terms are fixed. They won't be fixed until the final prospectus is filed, which still seems likely by Thursday.

I think when all is ready, Its Assaf's instincts about the market that we are relying on. I'm quite comfortable that his instincts are very good. He speaks to all the underwriters and investors all the time, so its instinct is based on knowledge.

What still has to be done I see in the following categories;

- 1) Deloitte sign off on Q3 ( likely by Thursday, the last possible day.)( Phillip and Michael in Israel all week working on this))
- 2) Shimonov files final prospectus ( Thursday, last realistically possible day)
- 3) Barry obtains required partner/lender consents ( these are required in prospectus. I think the actual requirement is an officers opinion that they have been obtained, the officer being me.)
- 4) Agreement with you for \$12 million. Term sheet looks fair. Just want to haggle a bit over fees with you. My time over there has made me more middle eastern. ( Still unclear on timing of \$12 million. >From your and my perspective, its simultaneous with bond money flowing. Like one big escrow. \$50-\$65 million net of Israel transaction costs(( \$3 million ?)) flows into lawyers account ( Barry ?). Existing TF loans get re-paid. TF advances new loan. After all the above is done, surplus funds flow to Urbancorp.
- 5) new things. Investors may raise new concerns that require answers.

alan

----- Forwarded message -----

From: Phillip Gales <[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)>  
 Date: Mon, Nov 23, 2015 at 8:14 AM  
 Subject: Israel update  
 To: Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>

Alan,

I'm getting up to speed with what is going on here in Israel. Generally, there is a lot to do, but everyone knows the timeline.

Regarding the audit, there are a lot of loose ends that need closing out. I have a list of these – a lot are related to Janterra appraisals (I've asked Ann to help) and information from David (particularly information around the Edge buyout) – we will teleconference with David later

Deloitte want to spend substantial time on the analytics (again) but we're getting organised for that tomorrow

It will be tight to get the audit done by Thursday, but it should be doable

Unfortunately the audited financials sound to be the rate limiting step for the issuance – Shimonov are saying that they are needed for the prospectus before we can go to tender. I'm waiting on confirmation of this from Nir. This does mean that a Thursday tender cannot occur – next Monday or Tuesday should be okay though

Speak to you soon!

Phillip

**Phillip Gales**, M.A., M.Eng., MBA  
CFO

THIS IS EXHIBIT "**CC**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** November 24, 2015 2:50 PM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Re: talk at 1?

although a few balls in the air  
they all seem to be landing ok and on time

deloittes working very late to finalize Q3  
which allow prospectus filing by thursday

stuff like an update janterra appraisal by end of day today, which we'll get

On Tue, Nov 24, 2015 at 2:38 PM, Y. Dov Meyer <ydmeyer@tfcc.ca> wrote:

What about q3 issues?

Timing?



**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

22 St. Clair East, Suite 200, Toronto, ON

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Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

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**From:** Alan Saskin [mailto:[alansaskin@gmail.com](mailto:alansaskin@gmail.com)]  
**Sent:** Tuesday, November 24, 2015 2:34 PM  
**To:** Y. Dov Meyer <ydmeyer@tfcc.ca>  
**Subject:** Re: talk at 1?

On long conference call with apex and Shimonov



Call you when it's over ?

Call is to change terms that investors are requiring to invest in our bonds

Good part is various investors willing to commit if we meet their specific terms

So far, all these terms are reasonable

Mainly, maintaining ratios

Example

They will allow a future bond raise , up to \$90 million total, if we add projects and maintain ratio of profit surplus over debt

Alan

Sent from my iPhone

On Nov 24, 2015, at 12:31 PM, Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)> wrote:

2:30

<image002.jpg>

**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

22 St. Clair East, Suite 200, Toronto, ON

Tel: [416-792-4709](tel:416-792-4709) Mobile: [416-843-5457](tel:416-843-5457)

Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

**From:** Alan Saskin [<mailto:alansaskin@gmail.com>]

**Sent:** Tuesday, November 24, 2015 12:26 PM

To: Y. Dov Meyer <ydmeyer@tfcc.ca>  
Subject: talk at 1?

Many issues arising

Priority

1) Deloitte threatening to re-state Q3. They won't but they need a Janterra appraisal before end of today, which we are getting, which will put this issue to rest.

2) finalize. Q3. So many issues and questions. we will get them all done in time for thursday filing, in my view.

3) TF security mortgage on edge. Shiminov says they cannot file prospectus with it in place. Can we have a document to remove it? they need this right away, so the committment to remove is fine.

4) trust indenture. Don't see this finished by thursday. Nir does not seem content with answers he's getting from barry, over the legal opinions on the liened funds. Theres a meeting now at harris shaffer with barry, david and the partners of HS to try to resolve this. It sounds like the trust indenture will be filed next week. It means the tender will be delayed, maybe up to a week.

discuss the above this afternoon?

alan

THIS IS EXHIBIT "**DD**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** November 24, 2015 8:09 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Fwd: Documents request  
**Attachments:** Asset ABC Comfort Letter.docx; Opinion Letter- Prospectus.docx; No change 9.15.docx; 073df626e29ad51e8ba1.eml

just for your info

Phillips 3 main concerns are below, for getting out the Q3's and not re-opening the Q2"s.  
 We have them all covered.

----- Forwarded message -----

**From:** Alan Saskin <alansaskin@gmail.com>  
**Date:** Tue, Nov 24, 2015 at 6:52 AM  
**Subject:** Fwd: Documents request  
**To:** David Mandell <davidm@urbancorp.com>  
**Cc:** ann lam rbancorp <annl@urbancorp.com>

spoke to phillip

he has 3 major concerns with Q3, must be addressed quickly today by us.

1) Warranty

he needs us to respond to this email with a warranty answer that confirms \$500/unit as the right number. As part of that, we'll say that in negotiation with Plaza, we got them to agree to a higher number. That way, when it only costs \$500/home, Urbancorp keeps the difference as profit. A similiar westside answer would also help.

2) Janterra tmac appraisal is \$4.4million, he needs \$5.5million. They show rent as \$30/sf, we need \$35+. To help them get there, Ann will tell them that Urbancorp mgt.inc. (outside bondco) is renting the entire 7,500sf for \$38/sf. They can say that in the appraisal.

3) He need a janterra appraisla of the edge live/work units, any number over \$2.7million. I'll have ann get that.

see you soon

alan

----- Forwarded message -----

**From:** Phillip Gales <phillipg@urbancorp.com>  
**Date:** Tue, Nov 24, 2015 at 3:56 AM  
**Subject:** RE: Documents request  
**To:** "Cohen Kaiser, Erez (IL - Tel-Aviv)" <ecohenkaiser@deloitte.co.il>, Michael Chong <Michael.Chong@mnp.ca>, Alan Saskin <alansaskin@gmail.com>, David Mandell <DavidM@urbancorp.com>, Ann Lam <annl@urbancorp.com>

All,

Please find enclosed an outstanding list of items from Erez required to close out the audit. We need to get these done today in order to be on schedule

Thanks,

Phillip

1) Edge queries:

Could you please provide details of the items below:

6. Future Technical Audit Settlement	(500,000)
12. Warranty – Plaza	(250,000)
13. Warranty Allowance	(750,000)
1. Baywood equity	<u>(1,500,000)</u>

a) Does the company expect to pay the mentioned accruals above?

**David**, can you confirm if we have to accrue for the Plaza Warranty and the Warranty Allowance

b) Does those items should have been recognized before the Q3 or this items arose due to the termination agreement?

We (**Michael & Phillip**) need to research Baywood Equity more – the rest should not have been recognised before Q3 and arose due to termination agreement. **Christine** to provide more information per Michael's email

2) Request for legal information (enclosed are the examples):

Please find below the documents\information requirements:

- a) Claims letter – Please provide us with a claims letter for the 24 of November. For the day of the signings you should send us a "No Change" email for the period subsequent to the 24<sup>th</sup>. Please find enclosed the draft
- b) Comfort letter regarding the ownership title for the full holding structure that being issued.
- c) Comfort letter for each entity that substantiate its ownership right in the asset.

Please find enclosed an example of a comfort letter regarding the information (If applicable). we expect to get foreach very material project (and relevant entities) - " Asset ABC Comfort Letter". Moreover, please find enclosed an example for an opinion letter for Urbancorp Inc.

We would appreciate to get the information mentioned in the examples attached from the lawyers ( I believe that Shimonov has that information in hand).

**David**, can you manage these please?

- 3) Janterra needs to provide an appraisal for TMAC for \$5,500,000 and Edge Commercial (live and work). Moreover please provide us with letters indicating that there are no change in the valuation of the each and every properties. (See attached email– FW: Appraisals – Q3).

Work in progress. Janterra to provide today. **Ann**, can you follow up with Janet please?

- 4) David needs to provide documentation to support the Density rights arise in Q3.

**David** is finalising this currently

- 5) We also questioning whether sufficient amounts were accrued for warranty as we found that as part of the settlement with plaza the value for the warranty was a Million CAD compares to the actual accrual that stands on 250 K CAD.

**David, Alan**, can we confirm the amounts we should accrue for warranties, and if the amount in the settlement was correct or perhaps over-stated for the sake of negotiation

----- Forwarded message -----

From: "Cohen Kaiser, Erez (IL - Tel-Aviv)" <[ecohenkaiser@deloitte.co.il](mailto:ecohenkaiser@deloitte.co.il)>

To: Michael Chong <[Michael.Chong@mnp.ca](mailto:Michael.Chong@mnp.ca)>

Cc:

Date: Sun, 22 Nov 2015 17:01:27 +0000

Subject: FW: Appraisals - Q3

**Erez Cohen Kaiser, CPA**  
 Manager | Audit Department

Brightman Almagor Zohar  
 Deloitte, 1 Azrieli Center, Tel Aviv, 67021, Israel  
 Tel/Direct: +972 (3) 6085427 | Mobile: +972 (54) 4411349  
[ecohenkaiser@deloitte.co.il](mailto:ecohenkaiser@deloitte.co.il) | [www.deloitte.co.il](http://www.deloitte.co.il)



Please consider the environment before printing

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**From:** Cohen Kaiser, Erez (IL - Tel-Aviv)  
**Sent:** Tuesday, October 20, 2015 7:25 PM  
**To:** 'Phillip Gales'  
**Cc:** Feldboy, Ran (IL - Tel-Aviv); Eisenstein, Itai (IL - Tel-Aviv); Otten, Dmitriy (IL - Tel-Aviv); Salman, Guy Shalom (IL - Tel-Aviv); '[Michael.Chong@mnp.ca](mailto:Michael.Chong@mnp.ca)'; '[Jeremy.Cole@mnp.ca](mailto:Jeremy.Cole@mnp.ca)'; 'Liora Oren | CFO Direct'; Assaf Dagan; [yair@equibright.com](mailto:yair@equibright.com)  
**Subject:** Appraisals - Q3  
**Importance:** High

Hi Phillip,

Following our phone call, we all need to agree on a major accounting procedure as described below:

One major accounting policy you should decide on relates to the fair value of real-estate properties and geothermal assets.

IFRS states that each financial statements should measure investment properties (R.E) at fair value (applicable for the Fixed assets – geothermal in that case, if you choose the revaluation model).

That means that you should prepare appraisals each and every quarter if it is material (i.e. the changes in the value between periods is material).

Nevertheless, most Israeli public company choose to rely on appraisals only twice a year – for December 31 and June 30.

This helps reduce cost for the preparation and audit of appraisals and of course reduces management attention.

In order to adopt this policy a company should relate to the following (relevant for the investment properties and the geothermal assets – hereinafter- RA):

- The fact that usually, RE\RA prices do not supposed to change significantly over a short period of 3 months and processes in the RE\RA takes time.
- The company should have an internal procedure in order to assess in each quarter if a major change in value exists and if it does, then even if you are in the 1<sup>st</sup> or 3<sup>rd</sup> quarter -an appraisal should be prepared.

Usually, in order to make it easier, the procedure involves the appraiser and if he thinks no major change has happened (you should determine what is major – for example a change of up to 5% in the value of each asset). At the end of this process you may come to a conclusion (in the 1<sup>st</sup> and 3<sup>rd</sup> quarters) that only certain assets needs to be revaluated and for the rest there is no major change in value or that no assets are revaluated in these 2 quarters. Please note that regarding the material change examination you should not take into consideration capital investments if this is similar to the budget you communicated to the appraisal (if applicable).

- Regarding the coming quarter 3 review – because you have prepared full appraisals for June 30, we think you can consider implementing a policy (for this quarter end only) that the appraiser will issue a letter stating there is no material change in assets value except for... and for these assets only he will issue a full appraisal. Please find attached an example of a trigger letter for investment properties, of course that for the geothermal assets letter, there will be a few slight adjustments, but it is based on the same idea.

The appraisers should send us those letter for all the assets with no significant change in value.

For any questions please feel free to contact me or Itai.

Regards,

Erez

**Erez Cohen Kaiser, CPA**

Brightman Almagor Zohar  
Deloitte, 1 Azrieli Center, Tel Aviv, 67021, Israel  
Tel/Direct: +972 (3) 6085427 | Mobile: +972 (54) 4411349  
ecohenkaiser@deloitte.co.il | [www.deloitte.co.il](http://www.deloitte.co.il)



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----- Forwarded message -----

From:

To:

Cc:

Date:

Subject:

QUFVbFJfaUI6RC1OaW9lSUdoZ1BpZzAwMDM=

THIS IS EXHIBIT "**EE**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

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**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** November 29, 2015 4:53 AM  
**To:** "barry rotenberg" <Brotenberg@harris-sheaffer.com>  
**Subject:** Fwd: Fw: Q3 Update of Edge

----- Forwarded message -----

From: **Alan Saskin** <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
Date: Sun, Nov 29, 2015 at 11:18 AM  
Subject: Re: Fw: Q3 Update of Edge  
To: Jeremy Cole <[Jeremy.Cole@mnp.ca](mailto:Jeremy.Cole@mnp.ca)>, "Y. Dov Meyer" <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>

yes, we were all up all night

Ran is running with his team with the changes  
he says he can get them done in less than 30 minutes  
then we send to shimonov and file

next problem is Midroog  
the Q2 restatement has thrown them. phillip and assaf calling them soon and explaining. Phillip knows its just moving \$1.4 million of costs from one quarter to another, but is concerned that it makes our accounting look sloppy.

Only then can we start on C7 Q3 updates. Problem is Phillip has not slept for 29 hours, theres 1-2 hours more for filing and midroog and then the C7 changes he thinks will take 4 hours+/- . Even if he could stay awake and do them, they don't get to ISA until end of business today, don;t know if thats acceptable.

priority  
file with isa soon, hopefully within next hour  
2nd. speak to Midroog  
3rd. C7 updates

have to hope Shimonov can buy us some time with ISA

THIS IS EXHIBIT "**FF**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, consisting of a large, stylized 'Y' followed by a horizontal line and a small flourish.

---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 1, 2015 10:20 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** new problem

assaf says there are discrepancies between the prospectus numbers and what we told investors. He says the total surplus is the same, but its allocated between projects differently.( i don't yet understand why thats a problem)  
Phillip is flying home now, landing at 11:30pm israel time but...has wifi and is communicating with us.

I don't know if it will delay things as I don't understand it yet.

assaf is going over the key spreadsheets himself now and will be ready to discuss with me shortly. We'll then contact Phillip for clarifications.

Phillips explanations to date are the allocation of which debt is paid off has changed through the process, which is true. Until last wednesday night, we were told the allocation of the \$46 million to pay debt in development assets did not have to be decided yet. The projections to investors were part of the road show package, which was 4 weeks ago. Our total profit has not changed.

this information is still tentative. Assaf is working on it now.

keep you posted.

best

alan

THIS IS EXHIBIT "**GG**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

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Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

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**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** December 3, 2015 1:52 PM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Cc:** "Carolyn Montgomery" <cmontgomery@tfcc.ca>  
**Subject:** Re: Pricing

Great

So we need to get cracking on the \$12mm.

Can you have Christine work with us on proformas of the non bondco assets.

Sent from my iPhone

On Dec 3, 2015, at 1:20 PM, Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)> wrote:

Your right

We're only taking \$52 million (C) at 8.15%

The next \$5.5 million is too expensive

They think we'll get up to \$13 million more in the public tender on Monday

Sent from my iPhone

On Dec 3, 2015, at 7:40 PM, Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)> wrote:

Alan

I understand that there is a dilemma if you should take the full 167mm at 8.55% or keep it at 150mm at 8.15%.

My advice would be to limit the offering and walk away from the 17mm. first of all its going to cost you 12.1% and also it makes you look very good.

Take the 50 either in the retail or in the next round

<image001.jpg>

**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

22 St. Clair East, Suite 200, Toronto, ON

Tel: 416-792-4709 Mobile: 416-843-5457

Email:[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website:[www.tfcc.ca](http://www.tfcc.ca)

THIS IS EXHIBIT "**HH**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_\_15\_\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer



16

**Kraft, Kenneth**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** December 7, 2015 6:18 AM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** Re: bond issue

Our understanding was that the release of the edge security was for edge payables as well. How did I earn the position of being the go to guy when things like this come up?

Sent from my iPad

On Dec 7, 2015, at 5:42 AM, Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)> wrote:

I would appreciate your assistance on a last minute problem.

Shimonov needs a no change letter from Barry to proceed with the regulatory requirements for the public tender.

With Edge, we have kept creditors at bay by transferring or securing mortgages on units. Some of these transaction occurred in the past few weeks. Satisfying Edge bills with Edge units is fine, actually satisfying any Bondco company obligation is fine and permitted. However, some units were secured or transferred to satisfy Leslieville or Epic obligations, companies outside Bondco. I don't know the magnitude yet, it might be \$1-\$2 million.

I'll find out this morning the magnitude. Shimonov says the best solution is to reverse those transactions. I can only do that with funds. I would appreciate Terra Firma considering an additional loan, funded quickly, to get over this last hurdle. Security would be the security package we have discussed for the new \$12 million loan, without the offsetting mezz. loans. It would be the assets outside Bondco and Bondco shares.

I just found out about this and got off the phone with Assaf and Nir. They were content once I said I would fix the problem. I will know the magnitude once I'm in the office.

Sorry for the last minute but I was just made aware of this particular issue.

Best  
Alan

THIS IS EXHIBIT "II" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal stroke and a small upward tick at the end.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** December 7, 2015 9:04 AM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** Re: prospectus expenses - updated

Give Nir a rounded number say \$1mm we will figure out how to allocate afterwards.

Sent from my iPhone

On Dec 7, 2015, at 8:49 AM, Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)> wrote:

I'll have Nir add it to the official expenses  
he will likely request some kind of backup, not immediately

On Mon, Dec 7, 2015 at 8:45 AM, Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)> wrote:

Yes

It is 1% of the first \$50 and 1/2 on anything above net of expenses.

Sent from my iPhone

On Dec 7, 2015, at 8:35 AM, Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)> wrote:

I forget the amount that you and I agreed that Terra Firma would get as a consulting/investment banking fee for the bond offering

Enclosed is Nir's list  
I'd like to add the Terra Firma fee to this list

I thought your fee was separate from the Apex fee  
to fund it, its much better if its on the list

On Mon, Dec 7, 2015 at 8:30 AM, Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)> wrote:

I am not sure I understand

Sent from my iPad

On Dec 7, 2015, at 7:22 AM, Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)> wrote:

I think it best to get the terra firma fee we agreed to on this  
Shimonov list.

also, the Yair fee is now a separate consulting agreement, as of  
10 minutes ago. I don't think that is a problem, it was just my  
understanding that Yair was paid from the apex fee. I've asked  
Eliav to clarify that the Yair fee is deducted from the total Apex  
amount. I've agreed to pay apex 3.45 %, inclusive of success fee.

This was agreed to after the successful tender last Thursday night with assaf and eliav. They confirmed that Yair was paid from their share.

I don't think there is a problem here, I just don't want misunderstandings.

When Eliav confirms to me that even though Yair is now a separate consulting agreement, the Yair amount is deducted from the total Apex amount, then its ok.

I'm not asking you to do anything about this, just be aware of it if a misunderstanding develops.

thanks  
alan

----- Forwarded message -----

**From:** Alan Saskin <[alans@urbancorp.com](mailto:alans@urbancorp.com)>  
**Date:** Sun, Dec 6, 2015 at 4:11 PM  
**Subject:** Fwd: prospectus expenses - updated  
**To:** Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>

Sent from my iPhone

Begin forwarded message:

**From:** Nir Cohen Sasson <[nir@is-adv.com](mailto:nir@is-adv.com)>  
**Date:** December 6, 2015 at 4:08:15 PM EST  
**To:** "Alan Saskin ([alans@urbancorp.com](mailto:alans@urbancorp.com))" <[alans@urbancorp.com](mailto:alans@urbancorp.com)>, "[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)" <[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)>, "David Mandell ([davidm@urbancorp.com](mailto:davidm@urbancorp.com))" <[davidm@urbancorp.com](mailto:davidm@urbancorp.com)>  
**Cc:** "Assaf Dagan ([assafd@apex-md.co.il](mailto:assafd@apex-md.co.il))" <[assafd@apex-md.co.il](mailto:assafd@apex-md.co.il)>, "Eliav Bar-David ([eliavb@apex-md.co.il](mailto:eliavb@apex-md.co.il))" <[eliavb@apex-md.co.il](mailto:eliavb@apex-md.co.il)>  
**Subject:** prospectus expenses - updated

All,

Please find attached updated expenses after a call with Alan.

We will use these number unless you have further comments.

Note that the numbers are assuming an issuance of NIS 200M and the variable expenses will probably be lower.

Please respond quickly to email tomorrow, in case we will need your assistance and approvals.

The schedule is tight. We are planning to issue tomorrow morning-noon the amended prospectus and later on the supplementary report.

Regards,

Nir

Nir Cohen Sasson, Adv.

**Partner**

Rogovin Tidhar Tower, 23rd fl.

11 Menachem Begin Rd. Ramat Gan 5268104

Tel: 972-3-6111000 Fax: 972-3-6133355

Fax to mail: 073-2636907

-----[www.shimonov.com](http://www.shimonov.com)-----

<image003.jpg>

<Urbancorp Expenses - 009.xlsx>

THIS IS EXHIBIT "JJ" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

⑧

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 7, 2015 10:26 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Fwd: prospectus expenses - updated

well  
 as per below

no fees from the offering directly  
 they'll have to be dealt with from non- bondco assets and the management company  
 alan

----- Forwarded message -----  
**From:** Nir Cohen Sasson <nir@is-adv.com>  
**Date:** Mon, Dec 7, 2015 at 10:20 AM  
**Subject:** RE: prospectus expenses - updated  
**To:** Alan Saskin <alansaskin@gmail.com>

Alan,

1. Terra firma - I spoke several times with Y.Dov, Apex, Yair and understood Y.Dov /Firma is not paid at all. The additional 1% was not disclosed, this is news to me. I really cannot understand how the lender that is repaid with the proceeds of the bonds get paid additional fees that are not in the original terms of the loan agreements. Dov's status is very gentile. we expect him to be out of Urbancorp right after the offering and I don't want to get into inquiries after the offering whether he is a related party or not.

No local investment bankers are needed since the offering is in Israel. You could not explain this to the market. This is not acceptable in raising bonds in Israel. **This is a huge problem.**

I suggest we talk to Dov and ask him what this is all about. If terra firma had these terms we should have disclosed this in the prospectus.

2. Urbancorp staff – you cannot do it from Bondco. They are employees of Toronto management / related parties. You have approved to engage in a specific services agreement between Toronto management and Urbancorp Inc for a fixed amount. You can pay bonuses only from your private equity. No additional payment to office holders is allowed unless we wrote it specifically in the prospectus. **This is not allowed from Urbancorp Inc.**

3. I'm not familiar with this, you are entitled to 1.5m per year for the services agreement which is described in chapter 9. All the permitted and approved transactions are described in chapter 9.

I am very disturbed from your email. We cannot do these kind of changes a few hours from the public tender unless we abort the current process and file another amended prospectus, which I presume will make the institutional investors commitments void.

Regards,

Nir

[Alan Saskin [mailto:[alansaskin@gmail.com](mailto:alansaskin@gmail.com)]:**From**  
Monday, December 07, 2015 4:38 PM:**Sent**  
Nir Cohen Sasson:**To**  
Re: prospectus expenses - updated:**Subject**

nir

could you give me some guidance on the following;

1) Terra Firma is also our local investment bank and we agreed to pay them a fee of 1% on the first \$50million and 50 basis point on the balance. Calculate on the net amount after expenses. I've estimated \$560,000 canadian.

2) I intended to pay some success fee to key Urbancorp staff, Phillip, David, etc.. What amount are we permitted? I was thinking a total of about \$900,000 Canadian.

3) I thought Urbancorp was permitted a fee or cost for the transaction of \$1-\$1.5 million. Am I mixed up and confusing this with something else?

thanks



alan

On Sun, Dec 6, 2015 at 4:11 PM, Alan Saskin <[alans@urbancorp.com](mailto:alans@urbancorp.com)> wrote:

Sent from my iPhone

Begin forwarded message:

**From:** Nir Cohen Sasson <[nir@is-adv.com](mailto:nir@is-adv.com)>  
**Date:** December 6, 2015 at 4:08:15 PM EST  
**To:** "Alan Saskin ([alans@urbancorp.com](mailto:alans@urbancorp.com))" <[alans@urbancorp.com](mailto:alans@urbancorp.com)>, "[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)" <[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)>, "David Mandell ([davidm@urbancorp.com](mailto:davidm@urbancorp.com))" <[davidm@urbancorp.com](mailto:davidm@urbancorp.com)>  
**Cc:** "Assaf Dagan ([assafd@apex-md.co.il](mailto:assafd@apex-md.co.il))" <[assafd@apex-md.co.il](mailto:assafd@apex-md.co.il)>, "Eliav Bar-David ([eliavb@apex-md.co.il](mailto:eliavb@apex-md.co.il))" <[eliavb@apex-md.co.il](mailto:eliavb@apex-md.co.il)>  
**Subject:** prospectus expenses - updated

All,

Please find attached updated expenses after a call with Alan.

We will use these number unless you have further comments.

Note that the numbers are assuming an issuance of NIS 200M and the variable expenses will probably be lower.

Please respond quickly to email tomorrow, in case we will need your assistance and approvals.

The schedule is tight. We are planning to issue tomorrow morning-noon the amended prospectus and later on the supplementary report.

Regards,

Nir

Nir Cohen Sasson, Adv.

**Partner**

THIS IS EXHIBIT "**KK**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_15\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 7, 2015 11:56 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** no change letter

it comes down to 2 trades

one, triumph, received \$428,000 towards outside bondco companies  
we're getting an amendment signed changing that, should be done in a few hours

second is Speedy Electric. Speedy accepted an edge mortgage on units, for edge bills. Not edge units, just mortgage security and there is no issue with that. He also received 2nd mortgage security on Bridge units, for payments due outside bondco, \$1,103,000. I'm meeting the owner, Albert at 1pm to ask him to release that mortgage security on Bridge units, but keep the Edge mortgage.

hopefully can resolve this without money.

as a fallback plan, if I have to give speedy some money, I think \$500,000 would do. we have \$295,000 in the bank. I can't have a zero balance and have to meet payroll. Could I borrow \$400,000 from you, to pay speedy, if I have to?

THIS IS EXHIBIT "LL" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 8, 2015 5:33 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Fwd: כשח: Bond offering

still working on the problem

we eliminated the 2 largest problems yesterday  
and assumed, wrongly, that there was materiality  
there are 3 left, an \$86,000, a \$97,000 and a \$5,237  
which we all, including Barry, thought were not material

Nir has clarified any amount must be reversed since its related party. We will get them reversed first thing today.

It all comes down to, will Barry have enough comfort himself, to write the clean comfort letter they want, even with some loose ends. He knows what is at stake. I think he will.

Nir has told him the deadline for the comfort letter is noon today. That seems hard to achieve, especially with Barry starting at the office at 11am. David, Phillip, myself and our construction staff will be in at 7:30 am, getting the 3 involved trades to sign the required amendment, eliminating the related party transactions.

We all thought, wrongly, that the funding date, the start of Urbancorp inc., started the ban on related party transactions.

Could you call Eliav to find out what the real deadline today for Barry is. I don't think he believes Nir that its noon today but he'll believe you. From experience now, I think we have until 2-3pm, (9-10pm Israel time)

Alan

----- Forwarded message -----

**From:** Nir Cohen Sasson <nir@is-adv.com>  
**Date:** Tue, Dec 8, 2015 at 1:20 AM  
**Subject:** Re: כשח: Bond offering  
**To:** "phillipg@urbancorp.com" <phillipg@urbancorp.com>, "alansaskin@gmail.com" <alansaskin@gmail.com>, David Mandell <DavidM@urbancorp.com>  
**Cc:** "brotenberg@harris-sheaffer.com" <brotenberg@harris-sheaffer.com>, Eliav Bar-David <eliavb@apex-md.co.il>, Assaf Dagan <assafd@apex-md.co.il>, Ran Felder <ran@is-adv.com>, יאיר פכר <yair@equibright.com>, Eyal Natanian <eyal@is-adv.com>

Barry, Assaf, Eliav and I talked.  
We understand you need more time to revert 100% of related parties transaction. It means we cannot have the public offering today.

Apex will come up with an excuse to delay the offering by a day. We will file the report in the evening instead of this morning, subject to having "all clear" by Barry. Offering date will move to Wednesday. Note that Apex cannot delay the offering more, it will be hard to explain to the investors.

Good luck.  
Nir

Sent from my iPhone

On 8 Dec 2015, at 07:36, Assaf Dagan <[assafd@apex-md.co.il](mailto:assafd@apex-md.co.il)> wrote:

It is not the amount it is the related party transactions

Assaf Dagan  
[+972-54-2525465](tel:+972-54-2525465)

----- מקורית הודעה -----

מאת: Barry Rotenberg

תאריך: 8 בדצמ' 2015 07:29

אל: Assaf Dagan; Alan Saskin; Phillip Gales; David Mandell;

ערוך: Eliav Bar-David; Nir Cohen Sasson; Ran Felder; פכר יאיר; שמעון נתניאן אייל;

נושא: RE: Bond offering

You find the amounts I referred to as "material"?

I will call Nir and we can talk.

---

**From:** Assaf Dagan [<mailto:assafd@apex-md.co.il>]  
**Sent:** December-08-15 12:25 AM  
**To:** Alan Saskin; Barry Rotenberg; Phillip Gales; David Mandell  
**Cc:** Eliav Bar-David; Nir Cohen Sasson; Ran Felder; פכר יאיר; שמעון נתניאן אייל  
**Subject:** Bond offering  
**Importance:** High

Guys

Until we get a clean comfort letter without the exception we CAN NOT MOVE FORWARD and we can't do the offering.

Assaf

Assaf Dagan  
[+972-54-2525465](tel:+972-54-2525465)

THIS IS EXHIBIT "**MM**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer



**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 8, 2015 10:59 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Fwd: schedule for the offering today

----- Forwarded message -----

**From:** Nir Cohen Sasson <nir@is-adv.com>  
**Date:** Tue, Dec 8, 2015 at 10:32 AM  
**Subject:** schedule for the offering today  
**To:** Alan Saskin <alansaskin@gmail.com>, Phillip Gales <phillipg@urbancorp.com>, David Mandell <DavidM@urbancorp.com>, Barry Rotenberg <brotenberg@harris-sheaffer.com>, "Alan Saskin (alans@urbancorp.com)" <aalans@urbancorp.com>  
**Cc:** Ran Felder <ran@is-adv.com>, יאיר פכר <yair@equibright.com>, Eyal Natanian <eyal@is-adv.com>, Eliav Bar-David <eliavb@apex-md.co.il>, Assaf Dagan <assafd@apex-md.co.il>

Alan, Barry, David, Phillip,

Following our calls tonight/this morning, here is a summarize of what we discussed needed to be done in order to file the supplementary notice and to carry out the public offering as planned:

1. Urbancorp is/will revert all of the related parties transactions, as they were never made.
2. The outcome will be that these transactions will be void. As of the December 31, 2015 financial Statements no new related party transaction will be standing and there will be no trace of any.
3. In the next few hours, Urbancorp will send Barry the signed documents reflecting the above.
4. **Today By 12PM Toronto** Barry will send an updated draft of the opinion, to be reviewed and agreed by us.
5. The opinion:
  - a. should be a "clean" opinion, saying there is no change in the status of his former opinions dated November 26, 2015 (assets + corporate) but some immaterial transactions in the ordinary course of business, of selling units / trading units / mortgaging units of Edge in regards to Bondco subsidiaries itself, all of them described in the opinion.
  - b. No new related party transaction will be in force and therefore the opinion would not refer to any.
  - c. It should be clear from the opinion that no cross collateral between Edge/Westside/Bridge was created or registered.

d. The opinion will also include a reference to no change in the corporate status of Urbancorp Inc, including a reference to the Articles of Organization, Bylaws, Shareholders, share capital, directors and officers, good standing etc.

6. **Today By 1PM Toronto**, Barry will give an executed .
7. **Today By 2PM Toronto** Shimonov will give an opinion to Apex authorizing that the prospectus contains the full disclosure regarding the Company as of today.
8. **Today By 3PM Toronto** Shimonov will file the supplementary notice.
9. Tomorrow's newspapers will publish the adds regarding the offering.

**Additional points:**

1. Tomorrow we expect to have the post-closing opinion, saying the assignment of the "Saskin' interests" is completed.
2. Barry - please provide us today the final draft for our review.
3. Do remember to allocate the special shares in Bondco tomorrow as well. We will prepare a board resolution for this issuance.
4. An immediate report will be filed tomorrow regarding the assignment + the allocation of shares.
5. An immediate report will be filed tomorrow regarding the results of the offering.
6. Alan and Barry – please make sure the transaction of the 12M is made as well right after the assignment of the assets is completed (tomorrow?). Do consult with MNP and Deloitte in the accounting side. I assume it is against premium and not new shares.
7. An immediate report will be filed regarding the 12M if the investment.

Regards,

Nir

Nir Cohen Sasson, Adv.

Partner

**SHIMONOV & Co.**  
*law firm*

Rogovin Tidhar Tower, 23rd fl.

11 Menachem Begin Rd. Ramat Gan 5268104

Tel: 972-3-6111000 Fax: 972-3-6 133355

Fax to mail: 073-2636907

-----[www.shimonov.com](http://www.shimonov.com)-----

THIS IS EXHIBIT "**NN**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_15\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 8, 2015 1:12 PM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** barrys clean opinion

we're all assuming he will sign and send it soon but no one has called him to enquire

David thinks he'll just do it and leave him alone to his task

His partners won't be pleased if he sends it, but won't stop him, according to david

the whole enterprise rests on this now

I think he'll sign, based on all the documents he's asked us to sign today

He does not respond to pressure, he does to loyalty and friendship

leave it alone and wait?

you call?

I call?

Would worrying help?

THIS IS EXHIBIT "OO" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.




---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Rabinovitch, Neil  
**Sent:** October 8, 2018 7:41 PM  
**To:** Kraft, Kenneth; Rabinovitch, Neil  
**Subject:** FW: Re: Immediate report regarding the transfer of rights and CAD 12M

 Neil S. Rabinovitch  
 Partner

D +1 416 863 4656  
 neil.rabinovitch@dentons.com  
 Bio | Website

Dentons Canada LLP  
 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1 Canada

HPRP > Zain & Co. > Delany Law > Dinner Martin > Maclay Murray & Spens > Gallo Barrios Pickmann  
 > Muñoz > Cardenas & Cardenas > Lopez Velarde > Rodyk > Boekel > OPF Partners > 大成

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---

**From:** Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>  
**Sent:** December 8, 2015 8:38 PM  
**To:** "Barry Rotenberg" <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)>, "Alan Saskin" <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
**Subject:** Re: Immediate report regarding the transfer of rights and CAD 12M

Barry  
 Great work today.  
 How long will it take you to get the trustee all of the deliverables?  
 Dov

Sent from my iPhone

On Dec 8, 2015, at 4:53 PM, Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)> wrote:

---

**From:** Nir Cohen Sasson [<mailto:nir@is-adv.com>]  
**Sent:** December-08-15 4:52 PM  
**To:** Barry Rotenberg; Alan Saskin ([alans@urbancorp.com](mailto:alans@urbancorp.com))  
 ([alans@urbancorp.com](mailto:alans@urbancorp.com)); [davidm@urbancorp.com](mailto:davidm@urbancorp.com); [phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)  
**Cc:** Ran Felder; Cheryl Moore; Eyal Natanian; Assaf Dagan; Jeremy Cole ([jeremy.cole@mnp.ca](mailto:jeremy.cole@mnp.ca));  
 Christine Honrade ([christineh@urbancorp.com](mailto:christineh@urbancorp.com))  
**Subject:** RE: Immediate report regarding the transfer of rights and CAD 12M

Following a call with Phillip, please note:

1. The assignment may be executed a few days after the offering results. since you know today that the offering is happening, you may consider working on that today. **Assaf** – please approve, do they have the minimal amount distributed according to TASE requirements?
2. We deliberately did not write a date for the 12M investment commitment, but it is clear that it should be soon after the issuance. You have a few days for that too. As I see it, it is preferred to finish it soon because you are anticipated to do it right after the offering, let's say next week, and no matter what before December 31, 2015 in order for Bondco financials to reflect that investment. We will need to file an immediate report on that too (see the yellow section Ran Felder sent earlier).
3. **Barry** - The 12 M investment is not relevant for your post-closing opinion, as discussed. It can be separated from the immediate report Ran Felder sent earlier you think it is better.

Regards,  
Nir

---

Nir Cohen Sasson:**From**  
Tuesday, December 08, 2015 10:39 PM:**Sent**

Barry Rotenberg:**To**

Ran Felder; Alan Saskin ([alans@urbancorp.com](mailto:alans@urbancorp.com)) ([alans@urbancorp.com](mailto:alans@urbancorp.com)); [phillipg@urbancorp.com](mailto:phillipg@urbancorp.com); **:Cc**  
[davidm@urbancorp.com](mailto:davidm@urbancorp.com); Cheryl Moore; Eyal Natanian; Assaf Dagan; Jeremy Cole ([jeremy.cole@mnp.ca](mailto:jeremy.cole@mnp.ca));  
(Christine Honrade ([christineh@urbancorp.com](mailto:christineh@urbancorp.com)))

Re: Immediate report regarding the transfer of rights and CAD 12M:**Subject**

Barry, Alan, David,

Something is terribly wrong in this email.

That's is not what is agreed and described in the prospectus. There is a specific designation for the proceeds. The flow of the proceeds is described in the trust deed. We've all read it several times. I had a call with David regarding those specific sections that are dealing with the release of funds. It may take a week or a few weeks., depends on the trustee and your legal advisor.

Dov is irrelevant to the 12M investment, the company is not aware of the origin of the funds that Alan put in the company. Dov is not mentioned. I remind you all that the mechanism regarding Alan's investment was changed while we were in Toronto. This was clear to all that the origin is not from the repayment of terra forma's loans!!! Alan should have taken steps to have the sum from his own equity. If he would take a new loan on his private end from a certain lender regardless the repayment to terra firma that is ok. The link to terra firma was cut a few months ago.

The assignment of the assets is an "auto pilot" mechanism, that is subjected to the success in the offering. No connection to the release of funds. That is written clearly in the prospectus. We have been through this many times. Several emails and phone calls were on this issue - the commitment to assign the assets is immediate since third parties have agreed to the assignment. It is written clearly in the prospectus. Even Barry was asked to read it.

We do not change now any of the mechanisms that are described in the prospectus. If it is not clear that the assignment can be made in a few days after tomorrow's successful tender, you should not go for the offering now.



If the tender is made and the assignment is not completed in a few days, TASE will revert the offering and the money will be returned to the investors. That never happened in the history of TASE, and I wouldn't want to be the first to have it.

We should not move any further with this offering until it is clear to all that what is written in the prospectus is "holly" and that a commitment in the prospectus is something that must be executed.

I need a clarification that everything just mentioned in Barry's email is not correct and it is just a misunderstanding.

Regards,  
Nir

Sent from my iPhone

On 8 Dec 2015, at 21:10, Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)> wrote:

I don't understand why things have to be done tomorrow.  
I always understood that the 12 million must be committed. I thought it was to fund "within 30 days"  
Dov will not fund unless he is paid back.  
You are holding the Bond proceeds in Trust, so you see the dilemma.  
I can't see transferring the assets if you don't release the Bond funds  
If we clear today's hurdle we will work through the night but there is a lot of work to be done to transfer the Assets on the tax side.  
Tomorrow is very unlikely.

---

**From:** Ran Felder [<mailto:ran@is-adv.com>]  
**Sent:** December-08-15 2:04 PM  
**To:** Barry Rotenberg; Alan Saskin ([alans@urbancorp.com](mailto:alans@urbancorp.com))  
([alans@urbancorp.com](mailto:alans@urbancorp.com)); [phillipg@urbancorp.com](mailto:phillipg@urbancorp.com); [davidm@urbancorp.com](mailto:davidm@urbancorp.com); Cheryl Moore  
**Cc:** Nir Cohen Sasson; Eyal Natanian; Assaf Dagan  
**Subject:** RE: Immediate report regarding the transfer of rights and CAD 12M

Just to understand:

1. We will receive the executed opinion regarding the transfer of interests;
2. You are not sure we will receive the approval of CAD 12M transfer to the Urbancorp Inc.

Thanks,  
Ran

Ran Felder, Advocate.

**SHIMONOV & Co.**  
————— *law firm* —————

Rogovin Tidhar Tower, 23rd fl.  
11 Menachem Begin Rd. Ramat Gan 5268104

Tel: 972-3-611 1000 Fax: 972-3-6133355

Fax to mail: 073-2636923

-----[www.shimonov.com](http://www.shimonov.com)-----

---

**From:** Barry Rotenberg [<mailto:brotenberg@harris-sheaffer.com>]  
**Sent:** Tuesday, December 08, 2015 9:00 PM  
**To:** Ran Felder; Alan Saskin ([alans@urbancorp.com](mailto:alans@urbancorp.com))  
([alans@urbancorp.com](mailto:alans@urbancorp.com)); [phillipg@urbancorp.com](mailto:phillipg@urbancorp.com); [davidm@urbancorp.com](mailto:davidm@urbancorp.com); Cheryl Moore  
**Cc:** Nir Cohen Sasson; Eyal Natanian; Assaf Dagan  
**Subject:** RE: Immediate report regarding the transfer of rights and CAD 12M

I doubt that this will be done by tomorrow.

Dov is prepared to provide a Commitment to Alan for the equity but it will not fund tomorrow.

We will transfer the assets but I don't know if it will be done for tomorrow.

---

**From:** Ran Felder [<mailto:ran@is-adv.com>]  
**Sent:** December-08-15 1:57 PM  
**To:** Alan Saskin ([alans@urbancorp.com](mailto:alans@urbancorp.com))  
([alans@urbancorp.com](mailto:alans@urbancorp.com)); [phillipg@urbancorp.com](mailto:phillipg@urbancorp.com); [davidm@urbancorp.com](mailto:davidm@urbancorp.com); Barry Rotenberg; Cheryl Moore  
**Cc:** Nir Cohen Sasson; Eyal Natanian; Assaf Dagan  
**Subject:** Immediate report regarding the transfer of rights and CAD 12M

Hi all,

Please see attached draft of immediate report to be filed tomorrow after:

1. The public tender; and
2. Receiving the Barry's approval of transfer opinion.

Please note that I have attached the Hebrew and English translation (as always, the Hebrew is the binding one).

Please approve the wording.

Thanks,  
Ran

Ran Felder, Advocate.

**SHIMONOV & Co.**  
*law firm*

Rogovin Tidhar Tower, 23rd fl.

11 Menachem Begin Rd. Ramat Gan 5268104

Tel: 972-3-611 1000 Fax: 972-3-6133355

Fax to mail: 073-2636923

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THIS IS EXHIBIT "**PP**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_15\_\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.


---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Rabinovitch, Neil  
**Sent:** October 8, 2018 3:21 PM  
**To:** Kraft, Kenneth; Rabinovitch, Neil  
**Subject:** FW: Funds from trustees

 **Neil S. Rabinovitch**  
 Partner

D +1 416 863 4656  
 neil.rabinovitch@dentons.com  
 Bio | Website

Dentons Canada LLP  
 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1 Canada

HPRP > Zain & Co. > Delany Law > Dinner Martin > Maclay Murray & Spens > Gallo Barrios Pickmann  
 > Muñoz > Cardenas & Cardenas > Lopez Velarde > Rodyk > Boekel > OPF Partners > 大成

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---

**From:** Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>  
**Sent:** December 9, 2015 6:19 PM  
**To:** "Barry Rotenberg ([brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com))" <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)>  
**Cc:** "alansaskin@gmail.com" <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>, "David Mandell ([davidm@urbancorp.com](mailto:davidm@urbancorp.com))" <[davidm@urbancorp.com](mailto:davidm@urbancorp.com)>  
**Subject:** Funds from trustees

Barry  
 What is the schedule for getting the funds from the trustee?  
 Are we clear exactly what the deliverables are?



**Y. Dov Meyer**  
 CEO

Terra Firma Capital Corporation  
 22 St. Clair East, Suite 200, Toronto, ON  
 Tel: 416-792-4709 Mobile: 416-843-5457  
 Email:[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website:[www.tfcc.ca](http://www.tfcc.ca)

THIS IS EXHIBIT "QQ" REFERRED TO IN THE  
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ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 17, 2015 12:28 PM  
**To:** "Phillip Gales" <phillipg@urbancorp.com>  
**Subject:** Fwd: Structure of \$12mm loan

Sent from my iPhone

Begin forwarded message:

**From:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Date:** December 17, 2015 at 11:25:39 AM EST  
**To:** "alansaskin@gmail.com" <alansaskin@gmail.com>, "Barry Rotenberg (brotenberg@harris-sheaffer.com)" <brotenberg@harris-sheaffer.com>  
**Cc:** "Esther Berglas (eb@nwinlaw.com)" <eb@nwinlaw.com>, "Norman (Tuli) Winter (nw@nwinlaw.com)" <nw@nwinlaw.com>, Carolyn Montgomery <cmontgomery@tfcc.ca>, Glenn Watchorn <GWatchorn@tfcc.ca>, Mano Thiyagarajah <mthiyagarajah@tfcc.ca>  
**Subject:** Structure of \$12mm loan

The purpose of this email is to outline the concept I envision for the \$12mm loan.  
The lawyers can work on the details.

1. Urbancorp Bondco should set up a subsidiary ("Subco") to specifically hold the \$12mm cash and the future investments

Subco will have its own bank account and the funds will be in that bank account in escrow pending a mez loan transaction

When a mez loan is identified it will be funded by Subco and held by Subco

Interest collected on a mez loan (to the extent interest is paid and not accrued) will be collected into the Subco account

TFCC will get security of Subco and its assets

<image002.png>

**Y. Dov Meyer**  
CEO  
Terra Firma Capital Corporation  
22 St. Clair East, Suite 200, Toronto, ON  
Tel: 416-792-4709 Mobile: 416-843-5457  
Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

THIS IS EXHIBIT "**RR**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer



**Rabinovitch, Neil**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** December 17, 2015 4:01 PM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** Re: Subsidiary Corp. Opinions and revised resolution

Wtf?

Sent from my iPhone

On Dec 17, 2015, at 1:56 PM, Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)> wrote:

I think it best to stay away from this one  
Nothing in the prospectus or trust deed says what he just said

Alan

Sent from my iPhone

On Dec 17, 2015, at 1:40 PM, Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)> wrote:

---

**From:** Ran Felder [<mailto:ran@is-adv.com>]  
**Sent:** December-17-15 1:24 PM  
**To:** Barry Rotenberg; Manali Tasha Pradhan; [arakowsky@rprlaw.com](mailto:arakowsky@rprlaw.com); Nir Cohen Sasson  
**Cc:** Cheryl Moore  
**Subject:** RE: Subsidiary Corp. Opinions and revised resolution

Yes. It should be an immediate payment which should have been transferred just after the issuance (occurred a week ago).

---

**From:** Barry Rotenberg [<mailto:brotenberg@harris-sheaffer.com>]  
**Sent:** Thursday, December 17, 2015 8:14 PM  
**To:** Ran Felder; Manali Tasha Pradhan; [arakowsky@rprlaw.com](mailto:arakowsky@rprlaw.com); Nir Cohen Sasson  
**Cc:** Cheryl Moore  
**Subject:** RE: Subsidiary Corp. Opinions and revised resolution

Ran

Do you believe the \$12 million must be advanced before the \$46 million is released?

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AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 17, 2015 5:00 PM  
**To:** "Barry Rotenberg" <brotenberg@harris-sheaffer.com>  
**Subject:** Re: FW: Structure of \$12mm loan

call you shortly?

On Thu, Dec 17, 2015 at 4:59 PM, Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)> wrote:

Alan

This not equity.

You are wasting valuable time going down the wrong paths.

---

**From:** Barry Rotenberg  
**Sent:** ~~December-17-15~~ 4:55 PM  
**To:** 'Norman Winter'; 'Y. Dov Meyer'; [alansaskin@gmail.com](mailto:alansaskin@gmail.com)

**Cc:** Esther Berglas; Carolyn Montgomery; Glenn Watchorn; Mano Thiyagarajah; Nerissa  
**Subject:** RE: Structure of \$12mm loan

This will not work.

We will start to respond to your initial letter but this issue needs to be straighten out before you waste too much time.

---

**From:** Norman Winter [<mailto:nw@nwinlaw.com>]  
**Sent:** December-17-15 3:00 PM  
**To:** Barry Rotenberg; 'Y. Dov Meyer'; [alansaskin@gmail.com](mailto:alansaskin@gmail.com)  
**Cc:** Esther Berglas; Carolyn Montgomery; Glenn Watchorn; Mano Thiyagarajah; Nerissa  
**Subject:** RE: Structure of \$12mm loan

This is what is contemplated in the Term Sheet, by the parties and as confirmed by your client. It cannot work via Holdco.

We'll be sending our initial letter shortly, but in the meantime, can you please ASAP provide us with an organizational chart, including listing all shareholders of Urbancorp Inc., Urbancorp Holdco Inc., Bondco (name?), Urbancorp (Woodbine), Inc., Urbancorp (Bridlepath) Inc. and Urbancorp Valermo Inc.

Thanks,

Norm

NORMAN H. WINTER | 416.964.0325, ext. 280 | [nw@nwinlaw.com](mailto:nw@nwinlaw.com)

LAW OFFICES OF NORMAN H. WINTER

1 St. Clair Avenue East, Suite 801, Toronto, Ontario M4T 2V7 Canada | T. [416.964.0325](tel:4169640325) | F. [416.964.2494](tel:4169642494)

---

**From:** Barry Rotenberg [<mailto:brotenberg@harris-sheaffer.com>]

**Sent:** Thursday, December 17, 2015 2:26 PM

**To:** 'Y. Dov Meyer'; '[alansaskin@gmail.com](mailto:alansaskin@gmail.com)'

**Cc:** Esther Berglas; Norman Winter; Carolyn Montgomery; Glenn Watchorn; Mano Thiyagarajah

**Subject:** RE: Structure of \$12mm loan

I don't think you can do this.

It's a reporting event.

I think you need to stay with dealing with Holdco

---

**From:** Y. Dov Meyer [<mailto:ydmeyer@tfcc.ca>]

**Sent:** December-17-15 11:26 AM

**To:** '[alansaskin@gmail.com](mailto:alansaskin@gmail.com)'; Barry Rotenberg

**Cc:** Esther Berglas ([eb@nwinlaw.com](mailto:eb@nwinlaw.com)); Norman (Tuli) Winter ([nw@nwinlaw.com](mailto:nw@nwinlaw.com)); Carolyn Montgomery; Glenn Watchorn; Mano Thiyagarajah

**Subject:** Structure of \$12mm loan

The purpose of this email is to outline the concept I envision for the \$12mm loan.

The lawyers can work on the details.

1. Urbancorp Bondco should set up a subsidiary (“Subco”) to specifically hold the \$12mm cash and the future investments
2. Subco will have its own bank account and the funds will be in that bank account in escrow pending a mez loan transaction
3. When a mez loan is identified it will be funded by Subco and held by Subco
4. Interest collected on a mez loan (to the extent interest is paid and not accrued) will be collected into the Subco account
5. TFCC will get security of Subco and its assets

**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

22 St. Clair East, Suite 200, Toronto, ON

Tel: 416-792-4709 Mobile: 416-843-5457

Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

THIS IS EXHIBIT "TT" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Barry Rotenberg <brotenberg@harris-sheaffer.com> on behalf of Barry Rotenberg  
**Sent:** December 19, 2015 7:39 PM  
**To:** "'alansaskin@gmail.com'" <alansaskin@gmail.com>  
**Subject:** Fw: Structure of \$12mm loan

Call at 1030. R u ok? Ask Philippe.

---

**From:** Y. Dov Meyer [mailto:ydmeyer@tfcc.ca]  
**Sent:** Saturday, December 19, 2015 05:29 PM  
**To:** Barry Rotenberg; 'Nerissa' <nerissa@nwinlaw.com>; Norman Winter <nw@nwinlaw.com>  
**Cc:** Esther Berglas <eb@nwinlaw.com>; Carolyn Montgomery <cmontgomery@tfcc.ca>; Cheryl Moore; Manali Tasha Pradhan  
**Subject:** RE: Structure of \$12mm loan

If that is the case then my understanding is that:

1. Holdco is the borrower
2. The \$12mm will be moved from Holdco into UrbancorpInc as equity
3. UrbancorpInc will set up a subsidiary(s) for the co-investment mez loans
4. We will get a pledge of the shares of UrbancorpInc (unless explicitly prohibited) otherwise of Holdco with every single possible negative pledge and covenant.

I would like to have a conference call anytime Sunday to finalize this structure.  
Can I propose 10:00 AM?

**Y. Dov Meyer**  
CEO  
Terra Firma Capital Corporation  
22 St. Clair East, Suite 200, Toronto, ON  
Tel: 416-792-4709 Mobile: 416-843-5457  
Email:ydmeyer@tfcc.ca Website:www.tfcc.ca

---

**From:** Barry Rotenberg [mailto:brotenberg@harris-sheaffer.com]  
**Sent:** Friday, December 18, 2015 2:17 PM  
**To:** 'Nerissa' <nerissa@nwinlaw.com>; Norman Winter <nw@nwinlaw.com>  
**Cc:** Esther Berglas <eb@nwinlaw.com>; Carolyn Montgomery <cmontgomery@tfcc.ca>; Cheryl Moore <cmoore@harris-sheaffer.com>; Manali Tasha Pradhan <mtpradhan@harris-sheaffer.com>; Y. Dov Meyer <ydmeyer@tfcc.ca>  
**Subject:** RE: Structure of \$12mm loan

Urbancorp Inc is at the top of the chart you see but above them is Urbancorp Holdco Inc  
Urbancorp Inc is the issuer of the Debentures.  
Cheryl is giving you the rest.

---

**From:** Nerissa [mailto:nerissa@nwinlaw.com]  
**Sent:** December-18-15 2:14 PM  
**To:** Barry Rotenberg; Norman Winter

**Cc:** Esther Berglas; Carolyn Montgomery ([cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)); Cheryl Moore; Manali Tasha Pradhan; Y. Dov Meyer  
**Subject:** RE: Structure of \$12mm loan

Hi Barry and Cheryl:

Can you please advise or confirm the following:

1. Urbancorp at the top of the charts in Urbancorp Inc. at the top.
2. Name of each shareholder of Urbancorp Inc. and the number and class of shares held by each shareholder.
3. Which corporation on the charts was the borrower of the bond monies?
4. Where do the Woodbine, Bayview, Epic and Valermo properties tie into the charts below?
5. We need the GPs and Unit Holders of TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited and TCC/Urbancorp (Bay/Stadium) Limited Partnership.
6. We need the shareholders, directors and officers for all the GPs of the Woodbine, Bayview, Epic and Valermo entities.

Please also be advised that the Lender will be registering a Mortgage on the Epic properties (4 PINS) and we will also need the information requested in our letter yesterday for these properties.

Thank you,  
Nerissa

NERISSA SHAGEER-MOHAMMED, Legal Assistant | 416.964.0325, ext. 240 | [nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)

---

## LAW OFFICES OF NORMAN H. WINTER

1 St. Clair Avenue East, Suite 801, Toronto, Ontario M4T 2V7 Canada | T. 416.964-0325 | F. 416.964.2494

---

**From:** Barry Rotenberg [<mailto:brotenberg@harris-sheaffer.com>]

**Sent:** Friday, December 18, 2015 11:52 AM

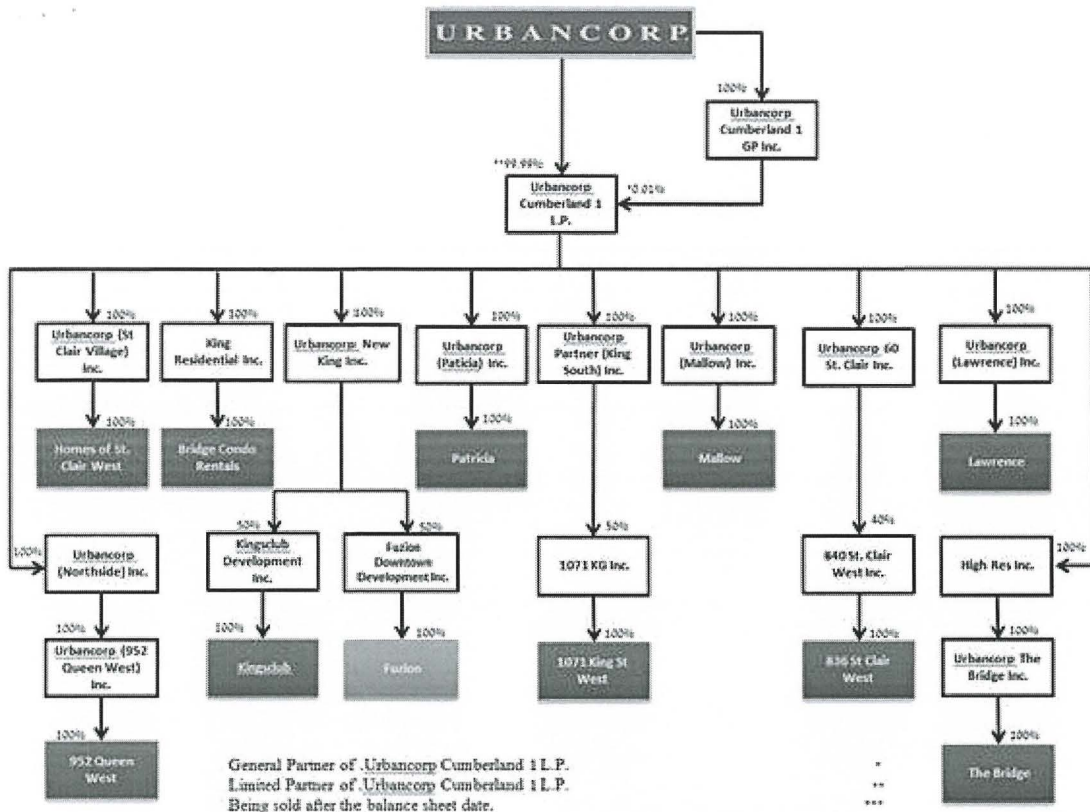
**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>

**Cc:** Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Esther Berglas <[eb@nwinlaw.com](mailto:eb@nwinlaw.com)>; Carolyn Montgomery ([cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)) <[cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)>; Cheryl Moore <[cmoore@harris-sheaffer.com](mailto:cmoore@harris-sheaffer.com)>; Manali Tasha Pradhan <[mtpradhan@harris-sheaffer.com](mailto:mtpradhan@harris-sheaffer.com)>

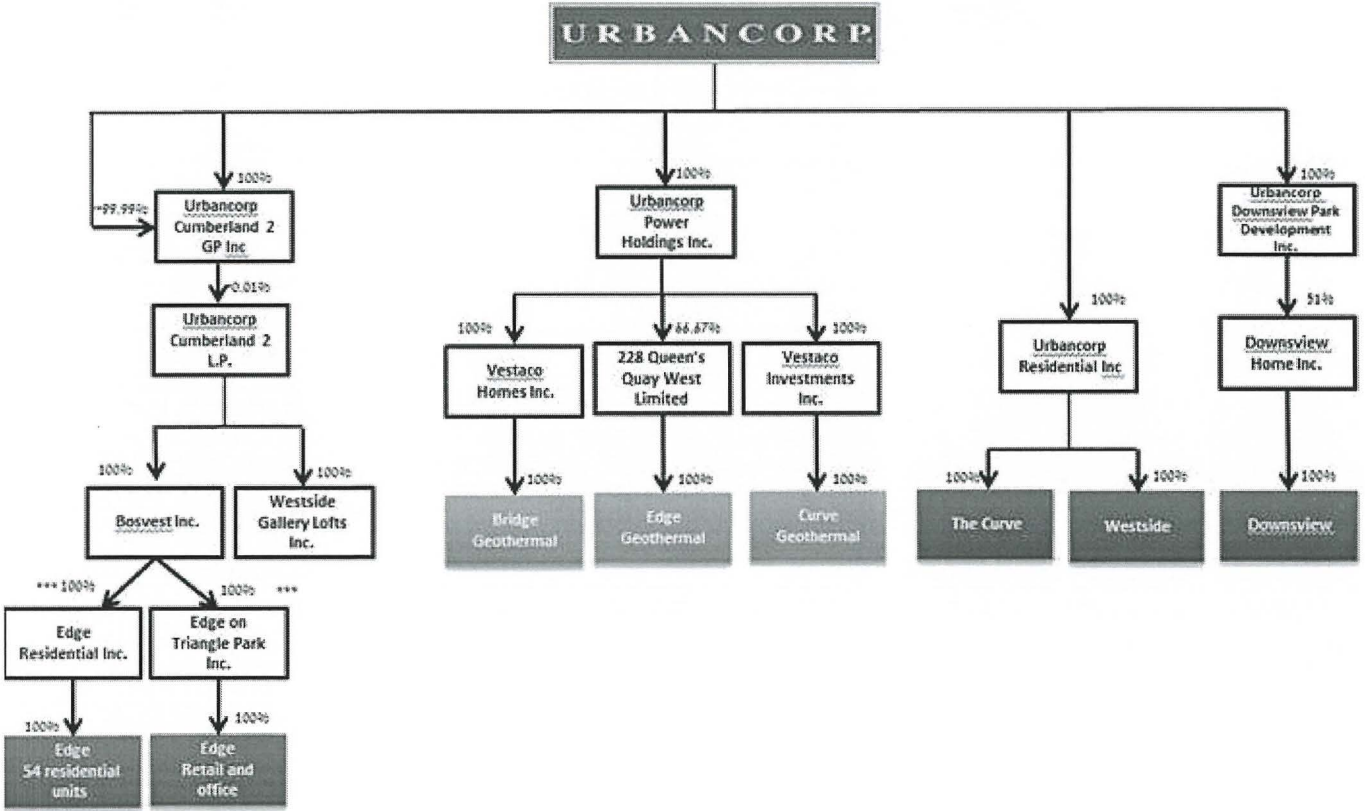
**Subject:** FW: Structure of \$12mm loan

Now everyone has one finally.





General Partner of Urbancorp Cumberland 1 L.P.  
 Limited Partner of Urbancorp Cumberland 1 L.P.  
 Being sold after the balance sheet date.



General Partner of Urbancorp Cumberland 2 L.P.  
 Limited Partner of Urbancorp Cumberland 2 L.P.  
 After June 30, 2015 (after the completion of the project), an agreement with the Company's partner in the project has come into force, which ends the partnership agreement. For further details, see section 7.7.6.1 below.

THIS IS EXHIBIT "**UU**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.




---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Rabinovitch, Neil  
**Sent:** October 8, 2018 3:46 PM  
**To:** Kraft, Kenneth; Rabinovitch, Neil  
**Subject:** FW: FW: Structure of \$12mm loan

 Neil S. Rabinovitch  
 Partner

D +1 416 863 4656  
 neil.rabinovitch@dentons.com  
 Bio | Website

Dentons Canada LLP  
 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1 Canada

HPRP > Zain & Co. > Delany Law > Dinner Martin > Maclay Murray & Spens > Gallo Barrios Pickmann  
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---

**From:** Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)>  
**Sent:** December 20, 2015 10:25 AM  
**To:** "Alan Saskin ([alansaskin@gmail.com](mailto:alansaskin@gmail.com))" <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
**Subject:** FW: Structure of \$12mm loan

---

**From:** Y. Dov Meyer [<mailto:ydmeyer@tfcc.ca>]  
**Sent:** December-20-15 10:22 AM  
**To:** Barry Rotenberg  
**Subject:** Re: Structure of \$12mm loan

That was never the deal.

The deal was always that I am giving him the 8mm for coinvestments on which I am getting security.

The deal then went to 12!? Specifically under these terms.

This is not negotiable and it should not come up in the call.

Whether he reports it or not is non of my business.

Sent from my iPhone

On Dec 20, 2015, at 5:18 PM, Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)> wrote:

I don't think so. How do we report the security on subco?  
 There is no explanation for it.

If Alan needs the 12 mill to be "equity" he can give security on it.  
 The original deal worked which was security to you on the Non Bondco assets.  
 Once you go inside Bondco there are problems.

---

**From:** Y. Dov Meyer [<mailto:ydmeyer@tfcc.ca>]  
**Sent:** December-20-15 10:15 AM  
**To:** Barry Rotenberg  
**Subject:** Re: Structure of \$12mm loan

I understand that we are all on the same page now. So I assume the call will be very short.

Sent from my iPhone

On Dec 20, 2015, at 5:08 PM, Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)> wrote:

So-when is it?

---

**From:** Carolyn Montgomery [<mailto:cmontgomery@tfcc.ca>]  
**Sent:** December-20-15 7:56 AM  
**To:** Y. Dov Meyer; Norman Winter  
**Cc:** Barry Rotenberg; Nerissa; Esther Berglas; Cheryl Moore; '[alansaskin@gmail.com](mailto:alansaskin@gmail.com)'; Manali Tasha Pradhan;[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)  
**Subject:** RE: Structure of \$12mm loan

Dov,

I don't think Norman will be available; he mentioned he's flying until 9:30 and then taking off again at 1:15. One of this emails had suggested holding off until Monday morning so that Esther in his office could participate.

Everyone - please confirm Monday morning at 9?

---

**From:** Y. Dov Meyer  
**Sent:** Sunday, December 20, 2015 6:43 AM  
**To:** Carolyn Montgomery; Norman Winter  
**Cc:** Barry Rotenberg; Nerissa; Esther Berglas; Cheryl Moore; '[alansaskin@gmail.com](mailto:alansaskin@gmail.com)'; Manali Tasha Pradhan;[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)  
**Subject:** RE: Structure of \$12mm loan

Can we change the call to 9:00? Or 1:00?

Also, I don't see that Alan or Philip from Urbancorp confirmed.

<image001.png>

**Y. Dov Meyer**  
 CEO  
 Terra Firma Capital Corporation  
 22 St. Clair East, Suite 200, Toronto, ON  
 Tel: 416-792-4709 Mobile: 416-843-5457  
 Email:[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website:[www.tfcc.ca](http://www.tfcc.ca)

---

**From:** Carolyn Montgomery  
**Sent:** Saturday, December 19, 2015 7:15 PM  
**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>; Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>

**Cc:** Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)>; Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Esther Berglas <[eb@nwinlaw.com](mailto:eb@nwinlaw.com)>; Cheryl Moore <[cmoore@harris-sheaffer.com](mailto:cmoore@harris-sheaffer.com)>; Manali Tasha Pradhan <[mtpradhan@harris-sheaffer.com](mailto:mtpradhan@harris-sheaffer.com)>

**Subject:** RE: Structure of \$12mm loan

We are confirmed for 10:30.

Here are the call in details:

Phone #: (647) 476-7658 OR Toll Free: 1-877-698-4480

Code: 9403933

---

**From:** Norman Winter [<mailto:nw@nwinlaw.com>]

**Sent:** Saturday, December 19, 2015 7:05 PM

**To:** Y. Dov Meyer

**Cc:** Carolyn Montgomery; Barry Rotenberg; Nerissa; Esther Berglas; Cheryl Moore; Manali Tasha Pradhan

**Subject:** Re: Structure of \$12mm loan

If you make it 10:30 I should be able to make it, but Esther won't.

Sent from my phone

**NORMAN H. WINTER** | 416.964.0325, ext. 280 | [nw@nwinlaw.com](mailto:nw@nwinlaw.com)

**LAW OFFICES OF NORMAN H. WINTER**

1 St. Clair Avenue East, Suite 801, Toronto, Ontario M4T 2V7 Canada | T. 416.964-0325 | F. 416.964.2494

This email communication is **CONFIDENTIAL AND LEGALLY PRIVILEGED**. If you are not the intended recipient, please notify me at the telephone number shown above or by return email and delete this communication and any copy immediately. Thank you.

On Dec 19, 2015, at 7:01 PM, Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)> wrote:

Yes please

<image001.png>

**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

22 St. Clair East, Suite 200, Toronto, ON

Tel: 416-792-4709 Mobile: 416-843-5457

Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

**From:** Carolyn Montgomery

**Sent:** Saturday, December 19, 2015 7:00 PM

**To:** Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>; Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)>; 'Nerissa' <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>  
**Cc:** Esther Berglas <[eb@nwinlaw.com](mailto:eb@nwinlaw.com)>; Cheryl Moore <[cmoore@harris-sheaffer.com](mailto:cmoore@harris-sheaffer.com)>; Manali Tasha Pradhan <[mtpradhan@harris-sheaffer.com](mailto:mtpradhan@harris-sheaffer.com)>  
**Subject:** RE: Structure of \$12mm loan

I can be available at 10 am. Dov – do you want me to circulate a call in #?

---

**From:** Y. Dov Meyer  
**Sent:** Saturday, December 19, 2015 5:30 PM  
**To:** Barry Rotenberg; 'Nerissa'; Norman Winter  
**Cc:** Esther Berglas; Carolyn Montgomery; Cheryl Moore; Manali Tasha Pradhan  
**Subject:** RE: Structure of \$12mm loan

If that is the case then my understanding is that:

1. Holdco is the borrower
2. The \$12mm will be moved from Holdco into UrbancorpInc as equity
3. UrbancorpInc will set up a subsidiary(s) for the co-investment mez loans
4. We will get a pledge of the shares of UrbancorpInc (unless explicitly prohibited) otherwise of Holdco with every single possible negative pledge and covenant.

I would like to have a conference call anytime Sunday to finalize this structure.

Can I propose 10:00 AM?

<image005.png>

**Y. Dov Meyer**  
*CEO*  
 Terra Firma Capital Corporation  
 22 St. Clair East, Suite 200, Toronto, ON  
 Tel: 416-792-4709 *Mobile:* 416-843-5457  
 Email:[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website:[www.tfcc.ca](http://www.tfcc.ca)

---

**From:** Barry Rotenberg [<mailto:brotenberg@harris-sheaffer.com>]  
**Sent:** Friday, December 18, 2015 2:17 PM  
**To:** 'Nerissa' <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>  
**Cc:** Esther Berglas <[eb@nwinlaw.com](mailto:eb@nwinlaw.com)>; Carolyn Montgomery <[cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)>; Cheryl Moore <[cmoore@harris-sheaffer.com](mailto:cmoore@harris-sheaffer.com)>; Manali Tasha Pradhan <[mtpradhan@harris-sheaffer.com](mailto:mtpradhan@harris-sheaffer.com)>; Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>  
**Subject:** RE: Structure of \$12mm loan

Urbancorp Inc is at the top of the chart you see but above them is Urbancorp Holdco Inc

Urbancorp Inc is the issuer of the Debentures.  
Cheryl is giving you the rest.

---

**From:** Nerissa [<mailto:nerissa@nwinlaw.com>]  
**Sent:** December-18-15 2:14 PM  
**To:** Barry Rotenberg; Norman Winter  
**Cc:** Esther Berglas; Carolyn Montgomery ([cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)); Cheryl Moore; Manali Tasha Pradhan; Y. Dov Meyer  
**Subject:** RE: Structure of \$12mm loan

Hi Barry and Cheryl:

Can you please advise or confirm the following:

1. Urbancorp at the top of the charts in Urbancorp Inc. at the top.
2. Name of each shareholder of Urbancorp Inc. and the number and class of shares held by each shareholder.
3. Which corporation on the charts was the borrower of the bond monies?
4. Where do the Woodbine, Bayview, Epic and Valermo properties tie into the charts below?
5. We need the GPs and Unit Holders of TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited and TCC/Urbancorp (Bay/Stadium) Limited Partnership.
6. We need the shareholders, directors and officers for all the GPs of the Woodbine, Bayview, Epic and Valermo entities.

Please also be advised that the Lender will be registering a Mortgage on the Epic properties (4 PINS) and we will also need the information requested in our letter yesterday for these properties.

Thank you,  
Nerissa

---

NERISSA SHAGEER-MOHAMMED, Legal Assistant | 416.964.0325, ext. 240 |  
[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)

**LAW OFFICES OF NORMAN H. WINTER**  
 1 St. Clair Avenue East, Suite 801, Toronto, Ontario M4T 2V7 Canada | T. 416.964-0325 | F. 416.964.2494

---

**From:** Barry Rotenberg [<mailto:brotenberg@harris-sheaffer.com>]  
**Sent:** Friday, December 18, 2015 11:52 AM  
**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>

**Cc:** Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Esther Berglas <[eb@nwinlaw.com](mailto:eb@nwinlaw.com)>; Carolyn Montgomery ([cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)) <[cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)>; Cheryl Moore <[cmoore@harris-sheaffer.com](mailto:cmoore@harris-sheaffer.com)>; Manali Tasha Pradhan <[mtpradhan@harris-sheaffer.com](mailto:mtpradhan@harris-sheaffer.com)>

**Subject:** FW: Structure of \$12mm loan

Now everyone has one finally.

<image006.jpg>

<image007.jpg>



THIS IS EXHIBIT "**VV**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** December 22, 2015 10:09 AM  
**To:** "Nir Cohen Sasson" <nir@is-adv.com>  
**Subject:** Fwd: pledge to loan agreements

Nir

I think we need to be practical about some of these things.  
 You have to realize that once Thursday comes around Toronto will shut down for xmas and New Years.  
 Just to give you an example our office is closed from the 24th until the 4th.  
 I believe that now that everything is signed, if you any further requirements they should be "post closing". You can't  
 keep on adding more and more requirements.  
 I understand that you are looking after the "legals" but in the end the "legals" are going to kill us.  
 As it is we had to redo all the payoff statements over and over again.  
 Please consider the timing.  
 Call me if you would like to discuss.

Sent from my iPhone

Begin forwarded message:

**From:** Alan Saskin <[alans@urbancorp.com](mailto:alans@urbancorp.com)>  
**Date:** December 22, 2015 at 4:38:32 PM GMT+2  
**To:** David Mandell <[DavidM@urbancorp.com](mailto:DavidM@urbancorp.com)>, Phillip Gales <[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)>  
**Cc:** Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>, Christine Honrade <[ChristineH@urbancorp.com](mailto:ChristineH@urbancorp.com)>  
**Subject:** Fwd: pledge to loan agreements

Sent from my iPhone

Begin forwarded message:

**From:** Nir Cohen Sasson <[nir@is-adv.com](mailto:nir@is-adv.com)>  
**Date:** December 22, 2015 at 9:31:58 AM EST  
**To:** "Alan Saskin ([alans@urbancorp.com](mailto:alans@urbancorp.com))" <[alans@urbancorp.com](mailto:alans@urbancorp.com)>, Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)>, Manali Tasha Pradhan <[mtpradhan@harris-sheaffer.com](mailto:mtpradhan@harris-sheaffer.com)>, "[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)" <[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)>, "Allan A. Rakowsky ([alrak@rprlaw.com](mailto:alrak@rprlaw.com))" <[alrak@rprlaw.com](mailto:alrak@rprlaw.com)>, Cheryl Moore <[cmoore@harris-sheaffer.com](mailto:cmoore@harris-sheaffer.com)>  
**Cc:** Ran Felder <[ran@is-adv.com](mailto:ran@is-adv.com)>, "Assaf Dagan ([assaafd@apex-md.co.il](mailto:assaafd@apex-md.co.il))" <[assaafd@apex-md.co.il](mailto:assaafd@apex-md.co.il)>  
**Subject:** RE: pledge to loan agreements

All,

A quick update:

1. CAD 46M are now in the Dedicated Account.
2. Discount Bank received the instructions of both the company and the trustee, which enables the bank to make the distribution of loans.

3. Trustee awaits to receive the following in order to release the rest of the funds:
  - a. Having express air mail delivery of original executed documents including Allans' opinions and including all appendices. Please note to send the amended loan / pledge agreements and the additional addendum stated below **HS**
  - b. Addendum to Allan's opinion, in light of the revised loan agreements and pledge agreements, confirming that there is no change in the opinion, including with respect to the validity of the liens recorded in relation to the revised agreements. Hagar will prepare a draft for Allan to review. **Trustee + Allan**
4. CAD 12M investment should take place immediately. **Urbancorp**
5. Immediate report on the registration of pledges and release of funds should be filed. Ran will prepare a draft. **Shimonov + Urbancorp**
6. Immediate report on the mezzanine loans should be filed immediately. **Shimonov + Urbancorp**
7. Immediate report should be filed regarding the CAD 4.5M payment to Mattamy, or having an extension to the payment. **Alan/Phillip, please advise**

Regards,  
Nir

---

Nir Cohen Sasson:**From**  
 Tuesday, December 22, 2015 1:01 PM:**Sent**  
 'יוסי; מיכל; הגר; יותם'**To**  
 Ran Felder; Assaf Dagan ([assafd@apex-md.co.il](mailto:assafd@apex-md.co.il)); Barry Rotenberg; Manali Tasha :**Cc**  
 Pradhan; Cheryl Moore;[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com); 'Allan A. Rakowsky  
 (([alrak@rprlaw.com](mailto:alrak@rprlaw.com)))'; Alan Saskin ([alans@urbancorp.com](mailto:alans@urbancorp.com))  
 FW: pledge to loan agreements:**Subject**  
 High:**Importance**

Gentlemen,

Please see attached the revised pledge agreements.

Amounts were amended in page 3.

I understand that now we are all clear and can move forward in allocating the funds to the subsidiaries and releasing the balance (approx. NIS 18M) to Urbancorp's private account in Discount Bank.

**Barry, Manali, Cheryl,**

Please make sure the original executed documents are sent today to the Trustee by FedEx, including Allan's opinions and other confirmations including the appendices therein.

Regards,  
Nir

THIS IS EXHIBIT "**WW**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 22, 2015 11:08 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Re: pledge to loan agreements

he may be right !

On Tue, Dec 22, 2015 at 10:52 AM, Y. Dov Meyer <ydmeyer@tfcc.ca> wrote:  
 This is his response.

Sent from my iPhone

Begin forwarded message:

**From:** Nir Cohen Sasson <nir@is-adv.com>  
**Date:** December 22, 2015 at 5:48:24 PM GMT+2  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** RE: pledge to loan agreements

Yisrael Dov,

I do not follow, please read again my email.

1. I have sent a positive email saying the CAD 46M is here at Urbancorp's account. Isn't it positive?
2. We did not add anything. What did we add? What legal procedure is going to kill who?
3. We are the company's lawyers but there is the trustee which has to take care of his agenda. We are not the trustee's lawyers.
4. The fact is that the company and its advisors in Canada are repeatedly stalling, and they keep on losing business days. It happened yesterday and it happened again today! The money should have been transferred this Monday if Allan wouldn't go to sleep, as Ran from my office and both Michal and Hagar from the trustee's office did between Sunday and Monday!
5. The company and Alan fail time after time to comply with their commitments, as if they are surprised every day of the document they have signed on. We had gone through the documents prior to issuance and they said it is fine by them.
6. The company should have delivered the opinions to the trustee prior to the issuance and not starting working on them a week after. David promised it to be ready on Thursday two weeks ago but in fact the first draft was delivered a week after. They have

been wasting time. It happened also on the event of transferring the assets. It was very clear to everybody that on the issuance date the assets should transfer. I urged them to get ready to that date, but a day before the issuance they acted as if they were surprised. We had everyday phone calls. We had many email on this, and yet they stalled and barely made it after 2 days delay.

7. The Trustee transferred the money without seeing the original documents – he shouldn't have done this. Israel Shimonov asked for a huge favor from the trustee to deliver the sums without seeing the original documents. So after delivering the 46M the trustee began acting like a "real" trustee, and following the trust deed. The rest of the sums will wait until the trustee sees the original documents as agreed in the trust deed.

8. They have been given with all the easements one can have. We made this easements to happen. We are twisting everything for them in order to get this done.

**Please note that Alan's 12M should be delivered ASAP to the company.** The 46M in the dedicated account. We keep saving them from catastrophes. Now it's their responsibility to do what they have to do. They cannot have any more excuses.

I am available in my cell for any clarifications.

Regards,

Nir

---

[Y. Dov Meyer [<mailto:ydmeyer@tfcc.ca>]:**From**  
Tuesday, December 22, 2015 5:09 PM:**Sent**  
Nir Cohen Sasson:**To**

**Subject:**Fwd: pledge to loan agreements

Nir

I think we need to be practical about some of these things.

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**To:** David Mandell <[DavidM@urbancorp.com](mailto:DavidM@urbancorp.com)>, Phillip Gales <[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)>  
**Cc:** Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>, Christine Honrade <[ChristineH@urbancorp.com](mailto:ChristineH@urbancorp.com)>  
**Subject:** Fwd: pledge to loan agreements

Sent from my iPhone

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**Cc:** Ran Felder <[ran@is-adv.com](mailto:ran@is-adv.com)>, "Assaf Dagan ([assafd@apex-md.co.il](mailto:assafd@apex-md.co.il))" <[assafd@apex-md.co.il](mailto:assafd@apex-md.co.il)>  
**Subject:** RE: pledge to loan agreements

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  - b. Addendum to Allan's opinion, in light of the revised loan agreements and pledge agreements, confirming that there is no change in the opinion, including with respect to the validity of the liens recorded in relation to the revised agreements. Hagar will prepare a draft for Allan to review. **[Trustee + Allan]**
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7. Immediate report should be filed regarding the CAD 4.5M payment to Mattamy, or having an extension to the payment. **[Alan/Phillip, please advise]**

Regards,

Nir

---

Nir Cohen Sasson:**From**  
 Tuesday, December 22, 2015 1:01 PM:**Sent**  
 :**To** יוסי; מיכל; הגר; 'יותם'  
 Ran Felder; Assaf Dagan ([assafd@apex-md.co.il](mailto:assafd@apex-md.co.il)); Barry Rotenberg; **:Cc**



Manali Tasha Pradhan; Cheryl Moore; [phillipg@urbancorp.com](mailto:phillipg@urbancorp.com); 'Allan A. (Rakowsky ([alrak@rplaw.com](mailto:alrak@rplaw.com)))'; Alan Saskin ([alans@urbancorp.com](mailto:alans@urbancorp.com))  
FW: pledge to loan agreements: **Subject**  
**High:Importance**

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**Barry, Manali, Cheryl,**

Please make sure the original executed documents are sent today to the Trustee by FedEx, including Allan's opinions and other confirmations including the appendices therein.

Regards,

Nir

THIS IS EXHIBIT "XX" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

(13)

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** February 29, 2016 3:47 PM  
**To:** "ted saskin" <tedsaskin@gmail.com>  
**Subject:** Fwd: Revised Paydowns

----- Forwarded message -----

**From:** **Y. Dov Meyer** <ydmeyer@tfcc.ca>  
**Date:** Tue, Dec 22, 2015 at 5:19 PM  
**Subject:** RE: Revised Paydowns  
**To:** Carolyn Montgomery <cmontgomery@tfcc.ca>, "alansaskin@gmail.com" <alansaskin@gmail.com>, "Barry Rotenberg (brotenberg@harris-sheaffer.com)" <brotenberg@harris-sheaffer.com>  
**Cc:** Mano Thiyagarajah <mthiyagarajah@tfcc.ca>

Ok thanks for telling me.

We can only do what we can do.

Alan, please see below. We will not be able to fund the \$12mm until we get back the full amount that was on the schedules we have been sending you.

**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

22 St. Clair East, Suite 200, Toronto, ON

Tel: 416-792-4709 Mobile: 416-843-5457

Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

---

**From:** Carolyn Montgomery  
**Sent:** Tuesday, December 22, 2015 3:55 PM  
**To:** Y. Dov Meyer <ydmeyer@tfcc.ca>

**Cc:** Mano Thiyagarajah <[mthiyagarajah@tfcc.ca](mailto:mthiyagarajah@tfcc.ca)>  
**Subject:** Revised Paydowns

Dov,

This was news to me today that 1071 King and Edge were coming back at a later date. As it stands now, we won't have the full \$12MM back from the repayments. The net to TFCC, after syndications, is \$6.86MM.

***Carolyn Montgomery***

Vice President & Principal Broker



**Terra Firma MA Ltd.**

**Terra Firma Capital Corporation**

22 St. Clair Ave. East, Suite 200

Toronto, Ontario

Canada M4T 2S3

Tel 416-792-4703

Mobile 416-903-3078

Brokerage Licence #12425

[cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)

THIS IS EXHIBIT "YY" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 22, 2015 11:32 AM  
**To:** "barry rotenberg" <Brotenberg@harris-sheaffer.com>, "David Mandell" <davidm@urbancorp.com>, "Christine Honrade" <christineh@urbancorp.com>, "phillipg@urbancorp.com" <phillipg@urbancorp.com>  
**Cc:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>, "Carolyn Montgomery" <cmontgomery@tfcc.ca>  
**Subject:** Priorities

The first \$46 million will be in Urbancorp project accounts tomorrow, hopefully early.

The priority is to repay the TFCC loans on Caledonia, Lawrence ,Mallow and Patricia and the Downsview loan and equity.

The entire \$46 million will be utilized.

After repayment, we will do the new \$12 million TFCC loan.

Carolyn and I ( and others) have been working on an additional idea. Urbancorp inc. is using the entire \$46 million to re-pay debt. There are no funds available to pay bills or new bills, to finance the projects. We are permitted to get new loans but, it will be much simpler to keep working with the existing lenders.

For example.

On Mallow, Atrium has the senior debt at \$10.5 million. It is being repaid down to \$3.7 million. We would prefer if the first mortgage to Atrium is changed to \$9 million. That would leave Urbancorp with an undrawn balance of \$6.4 million, to use in the future for project costs. Atrium has agreed to this. We want to just go ahead and do this, as long as it does not delay the existing loan repayments into January. The other 3 projects we will deal with similiarly.

Patricia. Existing Laurentian loan is \$7.7 million. New Atrium first mortgage is \$7.7 million of which we will draw down \$2.6 million on first advance. Laurentian being paid back from \$2.6 million from Atrium and the balance from Urbancorp.

Lawrence. Emcan has a first mortgage of \$5.9 million. We want to leave the security in place , reduce the mortgage amount to \$3.3 million and the entire loan balance ( \$5.9 million) will be paid off by Urbancorp in full. In future, we will pay project costs from the facility.

Caledonia. Emcan has a mortgage of \$5.5 million. We want to leave the security in place, reduce the mortgage to \$3.5 million and the entire loan balance ( \$5.5 million) will be re-paid by Urbancorp in full. In future, we will pay the project costs from this facility.

Alan

THIS IS EXHIBIT "**ZZ**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
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A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 23, 2015 4:44 PM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Fwd: \$12M Investco loan

You have \$6.8M net

I can pay you tomorrow \$4 million, from the LTT money, on 952/edge/St,clair.

Can you find the difference to \$12 million, to complete the loan tomorrow? (\$1.2million)

It will be much easier to do the loan tomorrow than next week.

it will be very hard to find people to actually close the transaction next week.

there is also the possibility, maybe 30%, that Urbancorp does not receive the additional \$6 million +/- from Israel next week. There are only 3 working days. I hope we do, if nothing else I would like to show some cash on my balance sheet for year end. Its more important though, to show the \$12 million equity injection.

let me know

Best

Alan

----- Forwarded message -----

**From:** **Mano Thiyagarajah** <mthiyagarajah@tfcc.ca>  
**Date:** Wed, Dec 23, 2015 at 4:30 PM  
**Subject:** RE: \$12M Investco loan  
**To:** Christine Honrade <ChristineH@urbancorp.com>  
**Cc:** Carolyn Montgomery <cmontgomery@tfcc.ca>, "Alan Saskin (alansaskin@gmail.com)" <alansaskin@gmail.com>

Christine:

We received just over \$10.3MM, however, \$3.4MM of that amount is due to investors of TFCC, so only \$6.8MM is available to fund.

Also, Urbancorp hasn't opened the bank account yet. I have forwarded the documents to BMO and they promised me that they will expedite the process, but that's not something we control.

Thanks,

Mano



---

**From:** Christine Honrade [mailto:[ChristineH@urbancorp.com](mailto:ChristineH@urbancorp.com)]  
**Sent:** Wednesday, December 23, 2015 4:17 PM  
**To:** Mano Thiyagarajah <[mthiyagarajah@tfcc.ca](mailto:mthiyagarajah@tfcc.ca)>  
**Cc:** Carolyn Montgomery <[cmontgomery@tfcc.ca](mailto:cmontgomery@tfcc.ca)>; 'Alan Saskin ([alansaskin@gmail.com](mailto:alansaskin@gmail.com))'  
<[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
**Subject:** \$12M Investco loan

Hi Mano: Can you please let me know what net amount will TFCC have from the \$35M plus that I just sent you? I understand that Dov and Alan spoke earlier and they want to know this amount. We think it's just over \$10M.

I am told that for TFCC to make the new loan, you need \$12M.

Dov is aware that Urbancorp will be receiving an additional \$6M +/- from Israel but it will arrive next week. We would prefer to fund the \$12M loan tomorrow if you have enough funds. We have some surplus funds in Urbancorp Inc. that we could contribute.

Please let me know the net amount you have.

THIS IS EXHIBIT "AAA" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Barry Rotenberg <brotenberg@harris-sheaffer.com> on behalf of Barry Rotenberg  
**Sent:** December 23, 2015 2:44 PM  
**To:** "ydmeyer@tfcc.ca" <ydmeyer@tfcc.ca>, "alansaskin@gmail.com" <alansaskin@gmail.com>  
**Cc:** "nw@nwinlaw.com" <nw@nwinlaw.com>  
**Subject:** Re: Summary of our discussions

Is that \$100,000 per month to TFCC?

---

**From:** Y. Dov Meyer [mailto:ydmeyer@tfcc.ca]  
**Sent:** Wednesday, December 23, 2015 02:40 PM  
**To:** 'alansaskin@gmail.com' <alansaskin@gmail.com>  
**Cc:** Barry Rotenberg; Norman (Tuli) Winter (nw@nwinlaw.com) <nw@nwinlaw.com>  
**Subject:** Summary of our discussions

#### TFCC Share of Management Fees

- TFCC will be entitled to \$100,000 of the management fees due from Inc. on a monthly basis
- \$100,000 monthly amount will be allocated first to pay the Bond Advisory fee (this should take the first 5 to 6 months)
- The 8% p.a. current pay portion of the Loan will accrue during that period of time and will start being collected (from the monthly \$100,000 share of the management fee) after the fee is paid in full
- Under certain circumstances TFCC will have the option to continue to accrue the "current pay portion of the interest" for a higher interest rate

#### Commitment Fee on the \$12 Million Loan (\$240,000)

- No solution yet

#### WQW outstanding amount

- Will get paid from the amount arriving next week
- This amount will be deducted from the amount due on Edge and we will continue to have that shortfall registered on Edge until you refinance the unsold units

Please confirm and I will make the changes to the document

Thanks

**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation

22 St. Clair East, Suite 200, Toronto, ON

Tel: 416-792-4709 Mobile: 416-843-5457

Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

THIS IS EXHIBIT "**BBB**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 24, 2015 9:33 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Cc:** "Barry Rotenberg" <brotenberg@harris-sheaffer.com>, "Carolyn Montgomery" <cmontgomery@tfcc.ca>, "Mano Thiyagarajah" <mthiyagarajah@tfcc.ca>, "Norman (Tuli) Winter" <nw@nwinlaw.com>, "Glenn Watchorn" <GWatchorn@tfcc.ca>  
**Subject:** Re: Funding

At the same time  
Alan

Sent from my iPhone

> On Dec 24, 2015, at 9:31 AM, Y. Dov Meyer <ydmeyer@tfcc.ca> wrote:  
>  
> So just to be clear: Urbancorp is going to be repaying an additional \$4mm and then we will be funding \$12mm.  
> When are you going to fund? Today or Tuesday?  
>  
>  
> Sent from my iPad

THIS IS EXHIBIT "**CCC**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Rabinovitch, Neil  
**Sent:** October 8, 2018 3:27 PM  
**To:** Kraft, Kenneth; Rabinovitch, Neil  
**Subject:** FW: FW: Investco bank account requirement  
**Attachments:** winmail.dat

Neil S. Rabinovitch  
 Partner

D +1 416 863 4656  
 neil.rabinovitch@dentons.com  
 www.dentons.com

Dentons Canada LLP  
 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1  
 Canada HPRP > Zain & Co. > Delany Law > Dinner Martin > Maclay Murray & Spens >  
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-----Original Message-----

**From:** Christine Honrade <ChristineH@urbancorp.com>  
**Sent:** April 10, 2016 5:51 PM  
**To:** "'ted saskin (tedsaskin@gmail.com)'" <tedsaskin@gmail.com>, "'Alan Saskin (alansaskin@gmail.com)'" <alansaskin@gmail.com>  
**Cc:** "Christine Honrade" <ChristineH@urbancorp.com>  
**Subject:** FW: Investco bank account requirement

More to follow.

Christine Honrade, CPA, CGA  
 Vice-President & Controller  
 [Urbancorp logo - Outlook]  
 120 Lynn Williams Street, Suite 2A, Toronto, Ontario M6K 3N6  
 Direct: (416) 583-0225 | Fax: (416) 928-9501  
 email: christineh@urbancorp.com<mailto:christineh@urbancorp.com> | website:  
 www.urbancorp.com<http://www.urbancorp.com/> | Map:  
 Urbancorp<http://maps.google.ca/maps?q=120+lynn+williams,+suite+2A,+M6K+3N6&hl=en&ll=43.637255,-79.417827&spn=0.011833,0.016952&sll=43.638652,-

79.417125&sspn=0.011833,0.016952&hnear=120+Lynn+Williams+St+%232a,+Toronto,+Ontario+M6K+3P6&t=m&z=16>

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From: Gary Cheng  
 Sent: December-29-15 9:42 AM  
 To: easmah@harris-sheaffer.com  
 Cc: Christine Honrade; Cheryl Lee  
 Subject: RE: Investco bank account requirement

Hi Eva,

Please see the attached signed document.  
 The physical copy is being couriered over to your office.

Regards,

Gary Cheng  
 [Urbancorp logo - Use this]

120 Lynn Williams Street, Suite 2A, Toronto, Ontario M6K 3N6  
 Phone: (416) 583-0253 | Fax: (416) 928-9501  
 email: garyc@urbancorp.com<mailto:garyc@urbancorp.com> | website:  
 www.urbancorp.com<http://www.urbancorp.com/> | Map:  
 Urbancorp<http://maps.google.ca/maps?q=120+lynn+williams,+suite+2A,+M6K+3N6&hl=en  
 &ll=43.637255,-79.417827&spn=0.011833,0.016952&sll=43.638652,-  
 79.417125&sspn=0.011833,0.016952&hnear=120+Lynn+Williams+St+%232a,+Toronto,+Ontario+M6K+3P6&t=m&z=16>

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From: Cheryl Lee  
 Sent: December-28-15 3:30 PM  
 To: Gary Cheng  
 Cc: Christine Honrade  
 Subject: Fw: Investco bank account requirement

Hi Gary,

Can you get Alan to sign the attached tomorrow? Scan and then courier back to Harris sheaffer.



Thanks,  
 Cheryl  
 Sent from my BlackBerry 10 smartphone on the Rogers network.  
 From: Christine Honrade  
 <ChristineH@urbancorp.com<mailto:ChristineH@urbancorp.com>>  
 Sent: Monday, December 28, 2015 1:34 PM  
 To: Cheryl Lee  
 Subject: FW: Investco bank account requirement

Not sure if these have been done. Thanks.

Christine Honrade, CPA, CGA  
 Vice-President & Controller  
 [Urbancorp logo - Outlook]  
 120 Lynn Williams Street, Suite 2A, Toronto, Ontario M6K 3N6  
 Direct: (416) 583-0225 | Fax: (416) 928-9501  
 email: christineh@urbancorp.com<mailto:christineh@urbancorp.com> | website:  
 www.urbancorp.com<http://www.urbancorp.com/> | Map:  
 Urbancorp<http://maps.google.ca/maps?q=120+lynn+williams,+suite+2A,+M6K+3N6&hl=en  
 &ll=43.637255,-79.417827&spn=0.011833,0.016952&sll=43.638652,-  
 79.417125&sspn=0.011833,0.016952&hnear=120+Lynn+Williams+St+%232a,+Toronto,+Ontar  
 io+M6K+3P6&t=m&z=16>

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From: Eva Asmah [mailto:mrichard@harris-sheaffer.com]  
 Sent: December-24-15 12:09 PM  
 To: Mano Thiyagarajah; Christine Honrade; Barry Rotenberg  
 Cc: Cheryl Moore; Carolyn Montgomery; Y. Dov Meyer  
 Subject: RE: Investco bank account requirement

Hello Mano/Christine,

Please find attached documents adding Carolyn Montgomery as an Authorized Signing Officer of Urbancorp Investco.

Please have these documents signed and returned to our office for filing in the corporate minute book.

Regards,

Eva Asmah  
 Corporate Clerk  
 easmah@harris-sheaffer.com<mailto:easmah@harris-sheaffer.com>  
 direct dial 416.250.2887

[Description: Description: E-Mail Logo]<http://www.harris-sheaffer.com/>  
 Yonge Corporate Centre

4100 Yonge Street, Suite 610, Toronto, ON M2P 2B5 Telephone (416) 250-5800/Facsimile (416) 250-5300 [www.harris-sheaffer.com](http://www.harris-sheaffer.com)<<http://www.harris-sheaffer.com/>>

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IMPORTANT NOTICE: This email communication is confidential and legally privileged. If you are not the intended recipient, please notify me at the telephone number shown above or by return email and delete this communication and any copy immediately. Thank you.

From: Mano Thiyagarajah [mailto:mthiyagarajah@tfcc.ca]  
Sent: December-23-15 10:23 PM  
To: Christine Honrade; Barry Rotenberg; Eva Asmah  
Cc: Cheryl Moore; Carolyn Montgomery; Y. Dov Meyer  
Subject: Investco bank account requirement  
Importance: High

I was told that the two signing on this bank account will be employees of TFCC. Please forward me a resolution adding Carolyn Montgomery as an officer of the Company with signing authority.

I would appreciate if you could send that ASAP in the morning.

Thank you,

Mano

THIS IS EXHIBIT "**DDD**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 27, 2015 1:57 PM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Cc:** "barry rotenberg" <Brotenberg@harris-sheaffer.com>, "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** equity loan

As part of getting the loan, Urbancorp is turning over essentially complete control of our cash flow to TFCC.

Even though you have always proved trustworthy in business and a friend as well, It still makes me uncomfortable to give up, what is really 100% control.

here are my concerns:

- 1) There is not enough cash flow to run the management company. During our presentation, we told investors we were getting fees from projects of \$4-\$6 million annually, plus a \$1.5 million annual overhead fee. They accepted this. However, now that I look at our fee stream more closely, its just not anywhere near those amounts. I'm not sure what Phillip did but I think he may have included fees we have already taken like 1/3 of Kings Club and all our Downsview fees. We also have no clear plan to get fees from Urbancorp Inc.'s projects to management yet. We have no surplus funds in Urbancorp Inc. even to pay the minimal fees.
- 2) The non-bondco assets need project costs funded and equity to start construction. Valermo is self sufficient. Leslieville needs at least \$1 million and Bridal probably need about a million until construction financing will kick in. Woodbine needs more modest investment. Since all surplus cash flow goes to TFCC, there is no money to make these investments.
- 3) Trades have debts, about \$4 million, guaranteed by me. It was the only way to get a clean legal claims letter for Urbancorp Inc. It also increased my equity by about \$4 million. The 5 or 6 trades involved are reasonably patient but in the proposed situation, I can't give them anything for a long time. That won't work for long.

I know the israeli bond offering both saved the company and has provided a platform for increasing wealth over time. I will make that happen.

Its getting through the next 12 months that concerns me. Once Caledonia, Bridal path and Leslieville construction loans are in place and projects underway, the cash flow will allow us to meet our financial obligations. The companies within Urbancorp inc. have sufficient capital to arrange new loans and be self sufficient. Its the non-bondco cash flow that concerns me.

I don't have projected cash flow for non-bondco projects and with Phillip away, can't make one until the New Year. However, its clear that the 4 low-rise sites in Urbancorp Inc. have so few units, maybe 200 tops and relatively low construction costs, which the fees are based on.

I don't have a solution, yet. I'm just laying out what I think the problems will be.

Non- BondCo may need a 6-12 month moratorium on paying interest or fees to tfccc to be able to make it through the first year. By then the projects will have cash flow and we'll have figured out how to access the strong capital position of urbancorp inc.

Let's discuss  
Alan

THIS IS EXHIBIT "**EEE**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** December 28, 2015 1:16 AM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Cc:** "barry rotenberg" <Brotenberg@harris-sheaffer.com>  
**Subject:** Re: equity loan

Alan

Thank you for the email.

Terra Firma "controls" the cash flow because in a lot of ways we are the only real equity both in and outside of bondco.

I do not have approval to move forward in any other way.

I have gone back to our committee too many times.

We will have to start liquidating nonbondco assets to help with cash flow.

Sent from my iPad

On Dec 27, 2015, at 7:57 PM, Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)> wrote:

As part of getting the loan, Urbancorp is turning over essentially complete control of our cash flow to TFCC.

Even though you have always proved trustworthy in business and a friend as well, It still makes me uncomfortable to give up, what is really 100% control.

here are my concerns:

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I don't have a solution, yet. I'm just laying out what I think the problems will be.

Non- BondCo may need a 6-12 month moratorium on paying interest or fees to tfccc to be able to make it through the first year. By then the projects will have cash flow and we.ll have figured out how to access the strong capital position of urbancorp inc.

Let's discuss  
Alan



THIS IS EXHIBIT "**FFF**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** December 29, 2015 10:06 AM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** Bondco

Hi Alan

Sorry to bother on your holiday in Madrid.

Is anybody taking ownership on your side to make sure you have \$12mm of equity in Bondco in the next 48 hours?

Dov

Sent from my iPhone

THIS IS EXHIBIT "**GGG**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

13

**Kraft, Kenneth**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 30, 2015 10:37 AM  
**To:** "David Mandell" <davidm@urbancorp.com>  
**Subject:** Fwd: Funding Statement - \$12MM equity loan to Urbancorp Holdco

Also check with Christine  
 She has to pay tfcc \$6 million today  
 And  
 Take the \$12 million tomorrow  
 I have not heard from her  
 Thanks  
 Alan

Sent from my iPhone

Begin forwarded message:

**From:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Date:** December 30, 2015 at 3:57:19 PM GMT+1  
**To:** Mano Thiyagarajah <mthiyagarajah@tfcc.ca>  
**Cc:** Christine Honrade <ChristineH@urbancorp.com>, "Alan Saskin (alansaskin@gmail.com)" <alansaskin@gmail.com>, Barry Rotenberg <brotenberg@harris-sheaffer.com>, "Cheryl Moore (cmoore@harris-sheaffer.com)" <cmoore@harris-sheaffer.com>, Carolyn Montgomery <cmontgomery@tfcc.ca>, "Kathy Guan" <kguan@tfcc.ca>, "nw@nwinlaw.com" <nw@nwinlaw.com>, "Esther Berglas (eb@nwinlaw.com)" <eb@nwinlaw.com>  
**Subject: Re: Funding Statement - \$12MM equity loan to Urbancorp Holdco**

Further to Mano's email we will need confirmation from our counsel that documents are final signed and that security is in place.  
 All this prior to funding.

Sent from my iPhone

On Dec 30, 2015, at 3:55 PM, Mano Thiyagarajah <mthiyagarajah@tfcc.ca> wrote:

Christine:

Please find attached the funding statement for the \$12MM equity loan to Urbancorp Holdco. Once we receive payments on other loans, we will wire the net amount to Urbancorp Investco.

Let me know if you have any questions.

Thank you,

Mano

**Please note my new contact details**

**Mano Thiyagarajah**  
 Chief Financial Officer

<image001.png>

**Terra Firma Capital Corporation**

22 St. Clair Avenue East

Weston Centre

Suite 200

Toronto, ON M4T 2S5

O (416) 792-4707

M (416) 303 6649

[mthiyagaraiah@tfcc.ca](mailto:mthiyagaraiah@tfcc.ca)

<Funding Statement Urbancorp. Holdco Dec 30 2015.pdf>

THIS IS EXHIBIT "**HHH**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Barry Rotenberg <brotenberg@harris-sheaffer.com> on behalf of Barry Rotenberg  
**Sent:** December 30, 2015 12:04 PM  
**To:** "Alan Saskin (alansaskin@gmail.com)" <alansaskin@gmail.com>  
**Subject:** FW: Scan Notification-LOI-Terra Firma-Urbancorp

What do you want to do about this?

You know how ballistic they went last time there was cross default.,especially for assets outside of Bondco.

---

**From:** Norman Winter [mailto:nw@nwinlaw.com]  
**Sent:** December-30-15 11:59 AM  
**To:** Barry Rotenberg; Esther Berglas; Michael Baum  
**Cc:** Nerissa  
**Subject:** RE: Scan Notification-LOI-Terra Firma-Urbancorp

Barry, just called and left a message for you.

Spoke to my client and the cross default and cross collateralization provisions must stay. If Urbancorp or any of its affiliates default in any loan from or security given to TFCC or any of its affiliates, TFCC will have the right to enforce any of its security for the 12MM loan. This was always the deal, Alan agreed to it, it is what TFCC has now and will not give that up.

Norm

NORMAN H. WINTER | 416.964.0325, ext. 280 |nw@nwinlaw.com

LAW OFFICES OF NORMAN H. WINTER

1 St. Clair Avenue East, Suite 801, Toronto, Ontario M4T 2V7 Canada | T. 416.964.0325 | F. 416.964.2494

---

**From:** Barry Rotenberg [mailto:brotenberg@harris-sheaffer.com]  
**Sent:** Wednesday, December 30, 2015 10:17 AM  
**To:** Esther Berglas; Norman Winter; Michael Baum  
**Cc:** Nerissa  
**Subject:** RE: Scan Notification-LOI-Terra Firma-Urbancorp

When and how?

---

**From:** Esther Berglas [mailto:eb@nwinlaw.com]  
**Sent:** December-30-15 9:41 AM  
**To:** Barry Rotenberg; Norman Winter; Michael Baum  
**Cc:** Nerissa  
**Subject:** RE: Scan Notification-LOI-Terra Firma-Urbancorp  
**Importance:** High

Hi Barry,

We are ready to discuss your comments. Please call us as soon as possible.

Regards,  
 Esther

ESTHER C. BERGLAS | 416.964.0325, ext. 220 | [eb@nwinlaw.com](mailto:eb@nwinlaw.com)

---

**LAW OFFICES OF NORMAN H. WINTER**

1 St. Clair Avenue East, Suite 801, Toronto, Ontario M4T 2V7 Canada | T. 416.964-0325 | F. 416.964.2494

---

**From:** Barry Rotenberg [<mailto:brotenberg@harris-sheaffer.com>]  
**Sent:** Wednesday, December 30, 2015 2:47 AM  
**To:** Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)>  
**Cc:** Nerissa <[nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)>; Esther Berglas <[eb@nwinlaw.com](mailto:eb@nwinlaw.com)>  
**Subject:** FW: Scan Notification-LOI-Terra Firma-Urbancorp

If we can agree on the LOI, the balance of the documents will fall in place.

**From:** Barry Rotenberg  
**Sent:** December-30-15 2:45 AM  
**To:** Barry Rotenberg  
**Subject:** Scan Notification

*Your scanned file is attached!*



THIS IS EXHIBIT "III" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Barry Rotenberg <brotenberg@harris-sheaffer.com> on behalf of Barry Rotenberg  
**Sent:** December 30, 2015 11:33 PM  
**To:** "Alan Saskin (alansaskin@gmail.com)" <alansaskin@gmail.com>  
**Subject:** FW: Scan Notification-Holdco Side Letter  
**Attachments:** 20151230223822466\_00000000.PDF

They have made significant/important changes to the "side letter"

Please review Red Line attached.

1.You know you can not do this

2.The Leslieville Loan and Epic Loan are already in default and he could seize your company immediately.

You need to decide what to accept or reject.

I will send next a Clean copy and you can make the changes you want to make.

**From:** Barry Rotenberg  
**Sent:** December-30-15 11:26 PM  
**To:** Barry Rotenberg  
**Subject:** Scan Notification

*Your scanned file is attached!*

## Urbancorp Holdco Inc.

December 22, 2015

Carolyn Montgomery  
Terra Firma MA Ltd.  
#200-22 St. Clair East,  
Toronto ON  
M4T 2S3

Dear Mrs. Montgomery,

The following are additional terms and conditions which Alan Saskin as sole voting shareholder of Urbancorp Holdco Inc. ("Urbancorp") will ensure that Urbancorp, Urbancorp Inc. ("Inc.") and Urbancorp Investco Inc. ("Investco") performs in addition to the terms in the proposed \$12 million equity loan (the "Loan") from Terra Firma Capital Corporation ("TFCC") to Urbancorp set out in a LOI dated the same date hereof (the "Loan Commitment"). Urbancorp's sole assets are the all the issued and outstanding shares of Inc. and Investco is a wholly owned subsidiary of Inc.

If there is any discrepancy between this letter and the \$12 million TFCC loan commitment letter Loan Commitment, this letter will supersede.

Urbancorp and Alan Saskin commit that Urbancorp and Inc. will do the following:

1) Urbancorp will contribute the \$12 million loan from TFCC or such other amount net of fees and/or expenses deducted from the Loan (the "Funds") as equity into Inc. Inc. will contribute the Funds as equity into Investco.

2) The Funds will be utilized to allow Investco to co-invest with TFCC in a TFCC syndicated loan or loans secured by property located in the Greater Toronto Area ("Co-investment Loan(s)") as hereinafter set out. TFCC will identify Co-Investment Loan(s) from time to time and Investco will enter into loan servicing agreements with TFCC with respect thereto. In the event of a default under a Co-Investment Loan and the Lender has taken over the project and the lands secured thereunder, Investco shall have the right of first offer to purchase the Co-Investment Loan prior to TFCC exercising its remedies against the defaulting borrower, develop and manage the lands and the project and be compensated therefor on fair market terms. A segregated account will be established under the exclusive signing authority control of TFCC (the "Account"). To the extent a Co-Investment Loan(s) has not been identified at closing to utilize or fully utilize the Funds and/or Investco has not entered into loan servicing agreements with TFCC with respect thereto, the Funds or balance thereof will be placed in the Account. TFCC shall have the discretionary authority to invest the Funds from time to time as Co-Investment Loans. Investco will assign and pledge its interest in the Account as security for the Loan. In addition, immediately following the registration of the charge securing any Co-Investment Loan, Investco will assign its interest in the charge to TFCC as further security for the Loan and such assignment shall be registered on title to the property securing the Co-Investment Loan. Investco's share of the interest earned on the Co-Investment Loan(s) and any repayments of principal of a Co-Investment Loan will be paid into a segregated Co-Investment Loan Account to be established by TFCC in its name, and monies thereunder assigned and pledged as further security for the Loan.

120 Lynn Williams Street Suite 2A, Toronto, ON M6K 3N6  
Tel: 416.928.5001 Fax: 416.928.9501

# Urbancorp Holdco Inc.

## 3) Security:

- a) Pledge of Inc. shares held by Urbancorp, being all of the issued and outstanding shares of Inc.
- b) Guarantee of the Loan by Investco and General Security Agreement from Investco.
- c) ~~e) Assignment and Pledge of the Funds, Account and interest in the Co-Investment Loan Account as security for the Loan by Investco.~~
- d) Assignment of the Co-investment loans by Investco and all security related thereto.

Formatted: Indent: Left: 0.75", First line: 0.5"

Formatted: List Paragraph, Indent: Left: 0.75", First line: 0.5", Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1.24" + Indent at: 1.49"

4) Advisory: A senior executive of TFCC will be an advisor to the Inc. board and will be invited to all board meetings.

5) TFCC has earned an advisory fee on the success of the bond offering (the "Advisory Fee"). The amount is 1% of the net proceeds up to \$50mm and 0.5% for the net funds in excess of \$50mm. Net proceeds will be defined as net of underwriting fees, commissions, land transfer tax, first year interest and the reasonable expenses of the consultants involved. The Advisory Fee has been fixed at ~~...~~ will be no less than \$540,000.00 which is inclusive of TFCC's expenses incurred to date in connection with the Bond Offering.

*EXCLUDING LESLIEVILLE AND ERIC*

6) Cross default: ~~There All security given pursuant to the Loan Commitment and this letter will be cross default and cross collateralization provisions in all the and as collateral for all outstanding loans between the Borrower (including all its affiliates and related persons or entities) and Lender, and its affiliates (the "Existing Loans"). Any default under the trust deed any Existing Loans will be a default under the Loan Commitment which will entitle the Lender to exercise its remedies against Urbancorp, Investco and the guarantors and any other entities pursuant to the Loan Commitment, this letter and all security provided thereunder. As long as any Existing Loans remain outstanding, all security given pursuant to the Loan Commitment or this letter, other than the charges on the Secured Projects which have been fully and properly discharged in accordance with their respective terms, shall remain as security for the Existing Loans.~~

*EXCLUDING LESLIEVILLE AND ERIC*

*MS VAREMO T*

7) Distributions from Inc: TFCC will be entitled to: (i) \$100,000 per month of the monthly management fees collected from Inc, which will be applied first towards the Advisory Fee until it is fully paid and then towards interest on the Loan, principal of the Loan or other amounts owed to Lender from time to time; and (ii) any distribution of Profit from Inc, that is not applied to repay existing debentures (as same may be increased) or required to be paid to the dedicated debenture account pursuant to existing bond lender terms, to be applied for the same purpose.

Yours truly,

Alan Saskin  
President

Guarantor: Alan Saskin

THIS IS EXHIBIT "JJJ" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.




---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

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**From:** Rabinovitch, Neil  
**Sent:** October 8, 2018 3:20 PM  
**To:** Kraft, Kenneth; Rabinovitch, Neil  
**Subject:** FW: Funding Statement - \$12MM equity loan to Urbancorp Holdco  
**Attachments:** Funding Statement Urbancorp. Holdco Dec 30 2015.pdf

 Neil S. Rabinovitch  
 Partner

D +1 416 863 4656  
 neil.rabinovitch@dentons.com  
 Bio | Website

Dentons Canada LLP  
 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1 Canada

HPRP > Zain & Co. > Delany Law > Dinner Martin > Maclay Murray & Spens > Gallo Barrios Pickmann  
 > Muñoz > Cardenas & Cardenas > Lopez Velarde > Rodyk > Boekel > OPF Partners > 大成

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**From:** Mano Thiyagarajah <mthiyagarajah@tfcc.ca>  
**Sent:** December 30, 2015 9:55 AM  
**To:** "Christine Honrade" <ChristineH@urbancorp.com>, "Alan Saskin (alansaskin@gmail.com)" <alansaskin@gmail.com>, "Barry Rotenberg" <brotenberg@harris-sheaffer.com>, "Cheryl Moore (cmoore@harris-sheaffer.com)" <cmoore@harris-sheaffer.com>  
**Cc:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>, "Carolyn Montgomery" <cmontgomery@tfcc.ca>, "Kathy Guan" <kguan@tfcc.ca>, "nw@nwinlaw.com" <nw@nwinlaw.com>, "Esther Berglas (eb@nwinlaw.com)" <eb@nwinlaw.com>  
**Subject:** Funding Statement - \$12MM equity loan to Urbancorp Holdco

Christine:

Please find attached the funding statement for the \$12MM equity loan to Urbancorp Holdco. Once we receive payments on other loans, we will wire the net amount to Urbancorp Investco.

Let me know if you have any questions.

Thank you,

Mano

**Please note my new contact details**

**Mano Thiyagarajah**  
 Chief Financial Officer



**Terra Firma Capital Corporation**

22 St. Clair Avenue East  
Weston Centre  
Suite 200  
Toronto, ON M4T 2S5  
O (416) 792-4707  
M (416) 303 6649  
[mthiyagarajah@tfcc.ca](mailto:mthiyagarajah@tfcc.ca)

## Terra Firma Capital Corporation

Equity Loan to Urbancorp Holdco Inc.

Loan Closing Statement

Funding Date: December 30, 2015

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Terra Firma Capital Corporation ("TFCC" ) loan to Urbancorp Holdco Inc. \$ 12,000,000.00

**Composition of loan amount:**

Total Loan proceeds	12,000,000.00
	<b>12,000,000.00</b>

---

Less: Amounts deducted from advance

1	Commitment fee (on total loan)	12,000,000	X	2%	\$	240,000	(240,000.00)
2	Underwriting expenses						(10,000.00)
3	Legal Fees						(80,000.00)
3	Stub perid interest @ 8% for 2 days						(5,260.27)

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<b>Net amount wired to Urbancorp Investo Inc.</b>	<b>\$ 11,664,739.73</b>
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THIS IS EXHIBIT "**KKK**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

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Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

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**From:** Barry Rotenberg <brotenberg@harris-sheaffer.com> on behalf of Barry Rotenberg  
**Sent:** December 31, 2015 12:11 AM  
**To:** "Alan Saskin (alansaskin@gmail.com)" <alansaskin@gmail.com>  
**Subject:** FW: Scan Notification-Holdco Side Letter

You can not possible proceed with this.

---

**From:** Norman Winter [mailto:nw@nwinlaw.com]  
**Sent:** December-31-15 12:08 AM  
**To:** Barry Rotenberg  
**Cc:** Esther Berglas; Nerissa  
**Subject:** Re: Scan Notification-Holdco Side Letter

With respect to item 2, I have instructions. No changes.

Sent from my phone

NORMAN H. WINTER | 416.964.0325, ext. 280 | [nw@nwinlaw.com](mailto:nw@nwinlaw.com)

**LAW OFFICES OF NORMAN H. WINTER**

1 St. Clair Avenue East, Suite 801, Toronto, Ontario M4T 2V7 Canada | T. 416.964-0325 | F. 416.964.2494

This email communication is **CONFIDENTIAL AND LEGALLY PRIVILEGED**. If you are not the intended recipient, please notify me at the telephone number shown above or by return email and delete this communication and any copy immediately. Thank you.

On Dec 31, 2015, at 12:02 AM, Norman Winter <[nw@nwinlaw.com](mailto:nw@nwinlaw.com)> wrote:

I'm assuming by Bondco you mean Urbancorp Inc. I don't see them guaranteeing anything. If you mean Holdco, it too is not guaranteeing anything, but as I outlined in an email to you after our phone conversation, we to require (and your client agreed to provide) full cross default for all loans.

Sent from my phone

NORMAN H. WINTER | 416.964.0325, ext. 280 | [nw@nwinlaw.com](mailto:nw@nwinlaw.com)

**LAW OFFICES OF NORMAN H. WINTER**

1 St. Clair Avenue East, Suite 801, Toronto, Ontario M4T 2V7 Canada | T. 416.964-0325 | F. 416.964.2494

This email communication is **CONFIDENTIAL AND LEGALLY PRIVILEGED**. If you are not the intended recipient, please notify me at the telephone number shown above or by return email and delete this communication and any copy immediately. Thank you.

On Dec 30, 2015, at 11:36 PM, Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)> wrote:

The revised letter is worse than yesterday and not what we agreed to this morning.

1. You have Bondco Guaranteeing non Bondco assets which it can not do
2. The existing Loans on Leslieville and Epic are if not in actual default, are in technical default. This would allow your client to seize the entire company immediately.

We are seeking instructions and we suggest you do so as well.

**From:** Barry Rotenberg  
**Sent:** December-30-15 11:27 PM  
**To:** Barry Rotenberg  
**Subject:** Scan Notification

*Your scanned file is attached!*

<20151230223848550\_00000000.PDF>



December 22, 2015

Urbancorp Holdco. Inc.  
120 Lynn Williams Street Suite 2A,  
Toronto, ON M6K 3N6

Attention: Mr. Alan Saskin

RE: Portfolio Loan

Dear Mr. Saskin;

The following are the terms and conditions under which TFCC will provide Urbancorp Holdco Inc. ("Urbancorp") a portfolio loan and advisory services. This Letter of Interest is for discussion purposes only and is not to be construed as a Commitment by the Lender to fund, implied or otherwise. Accordingly, these terms and conditions may be broadened in the future documentation process to include typical lending terms.

<b>Borrower</b>	Urbancorp Holdco Inc. ("Borrower"), a private entity 100% owned by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay) Limited Partnership and TCC/Urbancorp (Bay/Stadium) Limited Partnership (collectively the "Shareholders"). At closing, Borrower will have the assets and liabilities listed in Schedule A <i>ONLY OWNS SHARES OF INC.</i>
<b>Loan Amount</b>	\$12 million
<b>Rate</b>	16% p.a.
<b>Term</b>	36 months with two 12-month extensions
<b>Fee</b>	2% (1% per extension) to be paid as follows: a. \$100,000 upon signing of this LOI; and b. The balance to be paid at Closing or deducted from the Loan Amount

1 | Page

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Use of Funds

To provide Borrower with funds to enhance the equity capital of Urbancorp Inc. ("Inc."), a wholly owned subsidiary of the Borrower that has completed a \$64 million bond offering in Tel Aviv.

*AS THE FUTURE OF A PLEDGE OR INTEREST IN EPIC AND IRREVOCABLE DIRECT AND ALL PROCEEDS OF VALERIAN*

Security

*EXCLUDE EPIC AND VALERIAN*

- Mortgage registration ~~and related~~ security with respect to the projects listed on the attached Schedule B (the "Secured Projects") to be granted by the Borrower's affiliates, as noted on said Schedule "B", which security will include cross default provisions with other security given by the Borrower and its affiliates to TFCC; and
- Joint and several guarantees of the Shareholders (the "Guarantors"); and *GUARANTEE OF ALAN*
- Pledge of shares of the Guarantors, representing 100% of the issued and outstanding shares of the Borrower; and *REQUIRED*
- Such other and further security as ~~deemed~~ reasonably by the Lender's legal counsel.

*CAN NOT BE LIMITED TO THEIR SHARES OF HOLDING*

Interest Payments

8% p.a. to be paid monthly. The balance of the interest due shall accrue, and shall be capitalized on a monthly basis, and such accrued interest shall be paid when funds become available from the sale of any portion or all of the Secured Projects or from 100% of profit distributions from Urbancorp, Inc. or any of its subsidiaries, but in all events no later than on maturity. TFCC shall have the right to offer Borrower the option to accrue the 8% p.a. that is to be paid monthly as set out above.

Principal Payments

100% *NET* of sale proceeds of any portion or all of the Secured Projects, and 100% of profit distributions *TO THE BORROWER* from Urbancorp, Inc. or any of its subsidiaries, following payment of accrued interest as set out above, will be used to repay 75% of the Loan Amount. Once 75% of the Loan Amount and accrued interest has been repaid, the Borrower will repay the principal proportionately from available funds as aforesaid, as discharges are required, and the balance upon maturity.

Prepayment

The Loan may be prepaid at any time subject to 30-day prior written notice. Required payments may be made at any time.

TFCC Expenses

Urbancorp will be responsible for TFCC's reasonable costs and expenses in connection with closing and monitoring the Loan during the term of the Loan. Said costs and expenses will be paid by Borrower upon demand.

Prefunding Conditions

As a pre-condition to the funding of this Loan, Urbancorp will:

1. Be in good standing on all of its loans and obligations to Lender;
2. Repay the loans listed in Schedule C including outstanding interest and fees;
3. All security in place to the full and complete satisfaction of Lender and its counsel acting reasonably; and

*OK*

4. Receipt of such other information and documentation that the Lender may reasonably require

*(Borrower's Obligations may be increased)*

**Covenants**

Borrower and any of its subsidiaries will be restricted from taking on any new indebtedness or withdrawing any funds or otherwise paying shareholders without the prior written consent of Lender. Lender acknowledges that new debt is required for development and construction. *AND THAT MONTGOMERY HAS DISCRETION TO FINANCE DOMESTIC AND FOREIGN*

**Legal Representation**

Borrower will obtain legal advice that the transaction described herein is permitted under the terms of all other loans in its portfolio.

**Legal Opinions**

*IN ACCORDANCE WITH CORPORATE AUTHORIZATION*

As a precondition to funding of this Loan, Urbancorp will provide an opinion given by the solicitors of Urbancorp and the Guarantors as the due execution and validity of the security documents and their enforceability in accordance with their terms, subject to usual qualifiers and without any opinion on compliance with agreements other than the security documents.

**Right of First Offer**

TFCC will continue to have the right of first offer to provide financings to the Urbancorp entities

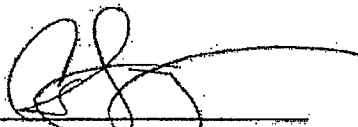
**General Conditions**

All reasonable costs incurred by Lender including legal, insurance consultant, as well as other costs which may be identified as time progresses shall be the responsibility of the Borrower and paid upon closing. Costs related to future expenses will be payable immediately on demand. TFCC will have the right to assign its rights under this Loan.

If you wish to proceed with a formal application for approval on the foregoing terms and conditions, kindly acknowledge so by executing and returning a copy of this Letter, along with a cheque in the amount of \$100,000 by December 24, 2015. Failing which, this letter shall be deemed null and void.

Yours truly,

Terra Firma MA Ltd.

  
\_\_\_\_\_  
Carolyn Montgomery

Vice President & Principal Broker

*CH*

WE HEREBY AGREE to the above terms and conditions. We also authorize the Lender to obtain credit information on the borrower and guarantors from sources they deem necessary.

**ACCEPTANCE**

Accepted on the terms and conditions herein provided this \_\_\_\_\_ day of \_\_\_\_\_ 2015

**URBANCORP HOLDCO INC.**

Per: \_\_\_\_\_  
Alan Saskin—President  
I have authority to bind the Corporation

Witness:  
\_\_\_\_\_

\_\_\_\_\_  
Alan Saskin

**TCC/URBANCORP (BAY) LIMITED PARTNERSHIP By its  
General Partner  
Deaja Partner (Bay) Inc.**

Per: \_\_\_\_\_  
Alan Saskin—President  
I have authority to bind the Corporation

**TCC/URBANCORP (BAY/STADIUM) LIMITED PARTNERSHIP  
By its General Partner  
Deaja Partner (Stadium) Inc.**

Per: \_\_\_\_\_  
Alan Saskin—President  
I have authority to bind the Corporation

**URBANCORP MANAGEMENT INC.**

Per: \_\_\_\_\_

CH

Alan Saskin-President  
I have authority to bind the Corporation

**URBANCORP TORONTO MANAGEMENT INC.**

Per: \_\_\_\_\_  
Alan Saskin-President  
I have authority to bind the Corporation

**THE WEBSTER FAMILY TRUST**

Per: \_\_\_\_\_  
Name:  
Title:  
I have authority to bind the Trust

CH



## SCHEDULE A

## Assets and Liabilities of Urbancorp Holdco Inc.

**ASSETS:**

\_\_\_\_\_ shares of Urbancorp Inc., being all of the issued and outstanding shares of Urbancorp Inc.

**LIABILITIES:**

SCHEDULE "B"

PROPERTY	REGISTERED OWNER	BENEFICIAL OWNER	GUARANTORS
<p><b>9100 Woodbine Avenue, Markham, Ontario</b></p> <p>PIN 03046-0219 (LT)</p> <p>PT LT 14 CON 3 MARKHAM, PT 2 65R31684 , MARKHAM ; T/W R680957</p> <p><b>9084 Woodbine Avenue, Markham, Ontario</b></p> <p>PIN 03046-0217 (LT)</p> <p>PT LT 1 PL 3604 MARKHAM , PT 3 65R31684 ; MARKHAM</p> <p><b>9110 Woodbine Avenue, Markham, Ontario</b></p> <p>PIN 03046-0215 (LT)</p> <p>PT LTS 14 &amp; 15, CON 3 MARKHAM, PT 1 65R31684 ; MARKHAM</p> <p><b>9064 and 9074 Woodbine Avenue, Markham, Ontario</b></p> <p>PIN 03046-0213 (LT)</p> <p>PT LT 1 PL 3604 MARKHAM &amp; PT LT 14 CON 3 MARKHAM, PT 4 65R31684 ; MARKHAM</p>	<p>Urbancorp (Woodbine) Inc.</p>	<p>TCC/Urbancorp (Bay) Limited Partnership</p>	<p>Alan Saskin, <del>TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership, Urbancorp Investco Inc. and Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</del></p>
<p><b>2427 and 2425 Bayview Avenue, Toronto, Ontario</b></p> <p>PIN 10126-1010 (LT)</p> <p>PART OF LOT 8 CONCESSION 2 EYS (N YORK), DESIGNATED AS PARTS 1 &amp; 2 ON PLAN 66R24078; CITY OF TORONTO</p>	<p>Urbancorp (Bridlepath) Inc.</p>	<p>TCC/Urbancorp (Bay) Limited Partnership</p>	<p>Alan Saskin, <del>TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership, Urbancorp Investco Inc. and Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</del></p>

PROPERTY	REGISTERED OWNER	BENEFICIAL OWNER	GUARANTORS
<p><b>EPIC</b> <b>PIN 21298-0448 (LT)</b></p> <p>PART OF THE ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PART 1 ON PLAN 66R26215; TORONTO; CITY OF TORONTO;; TOGETHER WITH AN EASEMENT OVER PART OF THE ORDNANCE RESERVE AND PART OF ABELL STREET, CLOSED BY BY-LAW 6321, INSTRUMENT NO. OD33202, ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 3,4,5 &amp; 6 ON PLAN 66R23469 UNTIL DEDICATED AS PUBLIC HIGHWAY AS IN AT1707704; TOGETHER WITH AN EASEMENT OVER PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5, 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; TOGETHER WITH AN EASEMENT OVER PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5, 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 5 ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 25,26 &amp; 53 ON PLAN 66R25068 AS IN AT2497743; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 5 ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 34 &amp; 35 ON PLAN 66R25068 AS IN AT2498220; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF ROGERS CABLE COMMUNICATIONS INC. AS IN AT1784893; SUBJECT TO AN</p>	<p>Epic On Triangle Park Inc. (Urbancorp's interest in Epic is Held by King West Village South Limited)</p>	<p>TCC/Urbancorp (Bay/Stadium) Limited Partnership</p>	<p>Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership, Urbancorp Investco Inc. and Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</p>

<p>EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF GREATER TORONTO TRANSIT AUTHORITY AND CANADIAN NATIONAL RAILWAY COMPANY AS IN AT1929991; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF PART OF ORDNANE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5 &amp; 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF PART OF ORDNANE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5 &amp; 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3073995; TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3505198</p>			
<p><b>EPIC Continued</b> <b>PIN 21298-0450 (LT)</b></p> <p>INCLUSIVE, ON PLAN 66R-23505; SUBJECT TO RIGHT OF WAY AS IN CT430478 AND WF27767 PARTIAL RELEASE AS TO PTS 5 AND 9 PL 66R-23505 AS IN AT2198438, AT2198441, AT2221543 AND PARTIAL RELEASE AS TO PARTS 4, 7 &amp; 8 ON PLAN 66R17071 AS IN AT3522908, PARTIAL RELEASE AS IN AT3760103 &amp; AT3760109 &amp; AT3760128 &amp; AT3760138 AT3760148 AT3760167 AT3760311, WF27767 PARTIAL RELEASE AS TO PARTS 7 &amp; 8 ON PLAN 66R17071 AS IN AT4047674; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1 TO 7 PL 66R-23505 AS IN AT2106267; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1 TO 5 ON PL 66R-23505 AS IN AT2303473; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1, 2, 3, 4 AND 5 ON PL 66R-23505</p>	<p>Epic On Triangle Park Inc. (Urbancorp's interest in Epic is Held by King West Village South Limited)</p>	<p>TCC/Urbancorp (Bay/Stadium) Limited Partnership</p>	<p>Alan Saskin, <del>TCC/Urbancorp</del> (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership, Urbancorp Investco Inc. and Urbancorp Management Inc., Urbancorp Toronto Management Inc. and <del>The Webster Family Trust</del></p>

AS IN AT2329585; SUBJECT TO AN EASEMENT OVER PT BLOCK 5 PL ORDNANCE RESERVE DESIGNATED AS PTS 25, 26 AND 53 ON PL 66R25068 IN FAVOUR OF PTS 6, 21 TO 24, 27, 30, 32, 33, 36 TO 39, 41, 43 TO 52, 54 TO 56 PL 66R25068 AND PTS 1 TO 5, 7 TO 20 ON PL 66R25068 AS IN AT2497743; TOGETHER WITH AN EASEMENT OVER PTS 23 AND 24 ON PL 66R-25068 AS IN AT2498075; TOGETHER WITH AN EASEMENT OVER PTS 6, 23, 24, 32, 33, 36 AND 37 ON PL 66R25068 AS IN AT2498248; S/T AN EASEMENT OVER PTS 25 AND 26 ON PL 66R25068 IN FAVOUR OF PTS 28, 29, 31, 40 AND 42 ON PL 66R-25068 AS IN AT2736147; S/T AND T/W EASEMENT AS SET OUT IN AT3073995, CITY OF TORONTO; TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3505198; SUBJECT TO AN EASEMENT AS IN AT3695579; CITY OF TORONTO

**PIN 76249-0429 (LT)**

UNIT 54, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2249 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3073995; CITY OF TORONTO

**PIN 76249-0430 (LT)**

UNIT 55, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2249 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3073995; CITY OF TORONTO

PROPERTY	REGISTERED OWNER	BENEFICIAL OWNER	GUARANTORS
<p><b>300 Valermo Drive, Toronto</b>            PIN 07586-0258 (LT)</p> <p>PART OF LOT 8, CON 2 COLONEL SMITH'S TRACT, PT LOTS 85, 86, 87, 88, 89 AND 90 ON PLN 2449, DESIGNATED AS PARTS 1 &amp; 2 PLAN 66R-27359; SUBJECT TO AN EASEMENT OVER PART OF LOT 8 CONCESSION 2 COLONEL SMITH'S TRACT DESIGNATED AS PART 2 ON PLAN 66R-27359 IN FAVOUR OF THE CITY OF TORONTO AS IN EB421053; CITY OF TORONTO</p>	<p>Valermo Homes Inc.            (Urbancorp's portion held by Urbancorp (Valermo Inc.))</p>	<p>TCC/Urbancorp (Stadium Road) Limited Partnership</p>	<p><del>Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership, Urbancorp Investco Inc. and Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</del></p>

## Schedule "C"

## Loans to be Repaid:

- 1) Lawrence Avenue
- 2) Caledonia/Innes
- 3) Patricia
- 4) Mallow

THIS IS EXHIBIT "LLL" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer



**Rabinovitch, Neil**

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**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** December 31, 2015 5:39 AM  
**To:** "Barry Rotenberg" <brotenberg@harris-sheaffer.com>  
**Subject:** Can u call Dov

Sent from my iPhone  
Israel number below

Dov and I just talked  
He said he needs more in the side letter  
I said fine  
I told him I 'm in default right now of the side letter, since Leslieville in special loans. He had 100% control of company, so why does he need more control provisions . He said he would never put company in default , he just needs controls if Urbancorp does not perform in the future .  
I told him it's better to do the deal with him for the \$12 million than in the alternative , start to be in default on the bonds.  
Barry  
I understand that by signing the side letter , tfcc can take over the company any day of their choosing . I'm trusting Dov, that as long as we perform , he just wants his money back.  
Thanks  
Alan  
Begin forwarded message:

**From:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Date:** December 31, 2015 at 10:57:23 AM GMT+1  
**To:** Alan Saskin <alansaskin@gmail.com>  
**Subject:** I am back in Tel aviv

Please call me +972544455413

Sent from my iPhone

THIS IS EXHIBIT "**MMM**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer



December 22, 2015

Urbancorp Holdco. Inc.  
 120 Lynn Williams Street Suite 2A,  
 Toronto, ON M6K 3N6

Attention: Mr. Alan Saskin

RE: Portfolio Loan

Dear Mr. Saskin;

The following are the terms and conditions under which TFCC will provide Urbancorp Holdco Inc. ("Urbancorp") a portfolio loan and advisory services. This Letter of Interest is for discussion purposes only and is not to be construed as a Commitment by the Lender to fund, implied or otherwise. Accordingly, these terms and conditions may be broadened in the future documentation process to include typical lending terms.

<b>Borrower</b>	Urbancorp Holdco Inc. ("Borrower"), a private entity 100% owned by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay) Limited Partnership and TCC/Urbancorp (Bay/Stadium) Limited Partnership (collectively the "Shareholders"). At closing, Borrower will have the assets and liabilities listed in Schedule A
<b>Loan Amount</b>	\$12 million
<b>Rate</b>	16% p.a.
<b>Term</b>	36 months with two 12-month extensions
<b>Fee</b>	2% (1% per extension) to be paid as follows: a. \$100,000 upon signing of this LOI; and b. The balance to be paid at Closing or deducted from the Loan Amount
<b>Use of Funds</b>	To provide Borrower with funds to enhance the equity capital of

1 | Page

Urbancorp Inc. ("Inc."), a wholly owned subsidiary of the Borrower that has completed a \$64 million bond offering in Tel Aviv.

**Security**

- Mortgage registration on and related security with respect to the Woodbine and Bridlepath projects, as listed on the attached Schedule B, and an assignment of proceeds from the Valermo project (collectively the "Secured Projects") to be granted by the Borrower's affiliates, as noted on said Schedule "B", which security will include cross default provisions; and
- Joint and several guarantees of the Shareholders other than Alan Saskin limited to their shares of Holdco and their beneficial interests in the Secured Projects; and
- Unlimited personal guarantee of Alan Saskin; and
- Pledge of shares of the Shareholders, representing 100% of the issued and outstanding shares of the Borrower; and
- Such other and further security as reasonably required by the Lender's legal counsel.

**Security on Epic Project**

At such time as a plan of condominium has been registered on the Epic Project and the existing indebtedness with Royal Bank of Canada ("RBC") is sufficiently paid out so as to allow a discharge of RBC's security registered on the retail units of the condominium, registration of a first charge against the retail condominium units to be created in the Epic Project in the amount of \$12,000,000.00 in favour of the Lender.

**Interest Payments**

8% p.a. to be paid monthly. The balance of the interest due shall accrue, and shall be capitalized on a monthly basis, and such accrued interest shall be paid when funds become available from the sale of any portion or all of the Secured Projects or from 100% of profit distributions from Urbancorp, Inc. or any of its subsidiaries, but in all events no later than on maturity. TFCC shall have the right to offer Borrower the option to accrue the 8% p.a. that is to be paid monthly as set out above.

**Principal Payments**

100% of Net Sale Proceeds (as hereinafter defined) of any portion or all of the Secured Projects, and 100% of profit distributions from Urbancorp, Inc. or any of its subsidiaries, following payment of accrued interest as set out above, will be used to repay 75% of the Loan Amount. Once 75% of the Loan Amount and accrued interest has been repaid, the Borrower will repay the remaining principal plus accrued interest from available funds as aforesaid, as discharges are required on a per lot or unit basis, proportionate to the number of lots/units unit remaining under the ownership of the chargor at such time as 75% of the Loan Amount and accrued interest has been repaid, and the balance upon maturity. For purposes hereof, Net Sale Proceeds shall mean shall mean the gross sales price of the portion of the Lands being sold (inclusive of unit, parking and

	locker as the case may be), reduced by the Harmonized Sales Tax, purchaser's deposits utilized in the Project, and reasonable closing costs, plus closing adjustment revenue as per the applicable purchase and sale agreement with the purchaser, and reduced by any mandatory required payments to prior chargees of the Lands.
<b>Prepayment</b>	The Loan may be prepaid at any time subject to 30-day prior written notice. Required payments may be made at any time.
<b>TFCC Expenses</b>	Urbancorp will be responsible for TFCC's reasonable costs and expenses in connection with closing and monitoring the Loan during the term of the Loan. Said costs and expenses will be paid by Borrower upon demand.
<b>Prefunding Conditions</b>	As a pre-condition to the funding of this Loan, Urbancorp will: <ol style="list-style-type: none"> <li>1. Be in good standing on all of its loans and obligations to Lender;</li> <li>2. Repay the loans listed in Schedule C including outstanding interest and fees;</li> <li>3. All security in place to the full and complete satisfaction of Lender and its counsel acting reasonably; and</li> <li>4. Receipt of such other information and documentation that the Lender may reasonably require</li> </ol>
<b>Covenants</b>	Borrower and any of its subsidiaries will be restricted from taking on any new indebtedness (other than existing debentures which may be increased) or withdrawing any funds or otherwise paying shareholders without the prior written consent of Lender. Lender acknowledges that new debt is required for development and construction and that Mattamy has discretion to finance Downsview and Valermo.
<b>Legal Representation</b>	Borrower will obtain legal advice that the transaction described herein is permitted under the terms of all other loans in its portfolio.
<b>Legal Opinions</b>	As a precondition to funding of this Loan, Urbancorp will provide an opinion given by the solicitors of Urbancorp and the Guarantors as the due execution in accordance with corporate authorization and validity of the security documents and their enforceability in accordance with their terms, subject to usual qualifiers and without any opinion on compliance with agreements other than the security documents.
<b>Right of First Offer</b>	TFCC will continue to have the right of first offer to provide financings to the Urbancorp entities.
<b>General Conditions</b>	All reasonable costs incurred by Lender including legal, insurance consultant, as well as other costs which may be identified as time progresses shall be the responsibility of the Borrower and paid upon closing. Costs related to future expenses will be payable immediately on demand.

TFCC will have the right to assign its rights under this Loan.

If you wish to proceed with a formal application for approval on the foregoing terms and conditions, kindly acknowledge so by executing and returning a copy of this Letter, along with a cheque in the amount of \$100,000 by December 24, 2015. Failing which, this letter shall be deemed null and void.

Yours truly,

Terra Firma MA Ltd.

\_\_\_\_\_  
Carolyn Montgomery

Vice President & Principal Broker

WE HEREBY AGREE to the above terms and conditions. We also authorize the Lender to obtain credit information on the borrower and guarantors from sources they deem necessary.

**ACCEPTANCE**

Accepted on the terms and conditions herein provided this \_\_\_\_ day of \_\_\_\_\_ 2015

URBANCORP HOLDCO INC.

Per: \_\_\_\_\_

Alan Saskin - President

I have authority to bind the Corporation

**GUARANTORS:**

Witness:

\_\_\_\_\_

\_\_\_\_\_  
Alan Saskin


TCC/URBANCORP (BAY) LIMITED PARTNERSHIP By its  
General Partner  
Deaja Partner (Bay) Inc.

Per: \_\_\_\_\_


Alan Saskin - President

I have authority to bind the Corporation


TCC/URBANCORP (BAY/STADIUM) LIMITED PARTNERSHIP  
By its General Partner  
Deaja Partner (Stadium) Inc.

Per:   
Alan Saskin—President  
I have authority to bind the Corporation


URBANCORP MANAGEMENT INC.

Per:   
Alan Saskin—President  
I have authority to bind the Corporation

URBANCORP TORONTO MANAGEMENT INC.

Per:   
Alan Saskin—President  
I have authority to bind the Corporation

THE WEBSTER FAMILY TRUST

Per:   
Name:  
Title:  
I have authority to bind the Trust

## SCHEDULE A

## Assets and Liabilities of Urbancorp Holdco Inc.

ASSETS:

\_\_\_\_\_ shares of Urbancorp Inc., being all of the issued and outstanding shares of Urbancorp Inc.

LIABILITIES:



SCHEDULE "B"

PROPERTY	REGISTERED OWNER	BENEFICIAL OWNER	GUARANTORS
<p><b>9100 Woodbine Avenue, Markham, Ontario</b></p> <p>PIN 03046-0219 (LT)</p> <p>PT LT 14 CON 3 MARKHAM, PT 2 65R31684 ; MARKHAM ; T/W R680957</p> <p><b>9084 Woodbine Avenue, Markham, Ontario</b></p> <p>PIN 03046-0217 (LT)</p> <p>PT LT 1 PL 3604 MARKHAM , PT 3 65R31684 ; MARKHAM</p> <p><b>9110 Woodbine Avenue, Markham, Ontario</b></p> <p>PIN 03046-0215 (LT)</p> <p>PT LTS 14 &amp; 15, CON 3 MARKHAM, PT 1 65R31684 ; MARKHAM</p> <p><b>9064 and 9074 Woodbine Avenue, Markham, Ontario</b></p> <p>PIN 03046-0213 (LT)</p> <p>PT LT 1 PL 3604 MARKHAM &amp; PT LT 14 CON 3 MARKHAM, PT 4 65R31684 ; MARKHAM</p>	<p>Urbancorp (Woodbine) Inc.</p>	<p>TCC/Urbancorp (Bay) Limited Partnership</p>	<p>Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Investco Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</p>
<p><b>2427 and 2425 Bayview Avenue, Toronto, Ontario</b></p> <p>PIN 10126-1010 (LT)</p> <p>PART OF LOT 8 CONCESSION 2 EYS (N YORK), DESIGNATED AS PARTS 1 &amp; 2 ON PLAN 66R24078; CITY OF TORONTO</p>	<p>Urbancorp (Bridlepath) Inc.</p>	<p>TCC/Urbancorp (Bay) Limited Partnership</p>	<p>Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Investco Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</p>

PROPERTY	REGISTERED OWNER	BENEFICIAL OWNER	GUARANTORS
<p><b>300 Valermo Drive, Toronto</b> PIN 07586-0258 (LT)</p> <p>PART OF LOT 8, CON 2 COLONEL SMITH'S TRACT, PT LOTS 85, 86, 87, 88, 89 AND 90 ON PLN 2449, DESIGNATED AS PARTS 1 &amp; 2 PLAN 66R-27359; SUBJECT TO AN EASEMENT OVER PART OF LOT 8 CONCESSION 2 COLONEL SMITH'S TRACT DESIGNATED AS PART 2 ON PLAN 66R-27359 IN FAVOUR OF THE CITY OF TORONTO AS IN EB421053; CITY OF TORONTO</p>	<p>Valermo Homes Inc. (Urbancorp's portion held by Urbancorp (Valermo Inc.))</p>	<p>TCC/Urbancorp (Stadium Road) Limited Partnership  Assignment of Proceeds</p>	<p>Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Investco Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</p>
<p><b>EPIC</b> PIN 21298-0448 (LT)</p> <p>PART OF THE ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PART 1 ON PLAN 66R26215; TORONTO; CITY OF TORONTO;; TOGETHER WITH AN EASEMENT OVER PART OF THE ORDNANCE RESERVE AND PART OF ABELL STREET, CLOSED BY BY-LAW 6321, INSTRUMENT NO. OD33202, ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 3,4,5 &amp; 6 ON PLAN 66R23469 UNTIL DEDICATED AS PUBLIC HIGHWAY AS IN AT1707704; TOGETHER WITH AN EASEMENT OVER PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5, 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; TOGETHER WITH AN EASEMENT OVER PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE</p>	<p>Epic On Triangle Park Inc. (Urbancorp's interest in Epic is Held by King West Village South Limited)</p>	<p>TCC/Urbancorp (Bay/Stadium) Limited Partnership</p>	<p>Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Investco Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</p>

<p>DESIGNATED AS PARTS 1 TO 5, 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 5 ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 25,26 &amp; 53 ON PLAN 66R25068 AS IN AT2497743; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 5 ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 34 &amp; 35 ON PLAN 66R25068 AS IN AT2498220; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF ROGERS CABLE COMMUNICATIONS INC. AS IN AT1784893; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF GREATER TORONTO TRANSIT AUTHORITY AND CANADIAN NATIONAL RAILWAY COMPANY AS IN AT1929991; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5 &amp; 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5 &amp; 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3073995; TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3505198</p>			
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PROPERTY	REGISTERED OWNER	BENEFICIAL OWNER	GUARANTORS
<p>EPIC continued PIN 21298-0450 (LT)</p> <p>INCLUSIVE, ON PLAN 66R-23505; SUBJECT TO RIGHT OF WAY AS IN CT430478 AND WF27767 PARTIAL RELEASE AS TO PTS 5 AND 9 PL 66R-23505 AS IN AT2198438, AT2198441, AT2221543 AND PARTIAL RELEASE AS TO PARTS 4, 7 &amp; 8 ON PLAN 66R17071 AS IN AT3522908, PARTIAL RELEASE AS IN AT3760103 &amp; AT3760109 &amp; AT3760128 &amp; AT3760138 AT3760148 AT3760167 AT3760311, WF27767 PARTIAL RELEASE AS TO PARTS 7 &amp; 8 ON PLAN 66R17071 AS IN AT4047674; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1 TO 7 PL 66R-23505 AS IN AT2106267; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1 TO 5 ON PL 66R-23505 AS IN AT2303473; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1, 2, 3, 4 AND 5 ON PL 66R-23505 AS IN AT2329585; SUBJECT TO AN EASEMENT OVER PT BLOCK 5 PL ORDNANCE RESERVE DESIGNATED AS PTS 25, 26 AND 53 ON PL 66R25068 IN FAVOUR OF PTS 6, 21 TO 24, 27, 30, 32, 33, 36 TO 39, 41, 43 TO 52, 54 TO 56 PL 66R25068 AND PTS 1 TO 5, 7 TO 20 ON PL 66R25068 AS IN AT2497743; TOGETHER WITH AN EASEMENT OVER PTS PTS 23 AND 24 ON PL 66R-25068 AS IN AT2498075; TOGETHER WITH AN EASEMENT OVER PTS 6, 23, 24, 32, 33, 36 AND 37 ON PL 66R25068 AS IN AT2498248; S/T AN EASEMENT OVER PTS 25 AND 26 ON PL 66R25068 IN FAVOUR OF PTS 28, 29, 31, 40 AND 42 ON PL 66R-25068 AS IN AT2736147; S/T AND T/W</p>	<p>Epic On Triangle Park Inc. (Urbancorp's interest in Epic is Held by King West Village South Limited)</p>	<p>TCC/Urbancorp (Bay/Stadium) Limited Partnership</p>	

EASEMENT AS SET OUT IN  
AT3073995, CITY OF TORONTO;  
TOGETHER WITH EASEMENTS  
AS SET OUT IN SCHEDULE A AS  
IN AT3505198; SUBJECT TO AN  
EASEMENT AS IN AT3695579;  
CITY OF TORONTO

**PIN 76249-0429 (LT)**

UNIT 54, LEVEL A, TORONTO  
STANDARD CONDOMINIUM  
PLAN NO. 2249 AND ITS  
APPURTENANT INTEREST;  
SUBJECT TO AND TOGETHER  
WITH EASEMENTS AS SET OUT  
IN SCHEDULE A AS IN  
AT3073995; CITY OF TORONTO

**PIN 76249-0430 (LT)**

UNIT 55, LEVEL A, TORONTO  
STANDARD CONDOMINIUM  
PLAN NO. 2249 AND ITS  
APPURTENANT INTEREST;  
SUBJECT TO AND TOGETHER  
WITH EASEMENTS AS SET OUT  
IN  
SCHEDULE A AS IN AT3073995;  
CITY OF TORONTO

Schedule "C"

Loans to be Repaid:

- 1) Lawrence Avenue
- 2) Caledonia/Innes
- 3) Patricia
- 4) Mallow

## Urbancorp Holdco Inc.

December 22, 2015

Carolyn Montgomery  
Terra Firma MA Ltd.  
#200-22 St. Clair East,  
Toronto ON  
M4T 2S3

Dear Mrs. Montgomery,

The following are additional terms and conditions which Alan Saskin as sole voting shareholder of Urbancorp Holdco Inc. ("Urbancorp") will ensure that Urbancorp, Urbancorp Inc. ("Inc.") and Urbancorp Investco Inc. ("Investco") performs in addition to the terms in the proposed \$12 million equity loan (the "Loan") from Terra Firma Capital Corporation ("TFCC") to Urbancorp set out in a LOI dated the same date hereof (the "Loan Commitment"). Urbancorp's sole assets are all the issued and outstanding shares of Inc. and Investco is a wholly owned subsidiary of Inc.

If there is any discrepancy between this letter and the Loan Commitment, this letter will supersede.

Urbancorp and Alan Saskin commit that Urbancorp and Inc. will do the following:

- 1) Urbancorp will contribute the \$12 million loan from TFCC or such other amount net of fees and/or expenses deducted from the Loan (the "Funds") as equity into Inc. Inc. will contribute the Funds as equity into Investco.
- 2) The Funds will be utilized to allow Investco to co-invest with TFCC in a TFCC syndicated loan or loans secured by property located in the Greater Toronto Area ("Co-investment Loan(s)") as hereinafter set out. TFCC will identify Co-Investment Loan(s) from time to time and Investco will enter into loan servicing agreements with TFCC with respect thereto. In the event of a default under a Co-Investment Loan and the Lender has taken over the project and the lands secured thereunder, Investco shall have the right of first offer to develop and manage the lands and the project and be compensated therefor on fair market terms. A segregated account will be established under the exclusive control of TFCC (the "Account"). To the extent a Co-Investment Loan(s) has not been identified at closing to utilize or fully utilize the Funds and/or Investco has not entered into loan servicing agreements with TFCC with respect thereto, the Funds or balance thereof will be placed in the Account. TFCC shall have the discretionary authority to invest the Funds from time to time as Co-Investment Loans. Investco will assign and pledge its interest in the Account as security for the Loan. In addition, immediately following the registration of the charge securing any Co-Investment Loan, Investco will assign its interest in the charge to TFCC as further security for the Loan and such assignment shall be registered on title to the property securing the Co-Investment Loan. Investco's share of the interest earned on the Co-Investment Loan(s) and any repayments of principal of a Co-Investment Loan will be paid into a segregated Co-Investment Loan Account to be established by TFCC in its name, and monies thereunder assigned and pledged as further security for the Loan.

## Urbancorp Holdco Inc.

### 3) Security:

- a) Pledge of Inc. shares held by Urbancorp, being all of the issued and outstanding shares of Inc..
- b) Guarantee of the Loan by Investco and General Security Agreement from Investco..
- c) Assignment and Pledge of the Funds, Account and interest in the Co-Investment Loan Account as security for the Loan by Investco.
- d) Assignment of the Co-investment loans by Investco and all security related thereto.

4) Advisory: A senior executive of TFCC will be an advisor to the Inc. board and will be invited to all board meetings.

5) TFCC has earned an advisory fee on the success of the bond offering (the "Advisory Fee"). The amount is 1% of the net proceeds up to \$50mm and 0.5% for the net funds in excess of \$50mm. Net proceeds will be defined as net of underwriting fees, commissions, land transfer tax, first year interest and the reasonable expenses of the consultants involved. The Advisory Fee will be no less than \$540,000.00 which is inclusive of TFCC's expenses incurred to date in connection with the Bond Offering.

6) Cross default: All security given pursuant to the Loan Commitment and this letter will stand as collateral for all outstanding loans between the Borrower (including all its affiliates and related persons or entities) and Lender and its affiliates (the "Existing Loans"). Any default under any Existing Loans will be a default under the Loan Commitment which will entitle the Lender to exercise its remedies against Urbancorp, Investco and the guarantors and any other entities pursuant to the Loan Commitment, this letter and all security provided thereunder. As long as any Existing Loans remain outstanding, all security given pursuant to the Loan Commitment or this letter, other than the charges on the Secured Projects which have been fully and properly discharged in accordance with their respective terms, shall remain as security for the Existing Loans.

7) Distributions from Inc: TFCC will be entitled to: (i) \$100,000 per month of the monthly management fees collected from Inc. which will be applied first towards the Advisory Fee until it is fully paid and then towards interest on the Loan, principal of the Loan or other amounts owed to Lender from time to time; and (ii) any distribution of Profit from Inc. that is not applied to repay existing debentures (as same may be increased) or required to be paid to the dedicated debenture account pursuant to existing bond lender terms, to be applied for the same purpose.

Yours truly,



Alan Saskin  
President



Guarantor: Alan Saskin



THIS IS EXHIBIT "**NNN**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.


---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Rabinovitch, Neil  
**Sent:** October 8, 2018 7:31 PM  
**To:** Rabinovitch, Neil; Kraft, Kenneth  
**Subject:** FW: RE: Funds were wired

 Neil S. Rabinovitch  
 Partner

D +1 416 863 4656  
 neil.rabinovitch@dentons.com  
 Bio | Website

Dentons Canada LLP  
 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1 Canada

HPRP > Zain & Co. > Delany Law > Dinner Martin > Maclay Murray & Spens > Gallo Barrios Pickmann  
 > Muñoz > Cardenas & Cardenas > Lopez Velarde > Rodyk > Boekel > OPF Partners > 大成

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---

**From:** David Mandell <[DavidM@urbancorp.com](mailto:DavidM@urbancorp.com)>  
**Sent:** December 31, 2015 2:58 PM  
**To:** "Alan Saskin" <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
**Subject:** RE: Funds were wired

They wired the money to the Investco account. We have no ability to look into that account. It is completely controlled by TFCC.

**David A. Mandell, B.A., LL.B.**

Vice President

URBANCORP

[Send](#)

120 Lynn Williams Street, Suite 2A

Toronto, Ontario M6K 3N6

Direct: (416) 583-0239 | Fax: (416) 928-9501

email: [davidm@urbancorp.com](mailto:davidm@urbancorp.com) | website: [www.urbancorp.com](http://www.urbancorp.com)

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---

**From:** Alan Saskin [[alansaskin@gmail.com](mailto:alansaskin@gmail.com)]  
**Sent:** December-31-15 2:53 PM  
**To:** David Mandell  
**Subject:** Fwd: Funds were wired

Please confirm the \$12 million is in urbancorp inc.

Alan

----- Forwarded message -----

From: **Y. Dov Meyer** <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>

Date: Thursday, December 31, 2015

Subject: Funds were wired

To: Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>

Just under the wire.

Sent from my iPhone

THIS IS EXHIBIT "000" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_15\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Y. Dov Meyer <ydmeyer@tfcc.ca> on behalf of Y. Dov Meyer  
**Sent:** February 1, 2016 2:34 PM  
**To:** "Alan Saskin" <alansaskin@gmail.com>  
**Subject:** RE: Urbancorp

ok

**Y. Dov Meyer**  
 CEO  
 Terra Firma Capital Corporation  
 22 St. Clair East, Suite 200, Toronto, ON  
 Tel: 416-792-4709 Mobile: 416-843-5457  
 Email:[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website:[www.tfcc.ca](http://www.tfcc.ca)

**From:** Alan Saskin [<mailto:alansaskin@gmail.com>]  
**Sent:** Monday, February 01, 2016 2:33 PM  
**To:** Y. Dov Meyer <ydmeyer@tfcc.ca>  
**Subject:** Re: Urbancorp

Call u around 4 ?

Sent from my iPhone

On Feb 1, 2016, at 2:27 PM, Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)> wrote:

We need to discuss

<image003.png>

**Y. Dov Meyer**  
 CEO  
 Terra Firma Capital Corporation  
 22 St. Clair East, Suite 200, Toronto, ON  
 Tel: 416-792-4709 Mobile: 416-843-5457  
 Email:[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website:[www.tfcc.ca](http://www.tfcc.ca)

**From:** Barry Rotenberg [<mailto:brotenberg@harris-sheaffer.com>]  
**Sent:** Monday, February 01, 2016 2:22 PM  
**To:** Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>  
**Subject:** RE: Urbancorp

*Philippe and David said they don't know anything about it and won't approve.  
 You have to speak to Alan.  
 We will not participate in it.*

---

**From:** Y. Dov Meyer [<mailto:ydmeyer@tfcc.ca>]  
**Sent:** February-01-16 2:19 PM

**To:** Barry Rotenberg  
**Subject:** FW: Urbancorp

Hi Barry  
 What is the status of this stuff?

<image001.png>

**Y. Dov Meyer**

*CEO*

Terra Firma Capital Corporation  
 22 St. Clair East, Suite 200, Toronto, ON  
 Tel: 416-792-4709 Mobile: 416-843-5457  
 Email: [ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca) Website: [www.tfcc.ca](http://www.tfcc.ca)

**From:** Carolyn Montgomery  
**Sent:** Monday, February 01, 2016 1:40 PM  
**To:** Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>  
**Subject:** FW: Urbancorp

Dov,

If you're speaking with Barry, can you have him respond to Norman on this? Seems like there's a fair amount still outstanding.

---

**From:** Nerissa [<mailto:nerissa@nwinlaw.com>]  
**Sent:** Tuesday, January 26, 2016 12:29 PM  
**To:** 'Cheryl Moore ([cmoore@harris-sheaffer.com](mailto:cmoore@harris-sheaffer.com))'  
**Cc:** '[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)'; Norman Winter; Esther Berglas; Y. Dov Meyer; Carolyn Montgomery  
**Subject:** Urbancorp

Hi Cheryl:

We just want to list the following that are still outstanding:

1. Solicitors Opinions for:
  - (a) Urbancorp Holdco Inc.
  - (b) Urbancorp Investco Inc.
  - (c) Urbancorp Management Inc. and Urbancorp Toronto Management Inc.
  - (d) LP Guarantors.
  - (e) The Webster Family Trust.
  - (f) Land Owners.
2. Corporate and Trust documents (as applicable) for:
  - (a) Urbancorp Holdco Inc.
  - (b) Urbancorp Investco Inc.
  - (c) Urbancorp Management Inc. and Urbancorp Toronto Management Inc.
  - (d) LP Guarantors.
  - (e) The Webster Family Trust.
  - (f) Land Owners.
3. Original endorsed pledged share certificates in Holdco from:

- (a) Alan Saskin.
  - (b) TCC/Urbancorp (Bay/Stadium) Limited Partnership.
  - (c) TCC/Urbancorp (Bay) Limited Partnership.
  - (d) Urbancorp Management Inc.
  - (e) Urbancorp Toronto Management Inc.
  - (f) The Webster Family Trust.
4. Original endorsed pledged share certificate in Urbancorp Inc. from Urbancorp Holdco Inc. and any other shareholders of Urbancorp Inc.

Also, can we please have a response to Esther's email attached?

Regards,  
Nerissa

NERISSA SHAGEER-MOHAMMED, Legal Assistant | 416.964.0325, ext. 240 | [nerissa@nwinlaw.com](mailto:nerissa@nwinlaw.com)

---

**LAW OFFICES OF NORMAN H. WINTER**

1 St. Clair Avenue East, Suite 801, Toronto, Ontario M4T 2V7 Canada | T. 416.964-0325 | F. 416.964.2494

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AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer



**From:** Alan Saskin [<mailto:alansaskin@gmail.com>]  
**Sent:** Tuesday, March 01, 2016 5:05 PM  
**To:** "Rick Orzy" <[orzyr@bennettjones.com](mailto:orzyr@bennettjones.com)>  
**Subject:** Fwd: Urbancorp Investco Inc. Investment in Shouldice mezz loan

wow  
 what a pack of lies

om: **Christine Honrade** <[ChristineH@urbancorp.com](mailto:ChristineH@urbancorp.com)>  
**Date:** Tue, Mar 1, 2016 at 9:58 AM  
**Subject:** Fwd: Urbancorp Investco Inc. Investment in Shouldice mezz loan  
**To:** "[alansaskin@gmail.com](mailto:alansaskin@gmail.com)" <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>, "[tedsaskin@gmail.com](mailto:tedsaskin@gmail.com)" <[tedsaskin@gmail.com](mailto:tedsaskin@gmail.com)>

Sent from my iPhone

Begin forwarded message:

**From:** Mano Thiagarajah <[mthiyagarajah@tfcc.ca](mailto:mthiyagarajah@tfcc.ca)>  
**Date:** March 1, 2016 at 9:49:53 AM EST  
**To:** Christine Honrade <[ChristineH@urbancorp.com](mailto:ChristineH@urbancorp.com)>  
**Subject:** RE: Urbancorp Investco Inc. Investment in Shouldice mezz loan

Dear Christine,

We are surprised to receive this email from you. As you know, the entire loan funds were returned by Urbancorp Investco Inc. by mutual agreement, in accordance with our February 5, 2016 letter to the Borrower, and the Terra Firma MA Ltd. loan transaction was cancelled, as subsequently confirmed by the Borrower and its solicitor. We also note that your solicitor, Barry Rotenberg, confirmed last week that the loan transactions had been terminated and was seeking discharges and releases of all Security. Those discharges and releases have been prepared. Therefore, funds need not and will not be advanced to Urbancorp Investco Inc. as there is no loan transaction to proceed with at this time.

Yours truly,

Mano Thiagarajah  
 Chief Financial Officer

Terra Firma MA Ltd.

-----Original Message-----

From: Christine Honrade [<mailto:ChristineH@urbancorp.com>]  
 Sent: Monday, February 29, 2016 5:25 PM  
 To: Mano Thiyagarajah <[mthiyagarajah@tfcc.ca](mailto:mthiyagarajah@tfcc.ca)>; Kathy Guan <[kguan@tfcc.ca](mailto:kguan@tfcc.ca)>  
 Cc: 'Alan Saskin ([alansaskin@gmail.com](mailto:alansaskin@gmail.com))' <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
 Subject: Urbancorp Investco Inc. Investment in Shouldice mezz loan

Hi Mano,

Since the transaction did not close, please instruct Garfinkle Biderman to return the \$10M to Urbancorp Investco Inc.

Our auditors were surprised to learn today that the funds had not yet been returned to the Urbancorp Investco Inc. account.

Thanks,

Christine

-----Original Message-----

From: Kathy Guan [<mailto:kguan@tfcc.ca>]  
 Sent: January-11-16 3:58 PM  
 To: Christine Honrade  
 Cc: Mano Thiyagarajah  
 Subject: FW: Scanned image from MY41

Hi, Christine:

Attached please see a unsigned paper wire for your reference. Please let me know if you have any question.

Kathy

-----Original Message-----

From: [scanner@tfcc.ca](mailto:scanner@tfcc.ca) [<mailto:scanner@tfcc.ca>] On Behalf Of scanner@  
 Sent: Monday, January 11, 2016 2:42 PM  
 To: Kathy Guan <[kguan@tfcc.ca](mailto:kguan@tfcc.ca)>  
 Subject: Scanned image from MY41

Reply to: [scanner@tfcc.ca](mailto:scanner@tfcc.ca) <[scanner@tfcc.ca](mailto:scanner@tfcc.ca)> Device Name: MY41 Device Model: MX-4111N  
 Location: 1502-5000 YONGE ST, CORPORATION, MY41-009819

File Format: PDF (Medium)  
 Resolution: 200dpi x 200dpi

Attached file is scanned image in PDF format.

Use Acrobat(R)Reader(R) or Adobe(R)Reader(R) of Adobe Systems Incorporated to view the

document.

Adobe(R)Reader(R) can be downloaded from the following URL:

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AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

---

**From:** Barry Rotenberg <brutenberg@harris-sheaffer.com>  
**Sent:** February 17, 2016 6:43 AM  
**To:** "alansaskin@gmail.com" <alansaskin@gmail.com>  
**Subject:** Re: Mattamy-School sites

I'll call in 20 if that's ok

---

**From:** Alan Saskin [<mailto:alansaskin@gmail.com>]  
**Sent:** Wednesday, February 17, 2016 06:40 AM  
**To:** Barry Rotenberg  
**Cc:** [phillipg@urbancorp.com](mailto:phillipg@urbancorp.com) <[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)>; David Mandell <[davidm@urbancorp.com](mailto:davidm@urbancorp.com)>  
**Subject:** Re: Mattamy-School sites

other matter

Dov's new offer is \$10 million, not the \$12 million he promised

Its conditional on me putting in \$2.5million from personal resources.  
never happen. other family members will not fund without complete solution.  
this only rescues dov, not Urbancorp Inc.

not sure how to move forward

he seems to not appreciate the gravity of the situation

On Wed, Feb 17, 2016 at 6:35 AM, Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)> wrote:

I don't know why there should be this discount when you sell at cost.

---

**From:** Alan Saskin [<mailto:alansaskin@gmail.com>]

**Sent:** Wednesday, February 17, 2016 06:27 AM

**To:** Barry Rotenberg

**Cc:** [phillipg@urbancorp.com](mailto:phillipg@urbancorp.com) <[phillipg@urbancorp.com](mailto:phillipg@urbancorp.com)>; Christine Honrade <[christineh@urbancorp.com](mailto:christineh@urbancorp.com)>

**Subject:** Re: Mattamy-School sites

- 1) we have taken some of the management fees on the 4 schoolboard sites already. Christine can provide details.
- 2) I'll review with phillip the timing of fees and get back to you
- 3) similiar clause to valermo. its at Urbancorp risk. the amount per unit leave blank, have not negotiated that yet with tim. I think valermo was \$100,000/unit=-

On Wed, Feb 17, 2016 at 2:27 AM, Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)> wrote:

1. Have you taken management Fees to date or intend to take before Closing on the 4 school sites and will this affect the amount you are to receive as set out in the LOI?
2. How do you want the fees to be paid/timing?
3. What happens if you can't get a Purchaser to cancel their APS?

Barry Rotenberg  
[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)

**HARRIS, SHEAFFER LLP**  
**BARRISTERS & SOLICITORS**

Yonge Corporate Centre

4100 Yonge Street, Suite 610, Toronto, ON M2P 2B5

Telephone(416) 250-5800/Facsimile(416) 250-5300

[www.harris-sheaffer.com](http://www.harris-sheaffer.com)

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ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---

Yael Hershkovitz  
Lawyer



**Rabinovitch, Neil**

---

**From:** Alan Saskin <alansaskin@gmail.com> on behalf of Alan Saskin  
**Sent:** February 28, 2016 9:26 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** closing

I'm concerned that there is no deadline for closing.

TFCC seems to still be being due diligence on Bayview.  
The risks seem much higher than worrying about such things.

The first Urbancorp Inc. Board meeting must be by March 9th by law, or its a default. That would force a filing, with all its unpleasant consequences. Its only a week from Monday. I have no board members and can't have any until we close and the equity injection is cleaned up. The other things, finalizing with board members, also needs some time and we are rapidly running out of time.

Shimonov and Deloitte have both given us ultimatums to withdraw their services, early next week, if immediate reports are not filed. If the reports are filed, without cleaning up the \$12 million, then a filing is inevitable.

We can close Monday, tomorrow, if you instruct your counsel. My counsel already has those instructions.

We are running out of time.

THIS IS EXHIBIT "**SSS**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, consisting of a large, stylized 'Y' followed by a horizontal line and a loop.

---

Yael Hershkovitz  
Lawyer

782  
79

**Kraft, Kenneth**

---

**From:** ted saskin <tedsaskin@gmail.com> on behalf of ted saskin  
**Sent:** March 3, 2016 11:30 AM  
**To:** "Y. Dov Meyer" <ydmeyer@tfcc.ca>  
**Subject:** Fwd: Reports  
**Attachments:** urbancorp disclosure on debentures March 1 - Settlement.doc; Urbancorp Inc March 2 Revised.docx

WITHOUT PREJUDICE

dov, I know we are meeting today and am very hopeful that we can reach an agreement that enables Urbancorp to put the \$12 million in. we just got off a conference call with Israeli counsel and very much want to submit the shorter version. we are told the implications of filing the longer version will almost certainly lead to a protective filing by Alan and Urbancorp. I don't think it will be useful to spend any time today debating the facts of the longer version. we should focus on completing the purchase of assets which has been under discussion for months. again we are told we must file an Immediate Report without any further delay.

# Urbancorp Inc. ("The Company")

Israeli Securities Authority  
[www.isa.gov.il](http://www.isa.gov.il)

Tel Aviv Stock Exchange Ltd.  
[www.tase.co.il](http://www.tase.co.il)

\_\_\_\_\_, 2016

## Re: Immediate Report

Further to section 1.4.2 of the Company's Prospectus<sup>1</sup>, and further to the Company's immediate report dated January 1, 2016, reference number \_\_\_\_\_ (hereinafter "**the previous report**"), **[Unused definition]** in which the Company announced that on December 31, 2015, Mr. Alan Saskin, the Controlling Shareholder (hereinafter: "**Saskin**") provided to the Company, through a fully owned subsidiary, an equity contribution totaling CAD 12 million, the Company hereby announces as follows:

1. An amount of \$11,747,363.86 was deposited in an account in the name of Urbancorp Investco Inc., a subsidiary of the Company (the "**Account**"), in cash, on December 31, 2015 (the "**Owner's Contribution**").
2. For the installment of the Owner's Contribution, Saskin took a loan from Terra Firma Capital Corporation ("**TFCC**"), a Toronto based financial institution (the "**Lender**"), against a charge of private assets owned by him (the "**Loan**" and "**Pledged Assets**"). Before advancing the Loan, TFCC and Saskin agreed that certain additional restrictions be placed on the funds advanced under the Loan.
3. Upon further review of the Loan transaction with the Company's professional advisors and counsel, we concluded that the Owner's Contributions should not be restricted in any way. Accordingly, the Company has negotiated a repayment of the Loan by TFCC and a sale of assets privately owned by Mr. Saskin to TFCC for CAD 12 million. The proceeds of the forgoing sale will be contributed to the Company without restriction.

---

<sup>1</sup> Supplementary Prospectus of the Company dated November 30, 2015, published on November 30, 2015, as amended on December 7, 2015.

4. As a result of the foregoing, the Company's financial statements as of December 31, 2015, the Company will recognize the Owner's Contribution as restricted cash **[please confirm with Deloitte]** and will not see them as part of shareholders' equity.

Respectfully,  
Urbancorp Inc.

Signed by Mr. Alan Saskin, President, CEO and Chairman of the Board

## Urbancorp Inc. ("The Company")

Tel Aviv Stock Exchange Ltd.  
[www.tase.co.il](http://www.tase.co.il)

\_\_\_\_\_, 2016

### Re: Immediate Report

Further to section 1.4.2 of the Company's Prospectus<sup>1</sup>, and further to the Company's immediate report dated January 1, 2016, reference number \_\_\_\_\_ (hereinafter "**the previous report**"), **[Unused definition]** in which the Company announced that on December 31, 2015, Mr. Alan Saskin, the Controlling Shareholder (hereinafter: "**Saskin**") provided to the Company, through a fully owned subsidiary, an equity contribution totaling CAD 12 million, the Company hereby announces as follows:

1. An amount of \$11,747,363.86 was deposited in an account in the name of Urbancorp Investco Inc., a subsidiary of the Company (the "**Account**"), in cash, on December 31, 2015 (the "**Owner's Contribution**").
2. In order to fund the Owner's Contribution, Saskin arranged a loan from Terra Firma Capital Corporation ("**TFCC**"), a Toronto based financial institution (the "**Lender**"), against a charge of non-Company assets owned by him (the "**Loan**" and "**Pledged Assets**"). The Lender was the primary mezzanine financier of the Company prior to the issuance of the Debentures. Y. Dov Meyer ("**Meyer**"), the Lender's Chief Executive Officer, arranged the Loan and knew of its role in the structure as required by the Rating Agency, would not advance the Loan unless certain additional restrictions were placed on the funds advanced under the Loan. Meyer also insisted on a fee of \$252,771.14 being deducted from the CAD 12 million advance and paid to TFCC. Meyer also acted as a consultant to the Company in connection with the Company's Prospectus and Debentures

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<sup>1</sup> Supplementary Prospectus of the Company dated November 30, 2015, published on November 30, 2015, as amended on December 7, 2015.

and had committed to make the Loan in order to improve the likelihood of a successful sale of the Debentures. Meyer's company , TFCC, and its investors /partners were the recipients of most of the proceeds of the bond issue.

3. As a condition to granting the Loan to Saskin, before placing the Loan and contrary to previous agreements with the Company, the Lender demanded that certain restrictions be imposed on the Account, including that the funds- although equity of the Company on a conditional basis- could not be utilized in the ordinary course without the Lender's consent, which would only be given if the funds were used for investments in TFCC sponsored loans(the "Restrictive Conditions"). In order to ensure that the Owner's Contribution was made by December 31,2015, Saskin reluctantly agreed to its terms. On January 12,2016 Saskin authorized an investment of CAD10 Million from the Account in a new TFCC sponsored loan (the "New Investment") as per the Restrictive Conditions. When the Company learned that the New Investment did not materialize it assumed the CAD 10 Million was returned to the Account.
4. Upon further review of the Loan transaction with the Company's professional advisors and counsel, it was decided that the Owner's Contributions should not be restricted in any way. Accordingly, the Company attempted to negotiate a restructuring of the Loan with TFCC through which TFCC would purchase the same non-Company owned assets that were collateral for the Loan (the "Purchase") for between \$10 Million and \$12 Million (the " Private Assets"). The Private Assets have appraised values of at least CAD 12 million. As part of the negotiations on February 5, 2016 Mr. Saskin agreed that CAD 1,667 Thousand could be transferred from the Account to TFCC when Meyer told Saskin that by doing so it would be easier for him to get TFCC Board Approval to commit to the Purchase for CAD 10 Million instead of having a loan in place with the Restrictive Conditions .
5. On March 1, 2016 the Company learned that CAD 10 Million, which it believed had been returned to the Account following the failure of the New Investment to close, had in fact been directed by TFCC to be paid to it.
6. Throughout the period from the initial imposition by Meyer of the Restrictive Conditions, he continued to maintain that TFCC would complete the Purchase. After

weeks of having him attempt to complete the Purchase, on Thursday March 3, 2016 it was determined that TFCC was unwilling or unable to complete the Purchase of the Private Assets in the previously agreed price range.

7. In order to avoid a further delay of the Owner's Contribution to the Company, it is the intention of Mr. Saskin to contribute the Private Assets to the Company as an equity injection without restriction. The Company's representatives have already begun the process of negotiating the sale of the Private Assets to third parties in order to produce sufficient net cash proceeds for the Company. It is expected the sale of these assets will close in the next 90 days.
8. As a result of the foregoing, the Company's financial statements as of December 31, 2015, the Company will recognize the Owner's Contribution as restricted cash **[please confirm with Deloitte]** and will not see them as part of shareholders' equity.

Respectfully,  
Urbancorp Inc.

Signed by Mr. Alan Saskin, President, CEO and Chairman of the Board



THIS IS EXHIBIT "TTT" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.



---

Yael Hershkovitz  
Lawyer



March 6, 2016

Urbancorp Holdco Inc.  
120 Lynn Williams Street Suite 2A,  
Toronto, ON M6K 3N6

Attention: Mr. Alan Saskin

RE: Proposed Financing of 9064-9100 Woodbine Avenue, Markham, Ontario,  
2425-2427 Bayview Avenue, Toronto, a 50% Interest in 300 Valermo Drive,  
Toronto (collectively the "Secured Projects") and Pledge of Shares

Dear Mr. Saskin;

The following are the terms and conditions under which Terra Firma Capital Corporation ("TFCC" or the "Lender") will provide Urbancorp Holdco Inc. ("Holdco" or the "Borrower") a portfolio loan. This Letter of Intent is intended to be binding on the parties, subject to its terms, however the Borrower and the parties signing below acknowledge that the terms and conditions set out herein will be broadened in the security and other documentation process to include typical lending terms, further assurances to give full legal and proper effect to the terms herein and otherwise to satisfy the requirements of our legal counsel, including the Lender's Israeli legal counsel.

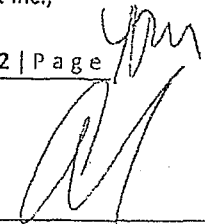
You have advised that the terms of a loan ("Original Loan") referenced in a term sheet from Terra Firma MA Ltd. dated December 22, 2015, as amended and supplemented (collectively, the "Term Sheet") did not satisfy your and your wholly owned subsidiary Urbancorp Inc.'s ("Inc.") requirements. You have therefore requested new terms for a loan that will satisfy the requirements of Inc. to its bond lender and that will allow Inc. to pay HST owing to the Canada Revenue Agency. Based on the foregoing, we are prepared to extend a loan of \$10,000,000.00 to you to replace the Original Loan on the amended terms set out below (which terms and conditions replace the terms and conditions of the Term Sheet), as follows:

<b>Borrower</b>	Urbancorp Holdco Inc., a private entity of which 100% of the voting shares are owned by Alan Saskin. At closing, Borrower will own 100% of all issued and outstanding shares of Urbancorp Inc.
<b>Loan Amount</b>	\$10 million
<b>Rate</b>	16% p.a.

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Terra Firma MA Ltd., #200-22 St Clair East, Toronto, ON  
Tel: 416-792-4700 Broker Licence #12425 / Administrator Licence #12346

Term	24 months with one 12-month extension
	<p>Fee 2% for initial term (plus 1% if extension exercised) to be paid as follows:</p> <p>a. \$100,000 upon signing of this term sheet by the Borrower; and</p> <p>b. The balance to be paid at Closing or deducted from the Loan Amount</p>
Use of Funds	To provide Borrower with funds to enhance the equity capital of Inc., a wholly owned subsidiary of the Borrower that has completed a \$64 million bond offering in Tel Aviv which funds are to be paid by Inc. on Closing by multiple directions to the Canada Revenue Agency ("CRA") to pay outstanding HST in respect of certain assets owned by a wholly owned subsidiary of Inc.
Security	<p>Security to include:</p> <ul style="list-style-type: none"> <li>• Mortgage registration on Bridle Path and Woodbine properties, assignment of proceeds and transfer with respect to the Valermo property and interest and related security with respect to the Secured Projects to be granted by the Borrower's affiliates having registered and beneficial ownership of the Secured Projects, which security will and is deemed to include cross collateralization;</li> <li>• Subject to Lender's counsel advice, the existing security held by the Lender pursuant to the Term Sheet (excluding any security that may have been provided by Inc. or its subsidiary, including any pledge of shares in the Borrower or Inc. or Epic) will be used to satisfy the above-noted security requirements. In such event, the Borrower and all parties providing the above-noted security, and, if required by the Lender, any required third parties, shall execute an acknowledgement and confirmation that the aforesaid existing security shall stand as security for the loan to be made pursuant to this term sheet;</li> <li>• The outstanding security documents from the "Term Sheet" loan transaction, including, corporate and trust certificates and legal opinions, all in form required by the Lender's legal counsel, acting reasonably, but not security of Inc. or its subsidiaries or shares of the Borrower or Inc.; and</li> <li>• Joint and several guarantees Alan Saskin personally, TCC/Urbancorp (Bay/Stadium) LP, TCC/Urbancorp (Bay) LP, Urbancorp Management Inc. Webster Family Trust, Urbancorp Toronto Management Inc., Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc.,</li> </ul>

2 | Page 

Terra Firma MA Ltd., #200-22 St Clair East, Toronto, ON  
 Tel: 416-792-4700 Broker Licence #12425 / Administrator Licence #12346

TCC/Urbancorp (Stadium Road) LP and Urbancorp (Valermo) Inc. (collectively the "Guarantors");

- Negative pledge of the shareholders of the Borrower and the Borrower as sole shareholder of Inc., which will include a covenant not to transfer or pledge any of the shares of the Borrower or Inc.
- Acknowledgement, consent and/or Re-acknowledgement and estoppel from Mattamy (Valermo) Limited and Valermo Homes Inc. regarding the assignment of Urbancorp (Valermo) Inc.'s proceeds and Valermo Interest (as hereinafter defined) in the Valermo project, an option to purchase and a purchase transaction;
- Execution and delivery of an Agreement of Purchase and Sale, Transfer of the Valermo interest (as hereinafter defined) and related transfer documents (including transfer of shares and resignations of the trustee corporation holding title to the Valermo property), to be held by the Lender to be utilized when and if it exercises its option to purchase the Valermo Interest.
- Certification and Acknowledgement re corporate structure; and
- Such other and further security as deemed reasonable by the Lender's legal counsel, provided that such additional security shall not include any assets of Inc., Inc.'s guarantee, anything that will cause Inc. to violate its obligations to its bond lender, or any assets of Leslieville or Epic.

**Interest Payments**

All interest on the within Loan will accrue for the first 3 months of the Loan; thereafter 8% p.a. to be paid monthly. The balance 8% p.a. shall accrue, and shall be capitalized on a monthly basis, and such accrued interest shall be paid from all proceeds from any portion or all of the Secured Projects and from 100% of all monies received in or by or otherwise payable to or from the Borrower and/or from any of the Secured Projects or the sale of any of the Secured Projects (collectively or individually the "Proceeds"), to be credited against interest owing and thereafter against principal owing when received by the Lender, but in all events no later than on maturity.

**Principal Payments**

100% of the Proceeds following payment of accrued interest as set out above, will be used to repay 100% of the Loan Amount.

**Prepayment**

The Loan may be prepaid at any time without notice.

**Valermo Drive**

Mattamy (Valermo) Limited ("Mattamy") will be given a one-time option, which may be exercised within 15 days after the within loan advance, to acquire Borrower's 50% interest in 300 Valermo Drive (the "Valermo

Interest") for no less than \$7mm net to the Lender (upon completion of said purchase transaction, the interest payable on said amount, if any, at the rate set out herein, for the period from March 15, 2016 to purchase closing shall be forgiven) (the "Option"), with closing to be no later than 15 days after exercise of such option. 100% of the proceeds of such sale will be paid to TFCC on account of outstanding interest or Principal under this Loan or for repayment of its purchase price of the Valermo Interest.

TFCC will have the right and option to be exercised from after closing of the within loan transaction until April 15, 2016 to acquire the Valermo Interest from Urbancorp (Valermo) Inc. (so long as Mattamy has not purchased the Valermo Interest as aforesaid) for \$7mm. 100% of the proceeds of such purchase by TFCC will be paid to TFCC on account of outstanding interest and/or Principal under this Loan.

#### TFCC Expenses

The Borrower will be responsible for all TFCC's costs and expenses in connection with this Loan, to a maximum amount of \$50,000.00. Said costs and expenses will be paid by Borrower upon closing or deducted from the Loan.

#### Acknowledgement Regarding Term Sheet

The Borrower will provide such Acknowledgements, releases and assurances regarding the non-completion and cancellation of the Term Sheet transaction, and the resulting return of funds to the Lender, in such form as required by the Lender, acting reasonably. The Lender acknowledges that the mortgages on Bridle Path and Woodbine may require the consent of the prior lenders, and registration of same without such consent may be a breach of the terms of such prior mortgages.

#### Prefunding Conditions

As a pre-condition to the funding of this Loan:

1. All security required by the Lender shall be in place to the full and complete satisfaction of Lender and its counsel acting reasonably; and
2. Receipt by the Lender of such other information and documentation that the Lender or its legal counsel may reasonably require.

#### Legal Representation

Borrower will obtain legal advice (including from its Israeli legal counsel, the Law Firm of Shimonov) that the transaction described herein is permitted under the terms of all other loans in its portfolio, including loans to Inc.

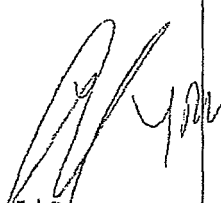
#### Legal Opinions

As a precondition to funding of this Loan, the Borrower will provide an opinion given by the solicitors for each of the Borrower and the Guarantors as to the enforceability and any other matter reasonably requested, all of the foregoing in form and content reasonably satisfactory to TFCC and its solicitors.

**General Conditions**

1. Concurrently with and it is a condition of this transaction that the Borrower is to obtain, either from Alan Saskin or other non-Inc. sources, \$2,250,000, which shall be advanced to Inc. concurrently with the Lender's advance of this loan, (to pay HST) to make up Inc.'s \$12mm equity requirement (the Saskin Contribution").
2. The Proceeds of this Loan and the Saskin Contribution will be directed by the Borrower, Inc. and other required parties to the CRA to pay part of Inc.'s HST obligation on the Edge condominium project.
3. Alan Saskin will cooperate and use reasonable commercial efforts to: (i) restructure the Leslieville Loan with CIBC and Craft; (ii) cause Plazacorp to repay TFCC its \$1.2 mm loan (plus accrued interest) on Urbancorp's share of the Epic project or register a security against the retail area of said project; and (iii) to provide such further assurances regarding the within loan transaction, its security and any future transactions arising therefrom, including, without limitation, the purchase of the Valermo Interest, as may be required by the Lender. This provision, as well as the entire Term Sheet, shall survive the closing of the Loan advance.
4. TFCC will have the right to assign some or all of its rights under this Loan, including its right to purchase the Valermo Interest (provided that the purchaser of the Valermo Interest must be approved by Mattamy).
5. The terms and provisions of this Term Sheet shall remain in full force and effect for the benefit of the Lender notwithstanding the completion of the loan advance, and shall not merge on completion of any of the transactions herein set out.

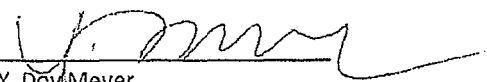
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If you wish to proceed with the foregoing loan transaction, kindly acknowledge so by executing and returning a copy of this Letter, along with a cheque in the amount of \$100,000 by March 8, 2016 failing which, this letter shall be deemed null and void. Yours truly,

TERRA FIRMA CAPITAL CORPORATION

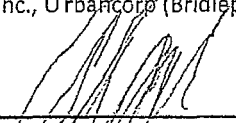
  
Y. Dov Meyer  
C.E.O.

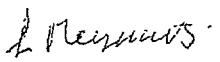
WE HEREBY AGREE to the above terms and conditions. We also authorize the Lender to obtain credit information on the borrower and guarantors from sources they deem necessary.


ACCEPTANCE

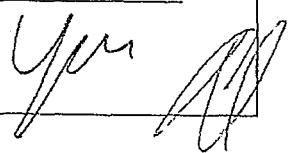
Accepted on the terms and conditions herein provided this \_\_\_\_ day of March 2016

Urbancorp Holdco Inc., Alan Saskin personally, TCC/Urbancorp (Bay/Stadium) LP, TCC/Urbancorp (Bay) LP, Urbancorp Management Inc. Webster Family Trust, Urbancorp Toronto Management Inc., Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., TCC/Urbancorp (Stadium Road) LP and Urbancorp (Valermo) Inc.

  
PER:  
Alan Saskin, I have authority to bind each of the corporations, limited partnerships and trust

Witness;   
Leanne Rejzowitz  
Print Name:

  
Alan Saskin



THIS IS EXHIBIT "UUU" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

---


Yael Hershkovitz  
Lawyer



**Rabinovitch, Neil**

---

**From:** Rabinovitch, Neil  
**Sent:** October 8, 2018 3:47 PM  
**To:** Kraft, Kenneth; Rabinovitch, Neil  
**Subject:** FW: FW: Urban

 Neil S. Rabinovitch  
 Partner

D +1 416 863 4656  
 neil.rabinovitch@dentons.com  
 Bio | Website

Dentons Canada LLP  
 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1 Canada

HPRP > Zain & Co. > Delany Law > Dinner Martin > Maclay Murray & Spens > Gallo Barrios Pickmann  
 > Muñoz > Cardenas & Cardenas > Lopez Velarde > Rodyk > Boekel > OPF Partners > 大成

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**From:** Barry Rotenberg <[brotenberg@harris-sheaffer.com](mailto:brotenberg@harris-sheaffer.com)>  
**Sent:** March 9, 2016 1:35 PM  
**To:** "Alan Saskin ([alansaskin@gmail.com](mailto:alansaskin@gmail.com))" <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
**Cc:** "David Mandell ([davidm@urbancorp.com](mailto:davidm@urbancorp.com))" <[davidm@urbancorp.com](mailto:davidm@urbancorp.com)>, "phillip@urbancorp.com" <[phillip@urbancorp.com](mailto:phillip@urbancorp.com)>  
**Subject:** FW: Urban

---

**From:** Y. Dov Meyer [<mailto:ydmeyer@tfcc.ca>]  
**Sent:** March-09-16 1:34 PM  
**To:** Norman (Tuli) Winter; Barry Rotenberg  
**Cc:** Yaacov & Michal Spigelman  
**Subject:** Fwd: Urban

To remind you Prior to releasing the funds we need to approve the immediate release.

Sent from my iPhone

Begin forwarded message:

**From:** Jacob Shpigelman <[Jacob@sp-law.co.il](mailto:Jacob@sp-law.co.il)>  
**Date:** March 9, 2016 at 1:24:49 PM EST

**To:** "Y. Dov Meyer" <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>

**Subject:** Urban

אם תרגיל כאן עושים שלא מקווה אני. מאלן לאישור ממתין שהוא לי מוסר שמעונוב. לעיוני יועבר הדיווח שנוסח מאלן לדרוש לך מזכיר אני תיאום בלא יתבצע הפרסום גם איתו להתמודד איך אדע כי

בברכה,

שפיגלמן יעקב

שלי LG Mobile-מ נשלח

THIS IS EXHIBIT "VVV" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.


---

Yael Hershkovitz  
Lawyer

**Rabinovitch, Neil**

---

**From:** Rabinovitch, Neil  
**Sent:** October 8, 2018 5:30 PM  
**To:** Kraft, Kenneth; Rabinovitch, Neil  
**Subject:** FW: Fwd: Side note

 **Neil S. Rabinovitch**  
 Partner

D +1 416 863 4656  
 neil.rabinovitch@dentons.com  
 Bio | Website

Dentons Canada LLP  
 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1 Canada

HPRP > Zain & Co. > Delany Law > Dinner Martin > Maclay Murray & Spens > Gallo Barrios Pickmann  
 > Muñoz > Cardenas & Cardenas > Lopez Velarde > Rodyk > Boekel > OPF Partners > 大成

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**From:** Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
**Sent:** March 31, 2016 9:02 AM  
**To:** "Glenn Watchorn" <[GWatchorn@tfcc.ca](mailto:GWatchorn@tfcc.ca)>  
**Subject:** Fwd: Side note

Chatted with Dov

He made it clear that it's your decision

Just starting my board and audit committee meetings

The tfcc clarification is very important to our auditors

Appreciate it you could work with our draft and the narrow issue we want to clarify

If we can't file Q4's, unfortunate ripple effects

Sent from my iPhone

Begin forwarded message:

**From:** Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
**Date:** March 31, 2016 at 7:54:52 AM EDT  
**To:** "Y. Dov Meyer" <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>  
**Cc:** Glenn Watchorn <[GWatchorn@tfcc.ca](mailto:GWatchorn@tfcc.ca)>, [nm@nwinlaw.com](mailto:nm@nwinlaw.com), leor margulies  
 <[lmargulies@robapp.com](mailto:lmargulies@robapp.com)>, ted saskin <[tedsaskin@gmail.com](mailto:tedsaskin@gmail.com)>  
**Subject:** Re: Side note

thank you for your prompt reply

Your changes create some problems for us

Our auditors know the funds are restricted and that aspect does not concern them.

They also have bank confirmation of the funds in an Urbancorp inc. bank account on Dec.31, which they are satisfied with.

Its the additional security provisions in the second letter, the attached letter, that concern them.

They say the \$11.667M is not equity if the letter conditions exist on dec.31.

Urbancorp would like us to agree that the attached letter was not binding on Dec.31.( that it was not binding before or after that date is not our auditors concern, and we prefer to not mention the loan agreement letter )

The following tries to incorporate your wording, modified to satisfy what we need.

"The conditions for the attached letter were not met and the transaction was therefore cancelled and the attached letter wasn't in effect on dec 31 2015"

let me know  
thanks  
alan

On Wed, Mar 30, 2016 at 10:38 PM, Y. Dov Meyer <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)> wrote:

Alan

I don't understand what "was not in effect" means.

The deal (both December 22 letters) was not completed, the conditions were not met and therefore the transaction was cancelled after year end and the money was returned.

I think that is the best way to describe it.

Regards

Dov

Sent from my iPhone

On Mar 31, 2016, at 12:55 AM, Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)> wrote:

Glenn

We would like an email from a Terra Firma person to me saying one of the following;

" I confirm that the enclosed letter of Dec.22,2015 was not in effect on Dec.31, 2015. "

or " I confirm that the enclosed letter of Dec.22,2015 never went into effect"

Thats it

Thanks  
Alan

<Side letter.PDF>



**Rabinovitch, Neil**

---

**From:** Rabinovitch, Neil  
**Sent:** October 8, 2018 5:11 PM  
**To:** Kraft, Kenneth; Rabinovitch, Neil  
**Subject:** FW: Fwd: Holdco loan from TFCC  
**Attachments:** Side letter.PDF

 Neil S. Rabinovitch  
 Partner

D +1 416 863 4656  
 neil.rabinovitch@dentons.com  
 Bio | Website

Dentons Canada LLP  
 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1 Canada

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 > Muñoz > Cardenas & Cardenas > Lopez Velarde > Rodyk > Boekel > OPF Partners > 大成

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**From:** Alan Saskin <[alansaskin@gmail.com](mailto:alansaskin@gmail.com)>  
**Sent:** March 31, 2016 11:43 AM  
**To:** "Glenn Watchorn" <[GWatchorn@tfcc.ca](mailto:GWatchorn@tfcc.ca)>  
**Cc:** "Y. Dov Meyer" <[ydmeyer@tfcc.ca](mailto:ydmeyer@tfcc.ca)>, "leor margulies" <[lmargulies@robapp.com](mailto:lmargulies@robapp.com)>, "Norman Menachem Feder" <[nmf@caspilaw.com](mailto:nmf@caspilaw.com)>, "ted saskin" <[tedsaskin@gmail.com](mailto:tedsaskin@gmail.com)>, "jeremy cole" <[jeremy.cole@mnp.ca](mailto:jeremy.cole@mnp.ca)>  
**Subject:** Fwd: Holdco loan from TFCC

Glenn

Could you please confirm our understanding that the Holdco loan from TFCC, while funded, was cancelled when we did not fully satisfy its conditions.

A replacement loan was finalized on March 7, 2016. As a result, the attached letter was not fully implemented and ultimately cancelled.

Thanks  
 Alan

## Urbancorp Holdco Inc.

December 22, 2015

Carolyn Montgomery  
Terra Firma MA Ltd.  
#200-22 St. Clair East,  
Toronto ON  
M4T 2S3

---

Dear Mrs. Montgomery,

The following are additional terms and conditions which Alan Saskin as sole voting shareholder of Urbancorp Holdco Inc. ("Urbancorp") will ensure that Urbancorp, Urbancorp Inc. ("Inc.") and Urbancorp Investco Inc. ("Investco") performs in addition to the terms in the proposed \$12 million equity loan (the "Loan") from Terra Firma Capital Corporation ("TFCC") to Urbancorp set out in a LOI dated the same date hereof (the "Loan Commitment"). Urbancorp's sole assets are all the issued and outstanding shares of Inc. and Investco is a wholly owned subsidiary of Inc.

If there is any discrepancy between this letter and the Loan Commitment, this letter will supersede.

Urbancorp and Alan Saskin commit that Urbancorp and Inc. will do the following:

- 1) Urbancorp will contribute the \$12 million loan from TFCC or such other amount net of fees and/or expenses deducted from the Loan (the "Funds") as equity into Inc. Inc. will contribute the Funds as equity into Investco.
- 2) The Funds will be utilized to allow Investco to co-invest with TFCC in a TFCC syndicated loan or loans secured by property located in the Greater Toronto Area ("Co-investment Loan(s)") as hereinafter set out. TFCC will identify Co-Investment Loan(s) from time to time and Investco will enter into loan servicing agreements with TFCC with respect thereto. In the event of a default under a Co-Investment Loan and the Lender has taken over the project and the lands secured thereunder, Investco shall have the right of first offer to develop and manage the lands and the project and be compensated therefor on fair market terms. A segregated account will be established under the exclusive control of TFCC (the "Account"). To the extent a Co-Investment Loan(s) has not been identified at closing to utilize or fully utilize the Funds and/or Investco has not entered into loan servicing agreements with TFCC with respect thereto, the Funds or balance thereof will be placed in the Account. TFCC shall have the discretionary authority to invest the Funds from time to time as Co-Investment Loans. Investco will assign and pledge its interest in the Account as security for the Loan. In addition, immediately following the registration of the charge securing any Co-Investment Loan, Investco will assign its interest in the charge to TFCC as further security for the Loan and such assignment shall be registered on title to the property securing the Co-Investment Loan. Investco's share of the interest earned on the Co-Investment Loan(s) and any repayments of principal of a Co-Investment Loan will be paid into a segregated Co-Investment Loan Account to be established by TFCC in its name, and monies thereunder assigned and pledged as further security for the Loan.



## Urbancorp Holdco Inc.

### 3) Security:

- a) Pledge of Inc. shares held by Urbancorp, being all of the issued and outstanding shares of Inc..
- b) Guarantee of the Loan by Investco and General Security Agreement from Investco..
- c) Assignment and Pledge of the Funds, Account and interest in the Co-Investment Loan Account as security for the Loan by Investco.
- d) Assignment of the Co-investment loans by Investco and all security related thereto.

4) Advisory: A senior executive of TFCC will be an advisor to the Inc. board and will be invited to all board meetings.

5) TFCC has earned an advisory fee on the success of the bond offering (the "Advisory Fee"). The amount is 1% of the net proceeds up to \$50mm and 0.5% for the net funds in excess of \$50mm. Net proceeds will be defined as net of underwriting fees, commissions, land transfer tax, first year interest and the reasonable expenses of the consultants involved. The Advisory Fee will be no less than \$540,000.00 which is inclusive of TFCC's expenses incurred to date in connection with the Bond Offering.

6) Cross default: All security given pursuant to the Loan Commitment and this letter will stand as collateral for all outstanding loans between the Borrower (including all its affiliates and related persons or entities) and Lender and its affiliates (the "Existing Loans"). Any default under any Existing Loans will be a default under the Loan Commitment which will entitle the Lender to exercise its remedies against Urbancorp, Investco and the guarantors and any other entities pursuant to the Loan Commitment, this letter and all security provided thereunder. As long as any Existing Loans remain outstanding, all security given pursuant to the Loan Commitment or this letter, other than the charges on the Secured Projects which have been fully and properly discharged in accordance with their respective terms, shall remain as security for the Existing Loans.

7) Distributions from Inc: TFCC will be entitled to: (i) \$100,000 per month of the monthly management fees collected from Inc. which will be applied first towards the Advisory Fee until it is fully paid and then towards interest on the Loan, principal of the Loan or other amounts owed to Lender from time to time; and (ii) any distribution of Profit from Inc. that is not applied to repay existing debentures (as same may be increased) or required to be paid to the dedicated debenture account pursuant to existing bond lender terms, to be applied for the same purpose.

Yours truly,

Alan Saskin  
President

Guarantor: Alan Saskin

THIS IS EXHIBIT "**WWW**" REFERRED TO IN THE  
AFFIDAVIT OF GUY GISSIN AFFIRMED BEFORE  
ME THIS \_\_\_15\_\_\_ DAY OF OCTOBER, 2018.

A handwritten signature in black ink, appearing to be 'Yael Hershkovitz', written in a cursive style.

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Yael Hershkovitz  
Lawyer

11.4.2016

## ("החברה") Urbancorp Inc.

**פרוטוקול ועדת ביקורת טלפונים של החברה מיום 11 באפריל 2016**

### משתתפים:

ד"ר איל גבע, דח"צ  
דפנה אבירם, דח"צ  
רוני נקר, דירקטור בלתי תלוי

### על סדר היום:

מכתב התשובה לרשות – התפתחות הדישות בנושא ה- 12 מיליון

איל	<p>מערכו כי רצח מערימים קשיים, רוצים להיפגש עם אלן היום אצל אגמון. כרגע אני לא מאמין שחם יצו לפרטס את הדורות. יש בעיה קשה עם ה- 8 מיליון. והם חוששים גם מהנכסים הגיאומטריים. ה- 12 מיליון לא יכול להיות מוכר כחון נכון ל- 31.12.15.</p> <p>אתמול בלילה ניסחו באגמון את התשובה לרשות לגבי החלואה של ה- 12 מיליון התבררו הדברים הבאים:</p> <p>אם עד היום ידענו שקיימת מיגבלת עם זכויות החתימה של טרחפירמה, מתברר שיש שני סעיפים נוספים:</p> <p>1. שה- 12 מיליון לא יכולים לצאת בלי שישולמו החלואות המייזנין. ואגמון עקבו אחר חכספים – אכן חכסף הגיע לשחרור החלואות.</p> <p>2. בסיד לטר של חכסם החלואה נמצאת מוגבלת נוספת. שמתנה שה- 12 מיליון ייכנסו לחלואות בבונד קו. למעשה תסעיף אומר שחכספים ייכנסו לחברה שנקראת Investco בתוך חברת האגיה וחשופים בפסיים הללו יהיו במימון החלואות לצדדים שלישיים לפי החלטת טרה-פירמה. הסעיף אומר שה- 12 יושבים בחשבון בנק נפרד ומטרתו להלות לצדדים שלישיים יחד עם טרה-פירמה, לפי החלטת טרה-פירמה.</p> <p>במכתב התשובה לרשות נסביר היום מה היו התנאים המגבילים. סבירות גבוהה שיתפתחו בחקירה סביב הנושא. זהו סעיף דרמטי.</p>
דפנה	זה מעלה חשש שמא לא הייתה כאן טעות בתום לב של אלן.
רוני	אני חושב שהוא חתם בלי לבחוק את כל התנאים וכשגילה שלא יכול להשתמש בכסף – שיתרד את חכסף.
איל	ברשות זה לא יעבור בשקט
רוני	<p>לגבי הדורות: אם זה לא יכול להיות בחון העצמי. לא ה- 12 ולא ה- 8, אז יורדים 20 מיליון מתוך חון של 78 מיליון. אמתנו מגיעים ל- 58 וזו הפרה ואזרחת עסק חי.</p> <p>אבל אם אני צודק וה- 12 נכללים בתוך ה- 78, אז מפתיתים רק 8. במצב זה רק הגאומטרי יכול לחבא להפרה. יש לבדוק מול דלויס אם כלול או לא.</p> <p>בנוסף לבדיקה זו יש לשנות ניתוח של אם חופרו יתר אמות המידה. אם כן אז חגענו להערת עסק חי למרות שה- 12 כבר חזרו לחון.</p>
איל	צריך 2 רבעונים ברצימות. בואו נבין את טיוטת הדורות. בשנתי ברור שתהיה הערת עסק חי.
רוני	ולכן אולי לא תחיה הערת עסק חי (בגלל שצריך שני רבעונים).

אייל	במודל התזמיין צריך מודל גם של מכירת קרקע.
רוני	ביקשתי ממיליפ שימשה בדיקת רגישות. מציע בשיחה איתו שתבקשו ממנו תרחיש של מכירת הנכסים במחיר השוק או לפי הערכת השווי שיש.
אייל	יש להבין את היתסים בין חייח מבקר לאלן. אני רוצה להבין אם הם באים לפתור בעיות ולפרסם דוחות או למנוע פרסום דוחות בכל מחיר.
רוני	אנחנו צריכים לבקש מרן שעד סוף השבוע הבא סוגרים הכל. תחיה לחם הערכת שווי מ $PWV=C$ לבני ה- 8 מיליון נכון ל- 31.12.15.
דפנה	ל-PWC ברור שהם עושים הערכת שווי נכון ל- 31.12.15 ולא נכון להיום!
רוני	כן, בטח – עבור הדוחות.
אייל	נראה שטרם פירמח שדחפו אותו להנפיק כאן, קברו לו קבר בכל דרך אפשרית.

היזיר נועל את הישיבה.

איל גבע, יזיר

מאוסה

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. c-36, AS AMENDED, AND IN THE MATTER OF URBANCORP INC., APPLICATION OF GUY GISSIN, THE FOREIGN REPRESENTATIVE OF URBANCORP INC., UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

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

Proceeding commenced at Toronto

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**AFFIDAVIT OF GUY GISSIN  
(Affirmed October 15, 2018)**

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**DENTONS CANADA LLP**  
77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, ON M5K 0A1  
Fax: 416-863-4592

**Kenneth Kraft (LSO# 31919P)**  
Tel: 416-863-4374  
Email: [kenneth.kraft@dentons.com](mailto:kenneth.kraft@dentons.com)

**Neil Rabinovitch (LSO#33442F)**  
Tel: 416-863-4656  
Email: [neil.rabinovitch@dentons.com](mailto:neil.rabinovitch@dentons.com)

*Lawyers for Guy Gissin, in his capacity as the Israeli  
Court –Appointed Functionary of Urbancorp Inc.,  
and not in his personal capacity*