



**Fifty-Ninth Report to Court of
KSV Restructuring Inc. as CCAA Monitor of
Urbancorp Toronto Management Inc.,
Urbancorp (St. Clair Village) Inc., Urbancorp
(Patricia) Inc., Urbancorp (Mallow) Inc.,
Urbancorp (Lawrence) Inc., Urbancorp
Downsview Park Development Inc., Urbancorp
(952 Queen West) Inc., King Residential Inc.,
Urbancorp 60 St. Clair Inc., High Res. Inc.,
Bridge On King Inc. and the Affiliated Entities
Listed in Schedule “A” Hereto**

January 23, 2024

and

**Fifth Report to Court of
KSV Restructuring Inc. as Licensed
Insolvency Trustee of
Urbancorp Management Inc.**

Contents		Page
1.0	Introduction.....	1
1.1	Cumberland CCAA Entities	1
1.2	Urbancorp Management Inc.	2
1.3	Urbancorp Inc., Recognition of Foreign Proceedings	3
1.4	Purposes of this Report.....	3
1.5	Currency	3
1.6	Restrictions	4
2.0	Background	4
2.1	Distributions	4
3.0	Geothermal Assets	5
3.1	Tax Holdback	6
4.0	Proposal by Dig Developments.....	8
5.0	Downsview Settlement.....	8
6.0	UMI.....	9
7.0	Cash Flow Forecast.....	10
8.0	Request for an Extension.....	11
9.0	Professional Fees	11
10.0	Conclusion and Recommendation	12

Schedules and Appendices

Schedules

Cumberland CCAA Entities	A
--------------------------------	---

Appendix

	Tab
Initial Order	A
Cumberland CCAA Entities' Corporate Chart	B
Voluntary Disclosure Letter	C
Revised Settlement Proposal	D
Cash Flow.....	E
Management's Report on the Cash Flow	F
Monitor's Statutory Report on the Cash Flow.....	G
Affidavit of Noah Goldstein	H
Affidavit of Robin Schwill	I
Affidavit of Edmond Lamek.....	J



COURT FILE NO.: CV-16-11389-00CL

**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 TORONTO MANAGEMENT INC., URBANCORP (ST. CLAIR
VILLAGE) INC., URBANCORP (PATRICIA) INC., URBANCORP (MALLOW) INC.,
URBANCORP (LAWRENCE) INC., URBANCORP DOWNSVIEW PARK
DEVELOPMENT INC., URBANCORP (952 QUEEN WEST) INC., KING
RESIDENTIAL INC., URBANCORP 60 ST. CLAIR INC., HIGH RES. INC., BRIDGE
ON KING INC. (COLLECTIVELY, THE "APPLICANTS") AND THE AFFILIATED
ENTITIES LISTED IN SCHEDULE "A" HERETO**

FIFTY-NINTH REPORT OF KSV RESTRUCTURING INC. AS MONITOR

- AND -

Estate File No.: 31-2743224

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF URBANCORP MANAGEMENT INC.
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**FIFTH REPORT OF KSV RESTRUCTURING INC.
AS LICENSED INSOLVENCY TRUSTEE OF
URBANCORP MANAGEMENT INC.**

JANUARY 23, 2024

1.0 Introduction¹

1.1 Cumberland CCAA Entities

1. On April 21, 2016, Urbancorp (St. Clair Village) Inc. ("**St. Clair**"), Urbancorp (Patricia) Inc. ("**Patricia**"), Urbancorp (Mallow) Inc. ("**Mallow**"), Urbancorp Downsview Park Development Inc. ("**Downsview**"), Urbancorp (Lawrence) Inc. ("**Lawrence**") and Urbancorp Toronto Management Inc. ("**UTMI**") each filed a Notice of Intention to Make a Proposal ("**NOI**") pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (collectively, St. Clair, Patricia, Mallow, Downsview,

¹ Capitalized terms not defined in this section have the meanings provided to them in the sections below.

Lawrence and UTMI are referred to as the “**NOI Entities**”). KSV Kofman Inc. (“**KSV Kofman**”) was appointed as the Proposal Trustee of each of the NOI Entities. On August 31, 2020, KSV Kofman changed its name to KSV Restructuring Inc. (“**KSV**”).

2. Pursuant to an Order dated May 18, 2016 (the “**Initial Order**”) made by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), the NOI Entities, together with the entities listed on Schedule “A” attached (collectively, the “**Cumberland CCAA Entities**” and each a “**Cumberland CCAA Entity**”) were granted protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) and KSV Kofman was appointed monitor (the “**Monitor**”) of the Cumberland CCAA Entities (the “**CCAA Proceedings**”). A copy of the Initial Order is attached as Appendix “A”.
3. Certain Cumberland CCAA Entities² are known to be owned directly or indirectly by Urbancorp Cumberland 1 LP (“**Cumberland**”). Collectively, Cumberland and its direct and indirect subsidiaries are the “**Cumberland Entities**”. Each Cumberland Entity is a nominee for Cumberland and, as such, the assets and liabilities of the Cumberland Entities are assets and liabilities of Cumberland. The remaining Cumberland CCAA Entities³, other than UTMI, are directly or indirectly wholly owned by Urbancorp Inc. (“**UCI**”) (collectively, the “**Non-Cumberland Entities**”). The corporate chart for the Cumberland CCAA Entities and the Non-Cumberland Entities is provided in Appendix “B”.
4. Pursuant to an order of the Court issued on September 29, 2023 (the “**Stay Extension Order**”), the stay of proceedings for the Cumberland CCAA Entities expires on January 31, 2024.
5. The only substantive issue remaining to be addressed in the CCAA Proceedings is dealing with Canada Revenue Agency (“**CRA**”) to obtain clearance certificates in respect of the Geothermal Asset Owners (as defined below) so that the Monitor can make the final distributions in these proceedings, which would be made primarily by way of intercorporate dividend to UCI from the funds held by the Monitor on behalf of the Geothermal Asset Owners. The Monitor has advanced the tax matters since the last stay extension motion; however, the time required to resolve the tax matters with CRA is beyond the Monitor’s control.

1.2 Urbancorp Management Inc.

1. A bankruptcy order was made against Urbancorp Management Inc. (“**UMI**”) by this Court on May 20, 2021 (the “**Bankruptcy Date**”) based on an application made on January 26, 2021 by the Monitor of UTMI. KSV was appointed as licensed insolvency trustee (the “**Trustee**”) of UMI. Upon resolution of certain tax issues resulting from the Urbancorp Group’s historical tax planning, the Trustee intends to make distributions to UMI’s creditors and to seek its discharge. The Urbancorp Group’s historical tax planning has required significant investigation by the Trustee and various other professionals involved in these proceedings. An update on UMI’s bankruptcy is provided in Section 6 below.

² Being St. Clair., Patricia, Mallow, Lawrence, Urbancorp (952 Queen West) Inc., King Residential Inc., Urbancorp 60 St. Clair Inc., High Res. Inc., Urbancorp Partner (King South) Inc., Urbancorp (North Side) Inc. and Bridge on King Inc.

³ Being Vestaco Homes Inc., Vestaco Investments Inc., Urbancorp Power Holdings Inc., UTMI, Downsview, 228 Queens Quay West Limited, Urbancorp Residential Inc., Urbancorp Realtyco Inc., Urbancorp Cumberland 1 GP Inc.

1.3 Urbancorp Inc., Recognition of Foreign Proceedings

1. On April 25, 2016, the District Court in Tel Aviv-Yafo, Israel (the “**Israeli Court**”) appointed Guy Gissin as the functionary officer and foreign representative (the “**Foreign Representative**”) of UCI and granted him certain powers, authorities and responsibilities over UCI (the “**Israeli Proceedings**”).
2. On May 18, 2016, the Court issued two orders under Part IV of the CCAA, which:
 - a) recognized the Israeli Proceedings as a “foreign main proceeding”;
 - b) recognized Mr. Gissin as Foreign Representative of UCI; and
 - c) appointed KSV as the Information Officer.

1.4 Purposes of this Report

1. The purposes of this report (“**Report**”) are to:
 - a) provide an update on these CCAA Proceedings, particularly in respect of tax matters;
 - b) provide the rationale for extending the stay of proceedings from January 31 to April 30, 2024;
 - c) report on the consolidated cash flow projection of the Cumberland CCAA Entities from January 31 to April 30, 2024 (the “**Cash-Flow Statement**”);
 - d) summarize and seek approval of the fees and expenses of KSV, as Monitor of the Cumberland CCAA Entities, the Monitor’s counsel, Davies Ward Phillips & Vineberg LLP (“**Davies**”), and the Cumberland CCAA Entities’ counsel, DLA Piper (Canada) LLP (“**DLA**”), from September 1 to December 31, 2023;
 - e) provide an update on the bankruptcy proceedings of UMI; and
 - f) recommend that the Court issue orders:
 - i. granting an extension of the stay of proceedings for the Cumberland CCAA Entities to April 30, 2024;
 - ii. approving this Report and the activities of the Monitor, as detailed in this Report; and
 - iii. approving the fees and disbursements of the Monitor, Davies and DLA, as detailed in this Report.

1.5 Currency

1. Unless otherwise stated, all currency references in this Report are to Canadian dollars.

1.6 Restrictions

1. In preparing this Report, the Monitor has relied upon unaudited financial information of the Cumberland CCAA Entities, the books and records of the Cumberland CCAA Entities, discussions with the financial and legal advisors of the Foreign Representative, being B. Riley Farber (formerly the Farber Group) and Dentons Canada LLP, respectively. The Monitor has not performed an audit or other verification of such information.
2. The Monitor has not audited, reviewed or otherwise verified the accuracy or completeness of the financial information in a manner that would comply with Generally Accepted Auditing Standards pursuant to the Chartered Professional Accountants Canada Handbook.
3. An examination of the Cash Flow Statement as outlined in the Chartered Professional Accountants Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based upon assumptions regarding future events; actual results achieved may vary from this information and these variations may be material.
4. The Monitor expresses no opinion or other form of assurance with respect to the financial information presented in this Report or relied upon by the Monitor in preparing this Report. Other than the Court, any party wishing to place reliance on the Cumberland CCAA Entities' financial information should perform its own due diligence and any reliance placed by any party on the information presented herein shall not be considered sufficient for any purpose whatsoever.

2.0 Background

1. The Urbancorp Group of Companies (the "**Urbancorp Group**") was primarily engaged in the development, construction and sale of residential properties in the Greater Toronto Area.
2. UCI was incorporated on June 19, 2015 to raise debt in the public markets in Israel. Pursuant to a Deed of Trust dated December 7, 2015, UCI made a public offering of debentures (the "**IPO**") in Israel of NIS180,583,000 (approximately \$64 million based on the exchange rate at the time of the IPO) (the "**Debentures**").
3. From the monies raised in the IPO, UCI made unsecured loans totalling approximately \$46 million to the NOI Entities (other than UTMI) so that these entities could repay loan obligations owing at the time.

2.1 Distributions

1. Since the Monitor's last report, the Monitor distributed a further \$2.9 million from the proceeds received in the Downsview Settlement, as discussed in Section 5 below. This brings total distributions to UCI to approximately \$74 million.
2. UCI, through the Foreign Representative, has also obtained recoveries in Israel from litigation it commenced against various parties involved in the underwriting of the Debentures, and is expected to have further recoveries in these CCAA Proceedings and from the CCAA proceedings in which The Fuller Landau Group Inc. ("**Fuller Landau**") is the CCAA monitor.

- It is unclear to the Monitor whether the Debentureholders will have a full recovery on their advances to UCI, inclusive of interest and costs; however, the amounts repaid by KSV in its various capacities in these proceedings exceed the principal amount that was owing to the Debentureholders at the commencement of these proceedings.
- The cash balance in the bank accounts of the Cumberland CCAA Entities and the Geothermal Asset Owners is provided below⁴:

(unaudited; \$000s)	Bank Balance	Administration Cost	
		Holdback	Tax Holdback
Cumberland CCAA Entities	297	297	-
Geothermal Asset Owners	2,250	503	1,747
	2,547	800	1,747

- The amount reflected as being held back for UCI (\$1.747 million) is to be used to address certain of the tax liabilities discussed in Section 3.1 below (the “**Tax Holdback**”).

3.0 Geothermal Assets

- Certain of the Cumberland CCAA Entities had an interest in geothermal assets (the “**Geothermal Assets**”) located at four condominiums developed by entities in the Urbancorp Group, being the Edge, Bridge, Fuzion and Curve condominiums.
- Urbancorp Renewable Power Inc. (“**URPI**”) was incorporated to manage the Geothermal Assets. Pursuant to a Court order made on June 28, 2018, KSV was appointed as the receiver (the “**Receiver**”) of URPI.
- Through two transactions approved by the Court in these proceedings, the Geothermal Assets were sold for approximately \$25 million (the “**Geothermal Transactions**”).
- Prior to the Geothermal Transactions, the Geothermal Assets were owned directly by 228 Queen’s Quay West Ltd. (“**228**”), Vestaco Homes Inc. (“**Vestaco Homes**”), Urbancorp New Kings Inc. (“**UNKI**”) and Vestaco Investments Inc. (“**Vestaco Investments**”), and indirectly by Urbancorp Power Holdings Inc. (“**UPHI**”), the parent company of 228, Vestaco Homes and Vestaco Investments⁵ (collectively, the “**Geothermal Asset Owners**”). UCI is the parent of UPHI.
- Additional recoveries from settlements concerning litigation between the Receiver and the condominium corporations for each of the Curve, Edge, Bridge and Fuzion condominiums totalled approximately \$7 million. Net of realization costs and harmonized sales tax remitted, the proceeds from the Geothermal Transactions have been distributed as set out in the table below.

⁴ Excludes amounts held by KSV as Trustee of Urbancorp Management Inc.

⁵ Urbancorp Power Holdings Inc. is a direct subsidiary of UCI and owned each of the Geothermal Asset Owners other than UNKI, which owned the Fuzion asset and was indirectly owned by Urbancorp Cumberland 1 LP. (“**Cumberland**”).

(unaudited; \$000s)					
Recipient	Edge ⁶	Bridge ⁷	Fuzion ⁸	Curve ⁹	Total
UCI	1,584	5,725	2,675	12	9,996
Fuller Landau	8,288	-	-	700	8,988
King Towns North Inc.	-	2,049	-	-	2,049
Other ¹⁰	-	-	2,182	-	2,182
Total	9,872	7,774	4,857	712	23,215

3.1 Tax Holdback

1. Pursuant to orders of the Court dated May 27, 2021, the Monitor was authorized to distribute \$1,584,000 and \$4,974,000 to UCI from 228 and Vestaco Homes, respectively. These amounts were paid by the Monitor on June 1, 2021.
2. The Monitor filed December 31, 2020 tax returns for 228 and Vestaco Homes and paid taxes of approximately \$93,000 and \$2,428,000 for 228 and Vestaco Homes, respectively; the 2020 Vestaco Homes tax return reflected refundable dividend tax on hand of \$1,145,000 (the “**RDTOH**”). The Monitor also filed nil returns for 2021 for 228 and Vestaco Homes. At the time of filing the Vestaco Homes 2020 tax return, the claim filed by UMI¹¹ against Vestaco Homes for additional rent of \$2,049,000 (the “**Additional Rent**”) in respect of the lease to the Berm lands (the “**Berm Lease**”) had not been determined. As a result, Vestaco Homes did not reflect the Additional Rent as an expense when calculating its December 31, 2020 taxable income.
3. On September 16, 2021, this Court ordered, *inter alia*, the Monitor, on behalf of Vestaco Homes, to pay \$2,049,000 to UMI (the “**Additional Rent Order**”). The Foreign Representative, on behalf of UCI, unsuccessfully appealed the Additional Rent Order. The Monitor paid the Additional Rent to UMI in 2022 which, as noted, is in bankruptcy.
4. The Geothermal Asset Owners are solvent¹² and all residual funds, net of professional fees, can be distributed by dividend to UCI as the sole shareholder of UPHI or, in the case of Vestaco Homes, as a repayment of an intercompany debt owing to Cumberland and the balance by dividend.
5. On July 27, 2022, the Court issued an order authorizing the Monitor to wind-up and dissolve each of the Geothermal Asset Owners and to distribute to UCI by way of intercompany dividends, or otherwise, the UCI Holdback, together with tax refunds referenced in subsections 6 and 7 below.

⁶ Owned by 228.

⁷ Owned by Vestaco Homes.

⁸ Owned by UNKI.

⁹ Owned by Vestaco Investments.

¹⁰ Mainly represents distributions to First Capital Realty Inc. in respect of a mortgage on the Fuzion geothermal assets.

¹¹ This claim was made by UMI prior to its bankruptcy. The shareholder of UMI is believed to be the Saskin Family Trust, which is not subject to the CCAA proceedings. Subsequently, KSV was appointed as the Licensed Insolvency Trustee of this entity.

¹² Other than Vestaco Investments Inc. The Monitor will not take steps to wind-up and dissolve this entity.

6. As part of the wind-up, the Monitor requires clearance certificates from CRA confirming that the Geothermal Asset Owners are not indebted to CRA for income taxes or HST (the “**Clearance Certificates**”). The process to request Clearance Certificates requires the Geothermal Asset Owners to first file up to date tax returns and to obtain assessments and/or re-assessments from CRA. As the Geothermal Asset Owners have not been carrying on any business activities since completion of the sale of the Geothermal Assets in 2020, the Monitor intends to request Clearance Certificates for the periods up to December 31, 2022, once assessments or reassessments are obtained. The Monitor is not prepared to make any further distributions of the Tax Holdback until it obtains the Clearance Certificates as the Monitor understands that there could be potential exposure to KSV.
7. The Monitor worked with tax advisors from Davies and the Urbancorp Group’s accountants, MNP LLP (“**MNP**”), on the various tax returns and amended tax returns that needed to be filed. As a result of Vestaco Homes being required to pay the Additional Rent, the Monitor filed an amended 2020 tax return for Vestaco Homes and claimed a refund of approximately \$542,985. In addition, the Monitor filed an amended 2021 tax return for Vestaco Homes to reflect \$2 million of the \$4,974,000 payment referenced in Section 3.1.1 above as a dividend; this resulted in a claimed RDTOH refund of \$766,667.
8. The refund of the full RDTOH is available provided Vestaco Homes pays dividends of approximately \$3 million. As set out in the preceding paragraph, the Monitor filed an amended 2021 Vestaco Homes tax return, in which it reflected a \$2 million dividend paid to UCI, via UPHI, and claimed a refund of approximately \$766,667 of the RDTOH. The Monitor is able to claim the balance of the RDTOH after the Clearance Certificates have been issued by CRA.
9. The 2022 tax returns for the Geothermal Asset Owners have all been filed, all of which are essentially nil returns.
10. As a result of the Additional Rent paid by Vestaco Homes to UMI, Vestaco Homes did not have shareholder’s equity sufficient to pay the \$3 million in dividends necessary to fully recover the full amount of the RDTOH. Vestaco Homes’s only creditor is Cumberland, which it owed \$2,013,000. To enable Vestaco Homes to recapture the remaining RDTOH, the Monitor, with the advice of Davies, arranged for Cumberland to forgive \$500,000 of the indebtedness owing to it by Vestaco Homes (the “**Debt Forgiveness**”). The Debt Forgiveness also involved UCI, which consented to the arrangement (the “**Debt Forgiveness Arrangement**”). The Debt Forgiveness Arrangement has been planned in a manner that would avoid any tax liability for either Vestaco Homes or UCI. The necessary tax form (Form T2056) was filed by Davies on behalf of the Monitor on October 18, 2023.
11. The above arrangements will ultimately be reviewed by CRA prior to the issuance of any notices of assessment or reassessment and clearance certificates. As of the date of this Report, no assessments or re-assessments have been issued by CRA in respect of the fiscal 2020, 2021 and 2022 returns. The Monitor continues to follow up with CRA on the status of the returns.

12. As stated in Section 3.1.3 above, Vestaco Homes paid the \$2,049,000 of Additional Rent in 2022 to UMI, being the amount of the Additional Rent Order. At the time the Additional Rent was paid, Vestaco Homes neither paid HST of \$266,370 relating to the Additional Rent to UMI nor claimed the HST of \$266,370 as an input tax credit (the “**ITC**”). The HST effect on Vestaco Homes was \$NIL as the HST payable would have been offset in full by the ITC. Correspondingly, UMI neither collected the HST of \$266,370 from Vestaco Homes nor remitted the HST of \$266,370 to CRA. As with Vestaco Homes, the HST effect on UMI was \$NIL, as the HST payable by UMI would have been offset in full by HST that would have been received from Vestaco Homes. Subsequently, the Monitor and its counsel, Davies, determined that the appropriate course of action was to file a voluntary disclosure (the “**Voluntary Disclosure**”) with CRA regarding the treatment of HST. On December 11, 2023, the Voluntary Disclosure was sent to CRA by Davies, outlining the HST matters relating to the Additional Rent and requesting CRA to treat the transaction as a “wash”. A copy of the Voluntary Disclosure letter from Davies to CRA is attached as Appendix “C”.

4.0 Proposal by Dig Developments

1. On April 16, 2023, Dig Developments Inc. (“**DIG**”), a company which the Monitor has been advised is owned and controlled by Alan Saskin’s family, made a settlement proposal in the Israeli Proceedings to UCI’s bondholders (the “**Settlement Proposal**”).
2. On December 3, 2023, DIG made a revised Settlement Proposal (the “**Revised Settlement Proposal**”). A copy of the Revised Settlement Proposal is attached as Appendix “D”. The Revised Settlement Proposal provides “*The Investor (DIG) will purchase the Company (UCI) (by purchasing all the issued and paid up capital of the Company), including all its rights and assets...(for) payment of a sum of four million and six hundred and forty thousand (\$4,642,000) [sic]¹³ Canadian dollars that the Investor shall deposit with the Functionary*”. The Monitor understands that the Revised Settlement Proposal is conditional upon, among other things, approval by creditors of UCI and Israeli Court. The Monitor also understands that the bondholders have already resolved to vote against the Revised Settlement Proposal and that the vote for all creditors is scheduled for January 25, 2024. The Monitor will provide the Court with an update, to the extent an update is available, at the return of this motion.
3. The Monitor understands that the Foreign Representative opposes the Revised Settlement Proposal.

5.0 Downview Settlement

1. The Monitor and the Foreign Representative reached a settlement (the “**Downview Settlement**”) with Mattamy Homes Inc. (“**Mattamy**”) in respect of management fees payable to UTMI on the Downview Project, subject to this Court’s approval and Israeli Court approval. The Downview Settlement contemplated, among other things, a full and final mutual release between the Monitor and Foreign Representative, on one hand, and Mattamy, on the other. Pursuant to the terms of the Downview Settlement, Mattamy was required to pay \$2.9 million to UTMI and \$60,000 to UCI. On September 29, 2023, this Court approved the Downview Settlement and on October 18, 2023, the Israeli Court approved the Downview Settlement. The Downview Settlement

¹³ This is an error in the Revised Settlement Proposal.

has since been completed and the majority of the funds received by the Monitor (\$2.960 million) have been distributed to UCI, net of harmonized sales tax owing to CRA.

6.0 UMI

1. KSV is Trustee of UMI.
2. Based on the UMI Decision, UMI received \$2.049 million as Additional Rent from the sale of the Geothermal Assets owned by Vestaco Homes.
3. As reflected in the table below, the claims filed against UMI total approximately \$30.5 million (the “**Claims**”).

Creditor	\$000s
Claimants represented by KSV	8,800
Claimants controlled by the Saskin family	1,619
Claimants represented by Fuller Landau	1,453
UCI	18,600
Third parties	71
Total	\$30,543

4. The Claims, with the exception of the UCI claim (the “**UCI Claim**”, discussed separately below), are primarily a result of related-party transactions over numerous years. In order to verify the accuracy of the Claims, the Trustee has relied on the records of the Cumberland CCAA Entities and UMI. The Trustee has also communicated with representatives of the Saskin family and Fuller Landau regarding their respective claims.
5. The Foreign Representative has filed a claim of approximately \$18.6 million in the UMI estate on behalf of UCI. The basis for the UCI Claim is a judgment obtained by the Foreign Representative in Israel against, among others, UMI (the “**Israeli Judgment**”). The Israeli Judgment was obtained after the commencement of the bankruptcy, without notice to the Trustee, and notwithstanding the stay of proceedings against UMI. The Trustee has been in discussions with the Foreign Representative’s advisors concerning this claim. The difference in the amount that would be received by UCI as a result of admitting and not admitting its claim is approximately \$200,000¹⁴. Based on discussions with the Foreign Representative’s advisors, the Trustee believes that this issue should be easily resolved once the tax matters below (particularly the UMI Additional Rent Issue, as defined below) have been addressed.

¹⁴ On a net basis, after considering recoveries that UCI would receive from UTMI as a result of the issue detailed in paragraph 6.8.

6. The Trustee has been in communications with MNP regarding the tax position of UMI, which has an October 31st year end. The Trustee, in consultation with MNP, has identified two potential tax issues, being:
 - a. the \$2,049,000 Additional Rent that UMI received from Vestaco Homes, which amount may be required to be amortized over the remaining term of the Berm Lease and could result in a post-Bankruptcy Date tax liability for UMI that might be required to be reported over a period to 2060 (the term of the Berm Lease) and paid in priority to UMI creditors (“**UMI’s Additional Rent Issue**”); and
 - b. UMI’s potential tax liability resulting from a \$5 million Promissory Note Receivable owing from UTMI (the “**Promissory Note**”) (the “**Setoff Issue**”).
7. In respect of UMI’s Additional Rent Issue, the Trustee worked with MNP to file UMI’s pre-Bankruptcy Date tax returns, being the year ended October 31, 2020 and the stub period from November 1, 2020 to the Bankruptcy Date (the “**Stub-Period**”). The year ended October 31, 2020 tax return reflected no revenue and no tax liability. The Stub-Period tax return reflected the entire \$2,049,000 of Additional Rent as revenue. This resulted in a tax liability of \$707,524. As of the date of this report, CRA has neither assessed the Stub-Period tax return nor filed a claim in the UMI estate. If CRA does not accept the manner in which the Additional Rent has been treated, the Additional Rent may need to be amortized over the balance of the term of the Berm Lease.
8. In respect of the Setoff Issue, the Promissory Note was established in 2012 as part of tax planning by the Urbancorp Group; the Promissory Note, for tax purposes, has a NIL cost base. Any recovery on the Promissory Note, including by way of set-off, could create additional taxable income and tax liability for UMI in the post Bankruptcy Date period. The Trustee has consulted with Davies and MNP and is of the view that it is not in the financial interest of UMI to assert the right of set-off that UMI may have against UTMI. Accordingly, it is the Trustee’s intention to admit UTMI’s claim against UMI without set off and UMI will maintain its Promissory Note claim in full against UTMI. While this marginally reduces the pro rata recoveries to creditors of UMI, asserting the set-off and paying the resulting tax liability would result in even lower recoveries to UMI’s creditors. Any recoveries by UTMI on its claim against UMI will be payable to UCI as a result of the Intercompany Lender’s Charge (as defined in the Initial Order). Accordingly, UMI’s Promissory Note claim against UTMI will have a NIL recovery.
9. The Trustee intends to recommend to the Inspector of UMI that a distribution be made to UMI’s creditors and to discharge the Trustee once UMI’s tax matters are resolved.

7.0 Cash Flow Forecast

1. The Cash-Flow Statement and the Cumberland CCAA Entities’ statutory report on the Cash Flow Statement pursuant to Section 10(2)(b) of the CCAA are attached in Appendices “E” and “F”, respectively.
2. The expenses in the Cash-Flow Statement are primarily in respect of professional costs. The Cumberland CCAA Entities are projected to have sufficient cash to pay all disbursements during the Period.

3. Based on the Monitor’s review of the Cash-Flow Statement, the assumptions appear reasonable. The Monitor’s statutory report on the Cash Flow Statement is attached as Appendix “G”.

8.0 Request for an Extension

1. The Cumberland CCAA Entities are seeking an extension of the stay of proceedings from January 31 to April 30, 2024. The Monitor supports the request for an extension of the stay of proceedings for the following reasons:
 - a) the Cumberland CCAA Entities are acting in good faith and with due diligence;
 - b) no creditor will be prejudiced if the extensions are granted;
 - c) as of the date of this Report, neither the Cumberland CCAA Entities nor the Monitor is aware of any party opposed to an extension; and
 - d) it will provide the Monitor further time to deal with outstanding administrative matters, including dealing with CRA regarding the Clearance Certificates. There is no certainty that the tax matters will be resolved by April 30, 2024.

9.0 Professional Fees

1. The fees and disbursements (excluding HST) of the Monitor, Davies and DLA are summarized below.

Firm	Period	(\$)			Average Hourly Rate
		Fees	Disbursements	Total	
KSV	Sept 1/23 – Dec 31/23	55,081.75	-	55,081.75	651.86
Davies	Sept 1/23 – Dec 31/23	88,836.00	83.96	88,919.96	1,191.00
DLA	Sept 1/23 – Dec 31/23	6,497.50	339.00	6,836.50	643.32
Total		150,415.25	422.96	150,838.21	

2. Detailed invoices are provided in the exhibits to the fee affidavits filed by representatives of KSV, Davies and DLA, which are provided in Appendices “H”, “I” and “J”, respectively.
3. Since the last fee approval motion, the main matters addressed by Davies include dealing with tax matters, the Settlement Proposal and the Downsview Settlement.
4. As reflected in the table above, DLA’s legal fees since the last fee approval motion have been insignificant.
5. The Monitor is of the view that the hourly rates charged by Davies and DLA are consistent with rates charged by law firms practicing in restructuring and insolvency in the downtown Toronto market, and that the fees charged are reasonable and appropriate in the circumstances.

10.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that the Court make an order granting the relief detailed in Section 1.4(1)(f) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS CCAA MONITOR OF
THE CUMBERLAND CCAA ENTITIES
AND NOT IN ITS PERSONAL CAPACITY**

**AND IN ITS CAPACITY AS LICENSED INSOLVENCY TRUSTEE OF
URBANCORP MANAGEMENT INC.
AND NOT IN ITS PERSONAL CAPACITY**

Schedule "A"

Urbancorp Toronto Management Inc.

Urbancorp (952 Queen West) Inc.

King Residential Inc.

Urbancorp 60 St. Clair Inc.

High Res. Inc.

Bridge on King Inc.

Urbancorp Power Holdings Inc.

Vestaco Homes Inc.

Vestaco Investments Inc.

228 Queen's Quay West Limited

Urbancorp Cumberland 1 LP

Urbancorp Cumberland 1 GP Inc.

Urbancorp Partner (King South) Inc.

Urbancorp (North Side) Inc.

Urbancorp Residential Inc.

Urbancorp Realtyco Inc.

Appendix “A”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) **WEDNESDAY, THE 18TH**
)
JUSTICE NEWBOULD) **DAY OF MAY, 2016**



**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 TORONTO
MANAGEMENT INC., URBANCORP (ST. CLAIR
VILLAGE) INC., URBANCORP (PATRICIA) INC.,
URBANCORP (MALLOW) INC., URBANCORP
(LAWRENCE) INC., URBANCORP DOWNSVIEW PARK
DEVELOPMENT INC., URBANCORP RESIDENTIAL INC.,
URBANCORP (952 QUEEN WEST) INC., KING
RESIDENTIAL INC., URBANCORP 60 ST. CLAIR INC.,
HIGH RES. INC., BRIDGE ON KING INC. (Collectively the
"Applicants") AND THE AFFILIATED ENTITIES LISTED
IN SCHEDULE "A" HERETO**

INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Alan Saskin sworn May 13, 2016 and the Exhibits thereto (the "**Saskin Affidavit**"), the First Report of KSV Kofman Inc. in its capacity as Proposal Trustee and as proposed monitor dated May 13, 2016 (the "**First Report**") and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Urbancorp CCAA Entities, counsel for the proposed Monitor, counsel for the Foreign Representative of Urbancorp

Inc., counsel for Mattamy (Downsview) Limited, counsel for King Liberty North Corporation, counsel for the syndicate of lenders represented by the Bank of Nova Scotia as administrative agent, and those other parties listed on the counsel slip, no one appearing for any other person although duly served as appears from the Affidavit of Service of Kyle B. Plunkett sworn May 13, 2016, filed, on reading the consent of KSV Kofman Inc. to act as the Monitor (in such capacity, the “**Monitor**”);

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies, save and except Urbancorp New Kings Inc. (“**UNKI**”) which shall not be an Applicant hereunder, and shall be removed from the style of cause in these proceedings and such style of cause shall be hereafter amended to exclude UNKI.
3. **THIS COURT ORDERS AND DECLARES** that although not Applicants, the Urbancorp CCAA Entities’ affiliated Corporations and Limited Partnerships listed in **Schedule “A”** to this Order (the “**Non-Applicant UC Entities**”) are proper parties to these proceedings and shall enjoy the benefits of the protections and authorizations provided by this Order. (The Applicants together with the Non-Applicant UC Entities are hereinafter referred to as the “**Urbancorp CCAA Entities**”).
4. **THIS COURT ORDERS AND DECLARES** that the proposal proceedings of each of Urbancorp Toronto Management Inc. (Estate No. 31-2114055), Urbancorp Downsview Park Developments Inc. (Estate No. 31-2114054), Urbancorp (Patricia) Inc. (Estate No. 31-2114050), Urbancorp (Mallow) Inc. (Estate No. 31-2114049), Urbancorp (Lawrence) Inc. (Estate No. 31-2114048) and Urbancorp (St. Clair Village) Inc. (Estate No. 31-2114053) (collectively, the “**Urbancorp NOI Entities**”) commenced under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), be taken up and continued under the CCAA and that the provisions of Part III of the BIA shall have no further application to the Urbancorp NOI Entities.

PLAN OF ARRANGEMENT

5. **THIS COURT ORDERS** that subject to the provisions of this Order, the Applicants shall have the authority to file, and may, subject to further order of this Court, file with this Court a plan or plans of compromise or arrangement (hereinafter referred to as the “**Plan**” or “**Plans**”).

POSSESSION OF PROPERTY AND OPERATIONS

6. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Urbancorp CCAA Entities shall continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) and Property. Subject to paragraph 29 hereof, the Urbancorp CCAA Entities are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

7. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall be entitled to continue to utilize the central cash management system currently in place as described in the Saskin Affidavit or replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Urbancorp CCAA Entities of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Urbancorp CCAA Entities, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

8. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Urbancorp CCAA Entities in respect of these proceedings, at their standard rates and charges.

9. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Urbancorp CCAA Entities shall be entitled but not required to pay all reasonable expenses incurred by the Urbancorp CCAA Entities in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Urbancorp CCAA Entities following the date of this Order.

10. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Urbancorp CCAA Entities in connection with the sale

of goods and services by the Urbancorp CCAA Entities, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Urbancorp CCAA Entities.

11. **THIS COURT ORDERS** that, except where any of the Urbancorp CCAA Entities are a landlord, until a real property lease is disclaimed in accordance with the CCAA, the Urbancorp CCAA Entities shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Urbancorp CCAA Entities and the landlord from time to time (“**Rent**”), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

12. **THIS COURT ORDERS** that, except as specifically permitted herein or by further order of this Court, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by an Applicants to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

13. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall not, without further Order of this Court: (a) make any disbursement out of the ordinary course of its Business

exceeding in the aggregate \$100,000 in any calendar month; or (b) engage in any material activity or transaction not otherwise in the ordinary course of its Business.

RESTRUCTURING

14. **THIS COURT ORDERS** that subject to paragraph 29 herein, the Urbancorp CCAA Entities shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$250,000 in any one transaction or \$1,000,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate;
- (c) pursue all avenues of refinancing (including Additional Interim Financing as hereinafter defined) of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing; and
- (d) pursue a sale or development of some or all of any Urbancorp CCAA Entity's Business and Property,

all of the foregoing to permit the Urbancorp CCAA Entities to proceed with an orderly restructuring of the Business (the "**Restructuring**").

15. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall provide each of the relevant landlords with notice of the Urbancorp CCAA Entities' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Urbancorp CCAA Entities' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Urbancorp CCAA Entities, or by further Order of this Court upon application by the Urbancorp CCAA Entities on at least two (2) days notice to such landlord and any such secured creditors. If an Applicant disclaims the lease governing such leased premises in

accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Urbancorp CCAA Entities' claim to the fixtures in dispute.

16. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the relevant Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against that Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE URBANCORP CCAA ENTITIES OR THE PROPERTY

17. **THIS COURT ORDERS** that until and including June 17, 2016, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Urbancorp CCAA Entities or the Monitor, or affecting the Business or the Property, except with the written consent of the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Urbancorp CCAA Entities or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

18. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Urbancorp CCAA Entities or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Urbancorp CCAA Entities to carry on

any business which the Urbancorp CCAA Entities are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

19. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Urbancorp CCAA Entities, except with the written consent of the Urbancorp CCAA Entities and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

20. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Urbancorp CCAA Entities or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Urbancorp CCAA Entities, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Urbancorp CCAA Entities, and that the Urbancorp CCAA Entities shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Urbancorp CCAA Entities in accordance with normal payment practices of the Urbancorp CCAA Entities or such other practices as may be agreed upon by the supplier or service provider and each of the Urbancorp CCAA Entities and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

21. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or

licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Urbancorp CCAA Entities. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

22. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Urbancorp CCAA Entities with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Urbancorp CCAA Entities whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Urbancorp CCAA Entities, if one is filed, is sanctioned by this Court or is refused by the creditors of the Urbancorp CCAA Entities or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

23. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Urbancorp CCAA Entities after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

24. **THIS COURT ORDERS** that the directors and officers of the Urbancorp CCAA Entities shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$300,000, as security for the indemnity provided in paragraph 23 of this Order. The Directors' Charge shall have the priority set out in paragraphs 43 and 45 herein.

25. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Urbancorp CCAA Entities' directors and officers

shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 23 of this Order.

INTERIM FINANCING

26. **THIS COURT ORDERS** that the interim credit facility in the maximum amount of \$1,900,000 (the "**Interim Facility**") made available to the Urbancorp CCAA Entities by Urbancorp Partner (King South) Inc. (the "**Interim Lender**") pursuant to the terms of the term sheet dated as of May 13, 2016 (the "**Term Sheet**"), and attached as an Exhibit to the Saskin Affidavit, and the Term Sheet itself, be and are hereby approved, and the Urbancorp CCAA Entities are hereby authorized and empowered to execute and deliver such documents as are contemplated by the Term Sheet.

PROTOCOL FOR CO-OPERATION

27. **THIS COURT ORDERS AND DIRECTS** that the "Protocol For Cooperation Among Canadian Court Officer and Israeli Functionary", between KSV Kofman Inc. in its capacity as proposal trustee and as proposed Monitor and Guy Gissin, in his capacity as Functionary Officer appointed by the Israel District Court in Tel Aviv-Yafo in respect of Urbancorp Inc., attached as **Schedule "B"** to this Order (the "**Protocol**"), be and is hereby approved. In the event of a conflict between the terms of this Order and the Protocol, the terms of this Order shall prevail.

APPOINTMENT OF MONITOR

28. **THIS COURT ORDERS** that KSV Kofman Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Urbancorp CCAA Entities with the powers and obligations set out in the CCAA or set forth herein and that the Urbancorp CCAA Entities and their shareholders, officers, directors, and Assistants shall not take any steps with respect to the Urbancorp CCAA Entities, the Business or the Property, save and except under the direction of the Monitor, pursuant to paragraph 29 of this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

29. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, and without altering in any way the powers, abilities, limitations and obligations of the Urbancorp CCAA Entities within, or as a result of these proceedings, be and is hereby authorized, directed and empowered to:

- (a) cause the Urbancorp CCAA Entities, or any one or more of them, to exercise rights under and observe its obligations under paragraphs 8, 9, 10, 11, 12 and 13 above;
- (b) conduct a process for the solicitation of proposals for additional interim financing of the Business to replace or augment the Interim Credit Facility (the “**Additional Interim Financing**”), which Additional Interim Financing shall be subject to the approval of the Court;
- (c) cause the Urbancorp CCAA Entities to perform such other functions or duties as the Monitor considers necessary or desirable in order to facilitate or assist the Urbancorp CCAA Entities in dealing with the Property;
- (d) conduct, supervise and direct one or more Court-approved sales and investor solicitation processes (with prior Court approval if deemed appropriate by the Monitor) for portions of the Property or the Business, including the solicitation of development proposals, and any procedures regarding the allocation and/or distribution of proceeds of any transactions;
- (e) cause the Urbancorp CCAA Entities to administer the Property and operations of the Urbancorp CCAA Entities, including the control of receipts and disbursements, as the Monitor considers necessary or desirable for the purposes of completing any transaction, or for purposes of facilitating a Plan or Plans for some or all Applicants, or parts of the Business;
- (f) propose or cause the Applicants or any one or more of them to propose one or more Plans in respect of the Applicants or any one or more of them;
- (g) engage advisors or consultants or cause the Urbancorp CCAA Entities to engage advisors or consultants as the Monitor deems necessary or desirable to carry out the

terms of this Order or any other Order made in these proceedings or for the purposes of the Plan and such persons shall be deemed to be “Assistants” under this Order;

- (h) apply to this Court for any orders necessary or advisable to carry out its powers and obligations under this Order or any other Order granted by this Court including for advice and directions with respect to any matter;
- (i) meet and consult with the directors of the Urbancorp CCAA Entities as the Monitor deems necessary or appropriate;
- (j) meet with and direct management of the Urbancorp CCAA Entities with respect to any of the foregoing including, without limitation, operational and restructuring matters;
- (k) monitor the Urbancorp CCAA Entities’ receipts and disbursements;
- (l) approve Drawdown Requests under the Interim Credit Facility and any Additional Interim Facility;
- (m) cause any Urbancorp CCAA Entity with available cash (an “**Intercompany Lender**”) to loan some or all of that cash to another Urbancorp CCAA Entity (an “**Intercompany Borrower**”) on an interest free inter-company basis (an “**Approved Intercompany Advance**”) up to an aggregate of \$1 million, which Approved Intercompany Advances shall be secured by the Intercompany Lender’s Charge against the Property of the Intercompany Borrower, where in the Monitor’s view the Approved Intercompany Advance secured by the Intercompany Lender’s Charge does not prejudice the interest of the creditors of the Intercompany Lender and does not violate any agreement to which a Non-Applicant UC Entity is a party.
- (n) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (o) assist the Urbancorp CCAA Entities in its preparation of the Urbancorp CCAA Entities’ cash flow statements and reporting required by the Term Sheet or the Court;

- (p) hold and administer creditors' or shareholders' meetings for voting on the Plan or Plans;
- (q) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Urbancorp CCAA Entities, to the extent that is necessary to adequately assess the Urbancorp CCAA Entities business and financial affairs or to perform its duties arising under this Order;
- (r) be at liberty to engage legal counsel, real estate experts, or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (s) perform such other duties as are required by this Order or by this Court from time to time; and
- (t) to comply with the Protocol,

provided, however, that the Monitor shall comply with all applicable law and shall not have any authority or power to elect or to cause the election or removal of directors of any of the Urbancorp CCAA Entities or any of their subsidiaries.

30. **THIS COURT ORDERS** that, until further order of this court, Robert Kofman, or such representative of KSV Kofman Inc. as he may designate in writing from time to time, is authorized, directed and empowered to act as, and is hereby appointed as, the representative of UNKI on the Management Committee of the Kings Club Development Inc. project (the "**Management Committee Member**"). For purposes of this Order, in carrying out its duties as Management Committee Member pursuant to this Order, the Management Committee Member shall have the same protections afforded to the Monitor pursuant to paragraph 35 of this Order. Subject to further order of this Court, on notice to The Bank of Nova Scotia and King Liberty North Corporation, UNKI otherwise remains unaffected by this Order and the CCAA proceedings.

31. **THIS COURT ORDERS** that the Urbancorp CCAA Entities and their advisors shall cooperate fully with the Monitor and any directions it may provide pursuant to this Order and

shall provide the Monitor with such assistance as the Monitor may request from time to time to enable the Monitor to carry out its duties and powers as set out in this Order or any other Order of this Court under the CCAA or applicable law generally.

32. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or the Property, or any part thereof and that nothing in this Order, or anything done in pursuance of the Monitor's duties and powers under this Order, shall deem the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation.

33. **THIS COURT ORDERS** that, without limiting the provisions herein, all employees of the Urbancorp CCAA Entities shall remain employees of the Urbancorp CCAA Entities until such time as the Urbancorp CCAA Entities may terminate the employment of such employees. Nothing in this Order shall, in and of itself, cause the Monitor to be liable for any employee-related liabilities or duties, including, without limitation, wages, severance pay, termination pay, vacation pay and pension or benefit amounts, as applicable.

34. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Urbancorp CCAA Entities with information provided by the Urbancorp CCAA Entities in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Urbancorp CCAA Entities is confidential, the Monitor shall not

provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Urbancorp CCAA Entities may agree.

35. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

36. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Urbancorp CCAA Entities shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Urbancorp CCAA Entities as part of the costs of these proceedings. ^{subject to being assessed by the court.} The Urbancorp CCAA Entities are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Urbancorp CCAA Entities and any Assistants retained by the Monitor on a weekly basis and, in addition, the Urbancorp CCAA Entities are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Urbancorp CCAA Entities and any Assistants retained by the Monitor, such reasonable retainers as may be requested to be held by them as security for payment of their respective fees and disbursements outstanding from time to time. The Urbancorp CCAA Entities are also authorized and directed to pay the fees and disbursements of KSV as Proposal Trustee, the fees and disbursements of the Proposal Trustee's counsel and the fees and disbursements of counsel to Urbancorp NOI Entities up to the date of this Order in respect of the proposal proceedings of the Urbancorp NOI Entities. WJ.

37. **THIS COURT ORDERS** that KSV in its capacity as Monitor, and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

38. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Urbancorp CCAA Entities' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property of the Applicants, which charge shall not exceed an aggregate amount of \$750,000, as security for their professional fees and disbursements incurred

at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 43 and 45 hereof.

INTERCOMPANY LENDER'S CHARGE

39. **THIS COURT ORDERS** that an Intercompany Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Intercompany Lender's Charge**") on the Property of the Intercompany Borrower as security for all Approved Intercompany Advances advanced to the Intercompany Borrower. The Intercompany Lender's Charge shall have the priority set out in paragraphs 43 and 45 hereof.

INTERIM FINANCING

40. **THIS COURT ORDERS** that the Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property of the Applicants as security for all amounts advanced to any Applicant under the Interim Credit Facility and as security for all liabilities and obligations of the Applicant as guarantors pursuant to the Term Sheet. The Interim Lender's Charge shall have the priority set out in paragraphs 43 and 45 hereof.

41. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge;
- (b) upon the occurrence of an Event of Default under the Interim Facility Term Sheet, the Interim Lender may terminate the Interim Credit Facility and cease making advances to the Applicants, and, upon five (5) days' notice to the Monitor and the parties on the Service List, may bring a motion for leave to exercise any and all of its rights and remedies against the Applicants or their Property under or pursuant to the Interim Term Sheet, and the Interim Lender's Charge, including without limitation, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a

bankruptcy order against an Applicant and for the appointment of a trustee in bankruptcy of one or more Applicants; and

- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or their Property.

42. **THIS COURT ORDERS AND DECLARES** that the Interim Lender shall be treated as unaffected in any plan of arrangement or compromise filed by any Applicant under the CCAA, with respect to any advances made under the Interim Credit Facility.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

43. **THIS COURT ORDERS** that the priorities of the Directors' Charge, the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows:

First – Administration Charge to the maximum amount of \$750,000;

Second – Interim Lender's Charge to the maximum amount of \$1,900,000 plus accrued interest under the Term Sheet (as against the Property of the Applicants only), and the Intercompany Lender's Charge (as against the Property of the relevant Intercompany Borrower only) on a *pari passu* basis; and

Third – Directors' Charge to the maximum amount of \$300,000.

44. **THIS COURT ORDERS** that the filing, registration or perfection of the Directors' Charge, the Administration Charge, the Interim Lender's Charge or the Intercompany Lender's Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

45. **THIS COURT ORDERS** that each of the Charges shall rank as against the applicable Property subordinate to all valid perfected security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise granted by each respective

Urbancorp CCAA Entity or to which each respective Urbancorp CCAA Entity is subject (collectively, “**Encumbrances**”) as of the date of this Order (collectively, “**Pre-Filing Security Interests**”), save and except the security interests, if any, in favour of Reznik Paz Nevo Trusts Ltd. in its capacity as trustee (the “**Israeli Trustee**”) under a certain Deed of Trust dated December 7, 2015 between Urbancorp Inc. and the Israeli Trustee, which shall rank subordinate to the Charges.

46. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by further order of this Court, the Urbancorp CCAA Entities shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges.

47. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; (e) the pendency of the Israeli Court Proceedings; or (f) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Urbancorp CCAA Entities, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, or performance of the Interim Facility Term Sheet shall create or be deemed to constitute a breach by the Urbancorp CCAA Entities of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Urbancorp CCAA Entities entering into the Interim Facility Term Sheet or the creation of the Charges; and

- (c) the payments made by the Urbancorp CCAA Entities pursuant to this Order, the Interim Facility Term Sheet, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

48. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Urbancorp CCAA Entity's interest in such real property leases.

SERVICE AND NOTICE

49. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the Globe & Mail – Toronto Edition, a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Urbancorp CCAA Entities of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

50. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <http://www.ksvadvisory.com/insolvency-cases-2/urbancorp/> .

51. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Urbancorp CCAA Entities and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices

or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Urbancorp CCAA Entities' creditors or other interested parties at their respective addresses as last shown on the records of the Urbancorp CCAA Entities and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

52. **THIS COURT ORDERS** that the Urbancorp CCAA Entities or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

53. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Urbancorp CCAA Entities, the Business or the Property.

54. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, in Israel or elsewhere, to give effect to this Order and to assist the Urbancorp CCAA Entities, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Urbancorp CCAA Entities and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Urbancorp CCAA Entities and the Monitor and their respective agents in carrying out the terms of this Order.

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

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

57. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.



**ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:**

MAY 18 2016

PER / PAR: *RW*

SCHEDULE "A"

List of Non Applicant Affiliates

- Urbancorp Power Holdings Inc.
- Vestaco Homes Inc.
- Vestaco Investments Inc.
- 228 Queen's Quay West Limited
- Urbancorp Cumberland 1 LP
- Urbancorp Cumberland 1 GP Inc.
- Urbancorp Partner (King South) Inc.
- Urbancorp (North Side) Inc.
- Urbancorp Residential Inc.
- Urbancorp Realtyco Inc.

SCHEDULE "B"

PROTOCOL

For Co-operation Among Canadian Court Officer and Israeli Functionary

BETWEEN:

GUY GISSIN, in his capacity
as Functionary Officer appointed by
the Israeli Court for Urbancorp Inc.

- and -

KSV KOFMAN INC., in its capacity
as proposal trustee and proposed monitor
of certain subsidiaries of Urbancorp Inc.

WHEREAS KSV Kofman Inc. ("KSV") was appointed the proposal trustee in respect of each of Urbancorp (Lawrence) Inc., Urbancorp (Mallow) Inc., Urbancorp (Patricia) Inc., Urbancorp (St. Clair Village) Inc., Urbancorp Downsview Park Development Inc. and Urbancorp Toronto Management Inc. (the "**Initial Subsidiaries**"), in notice of intention filings made by each of the Initial Subsidiaries under the *Bankruptcy and Insolvency Act* ("**BIA**") on April 21, 2016 (the "**Proposal Proceedings**");

AND WHEREAS Guy Gissin was appointed as Functionary Officer on a preliminary basis (the "**Israeli Parentco Officer**") of Urbancorp Inc. ("**Parentco**"), the parent of the Initial Subsidiaries, by order of the District Court in Tel Aviv-Yafo (the "**Israeli Court**") dated April 25, 2016 (the "**Israeli Functionary Order**") in case number 44348-04-16 *Reznik Paz Nevo Trusts Ltd. Vs. Urbancorp Inc.* (the "**Israeli Proceedings**");

AND WHEREAS it is anticipated that, with the exception of Bosvest Inc., Edge Residential Inc. and Edge on Triangle Park Inc., which are in separate BIA proposal proceedings with the Fuller Landau Group Inc. as proposal trustee, and Urbancorp Cumberland GP 2 Inc., Urbancorp Cumberland 2 LP and Westside Gallery Lofts Inc. (the "**Excluded Subsidiaries**"), all of the direct and indirect subsidiaries of Urbancorp Inc. (collectively, excluding the Excluded Subsidiaries, the "**Applicants**") will bring an application in the Ontario Superior Court of Justice – Commercial List (the "**Canadian Court**") for relief pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**") wherein the Proposal Proceedings will be taken up and continued within the CCAA Proceedings;

AND WHEREAS it is anticipated that the Israeli Parentco Officer will seek to have the Israeli Functionary Order and its role as the Israeli Parentco Officer recognized by the Canadian Court for the purpose of representing the interests of Parentco and participating as a stakeholder representative in the Applicants' CCAA Proceedings in connection with protecting the interests of Parentco's creditors, including the holders of the bonds issued on the Tel Aviv Stock Exchange (the "**Parentco Bonds**") pursuant to a deed of trust dated December 7, 2015 (the "**Parentco Bond Indenture**");

AND WHEREAS KSV and the Israeli Parentco Officer have agreed to work cooperatively on the terms set out herein to attempt to maximize recoveries through an orderly process for the stakeholders of Parentco and the Applicants (collectively, the "Urbancorp Group");

NOW THEREFORE, the Israeli Parentco Officer and KSV agree to implement the following protocol to cooperate with each other to maximize recoveries for the stakeholders of the Urbancorp Group:

1. The Israeli Parentco Officer will file an application under Part IV of the *Companies' Creditors Arrangement Act* ("CCAA"), seeking recognition of the Israeli Proceedings and of his appointment as foreign representative of Parentco thereunder, such application to seek recognition of the Israeli Proceedings as the "foreign main proceeding" with respect to Parentco. That application will include a request to appoint KSV as the Information Officer with respect to the Part IV CCAA proceedings of Parentco (the "Part IV Proceedings").
2. The Applicants will commence the CCAA Proceedings, proposing KSV to be appointed as Monitor with augmented powers so as to control ordinary course management and receipts and disbursements of funds for the Applicants. KSV acknowledges that the Israeli Parentco Officer shall have standing to appear before the Canadian Court as the representative of Parentco in the CCAA Proceedings.
3. The Israeli Parentco Officer and KSV agree that, with respect to the CCAA Proceedings:
 - (a) KSV shall provide the Israeli Parentco Officer with regular and timely information updates regarding the ongoing status of the CCAA Proceedings as they unfold. KSV will also provide information and updates to the Israeli Parentco Officer prior to the commencement of the CCAA Proceedings;
 - (b) The Israeli Parentco Officer shall provide KSV with at least three business days' prior notice (including full materials, translated into English) of any proceeding, motion or action it takes in the Israeli Court that will negatively impact the Applicants or the CCAA Proceedings. The Israeli Parentco Officer will also provide information and updates to KSV prior to the commencement of the CCAA Proceedings;
 - (c) KSV shall provide the Israeli Parentco Officer with at least three business days' prior notice (including full materials, translated into English) of any proceeding, motion or action it takes in the Canadian Court that will negatively impact the Urbancorp Inc. or the Israeli Proceedings. KSV will also provide information and updates to Israeli Parentco Officer prior to the commencement of the CCAA Proceedings;
 - (d) KSV shall provide to the Israeli Parentco Officer copies of all information pertaining to the Applicants:
 - (i) in KSV's possession that KSV considers material; or

- (ii) as reasonably requested by the Israeli Parentco Officer,

provided that KSV, in good faith, is not of the view that such information is subject to privilege or confidentiality restrictions. If KSV is of the view that such information is subject to privilege or confidentiality restrictions, then KSV shall so inform the Israeli Parentco Officer and shall seek directions from the Canadian Court on notice to the affected parties in the CCAA Proceedings as to whether there are any restrictions which would prevent the disclosure of such information to the Israeli Parentco Officer.

- (e) The Israeli Parentco Officer shall provide to KSV, in its capacity as the Information Officer of Parentco in the Part IV Proceedings, copies of all information pertaining to the Israeli Proceedings:

- (i) in the Israeli Parentco Officer's possession that it considers material to the Israeli Proceedings and is not subject to privilege or confidentiality restrictions; or

- (ii) as reasonably requested by KSV, provided that this shall not entitle KSV or any party requesting information through them to receive information on ongoing reviews or investigations being undertaken by the Israeli Parentco Officer or others in connection with the Israeli Proceedings; and

- (f) KSV will run an orderly dual track sale and restructuring process with respect to the Applicants, subject to approval by the Canadian Court in the CCAA Proceedings, which will consider both development opportunities and opportunities to sell the properties of the Applicants. KSV will design such process collaboratively, with the Israeli Parentco Officer, with the understanding that at any time during the pendency of the sales process, should an offer come forward with respect to any or all of the Applicants contemplating a restructuring or other option which is acceptable to both KSV and the Israeli Parentco Officer, the sale process may be truncated in order to pursue the other option with respect to the Applicant(s) in question. Alternatively, should the sale process continue to the point of submission of bids, subject to Section 4(b) below, copies of all bids will be provided to the Israeli Parentco Officer by KSV, and KSV shall discuss same with the Israeli Parentco Officer, with the objective, but not the obligation, of hopefully concurring on the course of action to be followed in terms of which bids to continue negotiating or which bid(s) to select as the successful bidder(s). KSV acknowledges that, throughout these processes, the Israeli Parentco Officer may from time to time require instructions and/or directions from the Israeli Court, and that the process shall be conducted in a fashion to permit the Israeli Parentco Officer the opportunity to do so on a timeframe consistent with the urgency of the circumstances then in question. The Israeli Parentco Officer and KSV agree that, in the event there is a disagreement between the Israeli Parentco Officer and KSV as to the working out of the sale and restructuring process, whether it be in terms of selecting an alternative option to a sale (including, without limitation, pursuing any development opportunities), determining which bids to proceed to negotiate further, or seeking approval of a particular sale from

the Canadian Court supervising the CCAA Proceedings, the ultimate decision and course of action shall be determined by the Canadian Court on application by KSV for directions and provided that the Israeli Parentco Officer shall have standing as representative of Parentco to make full representations to the Canadian Court as to his views and recommendations.

- (g) The initial order made in the CCAA Proceedings concerning all of the Applicants shall contain the following paragraph pertaining to material or non-ordinary course decisions or disbursements:

THIS COURT ORDERS that the Applicants shall not, without further order of this Court: (a) make any disbursement out of the ordinary course of its Business exceeding in the aggregate \$100,000 in any calendar month; or (b) engage in any material activity or transaction not otherwise in the ordinary course of its Business.

In the event that such paragraph is not included in the initial order for the Applicants or any of them, then any such disbursement or other material activity or transaction shall not be made without the order of the Canadian Court.

4. The Israeli Parentco Officer and KSV further agree to cooperate as follows:
- (a) to the extent practicable, each shall share with the other copies of materials to be filed with their respective courts (but not drafts of any such materials), prior to the public filing of same. This provision may not apply to materials submitted in the course of seeking directions from the Canadian Court in the event of a disagreement between the Israeli Parentco Officer and KSV over the working-out of the sale process; and
 - (b) The Israeli Parentco Officer agrees that any information provided to him by KSV in the course of the sale process or concerning any restructuring alternatives, shall remain confidential and not be disclosed to any party without KSV's consent, not to be unreasonably withheld, it being acknowledged that the Israeli Parentco Officer shall be entitled to provide information to its advisors (provided they agree to be bound by the confidentiality restrictions detailed herein) and to both the Israeli Court and the Official Receiver of the Israeli Ministry of Justice, in each case on a sealed and private basis to obtain directions as needed, or as may be set forth in the Non-Disclosure Agreement executed by the Israeli Parentco Officer on May 11, 2016.
5. The Israeli Parentco Officer and KSV acknowledge that, at present, KSV has the amount of CDN\$1.9 million in a trust account, which funds KSV received from Urbancorp Partner (King South) Inc. ("UPKSI"), and which funds KSV has proposed to utilize as a form of interim funding for certain costs of the CCAA Proceedings, to be secured by a priming charge in favour of UPKSI against the assets of the entities utilizing the funds. KSV acknowledges that it will seek to obtain, as soon as possible, a general purpose DIP loan from third party sources and sufficient to repay amounts borrowed from UPKSI, using what are otherwise unencumbered assets of the Applicants (the "DIP Loan").

Upon being able to draw sufficient funds under the DIP Loan (which DIP Loan subject to the approval of the Canadian Court), KSV agrees that it will repay to UPKSI the interim loan made to that date in the preceding sentence from the DIP Loan and that it will, as the court-appointed monitor of UPKSI and subject to Court approval in the Part IV Proceedings, make available funds from that CDN\$1.9 million as an interim loan from UPKSI to Urbancorp Inc., to be secured by a priming DIP charge against the assets of Urbancorp Inc., to assist in the funding of the costs of the Part IV Proceedings including the reasonable costs incurred by the Israeli Parentco Officer in connection with the Part IV Proceedings, the reasonable fees and disbursements of the Israeli Parentco Officer's Canadian counsel and the Information Officer and its counsel.

6. The Israeli Parentco Officer shall support the commencement of the CCAA Proceedings. Provided that KSV is acting in good faith and has not engaged in willful misconduct or gross negligence, the Israeli Parentco Officer shall not take any steps to attempt to remove KSV as either the proposal trustee under the Proposal Proceedings or the monitor under the CCAA Proceedings or to in any way to interfere with or seek to limit KSV's powers in such capacities or to suggest that KSV must take instruction from it or the Israeli Court or terminate the CCAA Proceedings without the consent of KSV or by order of the Canadian Court. Nothing herein shall be deemed to grant any additional claims, rights, security or priority to, or in respect of, the Parentco Bonds or to the trustee under the Parentco Bond Indenture or to the Israeli Parentco Officer as against the Applicants or any affiliate or direct or indirect subsidiary of Parentco. In the event of any restriction or termination of the Israeli Parentco Officer's powers by the Israeli Court, this Protocol shall be deemed to be modified accordingly such that the Israeli Parentco Officer's powers and authority hereunder are no greater than those given to him by the Israeli Court.
7. This Protocol shall be governed by laws of Ontario and the laws of Canada as applicable and all disputes or requests for direction in connection with this Protocol shall be determined by the Canadian Court. Nothing herein is or shall be deemed to be an attachment by KSV to the Israeli Court or the laws of Israel.
8. The Israeli Court Officer and KSV agree to use reasonable efforts to seek to commence the proceedings noted above on or before May 18, 2016. KSV shall support, to the extent necessary, an application by the Israeli Parentco Officer to commence the Part IV Proceedings, on terms consistent with this Protocol, even if commenced before the CCAA Proceedings.

****THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK****

9. This Agreement is subject to the approval of the Israeli Court and the Canadian Court.

DATED this _____ day of May, 2016.

Name of Witness:

} _____
Name: **GUY GISSIN**, the Israeli Parentco
Officer

**KSV KOFMAN INC. in its capacity
as proposal trustee and proposed monitor
of certain subsidiaries of Urbancorp Inc.,
and not in its personal capacity**

By: _____

Name: Robert Kofman
Title: President

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 TORONTO MANAGEMENT INC., URBANCORP (ST. CLAIR VILLAGE) INC., URBANCORP (PATRICIA) INC., URBANCORP (MALLOW) INC., URBANCORP (LAWRENCE) INC., URBANCORP DOWNSVIEW PARK DEVELOPMENT INC., URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL INC., URBANCORP 60 ST. CLAIR INC., HIGH RES. INC., BRIDGE ON KING INC. (THE "APPLICANTS") AND THE AFFILIATED ENTITIES LISTED IN SCHEDULE "A" HERETO

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDINGS COMMENCED AT TORONTO

INITIAL ORDER
(May 18, 2016)

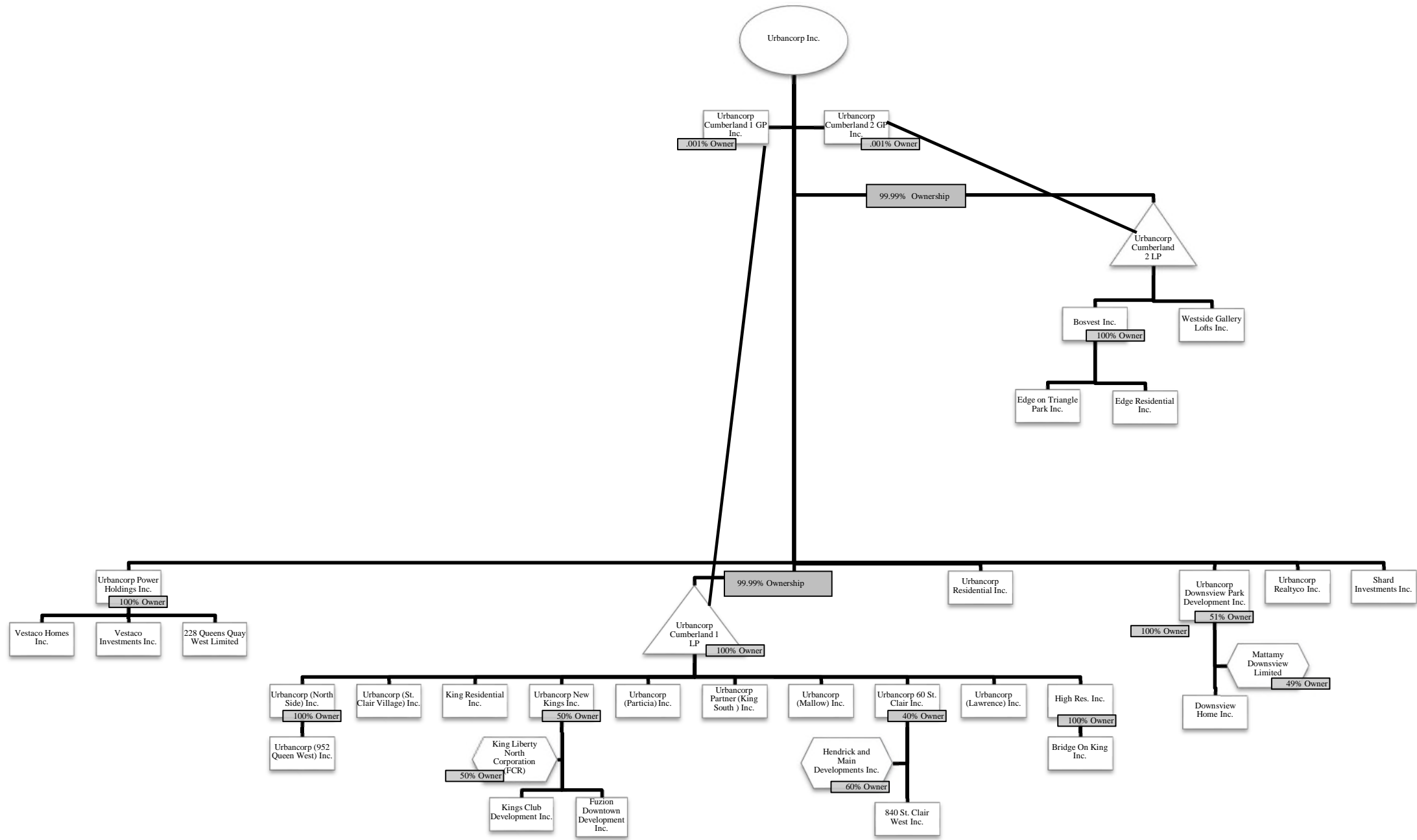
BORDEN LADNER GERVAIS LLP
Barristers and Solicitors
Scotia Plaza
40 King Street West
Toronto, ON M5H 3Y4

EDMOND F. B. LAMEK ~ LSUC NO. 33338U
Direct Tel: 416-367-6311
Direct Fax: 416-361-2436
Email: elamek@blg.com

KYLE B. PLUNKETT ~ LSUC NO. 61044N
Direct Tel: 416-367-6314
Direct Fax: 416-361-2557
Email: kplunkett@blg.com

Lawyers for the Applicants

Appendix “B”



Appendix “C”

December 11, 2023

BY COURIER AND BY FAX (1-888-452-8994)

Voluntary Disclosures Program
Shawinigan National Verification and Collections Centre
4695 Shawinigan-Sud Boulevard
Shawinigan QC G9P 5H9

**Voluntary Disclosure Program Application
Urbancorp Management Inc. (BN: 120891049)
Vestaco Homes Inc. (BN: 865781124)**

PART I. REQUIREMENTS FOR VOLUNTARY DISCLOSURE

This voluntary disclosure is made on behalf of Urbancorp Management Inc. (“**UMI**”) and Vestaco Homes Inc. (“**VHI**”, together with UMI, the “**Registrants**”), pursuant to the Canada Revenue Agency’s (“**CRA**”) Voluntary Disclosures Program (“**VDP**”) as described in Information Circular IC00-1R6, dated December 15, 2017 (the “**Information Circular**”) and the GST/HST Memorandum 16-5, *Voluntary Disclosures Program*, dated December 15, 2017 (“**NM 16-5**”). In this regard, please find enclosed duly executed AUT-01 forms authorizing our firm’s communication with the CRA on behalf of the Registrants. KSV Restructuring Inc. (“**KSV**”) is the Licenced Insolvency Trustee of UMI, a bankrupt, and court-appointed Monitor of VHI.

Based on the guidelines set out in the NM 16-5, we submit that the Taxpayer’s disclosure should be accepted as a valid voluntary disclosure that qualifies for relief under the VDP for the following reasons:

1. The Registrants’ disclosure is voluntary within the meaning of paragraph 30 of the NM 16-5. In particular, the Registrants are not aware of any CRA audit, examination, investigation or other enforcement action (as defined in paragraph 31 of the NM 16-5) against the Registrants with respect to the information disclosed herein. The Registrants also are not aware of any enforcement action against persons associated or related to the Registrants, or against any third party where the purpose and impact of the enforcement action against the third party is related to this disclosure.
2. This disclosure is complete within the meaning of paragraph 33 of the NM 16-5. The Registrants have provided full facts and documentation herein for the relevant period where there was previously inaccurate, incomplete or unreported information relating to their tax returns or filings.

3. This disclosure involves the application, or the potential application of a penalty, within the meaning of paragraph 37 of the NM 16-5.
4. This disclosure includes information that is at least one reporting period past due, within the meaning of paragraph 39 of the NM 16-5.
5. This disclosure involves goods and services tax/harmonized sales tax (“HST”) wash transactions, as discussed further below, so that the estimated tax owing if the disclosure is accepted is nil.

PART II. THE RELEVANT FACTS AND INFORMATION

1. VHI is a wholly-owned subsidiary of Urbancorp Power Holdings Inc. (“**UPHI**”), which itself is a wholly-owned subsidiary of Urbancorp Inc. KSV is the court-appointed Monitor of both VHI and UPHI. VHI and UMI are owned directly or indirectly by Alan Saskin, members of his family or family trusts related to Alan Saskin (the “**Saskin Family**”). The entities owned by the Saskin Family generally have the name Urbancorp (the “**Urbancorp Group**”).
2. VHI was in the sole business of providing geothermal equipment and related assets (the “**Geothermal Assets**”) to provide heating and air conditioning services to a condominium corporation known as Bridge (the “**Bridge Condominium**”). VHI is registered for HST as an annual filer and its registration number is 865781124RT0001.
3. UMI was in the business of providing management services to entities in the Urbancorp Group. In addition, UMI was the beneficial owner of real property located across the street (the “**Berm Lands**”) from 28 Joe Shuster Way, Toronto, the location of the Bridge Condominium. The registered owner of the Berm Lands was King Towns North Inc. (“**KTNI**”), a bare trustee and nominee for UMI. The Berm Lands was subject to a lease between KTNI (as registered owner and as bare trustee and nominee for the beneficial owner and landlord, being UMI), and VHI, as tenant (the “**Berm Lease**”).
4. UMI was previously registered for HST as a monthly filer under HST number 120891049RT0001 until June 7, 2021. UMI became a bankrupt on May 20, 2021 and shortly thereafter it ceased to be registered for HST (effective June 8, 2021).
5. In December 2020, VHI, with approval of the Ontario Superior Court of Justice – Commercial List (the “**Court**”) sold its Geothermal Assets, including VHI’s interest in the Berm Lease (the “**Berm Leasehold Interest**”) to an arm’s length third party. The total value of the sale proceeds attributable to the Berm Leasehold Interest was \$2,049,000. The terms of the Berm Lease required VHI, as tenant, to pay annual basic rent in the amount of \$100 to KTNI (for the benefit of UMI) and included a clause in respect of additional rent if VHI’s interest in the Berm Lands was assigned to a third party in the amount of the consideration received by VHI for the Berm Leasehold Interest (the “**Additional Rent**”).

6. There was a dispute whether the Additional Rent was enforceable by KTNI against VHI. In September 2021, the Court determined that VHI was required to pay Additional Rent of \$2,049,000 to KTNI for the benefit of UMI. This decision was appealed, so that the question of whether VHI was required to pay the Additional Rent remained in dispute. After the appeal was denied, KSV paid the Additional Rent of \$2,049,000 to the UMI bankruptcy estate in March 2022.
7. At the time the Additional Rent was paid by VHI, UMI was bankrupt and was not registered for HST. UMI did not collect or remit HST on the Additional Rent due to an inadvertent oversight, which resulted in a failure to characterize the Additional Rent as consideration for a taxable supply. VHI similarly did not pay HST on the Additional Rent on the incorrect assumption that no HST was payable, and did not claim related input tax credits ("ITCs").
8. As described in further detail below, the Registrants also failed to file their HST returns to report the foregoing as required, and wish to rectify this error.
9. A summary of UMI's errors and omissions in respect of its December 2020 return and VHI's errors and omissions in respect of its 2020 return is attached as Appendix "A".

PART III. ANALYSIS

UMI's Requirement to Collect and Remit HST on the Additional Rent

Subsection 221(1) of Part IX of the *Excise Tax Act* (the "ETA") generally requires every person who makes a taxable supply to collect the tax payable by the recipient. As the Additional Rent was paid to UMI in respect of UMI's lease of the Berm Lands, UMI should have collected and remitted HST of \$266,370 on the \$2,049,000 payable to UMI for the Additional Rent, in addition to HST of \$13 on the annual basic rent of \$100 per year. UMI did not collect and remit the total HST of \$266,383. As discussed below, VHI would have been entitled to claim a corresponding input tax credit so that the net effect is a wash.

VHI's Requirement to Pay HST on the Additional Rent

Subsection 165(1) of the ETA requires the recipient of a taxable supply made in Canada to pay HST on the value of the consideration for the supply. VHI was therefore required to pay HST of \$266,370 on the \$2,049,000 payable to UMI for the Additional Rent, and HST of \$13 on the annual basic rent of \$100 per year. As mentioned above, VHI did not pay HST of \$266,370 on the Additional Rent or HST of \$13 on the annual basic rent.

VHI's Entitlement to Claim ITCs on the Additional Rent

Under subsection 169(1) of the ETA, registrants who make taxable supplies in the course of commercial activities are generally entitled to input tax credits ("ITCs") in respect of HST expenses incurred. Paragraph 141.1(3)(a) of the ETA further provides that "to the extent that a person does anything (other than make a supply) in connection with the acquisition, establishment, disposition or

DAVIES

termination of a commercial activity of the person, the person shall be done that thing in the course of commercial activities of the person.”

The Additional Rent was paid by VHI to UMI in connection with its business of providing the Geothermal Assets for use by the Bridge Condominium. Accordingly, VHI was entitled to claim ITCs in respect of the HST payable on the Additional Rent paid to UMI. Please refer to Appendix “A” for related adjustments. As discussed below, in respect to the HST owed by VHI, CRA’s wash transaction policy should apply.

Wash Transaction Policy

According to CRA’s guidelines, a wash transaction occurs when “a taxable supply (other than a supply taxable at 0%) is made and the supplier has not remitted an amount of net tax by virtue of not having correctly charged and collected the tax from the recipient who is a registrant who would have been entitled to claim a full ITC if the tax had been applied correctly.”¹

The payment of Additional Rent should qualify as a wash transaction. As the supplier, UMI did not collect or remit tax from the recipient VHI, and VHI was a registrant who would have been entitled to claim a full ITC if the tax had been applied.

According to CRA guidance, where a disclosure otherwise would be accepted by the CRA as valid disclosure in accordance with the Information Circular, no interest will be charged and no penalties will be levied in respect of the amount of the transaction identified as a wash transaction when it is reported through the Voluntary Disclosures Program.²

PART IV. DOCUMENTS ENCLOSED

We enclose herewith the following documents:

Document No.	Description
1	Form AUT-01 authorizing Davies to represent UMI (also separately filed)
2	Form AUT-01 authorizing Davies to represent VHI (also separately filed)
3	Form RC199, Voluntary Disclosure Program (VDP) application on behalf of UMI
4	Form RC199, Voluntary Disclosure Program (VDP) application on behalf of VHI

PART V. PROPOSED ACTION

¹ GST/HST New Memorandum 16.3.1, *Reduction of Penalty and Interest in Wash Transactions*, April 2010 at para 1.

² *Ibid*, at para 21.

DAVIES

For the reasons discussed above, we respectfully request that this disclosure be accepted as a valid voluntary disclosure that is eligible to be processed under Category 1 (Wash Transactions) within the meaning of the Information Circular and NM 16-5.

As discussed above, the transactions described within this application should qualify under the CRA's wash transaction policy. Accordingly, we request that the Registrants be granted full penalty and interest relief in respect of the transactions described herein, as provided for in paragraphs 20 and 22 of the NM 16-5.

Upon receipt of this letter, we would appreciate you confirming to us in writing that you have opened a voluntary disclosure file in the name of the Registrants and further advising us of the effective date of disclosure.

If you require additional information regarding this disclosure or have any questions in respect of this disclosure, please do not hesitate to contact the undersigned at 416.367.7628.

Yours truly,



Sabina Han

Enclosures

Appendix A – Summary of Errors and Omissions

UMI Reporting Period: December 1, 2020 – December 31, 2020			VHI Reporting Period: January 1, 2020 – December 31, 2020		
Line 101	Line 105	Line 113C	Line 105	Line 108	Line 113C
\$2,049,100	\$266,383	\$266,383	\$0	\$266,383	-\$266,383

Voluntary Disclosures Program (VDP) Application

**Canada Revenue Agency Stamp
DO NOT USE THIS AREA**

Use this form to make an application to correct inaccurate or incomplete information, or to disclose information not previously reported on a tax return. For more information on the Voluntary Disclosures Program (VDP), go to canada.ca/taxes-voluntary-disclosures. Also see [Information Circular IC00-1R6 - Voluntary Disclosures Program](#) and [GST/HST Memorandum 16-5 - Voluntary Disclosures Program](#).

This form has seven sections. Sections 1, 2, and 7 are mandatory. Complete sections 3, 4, 5, and 6 as applicable to your disclosure.

If you need a Business Number or a Program Account and don't have one, we encourage you to visit canada.ca/en/services/taxes/business-number.html to get one before sending us this application.

Applications relating to income tax disclosures may fall into the general or limited program. If accepted under the general program, these applications will be eligible for penalty relief and partial interest relief. If accepted under the limited program, these applications will be eligible for reduced relief. For more information, go to [Information Circular IC00-1R6](#).

Applications related to GST/HST may fall into the wash transaction, general, or limited program. If accepted under the wash transaction program, these applications will be eligible for 100% relief. Applications accepted under the general program will be eligible for penalty relief and partial interest relief, whereas those accepted under the limited program will be eligible for reduced relief. For more information, go to [GST/HST Memorandum 16-5](#).

On this form, the term "taxpayer" includes an individual, an employer, a corporation, a partnership, a trust, or a Goods and Services Tax/Harmonized Sales Tax (GST/HST) registrant/claimant.

In "Section 1 – Part A – Taxpayer" check all of the appropriate boxes applicable to your disclosure.

Section 1 – Taxpayer and authorized representative					
Section 1 – Part A – Taxpayer					
<input type="checkbox"/> Individual	First name	Last name	Social insurance number		
<input type="checkbox"/> Employer	Employer name		Account number RP		
<input checked="" type="checkbox"/> Corporation	Corporation name Vestaco Homes Inc.		Business number 865781124		
<input type="checkbox"/> Partnership	Partnership name		Account number RZ		
<input type="checkbox"/> Trust	Trust name		Account number T - -		
<input type="checkbox"/> GST/HST registrant/claimant	Registrant/claimant name		Account number RT		
<input type="checkbox"/> Non-resident	Non-resident account holder name		Non-resident account number NR -		
<input type="checkbox"/> Other	Name		Account number		
Section 1 – Part B – Taxpayer's mailing address and phone number					
Address c/o KSV Restructuring Inc., Suite 1300 PO Box 20, 220 Bay Street				City Toronto	
Province or State Ontario	Postal or ZIP code M5J 2W4	Country Canada	Telephone number		
Section 1 – Part C – Taxpayer's authorized representative (information on the person authorized to act on your behalf)					
Legal name of authorized person or representative Davies Ward Phillips & Vineberg LLP					
Address 155 Wellington Street West				City Toronto	
Province or State Ontario	Postal or ZIP code M5V 3J7	Country Canada	Telephone number 416-367-7628	Extension	Fax number
If you have any of the following items on file with the Canada Revenue Agency (CRA), if you attached any, or if you have recently authorized a representative online, please tick the related box(es). For more information on authorizing a representative online go to canada.ca/taxes-representative-authorization .			Letter of authorization <input type="checkbox"/> On file with CRA <input checked="" type="checkbox"/> Attached		
			RC59 (update access required) <input type="checkbox"/> On file with CRA <input type="checkbox"/> Attached <input type="checkbox"/> Authorized Online		
			T1013 (level 2 authorization is required) <input type="checkbox"/> On file with CRA <input type="checkbox"/> Attached <input type="checkbox"/> Authorized Online		

Section 2 – Required information from all applicants

To assist us in determining if your application is accepted under the wash transaction program, general program or limited program, please give a detailed description of your circumstances and facts. State how you obtained the income or asset, when you became aware of the error or omission, reporting history for the income or asset, an explanation as to why the income or asset was not reported, and any steps taken to prevent or correct the error or omission. If necessary, attach a separate sheet.

Please refer to attached letter.

In order for your application to be considered under the program, your application must meet the following five conditions:

For more information on completing this section, go to [Information Circular IC00-1R6](#) and [GST Memorandum 16-5](#).

1. Past due

Note: Applications that only include information that is less than one year or one reporting period (GST/HST) past due, will not be accepted.

Is the disclosed information at least one year past the due date for filing, or include information that relates to a taxation year that is more than one year past due for filing (not applicable for a GST/HST registrant or claimant)? Yes No

For GST/HST registrant/claimant only, is the disclosed information at least one reporting period past the due date for filing, or include information that relates to a taxation period that is more than one reporting period past due for filing? N/A Yes No

2. Penalty

Does the disclosure involve the application, or potential application of a penalty (not applicable for GST/HST registrant/claimant)? Yes No

For GST/HST registrant/claimant only, does the disclosure involve the application or potential application of a penalty or interest? N/A Yes No

3. Voluntary

Did you receive a letter containing an invitation for you to participate in the VDP? Yes No

Are you aware of an enforcement action against you with respect to the information being disclosed on this application? Yes No

Are you aware of an enforcement action against a person associated with you, or related to you (this includes, but is not restricted to, corporations, shareholders, spouses and partners), or against a third party, where the purpose and impact of the enforcement action against the third party is sufficiently related to this application? Yes No

A VDP application will not qualify for relief if CRA has already received information regarding your, or those related to you, potential involvement in tax non-compliance (for example, a leak of offshore banking or other information that names the taxpayer). For more information concerning an enforcement action, see paragraph 30 of [Information Circular – IC00-1R6](#) and paragraph 31 of [GST/HST Memorandum 16-5](#).

4. Complete

Ensure that all relevant issues, accounts, years and documentation (i.e. returns, amended returns, information returns, adjustment requests, etc.) have been included with the application. Is this application complete? Yes No

If you do not have the supporting documentation for all years since the creation of the account, you must make all reasonable efforts to estimate the pre-tax earnings which includes a breakdown as to how the estimated income amount was calculated. Is an estimate of income being provided with this application? Yes No

For more information concerning a complete application, see paragraphs 32-34 of [Information Circular – IC00-1R6](#) and paragraphs 29-32 of [GST/HST Memorandum 16-5](#).

5. Payment

Is there a payment or proof of payment attached? Yes No

To make your payment, or to get more information about the payment methods available to you, go to canada.ca/payments.

Select the appropriate box Bank teller receipt Online payment receipt Cheque Payment not required – no taxes owing

Select this box to request a payment arrangement

Amount of payment _____

Note: When a taxpayer cannot make payment of the estimated tax owing at the time of filing the VDP application, they may request to be considered for a payment arrangement subject to approval from CRA Collections officials. The taxpayer will have to make full disclosure and provide evidence of income, expenses, assets, and liabilities supporting the inability to make payment of the estimated tax owing. In some cases the payment arrangement will need to be supported by adequate security.

Other required information

Have you received assistance from an advisor regarding the non-compliance subject matter disclosed on this application (as per paragraph 44 of [Information Circular IC00-1R6](#) or paragraph 47 of [GST/HST Memorandum 16-5](#))? Yes No

If yes, provide the name of the advisor. **Sabina Han, Davies Ward Phillips & Vineberg LLP**

Section 3 – GST/HST, Domestic, Foreign and Non-Resident Information Return(s) (complete if applicable)

For each information return you are disclosing, please tick the appropriate box and enter the information:

Information return # 1

Indicate the type of information return attached.

Indicate the tax year(s) the information returns are attributable to.

If applicable, did the asset reported on the information return generate income?

 Yes No

If yes, has the income been reported?

 Yes No

If yes, indicate the year(s) the income was reported.

Note: If the income was not reported complete "Section 5" for domestic income and "Section 6" for foreign income.

If you are completing this form on paper, attach a separate sheet with the same information as above for each information return you submit.

Section 4 – GST/HST (complete if applicable)**Complete this area if you are disclosing GST/HST non-compliance****Wash Transactions**

Does your application involve or include GST/HST "wash transactions" that are eligible for a reduction of penalty and interest under the policy set out in GST/HST Memorandum 16.3.1, Reduction of Penalty and Interest in Wash Transaction Situations?

 Yes No

If you answered yes to the question above, does this application involve related companies?

 Yes NoIf yes, enter the related business numbers: Vestaco Homes Inc. (865781124)**Other**

Is there an over-claimed ITC or rebate amount?

 Yes No

Is there an amount of GST/HST collected from clients but not remitted?

 Yes No

Is there an amount of GST/HST not collected from clients, nor reported or remitted?

 Yes No

If your GST/HST disclosure information cannot be represented in the table below, provide a separate document providing the details.

To enter consecutive returns in the fields below, enter your first return of the sequence under 'Reporting period start date' and your most recent return under 'Reporting period end date'.

Select your GST/HST reporting frequency

 Monthly Quarterly Annually

Reporting period start date	Reporting period end date	Amount of GST/HST that was not included in the return for the period	Amount of over-claimed ITC	Amount of over-claimed rebate	Estimated net tax owing
2020-01-01	2020-12-31	Please refer to attached letter			
Total					

For disclosures which include any off-setting unclaimed ITC's or unclaimed rebates, please provide the following:
A detailed explanation of all ITC's or unclaimed rebates being requested, including any supporting documentation.
Please refer to attached letter.**Section 5 – Domestic income (from Canadian sources) (complete if applicable)****Complete this area if you are disclosing domestic income, expenses or deductions (does not include GST/HST)**

Type of return	Type of adjustment	Relevant tax year(s)	Gross amount of income disclosed	Estimated net tax owing
Total				

For disclosures which include expenses or credits, please provide the following:

A detailed explanation of all expenses or credits being claimed.
Supporting documentation for all expenses or credits.

Section 6 – Foreign income (complete if applicable)

Section 6 – Part A – Complete this area if you are disclosing foreign income

If you are completing this form on paper, attach a separate sheet with the same information as below for each source of foreign income you submit.

Foreign income # 1

Asset or source of income

Type of foreign income	Relevant tax year(s)	Gross amount of income disclosed	Estimated net tax owing

Section 6 – Part B – Type of foreign income

Note: Provide the following information for each type of foreign asset identified in Part A above. Attach a separate sheet(s) if necessary.

Has the asset identified generated income? Yes No

If yes, has the income been reported? Yes No

If yes, indicate the tax year(s) the income was reported. _____

If no, is the income part of this application? Yes No

Section 6 – Part C – Required supplemental information

Country where the asset is located. _____

Name of the bank or institution, name(s) on the account (taxpayer(s) or joint account(s) or names of offshore entities). _____

Enter the year the account was created. _____

How did you learn about opening the account (for example, marketing by domestic institution or representative; sales agent from offshore entity; lawyer; accountant)? _____

Amount of original capital contribution upon the creation of the offshore asset. _____

Source of the original capital contribution. _____

Pre-tax or post-tax funds? Pre-tax Post-tax

If applicable, how were the funds moved from Canada to the offshore account? Provide details as to the steps involved in moving the funds from Canada to the offshore account. Attach a separate document if necessary.

Did the funds you used to buy the asset come from a non-taxable source, such as an inheritance or gift? Yes No

If yes, select a source. _____

Did you self-manage the account (for example, online, by mail, by phone, visiting an institution, visits from a representative)? Yes No

Were any financial instruments associated with the account in question (i.e. offshore debit card or offshore credit card)? Yes No

If yes, provide details. _____

Section 6 – Part D – For disclosures which include expenses or credits, please provide the following:

Attach a detailed explanation of all expenses or credits being claimed.

Supporting documentation for all expenses or credits.

Section 7 – Declaration**Section 7 – Part A – Taxpayer declaration and signature**

This application must be signed by the taxpayer.

I declare that the information and documentation submitted with my application is, to best of my knowledge, true and complete.

I recognize that:

The CRA reserves the right to audit or verify any information provided in this VDP application whether or not it is accepted for relief by the VDP.

I acknowledge that the information I have disclosed in this application constitutes taxpayer information about my tax affairs. This information may be referred to another CRA program area even if I withdraw my VDP application or the CRA concludes that I am not eligible for relief under the VDP. This referral may result in an assessment or reassessment, the charging of penalties and interest, and potentially the initiation of an investigation and prosecution.

In cases where relief is denied, an explanation of the reasons for the decision will be given. Relief of arrears interest and penalties payable may still be requested in accordance with the taxpayer relief provisions described in Information Circular - IC 07-1R1 and GST/HST Memorandum 16-3.

I understand that by submitting this application, I will not have the right to file an objection or an appeal under the Income Tax Act or Excise Tax Act to dispute a decision made by the VDP to deny relief or allow partial relief. Instead, where I believe the Minister or their delegate has not exercised their discretion in a fair and reasonable manner, I understand that I may submit a written request for an administrative review and reconsideration of the original decision by the VDP. If I am not satisfied with the result of the review of the original decision made by the VDP, I understand that I have the right to make an application to the Federal Court for a judicial review of the Minister's decision.

I understand that if the CRA indicates that my application is eligible for acceptance into the limited program, in consideration of the relief being provided, I will be required to waive my right to file an objection or appeal regarding the specific matter disclosed in my application. However, in signing this waiver, I reserve the right to file a notice of objection or appeal where a resulting assessment or reassessment includes a calculation error, relates to a characterization issue (i.e. income versus capital gains treatment), or relates to an issue other than the matter disclosed in this VDP application. I also understand that if a waiver is requested by the CRA, the waiver must be signed by me and returned within the time period provided in the request before my acceptance into the limited program is granted. When a signed waiver is received by the CRA, a decision letter will be issued. I understand that under these circumstances if I do not sign and return a waiver within the time period provided, the CRA will not give further consideration to my application for relief and the VDP will close my file.

Finally, I understand that where the CRA finds any misrepresentation, attributable to neglect, carelessness, wilful default or fraud, with respect to this application and supporting information, a reassessment may be issued at any time for any taxation year or reporting period to which the misrepresentation relates, not just those years or reporting periods included in this VDP application. Consistent with the principles of the VDP, in the case of misrepresentation any relief that may have been granted under the VDP will be cancelled.

Enter the title (role) of the taxpayer (i.e. individual, director, trustee, agent etc.).

Taxpayer signature



Trustee

(Year Month Day)

2023/12/11

Section 7 – Part B – Authorized representative's signature

I am the authorized representative of the taxpayer making this voluntary disclosure application and believe that the information provided therein is to the best of my knowledge, true and complete.

Authorized representative's signature



(Year Month Day)

2023/12/11

Personal information is collected under the authority of the Income Tax Act, the Excise Tax Act, the Excise Act, the Excise Act, 2001, the Air Travellers Security Charge Act and the Softwood Lumber Products Export Charge Act, 2006 and will be used to process voluntary disclosures of information not previously reported by taxpayers who can avoid penalties that the taxpayers would otherwise be subject to under the Acts noted above, and avoid prosecution. It may also be used for any purpose related to the administration or enforcement of the Act and may be shared or verified with other applicable provincial/territorial government institutions to the extent authorized by law. The CRA may also collect personal information from provincial/territorial government institutions to the extent authorized by law for purposes related to the administration or enforcement of the Act. Failure to provide this information may result in the denial of your application.

Personal information is described in personal information bank CRA PPU 220. Under the Privacy Act, individuals have a right of protection, access to and correction or notation of their personal information and to file a complaint with the Privacy Commissioner of Canada regarding our handling of their information.

Voluntary Disclosures Program (VDP) Application

Canada Revenue Agency Stamp
DO NOT USE THIS AREA

Use this form to make an application to correct inaccurate or incomplete information, or to disclose information not previously reported on a tax return. For more information on the Voluntary Disclosures Program (VDP), go to canada.ca/taxes-voluntary-disclosures. Also see Information Circular IC00-1R6 - Voluntary Disclosures Program and GST/HST Memorandum 16-5 - Voluntary Disclosures Program.

This form has seven sections. Sections 1, 2, and 7 are mandatory. Complete sections 3, 4, 5, and 6 as applicable to your disclosure.

If you need a Business Number or a Program Account and don't have one, we encourage you to visit canada.ca/en/services/taxes/business-number.html to get one before sending us this application.

Applications relating to income tax disclosures may fall into the general or limited program. If accepted under the general program, these applications will be eligible for penalty relief and partial interest relief. If accepted under the limited program, these applications will be eligible for reduced relief. For more information, go to Information Circular IC00-1R6.

Applications related to GST/HST may fall into the wash transaction, general, or limited program. If accepted under the wash transaction program, these applications will be eligible for 100% relief. Applications accepted under the general program will be eligible for penalty relief and partial interest relief, whereas those accepted under the limited program will be eligible for reduced relief. For more information, go to GST/HST Memorandum 16-5.

On this form, the term "taxpayer" includes an individual, an employer, a corporation, a partnership, a trust, or a Goods and Services Tax/Harmonized Sales Tax (GST/HST) registrant/claimant.

In "Section 1 – Part A – Taxpayer" check all of the appropriate boxes applicable to your disclosure.

Section 1 – Taxpayer and authorized representative					
Section 1 – Part A – Taxpayer					
<input type="checkbox"/> Individual	First name	Last name		Social insurance number	
<input type="checkbox"/> Employer	Employer name		Account number RP		
<input checked="" type="checkbox"/> Corporation	Corporation name Urbancorp Management Inc.		Business number 120891049		
<input type="checkbox"/> Partnership	Partnership name		Account number RZ		
<input type="checkbox"/> Trust	Trust name		Account number T - -		
<input type="checkbox"/> GST/HST registrant/claimant	Registrant/claimant name		Account number RT		
<input type="checkbox"/> Non-resident	Non-resident account holder name		Non-resident account number NR -		
<input type="checkbox"/> Other	Name		Account number		
Section 1 – Part B – Taxpayer's mailing address and phone number					
Address c/o KSV Restructuring Inc., Suite 1300 PO Box 20, 220 Bay Street				City Toronto	
Province or State Ontario	Postal or ZIP code M5J 2W4	Country Canada		Telephone number	
Section 1 – Part C – Taxpayer's authorized representative (information on the person authorized to act on your behalf)					
Legal name of authorized person or representative Davies Ward Phillips & Vineberg LLP					
Address 155 Wellington Street West				City Toronto	
Province or State Ontario	Postal or ZIP code M5V 3J7	Country Canada	Telephone number 416-367-7628	Extension	Fax number
If you have any of the following items on file with the Canada Revenue Agency (CRA), if you attached any, or if you have recently authorized a representative online, please tick the related box(es). For more information on authorizing a representative online go to canada.ca/taxes-representative-authorization .			Letter of authorization <input type="checkbox"/> On file with CRA <input checked="" type="checkbox"/> Attached		
			RC59 (update access required) <input type="checkbox"/> On file with CRA <input type="checkbox"/> Attached <input type="checkbox"/> Authorized Online		
			T1013 (level 2 authorization is required) <input type="checkbox"/> On file with CRA <input type="checkbox"/> Attached <input type="checkbox"/> Authorized Online		

Section 2 – Required information from all applicants

To assist us in determining if your application is accepted under the wash transaction program, general program or limited program, please give a detailed description of your circumstances and facts. State how you obtained the income or asset, when you became aware of the error or omission, reporting history for the income or asset, an explanation as to why the income or asset was not reported, and any steps taken to prevent or correct the error or omission. If necessary, attach a separate sheet.

Please refer to attached letter.

In order for your application to be considered under the program, your application must meet the following five conditions:

For more information on completing this section, go to [Information Circular IC00-1R6](#) and [GST Memorandum 16-5](#).

1. Past due

Note: Applications that only include information that is less than one year or one reporting period (GST/HST) past due, will not be accepted.

Is the disclosed information at least one year past the due date for filing, or include information that relates to a taxation year that is more than one year past due for filing (not applicable for a GST/HST registrant or claimant)? Yes No

For GST/HST registrant/claimant only, is the disclosed information at least one reporting period past the due date for filing, or include information that relates to a taxation period that is more than one reporting period past due for filing? N/A Yes No

2. Penalty

Does the disclosure involve the application, or potential application of a penalty (not applicable for GST/HST registrant/claimant)? Yes No

For GST/HST registrant/claimant only, does the disclosure involve the application or potential application of a penalty or interest? N/A Yes No

3. Voluntary

Did you receive a letter containing an invitation for you to participate in the VDP? Yes No

Are you aware of an enforcement action against you with respect to the information being disclosed on this application? Yes No

Are you aware of an enforcement action against a person associated with you, or related to you (this includes, but is not restricted to, corporations, shareholders, spouses and partners), or against a third party, where the purpose and impact of the enforcement action against the third party is sufficiently related to this application? Yes No

A VDP application will not qualify for relief if CRA has already received information regarding your, or those related to you, potential involvement in tax non-compliance (for example, a leak of offshore banking or other information that names the taxpayer). For more information concerning an enforcement action, see paragraph 30 of [Information Circular – IC00-1R6](#) and paragraph 31 of [GST/HST Memorandum 16-5](#).

4. Complete

Ensure that all relevant issues, accounts, years and documentation (i.e. returns, amended returns, information returns, adjustment requests, etc.) have been included with the application. Is this application complete? Yes No

If you do not have the supporting documentation for all years since the creation of the account, you must make all reasonable efforts to estimate the pre-tax earnings which includes a breakdown as to how the estimated income amount was calculated. Is an estimate of income being provided with this application? Yes No

For more information concerning a complete application, see paragraphs 32-34 of [Information Circular – IC00-1R6](#) and paragraphs 29-32 of [GST/HST Memorandum 16-5](#).

5. Payment

Is there a payment or proof of payment attached? Yes No

To make your payment, or to get more information about the payment methods available to you, go to canada.ca/payments.

Select the appropriate box Bank teller receipt Online payment receipt Cheque Payment not required – no taxes owing

Select this box to request a payment arrangement

Amount of payment _____

Note: When a taxpayer cannot make payment of the estimated tax owing at the time of filing the VDP application, they may request to be considered for a payment arrangement subject to approval from CRA Collections officials. The taxpayer will have to make full disclosure and provide evidence of income, expenses, assets, and liabilities supporting the inability to make payment of the estimated tax owing. In some cases the payment arrangement will need to be supported by adequate security.

Other required information

Have you received assistance from an advisor regarding the non-compliance subject matter disclosed on this application (as per paragraph 44 of [Information Circular IC00-1R6](#) or paragraph 47 of [GST/HST Memorandum 16-5](#))? Yes No

If yes, provide the name of the advisor. **Sabina Han, Davies Ward Phillips & Vineberg LLP**

Section 3 – GST/HST, Domestic, Foreign and Non-Resident Information Return(s) (complete if applicable)	
For each information return you are disclosing, please tick the appropriate box and enter the information:	
Information return # 1	
Indicate the type of information return attached.	
Indicate the tax year(s) the information returns are attributable to.	
If applicable, did the asset reported on the information return generate income?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, has the income been reported?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, indicate the year(s) the income was reported.	
Note: If the income was not reported complete "Section 5" for domestic income and "Section 6" for foreign income. If you are completing this form on paper, attach a separate sheet with the same information as above for each information return you submit.	

Section 4 – GST/HST (complete if applicable)					
Complete this area if you are disclosing GST/HST non-compliance					
Wash Transactions Does your application involve or include GST/HST "wash transactions" that are eligible for a reduction of penalty and interest under the policy set out in GST/HST Memorandum 16.3.1, Reduction of Penalty and Interest in Wash Transaction Situations?					
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
If you answered yes to the question above, does this application involve related companies?					
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
If yes, enter the related business numbers: <u>Urbancorp Management Inc. (120891049)</u>					
Other					
Is there an over-claimed ITC or rebate amount?					
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
Is there an amount of GST/HST collected from clients but not remitted?					
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
Is there an amount of GST/HST not collected from clients, nor reported or remitted?					
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
If your GST/HST disclosure information cannot be represented in the table below, provide a separate document providing the details. To enter consecutive returns in the fields below, enter your first return of the sequence under 'Reporting period start date' and your most recent return under 'Reporting period end date'.					
Select your GST/HST reporting frequency <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually					
Reporting period start date	Reporting period end date	Amount of GST/HST that was not included in the return for the period	Amount of over-claimed ITC	Amount of over-claimed rebate	Estimated net tax owing
2020-12-01	2020-12-31	Please refer to attached letter			
Total					
For disclosures which include any off-setting unclaimed ITC's or unclaimed rebates, please provide the following: A detailed explanation of all ITC's or unclaimed rebates being requested, including any supporting documentation. Please refer to attached letter.					

Section 5 – Domestic income (from Canadian sources) (complete if applicable)				
Complete this area if you are disclosing domestic income, expenses or deductions (does not include GST/HST)				
Type of return	Type of adjustment	Relevant tax year(s)	Gross amount of income disclosed	Estimated net tax owing
Total				

For disclosures which include expenses or credits, please provide the following:

A detailed explanation of all expenses or credits being claimed.
Supporting documentation for all expenses or credits.

Section 6 – Foreign income (complete if applicable)

Section 6 – Part A – Complete this area if you are disclosing foreign income

If you are completing this form on paper, attach a separate sheet with the same information as below for each source of foreign income you submit.

Foreign income # 1

Asset or source of income

Type of foreign income	Relevant tax year(s)	Gross amount of income disclosed	Estimated net tax owing

Section 6 – Part B – Type of foreign income

Note: Provide the following information for each type of foreign asset identified in Part A above. Attach a separate sheet(s) if necessary.

Has the asset identified generated income? Yes No

If yes, has the income been reported? Yes No

If yes, indicate the tax year(s) the income was reported. _____

If no, is the income part of this application? Yes No

Section 6 – Part C – Required supplemental information

Country where the asset is located. _____

Name of the bank or institution, name(s) on the account (taxpayer(s) or joint account(s) or names of offshore entities). _____

Enter the year the account was created. _____

How did you learn about opening the account (for example, marketing by domestic institution or representative; sales agent from offshore entity; lawyer; accountant)? _____

Amount of original capital contribution upon the creation of the offshore asset. _____

Source of the original capital contribution. _____

Pre-tax or post-tax funds? Pre-tax Post-tax

If applicable, how were the funds moved from Canada to the offshore account? Provide details as to the steps involved in moving the funds from Canada to the offshore account. Attach a separate document if necessary.

Did the funds you used to buy the asset come from a non-taxable source, such as an inheritance or gift? Yes No

If yes, select a source.

Did you self-manage the account (for example, online, by mail, by phone, visiting an institution, visits from a representative)? Yes No

Were any financial instruments associated with the account in question (i.e. offshore debit card or offshore credit card)? Yes No

If yes, provide details.

Section 6 – Part D – For disclosures which include expenses or credits, please provide the following:

Attach a detailed explanation of all expenses or credits being claimed.

Supporting documentation for all expenses or credits.

Section 7 – Declaration**Section 7 – Part A – Taxpayer declaration and signature**

This application must be signed by the taxpayer.

I declare that the information and documentation submitted with my application is, to best of my knowledge, true and complete.

I recognize that:

The CRA reserves the right to audit or verify any information provided in this VDP application whether or not it is accepted for relief by the VDP.

I acknowledge that the information I have disclosed in this application constitutes taxpayer information about my tax affairs. This information may be referred to another CRA program area even if I withdraw my VDP application or the CRA concludes that I am not eligible for relief under the VDP. This referral may result in an assessment or reassessment, the charging of penalties and interest, and potentially the initiation of an investigation and prosecution.

In cases where relief is denied, an explanation of the reasons for the decision will be given. Relief of arrears interest and penalties payable may still be requested in accordance with the taxpayer relief provisions described in Information Circular - IC 07-1R1 and GST/HST Memorandum 16-3.

I understand that by submitting this application, I will not have the right to file an objection or an appeal under the Income Tax Act or Excise Tax Act to dispute a decision made by the VDP to deny relief or allow partial relief. Instead, where I believe the Minister or their delegate has not exercised their discretion in a fair and reasonable manner, I understand that I may submit a written request for an administrative review and reconsideration of the original decision by the VDP. If I am not satisfied with the result of the review of the original decision made by the VDP, I understand that I have the right to make an application to the Federal Court for a judicial review of the Minister's decision.

I understand that if the CRA indicates that my application is eligible for acceptance into the limited program, in consideration of the relief being provided, I will be required to waive my right to file an objection or appeal regarding the specific matter disclosed in my application. However, in signing this waiver, I reserve the right to file a notice of objection or appeal where a resulting assessment or reassessment includes a calculation error, relates to a characterization issue (i.e. income versus capital gains treatment), or relates to an issue other than the matter disclosed in this VDP application. I also understand that if a waiver is requested by the CRA, the waiver must be signed by me and returned within the time period provided in the request before my acceptance into the limited program is granted. When a signed waiver is received by the CRA, a decision letter will be issued. I understand that under these circumstances if I do not sign and return a waiver within the time period provided, the CRA will not give further consideration to my application for relief and the VDP will close my file.

Finally, I understand that where the CRA finds any misrepresentation, attributable to neglect, carelessness, wilful default or fraud, with respect to this application and supporting information, a reassessment may be issued at any time for any taxation year or reporting period to which the misrepresentation relates, not just those years or reporting periods included in this VDP application. Consistent with the principles of the VDP, in the case of misrepresentation any relief that may have been granted under the VDP will be cancelled.

Enter the title (role) of the taxpayer (i.e. individual, director, trustee, agent etc.).

Taxpayer signature



Monitor

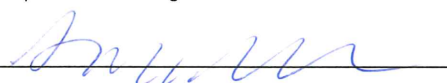
(Year Month Day)

2023/12/11

Section 7 – Part B – Authorized representative's signature

I am the authorized representative of the taxpayer making this voluntary disclosure application and believe that the information provided therein is to the best of my knowledge, true and complete.

Authorized representative's signature



(Year Month Day)

2023/12/11

Personal information is collected under the authority of the Income Tax Act, the Excise Tax Act, the Excise Act, the Excise Act, 2001, the Air Travellers Security Charge Act and the Softwood Lumber Products Export Charge Act, 2006 and will be used to process voluntary disclosures of information not previously reported by taxpayers who can avoid penalties that the taxpayers would otherwise be subject to under the Acts noted above, and avoid prosecution. It may also be used for any purpose related to the administration or enforcement of the Act and may be shared or verified with other applicable provincial/territorial government institutions to the extent authorized by law. The CRA may also collect personal information from provincial/territorial government institutions to the extent authorized by law for purposes related to the administration or enforcement of the Act. Failure to provide this information may result in the denial of your application.

Personal information is described in personal information bank CRA PPU 220. Under the Privacy Act, individuals have a right of protection, access to and correction or notation of their personal information and to file a complaint with the Privacy Commissioner of Canada regarding our handling of their information.

Authorize a Representative for Offline Access

Representatives

For online access to your client's information, do **not** complete this form. Instead, go to canada.ca/cra-login-services and sign in to Represent a Client.

Individuals and business owners

If you are a Canadian individual or business, you can **view, add, or modify an authorized representative online** using our online services at canada.ca/cra-login-services.

Use this form to authorize a representative to communicate on your behalf with the Canada Revenue Agency (CRA) using only offline access (by phone, fax, mail, or in person) for several types of accounts. For more information, see **When to use this form** on page 3.

Step 1 – Account information

Use this section to identify all of the accounts you want the representative to access. Provide **both** the account number and name for each account.

SIN, TTN, or ITN First name Last name

Trust account number Trust name

Non-resident account number Non-resident account name

If you identified a non-resident account number and have an associated CRA identifier, please provide it here:

Other CRA identifier* Type of CRA identifier (SIN, TTN, ITN, trust account number, or business number)

* Note that providing your other CRA identifier will not provide authorization for that account.

Business number Business name

If you provided a business number, choose **one** of the following **business options**:

Option 1 – Give access to **all** my business number program accounts

Option 2 – Give access to **specific** business number program accounts

For a list of supported program identifiers, see page 3.

Program identifier (two letters)	All reference numbers	or	A specific reference number (four digits)
<input type="text"/>	<input type="checkbox"/>	or	<input type="text"/>
<input type="text"/>	<input type="checkbox"/>	or	<input type="text"/>

Step 2 – Representative information

Choose **one** of the following options and fill in the required information:

Option 1 – I am authorizing an **individual**

First name Last name Telephone number Extension

Option 2 – I am authorizing a **firm**

Firm name Telephone number Extension

Davies Ward Phillips & Vineberg LLP 416-863-0900

Step 3 – Level of access

Choose **one** of the following levels:

Level 1 – Allow access to information only

We can disclose information about your account to your representative.

Level 2 – Allow access to information and to make certain account changes

We can disclose information about your account to your representative, and they can request to make certain changes on your account.

Step 4 – Authorization expiry date

If you want this authorization to expire, provide an expiry date.

Expiry date (YYYYMMDD): (optional)

Note: If there is no expiry date, the authorization will remain until you or someone with signing authority changes or cancels it.

Step 5 – Certification

You must have signing authority for the accounts identified in **Step 1**. We may contact you for more information.

Choose the appropriate option:

- I am the:
- taxpayer
 - parent or legal guardian of a taxpayer under the age of 16
 - legal representative (such as the executor, power of attorney, or trustee)
 - owner (such as the sole proprietor, or a partner of a partnership)
 - officer of a non-profit organization
 - corporate director or corporate officer
 - individual with delegated authority for the business account

We will not process this form if your name does not match the one in our records. To avoid processing delays, verify that we have complete and valid information on file for you **before** signing this form.

First name	Last name	Telephone number
Noah	Goldstein	416 932 6207

I certify that the information given on this form is correct and complete.

Signature: _____ Date (YYYYMMDD):

Once completed, **send this form to your tax centre** within **six months** of the date you signed it or we will not process it. For more information, see page 4.

Personal information (including the SIN) is collected and used to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 005, CRA PPU 015, CRA PPU 047, CRA PPU 063, CRA PPU 094, CRA PPU 140, CRA PPU 165, CRA PPU 178, CRA PPU 218, CRA PPU 223, CRA PPU 224, CRA PPU 231, CRA PPU 232, CRA PPU 233, CRA PPU 234 and CRA PPU 235 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.

When to use this form

We need your permission to deal with a representative.

Use this form to give a representative offline access (by phone, fax, mail, or in person) to one or more of the following accounts:

- individual tax and benefit account
- trust account
- non-resident account
- business number program account

If your representative wants to submit documents electronically, **do not use** this form. Instead you or your representative must use one of the online services to authorize your representative. For more information, go to canada.ca/taxes-representative-authorization.

Do not use this form to authorize a third party to act on your behalf for tax ruling or interpretation requests. For more information, see Income Tax Information Circular IC70-6, Advance Income Tax Rulings and Technical Interpretations, or GST/HST Memorandum 1.4, Excise and GST/HST Rulings and Interpretations Service.

Do not use this form if **both** of the following apply:

- You are a selected listed financial institution (SLFI) for goods and services tax/harmonized sales tax (GST/HST) purposes, or Quebec sales tax (QST) purposes, or both
- You have a GST/HST (RT) program account that includes QST information

Instead, use Form RC7259, Business Consent for Certain Selected Listed Financial Institutions. For more information, including the definition of an SLFI for GST/HST and QST purposes, go to canada.ca/gst-hst-financial-institutions.

Only complete a new form if there are changes.

Your responsibilities

You should have a list of people with **proper authority** for your accounts. If your list changes, you need to let us know right away. Send us official documents about the change so our records are up to date. Other responsibilities include:

- making sure that the list of people with proper authority to sign this form is up to date in our files
- keeping representative information up to date
- monitoring and understanding what your representative is doing on your accounts
- reviewing services to which your representative has access
- deciding if your representative should continue to represent your accounts

You can see the level of access your representative has by using our online services at canada.ca/cra-login-services. We may add new services that your representative can access without your consent.

Delegated authority

To authorize a delegated authority for your business account, see the online services:

- My Business Account at canada.ca/my-cra-business-account
- Represent a Client at canada.ca/taxes-representatives

Business number program accounts

A program account number has three parts:

- a nine-digit **business number** to identify the business
- a two-letter **program identifier** to identify the program type
- a four-digit **reference number** to identify each account a business has within a program type

List of supported program identifiers

You can use **only** the following program identifiers on this form:

- CT Fuel charge
- LT Luxury Tax
- RC Corporation income tax
- RD Excise duty
- RE Excise tax
- RG Air travellers security charge
- RM Import/export (no online access available)
- RN Excise tax on insurance premiums
- RP Payroll deductions, Canada Emergency Wage Subsidy, Canada Recovery Hiring Program, Tourism and Hospitality Recovery Program – Wage, Hardest-Hit Business Recovery Program – Wage
- RR Registered charities
- RT Goods and services tax/harmonized sales tax (GST/HST)
- RU Underused Housing Tax
- RZ Information returns: T5, T5007, T5008, T5013, T5018, TFSA, Shelter Allowance for Elderly Renters (SAFER), T2202 – Tuition and Enrolment Certificate, RRSP contribution receipts, RRSP and RRIF non-qualified investments, Pooled Registered Pension Plan (PRPP), Part XVIII – International Exchange of Information on Financial Accounts, Part XIX – International Exchange of Information on Financial Accounts
- ZA Canada Emergency Rent Subsidy, Tourism and Hospitality Recovery Program – Rent, Hardest-Hit Business Recovery Program – Rent

Where to send your form

Send your completed form to your CRA tax centre at the address listed below.

If you are completing this form in **French**, except for non-resident account requests, or if you live in the province of **Quebec**, send the form to:

Jonquière Tax Centre
2251 René-Lévesque Boulevard
Jonquière QC G7S 5J2

If you live in the province of **Ontario** or **outside Canada** (non-resident), and for **all non-resident account requests**, send the form to:

Sudbury Tax Centre
Post Office Box 20000, Station A
Sudbury ON P3A 5C1

If you live **anywhere else in Canada**, send the form to:

Winnipeg Tax Centre
Post Office Box 14000, Station Main
Winnipeg MB R3C 3M2

For more information, go to canada.ca/tax-centres.

Cancel authorization

To cancel your representative's authorization, go to canada.ca/taxes-representative-authorization or fill in Form AUT-01X, Cancel Authorization for a Representative.

Authorize a Representative for Offline Access

Representatives

For online access to your client's information, do **not** complete this form. Instead, go to canada.ca/cra-login-services and sign in to Represent a Client.

Individuals and business owners

If you are a Canadian individual or business, you can **view, add, or modify an authorized representative online** using our online services at canada.ca/cra-login-services.

Use this form to authorize a representative to communicate on your behalf with the Canada Revenue Agency (CRA) using only offline access (by phone, fax, mail, or in person) for several types of accounts. For more information, see **When to use this form** on page 3.

Step 1 – Account information

Use this section to identify all of the accounts you want the representative to access. Provide **both** the account number and name for each account.

SIN, TTN, or ITN First name Last name

Trust account number Trust name

Non-resident account number Non-resident account name

If you identified a non-resident account number and have an associated CRA identifier, please provide it here:

Other CRA identifier* Type of CRA identifier (SIN, TTN, ITN, trust account number, or business number)

* Note that providing your other CRA identifier will not provide authorization for that account.

Business number Business name

If you provided a business number, choose **one** of the following **business options**:

- Option 1** – Give access to **all** my business number program accounts
- Option 2** – Give access to **specific** business number program accounts

For a list of supported program identifiers, see page 3.

Program identifier (two letters)	All reference numbers	or	A specific reference number (four digits)
<input type="text"/>	<input type="checkbox"/>	or	<input type="text"/>
<input type="text"/>	<input type="checkbox"/>	or	<input type="text"/>

Step 2 – Representative information

Choose **one** of the following options and fill in the required information:

- Option 1** – I am authorizing an **individual**
- | | | | |
|---------------------------------|--------------------------------|---------------------------------------|--------------------------------|
| First name <input type="text"/> | Last name <input type="text"/> | Telephone number <input type="text"/> | Extension <input type="text"/> |
|---------------------------------|--------------------------------|---------------------------------------|--------------------------------|
- Option 2** – I am authorizing a **firm**
- | | | |
|-------------------------------------|---------------------------------------|--------------------------------|
| Firm name <input type="text"/> | Telephone number <input type="text"/> | Extension <input type="text"/> |
| Davies Ward Phillips & Vineberg LLP | 416-367-7628 | |

Step 3 – Level of accessChoose **one** of the following levels: **Level 1 – Allow access to information only**

We can disclose information about your account to your representative.

 Level 2 – Allow access to information and to make certain account changes

We can disclose information about your account to your representative, and they can request to make certain changes on your account.

Step 4 – Authorization expiry date

If you want this authorization to expire, provide an expiry date.

Expiry date (YYYYMMDD): (optional)**Note:** If there is no expiry date, the authorization will remain until you or someone with signing authority changes or cancels it.**Step 5 – Certification****You must have signing authority** for the accounts identified in **Step 1**. We may contact you for more information.

Choose the appropriate option:

- I am the:
- taxpayer
- parent or legal guardian of a taxpayer under the age of 16
- legal representative (such as the executor, power of attorney, or trustee)
- owner (such as the sole proprietor, or a partner of a partnership)
- officer of a non-profit organization
- corporate director or corporate officer
- individual with delegated authority for the business account

We will not process this form if your name does not match the one in our records. To avoid processing delays, verify that we have complete and valid information on file for you **before** signing this form.First name
NoahLast name
GoldsteinTelephone number
416 932 6207

I certify that the information given on this form is correct and complete.

Signature: _____

Date (YYYYMMDD): Once completed, **send this form to your tax centre** within **six months** of the date you signed it or we will not process it. For more information, see page 4.

Personal information (including the SIN) is collected and used to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 005, CRA PPU 015, CRA PPU 047, CRA PPU 063, CRA PPU 094, CRA PPU 140, CRA PPU 165, CRA PPU 178, CRA PPU 218, CRA PPU 223, CRA PPU 224, CRA PPU 231, CRA PPU 232, CRA PPU 233, CRA PPU 234 and CRA PPU 235 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.

When to use this form

We need your permission to deal with a representative.

Use this form to give a representative offline access (by phone, fax, mail, or in person) to one or more of the following accounts:

- individual tax and benefit account
- trust account
- non-resident account
- business number program account

If your representative wants to submit documents electronically, **do not use** this form. Instead you or your representative must use one of the online services to authorize your representative. For more information, go to canada.ca/taxes-representative-authorization.

Do not use this form to authorize a third party to act on your behalf for tax ruling or interpretation requests. For more information, see Income Tax Information Circular IC70-6, Advance Income Tax Rulings and Technical Interpretations, or GST/HST Memorandum 1.4, Excise and GST/HST Rulings and Interpretations Service.

Do not use this form if **both** of the following apply:

- You are a selected listed financial institution (SLFI) for goods and services tax/harmonized sales tax (GST/HST) purposes, or Quebec sales tax (QST) purposes, or both
- You have a GST/HST (RT) program account that includes QST information

Instead, use Form RC7259, Business Consent for Certain Selected Listed Financial Institutions. For more information, including the definition of an SLFI for GST/HST and QST purposes, go to canada.ca/gst-hst-financial-institutions.

Only complete a new form if there are changes.

Your responsibilities

You should have a list of people with **proper authority** for your accounts. If your list changes, you need to let us know right away. Send us official documents about the change so our records are up to date. Other responsibilities include:

- making sure that the list of people with proper authority to sign this form is up to date in our files
- keeping representative information up to date
- monitoring and understanding what your representative is doing on your accounts
- reviewing services to which your representative has access
- deciding if your representative should continue to represent your accounts

You can see the level of access your representative has by using our online services at canada.ca/cra-login-services. We may add new services that your representative can access without your consent.

Delegated authority

To authorize a delegated authority for your business account, see the online services:

- My Business Account at canada.ca/my-cra-business-account
- Represent a Client at canada.ca/taxes-representatives

Business number program accounts

A program account number has three parts:

- a nine-digit **business number** to identify the business
- a two-letter **program identifier** to identify the program type
- a four-digit **reference number** to identify each account a business has within a program type

List of supported program identifiers

You can use **only** the following program identifiers on this form:

- CT Fuel charge
- LT Luxury Tax
- RC Corporation income tax
- RD Excise duty
- RE Excise tax
- RG Air travellers security charge
- RM Import/export (no online access available)
- RN Excise tax on insurance premiums
- RP Payroll deductions, Canada Emergency Wage Subsidy, Canada Recovery Hiring Program, Tourism and Hospitality Recovery Program – Wage, Hardest-Hit Business Recovery Program – Wage
- RR Registered charities
- RT Goods and services tax/harmonized sales tax (GST/HST)
- RU Underused Housing Tax
- RZ Information returns: T5, T5007, T5008, T5013, T5018, TFSA, Shelter Allowance for Elderly Renters (SAFER), T2202 – Tuition and Enrolment Certificate, RRSP contribution receipts, RRSP and RRIF non-qualified investments, Pooled Registered Pension Plan (PRPP), Part XVIII – International Exchange of Information on Financial Accounts, Part XIX – International Exchange of Information on Financial Accounts
- ZA Canada Emergency Rent Subsidy, Tourism and Hospitality Recovery Program – Rent, Hardest-Hit Business Recovery Program – Rent

Where to send your form

Send your completed form to your CRA tax centre at the address listed below.

If you are completing this form in **French**, except for non-resident account requests, or if you live in the province of **Quebec**, send the form to:

Jonquière Tax Centre
2251 René-Lévesque Boulevard
Jonquière QC G7S 5J2

If you live in the province of **Ontario** or **outside Canada** (non-resident), and for **all non-resident account requests**, send the form to:

Sudbury Tax Centre
Post Office Box 20000, Station A
Sudbury ON P3A 5C1

If you live **anywhere else in Canada**, send the form to:

Winnipeg Tax Centre
Post Office Box 14000, Station Main
Winnipeg MB R3C 3M2

For more information, go to canada.ca/tax-centres.

Cancel authorization

To cancel your representative's authorization, go to canada.ca/taxes-representative-authorization or fill in Form AUT-01X, Cancel Authorization for a Representative.

Step 3 – Level of access

Choose **one** of the following levels:

Level 1 – Allow access **to information only**

We can disclose information about your account to your representative.

Level 2 – Allow access **to information and to make certain account changes**

We can disclose information about your account to your representative, and they can request to make certain changes on your account.

Step 4 – Authorization expiry date

If you want this authorization to expire, provide an expiry date.

Expiry date (YYYYMMDD): (optional)

Note: If there is no expiry date, the authorization will remain until you or someone with signing authority changes or cancels it.

Step 5 – Certification

You must have signing authority for the accounts identified in **Step 1**. We may contact you for more information.

Choose the appropriate option:

- I am the:**
- taxpayer
 - parent or legal guardian of a taxpayer under the age of 16
 - legal representative (such as the executor, power of attorney, or trustee)
 - owner (such as the sole proprietor, or a partner of a partnership)
 - officer of a non-profit organization
 - corporate director or corporate officer
 - individual with delegated authority for the business account

We will not process this form if your name does not match the one in our records. To avoid processing delays, verify that we have complete and valid information on file for you **before** signing this form.

First name	Last name	Telephone number
Noah	Goldstein	416 932 6207

I certify that the information given on this form is correct and complete.

Signature:  Date (YYYYMMDD):

Once completed, **send this form to your tax centre** within **six months** of the date you signed it or we will not process it. For more information, see page 4.

Personal information (including the SIN) is collected and used to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 005, CRA PPU 015, CRA PPU 047, CRA PPU 063, CRA PPU 094, CRA PPU 140, CRA PPU 165, CRA PPU 178, CRA PPU 218, CRA PPU 223, CRA PPU 224, CRA PPU 231, CRA PPU 232, CRA PPU 233, CRA PPU 234 and CRA PPU 235 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.

When to use this form

We need your permission to deal with a representative.

Use this form to give a representative offline access (by phone, fax, mail, or in person) to one or more of the following accounts:

- individual tax and benefit account
- trust account
- non-resident account
- business number program account

If your representative wants to submit documents electronically, **do not use** this form. Instead you or your representative must use one of the online services to authorize your representative. For more information, go to canada.ca/taxes-representative-authorization.

Do not use this form to authorize a third party to act on your behalf for tax ruling or interpretation requests. For more information, see Income Tax Information Circular IC70-6, Advance Income Tax Rulings and Technical Interpretations, or GST/HST Memorandum 1.4, Excise and GST/HST Rulings and Interpretations Service.

Do not use this form if **both** of the following apply:

- You are a selected listed financial institution (SLFI) for goods and services tax/harmonized sales tax (GST/HST) purposes, or Quebec sales tax (QST) purposes, or both
- You have a GST/HST (RT) program account that includes QST information

Instead, use Form RC7259, Business Consent for Certain Selected Listed Financial Institutions. For more information, including the definition of an SLFI for GST/HST and QST purposes, go to canada.ca/gst-hst-financial-institutions.

Only complete a new form if there are changes.

Your responsibilities

You should have a list of people with **proper authority** for your accounts. If your list changes, you need to let us know right away. Send us official documents about the change so our records are up to date. Other responsibilities include:

- making sure that the list of people with proper authority to sign this form is up to date in our files
- keeping representative information up to date
- monitoring and understanding what your representative is doing on your accounts
- reviewing services to which your representative has access
- deciding if your representative should continue to represent your accounts

You can see the level of access your representative has by using our online services at canada.ca/cra-login-services. We may add new services that your representative can access without your consent.

Delegated authority

To authorize a delegated authority for your business account, see the online services:

- My Business Account at canada.ca/my-cra-business-account
- Represent a Client at canada.ca/taxes-representatives

Business number program accounts

A program account number has three parts:

- a nine-digit **business number** to identify the business
- a two-letter **program identifier** to identify the program type
- a four-digit **reference number** to identify each account a business has within a program type

List of supported program identifiers

You can use **only** the following program identifiers on this form:

- CT Fuel charge
- LT Luxury Tax
- RC Corporation income tax
- RD Excise duty
- RE Excise tax
- RG Air travellers security charge
- RM Import/export (no online access available)
- RN Excise tax on insurance premiums
- RP Payroll deductions, Canada Emergency Wage Subsidy, Canada Recovery Hiring Program, Tourism and Hospitality Recovery Program – Wage, Hardest-Hit Business Recovery Program – Wage
- RR Registered charities
- RT Goods and services tax/harmonized sales tax (GST/HST)
- RU Underused Housing Tax
- RZ Information returns: T5, T5007, T5008, T5013, T5018, TFSA, Shelter Allowance for Elderly Renters (SAFER), T2202 – Tuition and Enrolment Certificate, RRSP contribution receipts, RRSP and RRIF non-qualified investments, Pooled Registered Pension Plan (PRPP), Part XVIII – International Exchange of Information on Financial Accounts, Part XIX – International Exchange of Information on Financial Accounts
- ZA Canada Emergency Rent Subsidy, Tourism and Hospitality Recovery Program – Rent, Hardest-Hit Business Recovery Program – Rent

Where to send your form

Send your completed form to your CRA tax centre at the address listed below.

If you are completing this form in **French**, except for non-resident account requests, or if you live in the province of **Quebec**, send the form to:

Jonquière Tax Centre
2251 René-Lévesque Boulevard
Jonquière QC G7S 5J2

If you live in the province of **Ontario** or **outside Canada** (non-resident), and for **all non-resident account requests**, send the form to:

Sudbury Tax Centre
Post Office Box 20000, Station A
Sudbury ON P3A 5C1

If you live **anywhere else in Canada**, send the form to:

Winnipeg Tax Centre
Post Office Box 14000, Station Main
Winnipeg MB R3C 3M2

For more information, go to canada.ca/tax-centres.

Cancel authorization

To cancel your representative's authorization, go to canada.ca/taxes-representative-authorization or fill in Form AUT-01X, Cancel Authorization for a Representative.

Step 3 – Level of access

Choose **one** of the following levels:

Level 1 – Allow access **to information only**

We can disclose information about your account to your representative.

Level 2 – Allow access **to information and to make certain account changes**

We can disclose information about your account to your representative, and they can request to make certain changes on your account.

Step 4 – Authorization expiry date

If you want this authorization to expire, provide an expiry date.

Expiry date (YYYYMMDD): (optional)

Note: If there is no expiry date, the authorization will remain until you or someone with signing authority changes or cancels it.

Step 5 – Certification

You must have signing authority for the accounts identified in **Step 1**. We may contact you for more information.

Choose the appropriate option:

- I am the:**
- taxpayer
 - parent or legal guardian of a taxpayer under the age of 16
 - legal representative (such as the executor, power of attorney, or trustee)
 - owner (such as the sole proprietor, or a partner of a partnership)
 - officer of a non-profit organization
 - corporate director or corporate officer
 - individual with delegated authority for the business account

We will not process this form if your name does not match the one in our records. To avoid processing delays, verify that we have complete and valid information on file for you **before** signing this form.

First name	Last name	Telephone number
Noah	Goldstein	416 932 6207

I certify that the information given on this form is correct and complete.

Signature:  Date (YYYYMMDD):

Once completed, **send this form to your tax centre** within **six months** of the date you signed it or we will not process it. For more information, see page 4.

Personal information (including the SIN) is collected and used to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 005, CRA PPU 015, CRA PPU 047, CRA PPU 063, CRA PPU 094, CRA PPU 140, CRA PPU 165, CRA PPU 178, CRA PPU 218, CRA PPU 223, CRA PPU 224, CRA PPU 231, CRA PPU 232, CRA PPU 233, CRA PPU 234 and CRA PPU 235 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.

When to use this form

We need your permission to deal with a representative.

Use this form to give a representative offline access (by phone, fax, mail, or in person) to one or more of the following accounts:

- individual tax and benefit account
- trust account
- non-resident account
- business number program account

If your representative wants to submit documents electronically, **do not use** this form. Instead you or your representative must use one of the online services to authorize your representative. For more information, go to canada.ca/taxes-representative-authorization.

Do not use this form to authorize a third party to act on your behalf for tax ruling or interpretation requests. For more information, see Income Tax Information Circular IC70-6, Advance Income Tax Rulings and Technical Interpretations, or GST/HST Memorandum 1.4, Excise and GST/HST Rulings and Interpretations Service.

Do not use this form if **both** of the following apply:

- You are a selected listed financial institution (SLFI) for goods and services tax/harmonized sales tax (GST/HST) purposes, or Quebec sales tax (QST) purposes, or both
- You have a GST/HST (RT) program account that includes QST information

Instead, use Form RC7259, Business Consent for Certain Selected Listed Financial Institutions. For more information, including the definition of an SLFI for GST/HST and QST purposes, go to canada.ca/gst-hst-financial-institutions.

Only complete a new form if there are changes.

Your responsibilities

You should have a list of people with **proper authority** for your accounts. If your list changes, you need to let us know right away. Send us official documents about the change so our records are up to date. Other responsibilities include:

- making sure that the list of people with proper authority to sign this form is up to date in our files
- keeping representative information up to date
- monitoring and understanding what your representative is doing on your accounts
- reviewing services to which your representative has access
- deciding if your representative should continue to represent your accounts

You can see the level of access your representative has by using our online services at canada.ca/cra-login-services. We may add new services that your representative can access without your consent.

Delegated authority

To authorize a delegated authority for your business account, see the online services:

- My Business Account at canada.ca/my-cra-business-account
- Represent a Client at canada.ca/taxes-representatives

Business number program accounts

A program account number has three parts:

- a nine-digit **business number** to identify the business
- a two-letter **program identifier** to identify the program type
- a four-digit **reference number** to identify each account a business has within a program type

List of supported program identifiers

You can use **only** the following program identifiers on this form:

- CT Fuel charge
- LT Luxury Tax
- RC Corporation income tax
- RD Excise duty
- RE Excise tax
- RG Air travellers security charge
- RM Import/export (no online access available)
- RN Excise tax on insurance premiums
- RP Payroll deductions, Canada Emergency Wage Subsidy, Canada Recovery Hiring Program, Tourism and Hospitality Recovery Program – Wage, Hardest-Hit Business Recovery Program – Wage
- RR Registered charities
- RT Goods and services tax/harmonized sales tax (GST/HST)
- RU Underused Housing Tax
- RZ Information returns: T5, T5007, T5008, T5013, T5018, TFSA, Shelter Allowance for Elderly Renters (SAFER), T2202 – Tuition and Enrolment Certificate, RRSP contribution receipts, RRSP and RRIF non-qualified investments, Pooled Registered Pension Plan (PRPP), Part XVIII – International Exchange of Information on Financial Accounts, Part XIX – International Exchange of Information on Financial Accounts
- ZA Canada Emergency Rent Subsidy, Tourism and Hospitality Recovery Program – Rent, Hardest-Hit Business Recovery Program – Rent

Where to send your form

Send your completed form to your CRA tax centre at the address listed below.

If you are completing this form in **French**, except for non-resident account requests, or if you live in the province of **Quebec**, send the form to:

Jonquière Tax Centre
2251 René-Lévesque Boulevard
Jonquière QC G7S 5J2

If you live in the province of **Ontario** or **outside Canada** (non-resident), and for **all non-resident account requests**, send the form to:

Sudbury Tax Centre
Post Office Box 20000, Station A
Sudbury ON P3A 5C1

If you live **anywhere else in Canada**, send the form to:

Winnipeg Tax Centre
Post Office Box 14000, Station Main
Winnipeg MB R3C 3M2

For more information, go to canada.ca/tax-centres.

Cancel authorization

To cancel your representative's authorization, go to canada.ca/taxes-representative-authorization or fill in Form AUT-01X, Cancel Authorization for a Representative.

TRANSMISSION VERIFICATION REPORT

TIME : 12/11/2023 04:34PM
NAME :
FAX :
TEL :
SER. # : U64209L7N618345

DATE, TIME	12/11 04:28PM
FAX NO./NAME	918884528994
DURATION	00:11:04
PAGE(S)	25
RESULT	OK
MODE	STANDARD ECM



Shipment: 334457234899



Delivery Date

Wed. Dec. 13, 2023 10:08 a.m.

Last updated
Wed. Dec. 13, 2023

Origin	TORONTO, ON	Service	Purolator Express Envelope	View proof of delivery and signature
Destination	SHAWINIGAN, QC	Est. Weight	1 lb	
References	711375115 265025	Shipment Date	Mon. Dec. 11, 2023	

History

Date	City	Description
Wed. Dec. 13, 2023 - 10:08 a.m.	SHAWINIGAN, QC	Shipment delivered
Wed. Dec. 13, 2023 - 9:12 a.m.	SHAWINIGAN, QC	On vehicle for delivery
Wed. Dec. 13, 2023 - 9:11 a.m.	TROIS RIVIERES, QC	Arrived at sort facility
Tue. Dec. 12, 2023 - 4:33 p.m.	VILLE ST. LAURENT, QC	Arrived at sort facility
Tue. Dec. 12, 2023 - 8:00 a.m.	PUROLATOR	Delayed in transit due to missed connection
Tue. Dec. 12, 2023 - 1:50 a.m.	PUROLATOR	Shipment created - final manifest received
Mon. Dec. 11, 2023 - 8:28 p.m.	ETOBICOKE, ON	Departed sort facility
Mon. Dec. 11, 2023 - 8:28 p.m.	ETOBICOKE, ON	Departed sort facility
Mon. Dec. 11, 2023 - 8:26 p.m.	ETOBICOKE, ON	Arrived at sort facility
Mon. Dec. 11, 2023 - 4:39 p.m.	TORONTO, ON	Picked up by Purolator
Mon. Dec. 11, 2023 - 4:29 p.m.	PUROLATOR	Shipment created - interim manifest received

Appendix “D”

Decision	04/12/2023
Application 129 in Case 44348-04-16	
Judge Hagai Brenner	
The Official Receiver shall file its position within 15 days	
*** Signed digitally ***	

Signed today: December 3, 2023

In the Tel Aviv-Jaffa District Court

LF 44348-04-16
Application No. 129
Before the Deputy President
His Honor Judge H. Brenner

In re: The Insolvency and Financial Rehabilitation Law, 2018

the Insolvency Law

The Insolvency and Financial Rehabilitation Proceedings Regulations, 2019

the Insolvency Regulations

and in re: Urbancorp Inc., company no. in Canada 2471774

the Company

and in re: Adv. Guy Gissin - the Functionary - trustee for execution of the Company's creditors arrangement

acting by Adv. Yael Hershkovitz and/or Idan Danino and/or Dor Romano of Gissin & Co., Law Offices, of 38B Habarzel Street, Tel Aviv 6971054, Tel. 03-7467777, Fax. 03-7467700

the Trustee

and in re: DIG Developments Inc., corporation no. in Ontario, Canada 2790438

acting by its attorneys Adv. Ben Lipetz (LN 34693) and/or Gal Shabi (LN 65929) and/or others, of Goldfarb, Gross, Seligman & Co., Law Offices, of 1 Azrieli Center, Round Tower, Tel Aviv 6701101, e-mail: gal.shabi@goldfarb.com

the Applicant; the Investor

and in re: The Superintendent of Insolvency and Financial Rehabilitation Proceedings, of 2 Hashlosha Street, Tel Aviv 61090, Tel. 03-6899695, Fax. 02-6462502

and in re: The Securities Authority

by the Tel Aviv District Attorney - Civil, of 154 Menachem Begin Street, Tel Aviv, Tel. 073-3736222, Fax. 073-3736590/1

Revised Arrangement Proposal for the Company's Creditors and Agreed Application for the Grant of Instructions to the Functionary to Convene Creditors' Meetings for the Proposed Arrangement's Approval

The Applicant, DIG Developments Inc. (hereinafter - the "**Applicant**" or the "**Investor**") is hereby respectfully filing a revised proposal for the debt arrangement for the Company's creditors. The arrangement plan in Hebrew is annexed hereto as **appendix 1** (hereinafter - the "**arrangement**" or the "**plan**").

The Honorable Court is hereby moved to instruct the Functionary to do all the acts required to convene a meeting of the Company's creditors (i.e. creditors whose debt claims have been approved) for the purpose of voting whether to approve the proposed arrangement.

And these are the grounds of the application:

1. On May 22, 2023 the Investor filed a proposed arrangement for the Company's creditors, and an application for the grant of instructions to the Functionary to convene a creditors' meeting for the proposed arrangement's approval (hereinafter - the "**application**").
2. After receipt of the replies of the parties to the application, on June 19, 2023 the Honorable Court gave a decision in the following wording:

"Approval has been given to convene meetings as requested. The Functionary shall publish a notice of the meetings, including by way of publication in three widely circulated daily newspapers that are financial newspapers or that have a financial supplement. The publications will be made at the Applicant's expense.

Before the vote, the Functionary may present to the creditors his position on the arrangement proposal, and in addition the position of the Official Receiver and the trustee for the bondholders will be presented.

In view of the existence of a functionary, the appointment of an expert is not necessary."

3. As detailed in the recent update reports filed by the Functionary with the Honorable Court in this case, creditors meetings to discuss the arrangement proposed by the Investor in the application have not yet been held, while in recent months the parties have conducted negotiations regarding the revised arrangement plan. It is noted that not all the amendments requested by the Functionary and/or the Trustee were accepted by the Investor; nonetheless, the Investor wishes to present its proposal to the Company's creditors.
4. Further thereto, and with the consent of the Functionary and the Trustee to the relief of convening creditors meetings on the agenda of which is approval of the revised arrangement proposal, the Honorable Court is moved to instruct that meetings be convened as requested, with the instructions of the Court in its decision of June 19, 2023 being complied with also with regard to the revised settlement proposal.

(Signed)

(Signed)

Ben Lipetz, Adv.

Gal Shabi, Adv.

Goldfarb, Gross, Seligman & Co., the Applicant's Attorneys

TABLE OF CONTENTS

No.	Appendix name	Page
1	Revised arrangement plan	5

Appendix 1

Revised Arrangement Plan

Page 5

Arrangement Plan - December 3, 20231. Definitions

The following expressions, that are used in this arrangement, will bear the following meanings:

"related company" -	a subsidiary, existing or future, of the Company, that is controlled directly or indirectly by the Company or any other entity that is controlled (directly or indirectly) by the Company or that controls (directly or indirectly) the Company, as well as any entity in which the Company has holdings, directly or indirectly;
"bond" -	bonds issued by the Company to the Israeli public the aggregate nominal value of which, as at the date of their first issue, was NIS 180,583,000;
"closing date" -	a trading day that falls by no later than 30 (thirty) days after fulfillment of all the conditions precedent detailed in paragraph 6 below, as determined by coordination between the Investor and the Functionary and published by the Functionary on Magna in advance (before the closing date), on or by which all the acts that must be done by the closing date (pursuant to this plan) shall be done;
"Company" -	Urbancorp Inc.;
"control" -	The ability to direct the activity of a corporation / entity, except for the ability deriving solely from the office of director or another office in the corporation / entity;
"conditions precedent" -	the conditions precedent detailed in paragraph 6 below;
"Court" -	The Tel Aviv District Court in the framework of LF 44348-04-16;
"creditors" -	all the Company's creditors whose debt claims have been approved, fully or partially, by the Functionary and/or by the Court in case no. 44348-04-16 in the Tel Aviv District Court;
"Downsview proceedings" -	the subject matter of court cases that are being conducted in Canada nos. CV16-011389-OOCL and CV-22-00688349-00CL and the claim for management

	fees owed by Mattamy (Downsview) Ltd (case no. [REDACTED]);
"NIS" -	New Israeli Shekel;
"Investor" -	DIG Developments Inc., a private company incorporated pursuant to the laws of the Province of Ontario, Canada, company no. 2790438, that is under the full ownership and control of Alan Saskin's family;
"Functionary"	Mr. Guy Gissin, Adv.;
"relative" -	a spouse, sibling, parent, grandparent, child or child of a spouse, parent of a spouse or the spouse of any one of them;
"arrangement", "settlement arrangement", "plan" -	The plan detailed in this document, including the appendices annexed thereto;
"TASE" -	the Tel Aviv Stock Exchange Ltd;
"trading day" -	a day on which trading takes place on TASE and on the Toronto Stock Exchange;
"Trustee" -	Reznik, Paz, Nevo Trusts Ltd;
"KSV" -	KSV Restructuring Inc.;
"FL" -	Fuller Landau;
"existing proceedings" -	as defined in paragraph 5 below;

2. **Appendices**

Below is a list of the appendices to the settlement arrangement.

Appendix "A" -	the undertaking of Mr. Alan Saskin and the Investor not to interfere with the existing proceedings;
Appendix "B" -	notice on behalf of the Company and the Functionary to KSV;
Appendix "C" -	Trust agreement with IBI Truwest Management.

3. **The settlement arrangement**

On the closing date all the following acts shall be done simultaneously (insofar as not done prior thereto), and none of the acts will be deemed valid until all the other acts have been done:

- 3.1 The Investor will purchase the Company (by purchasing all the issued and paid up capital of the Company), including all its rights and assets (and *inter alia* the amounts and rights due to the Company in respect of the proceedings being conducted by KSV and FL in connection with the Company) (but with the exception of the existing proceedings, as defined in paragraph 5 below) and will grant a partial exemption as detailed in paragraph 3.9 below, all this against payment of a sum of four million and six hundred and forty thousand (4,642,000) Canadian dollars (hereinafter - "**investment amount**") that the Investor shall deposit with the Functionary (from which a sum of five million new shekels that is deposited on trust with IBI Truist Management and that shall be transferred to the Functionary by the closing date on account of the investment amount). It is clarified that the purchase is being made "as is" and without any representation and after the Investor has done all the examinations required in its discretion and at its sole liability.
- 3.2 The appointment, duties and powers of the Functionary (including, but not only, those granted to him in the Court's decision of April 25, 2016) will come to an end and expire, with the exception of the following powers:
 - 3.2.1 the power to continue conducting the existing proceedings in accordance with paragraph 5 below;
 - 3.2.2 the power to report to creditors and distribute to creditors the monies held by it (including those deposited with it in accordance with the provisions of this arrangement and including those obtained by him in future in connection with the existing proceedings), after deduction therefrom of his professional fee;
 - 3.2.3 the power to apply to the Court of Insolvency on any matter required for implementation of the arrangement and/or its breach;
- 3.3 All claims, demands and rights, directly or indirectly, existing and future, of the Company's creditors (including vis-à-vis the Company, its shareholders and any related company) will be assigned to the Investor (which may decide, in its discretion, that the creditors' rights as aforesaid (including the rights pursuant to the series "A" bonds of the Company) will be assigned directly to a third party, which will assume the claims, demands and rights as aforesaid subject to and in accordance with all the provisions of this plan that would govern the assignment if made directly to the Investor; and sign Appendix "A" of this plan) finally, fully and irrevocably, with the exception of: (a) the monies held in the Functionary's fund correct as at the date on which the Investor deposits the investment amount with the Functionary; (b) the right of the Functionary to receive monies in accordance with paragraph 3.2 above; (c) the right to continue conducting the existing proceedings and the proceeds from them in accordance with the provisions of paragraph 3.3.1 above and paragraph 5 below.
- 3.4 All (100%) the Company's issued and paid up share capital will be registered in the name of the Investor and will be fully owned and held by him. The Investor will be responsible for the making of the shares' transfer as aforesaid itself and at its expense;

and the Functionary will only assist if and insofar as any action or approval is required (including signature of documents) of the Functionary.

- 3.5 The Functionary shall transfer to the Investor all the documents in its possession and/or the possession of anyone on its behalf and that are required for the continued management of the Company, including the amounts and/or undertakings that the Functionary has signed / given on behalf of the Company (such as agreements for the sale of assets of the Company and including documents filed with the tax authorities in Israel or in any other territory and documents required for the purpose of filing the Company's tax reports and/or for the purpose of doing any act vis-à-vis another authority. In addition, the Functionary will reasonable cooperate with any request for documents as aforesaid that the Investor addresses to it after the closing date. It is clarified that the Functionary will not have to give documents pertaining to communications between it and the Trustee and/or the creditors and/or its attorneys and consultants.
- 3.6 The Investor will deposit a signed copy of Appendix "A" to this plan with the Functionary.
- 3.7 Waiver and release (partial) from liability

As of the closing date, and subject to the doing of all the acts planned to be done by and including the closing date), the following provisions will apply:

- 3.7.1 Except with regard to the existing proceedings (that will continue to be conducted as provided in paragraph 3.3.1 above and paragraph 5 below), the creditors, the Trustee and the Functionary are waiving, fully, finally, absolutely and irrevocably, every plea and/or demand and/or cause of action of whatsoever type, whether known to them or not known to them, existing or future, directly or indirectly, against the Investor, the Company, a related company, consultants of the Investor and/or the Company and/or a related company (including valuations, accountants and lawyers), officers and shareholders (including the controlling shareholders, but with the exception of Ms. Doreen Saskin) of the Investor and/or the Company and/or a related company and anyone acting on behalf of any of them (all the entities mentioned above are hereinafter jointly referred to as - "**released parties**") that arose in the period prior to the closing date, including (but not only) in connection with the plan, the plan's approval and all the decisions and acts required for its implementation.

If and insofar as it transpires that there is a charge, attachment, caution or other right for the benefit of the Functionary and/or Trustee and/or creditors registered over the Company's shares and/or assets and rights (not including its rights by virtue of the existing proceedings, so long as they belong to the Functionary pursuant to the provisions of paragraph 5 below) the Functionary shall arrange for their removal as soon as possible; and in the case of a charge, attachment, or any caution registered in Canada, the Company / Investor shall make sure to produce the documents required for the purpose of its removal and the Functionary shall cooperate, including signature of documents as aforesaid.

3.7.2 Except with regard to the existing proceedings (that will continue to be conducted as provided in paragraph 3.3.1 above and paragraph 5 below, in the framework of which the Investor, Mr. Alan Saskin, Ms. Doreen Saskin, any of their relatives and any company owned or controlled by them may raise any plea and/or demand and/or cause of action, the Investor, Mr. Alan Saskin and any company owned or controlled by them, waive, fully, finally, absolutely and irrevocably, any plea and/or demand and/or cause of action (of whatsoever type), whether known to them or not known to them, existing or future, directly or indirectly, against the Functionary and his consultants, the creditors, the bondholders' representative - Mr. Ma'ayan Paz, the trustee for the bondholders and its consultants, that arose in the period before the closing date, including (but not only) in connection with the plan, the plan's approval and all the decisions and acts required for its implementation.

The Investor and Mr. Saskin shall approve by their signature that they have received all the approvals required by law to sign this plan and shall annex a lawyer's certificate attesting thereto.

3.7.3 All the exempt persons and entities detailed above in paragraphs 3.8.1 to 3.8.2 are hereinafter jointly referred to as "**exempt parties**".

3.7.4 Except with regard to the existing proceedings (that will continue to be conducted as provided in paragraph 3.3.1 above and paragraph 5 below), no proceedings (including legal proceedings) will be instituted and/or continued by any entity (including by any of the creditors, the Trustee and the Functionary and anyone acting on behalf of any of them) against all or any of the exempt parties, in connection with any debts and/or claim and/or demand that arose in the period prior to the closing date, whether a debt claim has been filed or not.

3.7.5 In the event that the Investor and/or Mr. Alan Saskin and/or any company owned or controlled by them and/or anyone on their behalf and/or any of the released parties files a claim and/or demand and/or raises a plea against the creditors and/or Trustee and/or Functionary, contrary to the provisions of paragraph 3.8.2 above, the waiver mentioned in paragraphs 3.8.1 and 3.8.4 above will expire, vis-à-vis the breaching entity, immediately and without the need to institute any proceedings for the purpose of its cancellation and without derogating from any other relief.

3.7.6 In the event that the creditors and/or Trustee and/or Functionary and/or anyone on their behalf files a claim and/or demand and/or raises a plea against any of the released parties, contrary to the provisions of paragraph 3.8.1 above, the waiver mentioned in paragraphs 3.8.2 and 3.8.4 above will expire immediately, without the need to institute any proceedings for the purpose of its cancellation and without derogating from any other relief.

4. Distribution of monies to the creditors

4.1 Distribution of monies

After the closing date, the Functionary shall distribute the investment amount amongst the creditors in accordance with the Court's approval.

4.2 Payment of the Functionary's professional fee

Seven hundred and thirty thousand (730,000) Canadian dollars (the said amounts include the VAT component) (hereinafter in this paragraph - the "**immediate payment to the Functionary**") (from the amount deposited by the Investor pursuant to paragraph 3.1 above) shall be transferred to the Functionary as an advance for his overall professional fee in the case, including in connection with the plan and the amounts that have been and will be paid to creditors (including any amount received from KSV based on paragraph 4.3 below), but without derogating from his right to an additional fee (from the monies due to creditors) in connection with the existing proceedings in accordance with the Court's decision of April 18, 2023 in case no. 44348-04-16 in the Tel Aviv District Court.

4.3 The monies' distribution as provided in this paragraph 4 shall be made by the Functionary without involvement of the Investor and/or the Company and the Investor and/or the Company do not have any obligation and/or liability in connection therewith, except for the monies' deposit by the Investor as provided in paragraph 3.1 above.

5. Continued conduct of the existing legal proceedings

5.1 It will be possible to continue with the conduct of the existing legal proceedings detailed below and any appeal in relation to them (and only them, and any other proceedings, if and insofar as existing, will be set aside and come to an end as of the closing date): (a) case no. 44348-04-16 in the Tel Aviv District Court, solely for the purpose of: (i) the collection of monies from the remaining existing proceedings detailed below; (ii) the distribution of monies to creditors; (iii) implementation and enforcement of the arrangement and/or remedies in relation to its breach; (b) case no. 12055-12-17 in the Tel Aviv District Court (hereinafter - the "**Functionary's claim**"; (c) case CV-18-596633 in the Supreme Court of Ontario, Canada (hereinafter - "**Rotenberg's claim**"; (d) case no. CV-18-596847-00CL in the court in Canada (hereinafter - the "**Plaza claim**"; (e) case no. CV-21-00661911-0000 in the Supreme Court of Canada¹ (hereinafter - the "**Alpha claim**") (the proceedings detailed above are herein jointly referred to as the "**existing proceedings**".

Without derogating from the aforesaid, the Functionary and the Company shall give KSV, on the closing date, notice (signed by them) in the form of wording annexed to this agreement as **appendix "B"**.

5.2 It is hereby clarified that the existing proceedings were filed, *inter alia*, on behalf of the Company and based on causes of action of the Company and no plea will be entertained by the Company and/or the Investor and/or TCC/Urbancorp Bay Stadium and/or The Webster Trust, LP and/or Urbancorp Management Inc. and/or Urbancorp Holdco Inc., corporations under their control or anyone on their behalf, to the effect

¹ It is noted that the defendants in the Alpha claim (hereinafter in this footnote - the "**defendants**") do not recognize the right of the Company and/or the Functionary to file the Alpha claim and this plan does not constitute any recognition by the parties of the standing of the Company and the Functionary to file the Alpha claim.

that in consequence of this arrangement the Functionary is not authorized to continue conducting the existing proceedings on behalf of the Company.

- 5.3 It is further clarified that subject to the provisions of paragraph 5.4.5 below, the rights deriving from the judgment awarded in favor of the Functionary in the framework of the Functionary's claim (as defined below) against the following corporations: TCC/Urbancorp Bay Stadium LP, The Webster Trust, Urbancorp Management Inc. and Urbancorp Holdco Inc. (hereinafter - the "**judgment**") and any judgment awarded in favor of the Functionary in the framework of the Functionary's claim are rights belonging to the arrangement fund and it alone and no plea will be entertained by the Company and/or the Investor, corporations under their control or anyone on their behalf, to the effect that the rights pursuant to the judgment no longer belong to the Functionary by virtue of this arrangement.
- 5.4 The continued conduct of the existing proceedings as aforesaid is subject to all the following conditions:
- 5.4.1 The continued conduct of the existing proceedings shall be at no cost to the Company (including a related company) and/or the Investor and without either of them having to do any act (including signature of documents) or assume any obligation. Insofar as the Company's cooperation is required for technical matters only (such as documents for the purpose of releasing deposits that the Functionary makes for the purpose of conducting the existing proceedings) and [provided] that this does not involve expenses and/or the assumption of any obligation and/or a large amount of work by the Company, the Company will cooperate insofar as required, provided that the Functionary undertakes, in advance, to pay the Company the reasonable amount required to cover the Company's costs resulting from the work required of it.

Accordingly, all costs and expenses in connection with the existing proceedings (including future expenses that might be occasioned and/or awarded against the Company and/or the Functionary in connection with the existing proceedings) will be at the liability of the Functionary and shall be paid by the Functionary from the monies in the creditors fund, including from the investment amount (and the Company and/or the Investor will not have to bear any cost / expense in connection with the existing proceedings), such being by no later than 14 days from the date on which a demand for payment as aforesaid is received or on the date fixed by the Company for payment of the aforesaid amount, whichever is earlier.

Thus, so long as the existing proceedings have not come to an end in a final and absolute judgment that cannot be appealed, the Functionary is obligated to hold onto a cushion that is sufficient to finance all the expenses in connection with the existing proceedings, and in any event not less than one million (1,000,000) Canadian dollars.

- 5.4.2 It will not be possible to commence new legal proceedings besides the existing proceedings, and, except in relation to the Plaza claim and the Alpha claim, it will not be possible to join new defendants to the existing proceedings; it will also not be possible to increase or widen the remedies sought in the existing proceedings. However, it is agreed that neither the Functionary nor anyone on his behalf will initiate the joining of new defendants and/or the increase or widening of the remedies sought in the Plaza claim and/or Alpha claim.

- 5.4.3 The Functionary shall not howsoever interfere with the acts of the Company and the Investor for the cancellation / termination of filings of the Canadian CCAA of the KSV monitors and Fuller Landau and all proceedings relating to them as soon as possible. The aforesaid does not derogate from the rights of the Functionary to continue the existing proceedings in accordance with the above provisions of this paragraph.
- 5.4.4 Except in connection with the Rotenberg claim, the Alpha claim and the Plaza claim (hereinafter jointly - the "**existing proceedings in Canada**"), the Functionary shall not act in Canada against Mr. Alan Saskin and/or the Company and/or a related company and/or assets of any of them; and he shall not directly or indirectly contact KSV or FL and/or anyone on their behalf and/or the Canadian court in which proceedings are being conducted (including by KSV and/or FL) in connection with the Company and/or a related company. Furthermore, no act shall be done that will howsoever interfere with the transfer of monies and/or rights and/or assets to the Company, including a right of the Company and any related company to receive monies from KSV or FL, except subject to all the following conditions:
- 5.4.4.1 the Functionary shall first apply to the Canadian court in an application for approval of enforcement in Canada of a judgment that has been and/or is in future handed down in the framework of the existing proceedings (with the exception of the existing proceedings in Canada, in respect of which approval as aforesaid is not required) (hereinafter - "**approval of enforcement**").
- 5.4.4.2 only if he obtains approval of enforcement may the Functionary take action for the purpose of realization and collection in Canada, including the filing of a debt claim in the personal bankruptcy proceedings of Mr. Saskin) in accordance with the provisions of the approval of enforcement.
- 5.4.5 If and insofar as the amount received from: (a) proceeds received by the Functionary to date², together with amounts received by him pursuant to this arrangement plan, including future proceeds in connection with the existing proceedings, less (b) the professional fee and expenses that the Court has approved for the Functionary³, exceeds the aggregate amount of the debt claims approved by the Functionary⁴ plus default interest of 18% a year on the balance of the debt to the bondholders from May 2016 and until payment thereof, then from such date: (1) all the existing proceedings that have not yet come to an end shall be set aside and the Functionary shall do all the acts required for the purpose of their setting aside as aforesaid; (ii) all the rights in connection with the existing proceedings (including the right to monies deriving from them) will belong to the Company and be transferred directly to it; and (iii) all the powers and rights of the Functionary in connection with the existing proceedings will expire and all the powers and rights as aforesaid will be held by the Company alone and the Functionary shall sign any document required for such purpose.
- 5.4.6 All the provisions of this paragraph 5, including its sub-paragraphs, are subject to the provisions of paragraph 3.7.1 above.

² A sum of NIS [REDACTED] correct as at December 3, 2023.

³ The professional fees and expenses approved for the Functionary, correct as at December 3, 2023, amount to NIS [REDACTED].

⁴ A sum of NIS [REDACTED].

- 6.1 The arrangement plan's implementation is subject to fulfillment of all the following conditions (hereinafter - "**conditions precedent**") by no later than the dates detailed in paragraph 6.2 below:
- 6.1.1 the arrangement's approval by the creditors at a creditors meeting (without any change, except for changes approved by the Investor in writing and in advance);
 - 6.1.2 receipt of a final judgment from the Court approving this arrangement (including partial waiver and release as provided in paragraph 3.9 above) and the execution thereof (without any change, except for changes approved by the Investor and a creditors meeting that was convened and approved the change in accordance with the law, in writing and in advance, as provided in paragraph 8.4 below);
 - 6.1.3 the reasonable professional fee of the Trustee, the Trustee's attorneys (Amir Flamer & Co., Law Offices) and the bondholders' representative - Mr. Ma'ayan Paz, as of March 1, 2023, in connection with the approval and execution of the settlement arrangement, shall be paid in full from the expenses deposit. Insofar as there are insufficient funds remaining in the expenses deposit (as defined in paragraph 7.1 below), the Investor undertakes to supplement the monies required for the purpose of payment of the reasonable professional fee of the entities mentioned above, on the closing date;
 - 6.1.4 lack of any impediment pursuant to a judicial order to the approval and implementation of this arrangement.
- 6.2 If the Court has not instructed the convening of a creditors meeting by December 30, 2023 (hereinafter - "**date for obtaining the court order**"), or if the creditors meeting has not approved, with the necessary majority, the settlement arrangement by January 25, 2024 (hereinafter - the "**final meetings date**"), or if not all the conditions precedent have been fulfilled by February 15, 2024 (hereinafter - "**the final fulfillment date**"), the arrangement plan will expire automatically and the Investor, Company, Functionary, creditors, Trustee, or anyone on behalf of any of them, will not have any plea and/or demand against each other in connection with the arrangement plan and its expiration. Notwithstanding the aforesaid, so long as the Investor has not breached the provisions of this plan, it will have the right, in its exclusive discretion, to extend the date for obtaining the court order, the final meetings date and/or the final fulfillment date by another 45 days, for each one, by sending written notice thereof to the Functionary.

7. **Deposit of monies as collateral for the arrangement's execution**

- 7.1 Simultaneously with the filing of this settlement agreement with the Israeli court, the Investor deposited fifty thousand (50,000) Canadian dollars to cover the costs and expenses anticipated to be borne by the Trustee, the Trustee's lawyer (Amir Flamer & Co., Law Offices) and the bondholders' representative - Mr. Ma'ayan Paz, as of March 1, 2023, in connection with the approval and implementation of the arrangement plan (hereinafter - the "**expenses deposit**").
- 7.2 No later than three trading days from the date of obtaining a court judgment to convene a creditors meeting for the approval of this arrangement (but before the said meetings are actually held), the Investor shall deposit, with IBI Truest Management, a sum of five million (5,000,000) new shekels (hereinafter - the "**collateral**"), that will serve as collateral in accordance with the provisions of the trust agreement annexed to this

agreement as **appendix "C"**. In the event that all the conditions precedent are fulfilled on time (as provided in paragraph 5 above) and the Investor does not transfer the payment as provided in paragraph 31 above, the Functionary may forfeit the collateral in accordance with the provisions of the trust agreement and forfeiture of the collateral as aforesaid will be the only and sole remedy against the Investor in such case.

8. **Miscellaneous**

- 8.1 The Functionary shall cooperate with the Company reasonably and without bearing any costs and without bearing any liability and/or obligations (except for companies that the Company will carry in full) of whatsoever type for the purpose of collecting monies due to it, including refunds from the tax authorities in Israel or elsewhere.

All the monies (including VAT and/or tax refunds) due to the Company as of August 15, 2023 (hereinafter - the "**cutoff date**") (including, but not only, monies due to the Company after the cutoff date from any of the Canadian monitors - KSV and/or Fuller Landau), but except for monies in connection with the existing proceedings (to which the provisions of paragraphs 3.3 and 4.3 above will apply) and except for monies received by virtue of the Downsvie proceedings, shall be paid to the Company (by no later than five business days from the date of their receipt) and will remain held and owned by it, fully and exclusively.

Notwithstanding the aforesaid, if and insofar as the Company receives monies after the cutoff date and before the closing date (hereinafter - the "**dividend monies**"), the amount of the dividend monies will be deducted from the investment amount (mentioned in paragraph 3.1 above) and those dividend monies shall be transferred to the Functionary for the purpose of their distribution to creditors, subject to and in accordance with the provisions of any law.

The Functionary shall cooperate with the Company for the purpose of collecting monies due to it, including refunds from the tax authorities.

For example - if and insofar as on September 1, 2023 a payment is received from KSV in a sum of four hundred thousand (400,000) Canadian dollars, the said amount will be transferred to the Functionary, while the investment amount (that is designated for payment by the Investor on the closing date) will be reduced to a sum of four million and two hundred and forty two thousand) Canadian dollars.

- 8.2 If and insofar as after August 15, 2023 the Functionary receives documents and/or assets and/or rights (except for monies that are governed by the provisions of paragraph 8.1 above) of the Company (including a related company) or for it, then the Functionary shall transfer them to the Company on the later between: (a) the closing date; (b) as soon as possible and no later than five business days from the date of their receipt.
- 8.3 As of the closing date, none of the parties may cancel the arrangement plan for any reason whatsoever, without derogating from any other remedy.
- 8.4 Any change to the arrangement's provisions will only be valid and binding if made in writing and duly approved by the creditors and the Investor and approved by the Court (insofar as its consent is in fact required).

- 8.5 This arrangement will be binding in all jurisdictions, including Israel and Canada, and the parties may apply for recognition of this arrangement and any court orders in all jurisdictions, including Canada, and the Investor, the Trustee, the Functionary and the Company shall fully cooperate in relation to all the efforts required in this regard.
- 8.6 Any disputes in connection with this arrangement will be heard exclusively by the Court as defined above (the Tel Aviv District Court in the framework of LF 44348-04-16), by way of an application for the grant of instructions.

DIG Developments Inc.

Lawyer's certificate

I the undersigned certify that this document was signed by the authorized signatories of DIG Developments Inc., and that their signature binds DIG Developments Inc. for all intents and purposes.

Name, signature and stamp

Alan Saskin's confirmation

I the undersigned, Mr. Alan Saskin, confirm that I agree and will act in accordance with the provisions of paragraph 3.8 of this plan.

Alan Saskin

Lawyer's certificate

I the undersigned certify that this document was signed by the authorized signatories of the Investor and that their signature binds DIG Developments Inc. for all intents and purposes.

Name, signature and stamp

Appendix “E”

Urbancorp Filing Entities Listed on Schedule "A"

Notes to Projected Statement of Cash Flow

For the Period Ending April 30, 2024

(Unaudited; \$C)

Purpose and General Assumptions

1. The purpose of the projection ("Projection") is to present a cash flow forecast of the entities listed on Schedule "A" ("Urbancorp CCAA Entities") for the period February 1, 2024 to April 30, 2024 (the "Period") in respect of their proceedings under the *Companies' Creditors Arrangement Act*.

The projected cash flow statement has been prepared based on most probable assumptions.

Most Probable Assumptions

2. Represents sundry costs, including translation services related to the Israeli proceedings and IT costs.
3. Represents the estimated professional fees of the Monitor, its legal counsel and legal counsel to the Urbancorp CCAA Entities. The amounts reflected are estimates only.
4. The cash flow deficiency will be funded from cash on hand.

Schedule A

Urbancorp Filing Entities

For the Period Ending November 30, 2020

1. Urbancorp Toronto Management Inc.
2. Urbancorp Downsview Park Development Inc.
3. Urbancorp (St. Clair Village) Inc.
4. Urbancorp (Patricia) Inc.
5. Urbancorp (Mallow) Inc.
6. Urbancorp (Lawrence) Inc.
7. Urbancorp (952 Queen West) Inc.
8. King Residential Inc.
9. Urbancorp New Kings Inc.
10. Urbancorp 60 St. Clair Inc.
11. High Res. Inc.
12. Bridge on King Inc.
13. Urbancorp Power Holdings Inc.
14. Vestaco Homes Inc.
15. Vestaco Investments Inc.
16. 228 Queen's Quay West Limited
17. Urbancorp Cumberland 1 LP
18. Urbancorp Cumberland 1 GP Inc.
19. Urbancorp Partner (King South) Inc.
20. Urbancorp (North Side) Inc.
21. Urbancorp Residential Inc.
22. Urbancorp Realtyco Inc.

Appendix “F”

**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 TORONTO MANAGEMENT INC., URBANCORP (ST. CLAIR VILLAGE) INC.,
URBANCORP (PATRICIA) INC., URBANCORP (MALLOW) INC., URBANCORP
(LAWRENCE) INC., URBANCORP DOWNSVIEW PARK DEVELOPMENT INC.,
URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL INC., URBANCORP 60 ST.
CLAIR INC., HIGH RES. INC., BRIDGE ON KING INC., AND THE AFFILIATED ENTITIES
LISTED IN SCHEDULE "A" HERETO**

**MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)**

The management of Urbancorp Toronto Management Inc. Urbancorp (St. Clair Village) Inc., Urbancorp (Patricia) Inc., Urbancorp (Mallow) Inc., Urbancorp (Lawrence) Inc., Urbancorp Downsvie Park Development Inc., Urbancorp (952 Queen West) Inc., King Residential Inc., Urbancorp 60 St. Clair Inc., Hi Res. Inc. Bridge on King Inc. and the affiliated entities listed in Schedule "A" Hereto (collectively, the "Companies"), have developed the assumptions and prepared the attached statement of projected cash flow as of the 23rd day of January, 2024 for the period January 31, 2024 to April 30, 2024 ("Cash Flow"). All such assumptions are disclosed in Notes 2 to 4.

The probable assumptions are suitably supported and consistent with the plans of the Companies and provide a reasonable basis for the Cash Flow.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow has been prepared solely for the purpose outlined in Note 1, using a set of hypothetical and probable assumptions set out in Notes 2 to 4. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at Toronto, Ontario this 23rd day of January, 2024.


KSV RESTRUCTURING INC.

SCHEDULE "A"

- Urbancorp Power Holdings Inc.
- Vestaco Homes Inc.
- Vestaco Investments Inc.
- 228 Queen's Quay West Limited
- Urbancorp Cumberland 1 LP
- Urbancorp Cumberland 1 GP Inc.
- Urbancorp Partner (King South) Inc.
- Urbancorp (North Side) Inc.
- Urbancorp Residential Inc.
- Urbancorp Realtyco Inc.

Appendix “G”

**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 TORONTO MANAGEMENT INC., URBANCORP (ST. CLAIR VILLAGE) INC.,
URBANCORP (PATRICIA) INC., URBANCORP (MALLOW) INC., URBANCORP
(LAWRENCE) INC., URBANCORP DOWNSVIEW PARK DEVELOPMENT INC.,
URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL INC., URBANCORP 60 ST.
CLAIR INC., HIGH RES. INC., BRIDGE ON KING INC., AND THE AFFILIATED ENTITIES
LISTED IN SCHEDULE "A" HERETO**

**MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)**

The attached statement of projected cash-flow as of the 23rd day of January, 2024 of Urbancorp Toronto Management Inc., Urbancorp (St. Clair Village) Inc., Urbancorp (Patricia) Inc., Urbancorp (Mallow) Inc., Urbancorp (Lawrence) Inc., Urbancorp Downsview Park Development Inc., Urbancorp (952 Queen West) Inc., King Residential Inc., Urbancorp 60 St. Clair Inc., Hi Res. Inc. Bridge on King Inc. and the affiliated entities listed in Schedule "A" Hereto (collectively, the "Urbancorp CCAA Entities") consisting of a weekly projected cash flow statement for the period January 31, 2024 to April 30, 2024 ("Cash Flow") has been prepared by the management of the Urbancorp CCAA Entities for the purpose described in Note 1, using the probable and hypothetical assumptions set out in Notes 2 to 4.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management and employees of the Urbancorp CCAA Entities. We have reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Urbancorp CCAA Entities or do not provide a reasonable basis for the Cash Flow, given the hypothetical assumptions; or
- b) the Cash Flow does not reflect the probable assumptions.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto this 23rd day of January, 2024.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS CCAA MONITOR OF
THE URBANCORP CCAA ENTITIES
AND NOT IN ITS PERSONAL CAPACITY**

SCHEDULE "A"
List of Non-Applicant Affiliated Companies

- Urbancorp Power Holdings Inc.
- Vestaco Homes Inc.
- Vestaco Investments Inc.
- 228 Queen's Quay West Limited
- Urbancorp Cumberland 1 LP
- Urbancorp Cumberland 1 GP Inc.
- Urbancorp Partner (King South) Inc.
- Urbancorp (North Side) Inc.
- Urbancorp Residential Inc.
- Urbancorp Realtyco Inc.

Appendix “H”

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 TORONTO MANAGEMENT INC., URBANCORP (ST. CLAIR
VILLAGE) INC., URBANCORP (PATRICIA) INC., URBANCORP (MALLOW)
INC., URBANCORP (LAWRENCE) INC., URBANCORP DOWNSVIEW PARK
DEVELOPMENT INC., URBANCORP (952 QUEEN WEST) INC., KING
RESIDENTIAL INC., URBANCORP 60 ST. CLAIR INC., HIGH RES. INC.,
BRIDGE ON KING INC. (COLLECTIVELY, THE "APPLICANTS") AND THE
AFFILIATED ENTITIES LISTED IN SCHEDULE "A" HERETO**

AFFIDAVIT OF NOAH GOLDSTEIN
(sworn January 23, 2024)

I, **NOAH GOLDSTEIN**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY
AS FOLLOWS:**

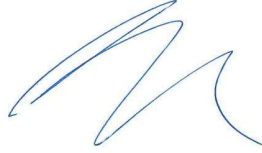
1. I am a Managing Director at KSV Restructuring Inc. ("KSV"), the Court-appointed monitor (the "Monitor") of the Applicants and the entities listed on Schedule "A" attached (collectively, the "Cumberland CCAA Entities"), and as such I have knowledge of the matters deposed to herein.
2. Pursuant to an order of the Ontario Superior Court of Justice ("Court") made on May 18, 2016, the Cumberland CCAA Entities were granted protection under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") and KSV was appointed as the Monitor in these proceedings.
3. This Affidavit is sworn in support of a motion seeking, among other things, approval of the Monitor's fees and disbursements for the period September 1, 2023 to December 31, 2023 (the "Period").
4. The Monitor's invoices for the Period disclose in detail: the nature of the services rendered; the time expended by each person and their hourly rates; and the total charges for the services rendered; and disbursements charged. A copy of the Monitor's invoice is attached hereto as Exhibit "A" and the billing summary is attached hereto as Exhibit "B".
5. The Monitor spent a total of 84.50 hours on this matter during the Period, resulting in fees totalling \$55,081.75, excluding disbursements and HST, as summarized in Exhibit "B".

6. As reflected on Exhibit "B", the Monitor's average hourly rate for the Period was \$651.86.
7. I verily believe that the time expended and the fees charged are reasonable in light of the services performed and the prevailing market rates for services of this nature in downtown Toronto.

SWORN before me at the City of)
Toronto, in the Province of Ontario)
this 23rd day of January, 2024)



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires January 27, 2024



NOAH GOLDSTEIN

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF NOAH GOLDSTEIN

Sworn before me

this 23rd day of January, 2024



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires January 27, 2024



ksv advisory inc.

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1J9

T +1 416 932 6262

F +1 416 932 6266

ksvadvisory.com

INVOICE

The Urbancorp Group
Suite 2A - 120 Lynn Williams Street
Toronto, ON M6K 3P6

January 22, 2024

Invoice No: 3463

HST #: 818808768 RT0001

Re: The entities listed on Schedule "A" attached (collectively, the "Companies")

For professional services rendered from September 1 to December 31, 2023 by KSV Restructuring Inc. in its capacity as Monitor (the "Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA"), including:

Stay Extension

- reviewing and commenting on Court materials prepared by DLA Piper LLP, counsel to the Companies, and by Davies Ward Phillips & Vineberg LLP ("Davies"), counsel to the Monitor, in respect of a motion returnable September 29, 2023 (the "Stay Extension Motion"), seeking, *inter alia*, an extension of the stay of proceedings;
- preparing the Fifty-Eighth Report of the Monitor dated September 25, 2023 (the "Fifty Eighth Report") in connection with the Stay Extension Motion;
- preparing a cash flow projection ("Cash Flow Projection") in the context of the Stay Extension Motion;
- preparing Management's Report on Cash Flow Statement and the Monitor's Report on Cash Flow Statement in connection with the Cash Flow Projection;
- preparing the Supplement to the Fifty Eighth Report dated September 28, 2023;
- attending at Court on September 29, 2023;

Management Fee Dispute

- corresponding with Davies to discuss the management fee dispute (the "Management Fee Dispute") between Urbancorp Toronto Management Inc. ("UTMI") and Mattamy (Downsview) Inc.;

- reviewing several versions of the settlement documents concerning the Management Fee Dispute, including Minutes of Settlement;
- corresponding with Dentons regarding Harmonized Sales Tax implications in connection with the Minutes of Settlement;
- settling the Management Fee Dispute;

Tax Matters

- continuing the process to finalize tax returns to obtain tax clearance certificates for certain of the Companies, including corresponding with MNP LLP (“MNP”), the Companies’ external accountants, and Davies, and attending calls with MNP;
- working with MNP to amend several tax returns of the Companies;
- corresponding extensively with Davies regarding refundable dividend tax on hand in connection with tax return for Vestaco Homes Inc.;
- preparing harmonized sales tax returns for several of the Companies;

Other

- corresponding with a bondholder of Urbancorp Inc. (“UCI”) and Guy Gissin, in his capacity as Foreign Representative of UCI, regarding a proposal by Dig Developments Inc. made in the Israeli Court and discussing same with Davies, including attending calls on November 10, 2023 and December 12, 2023;
- preparing a schedule of the remaining assets of the Companies and distributing same to UCI;
- to all other matters not specifically addressed above.

* * *

Total fees and disbursements per attached time summary	\$ 55,081.75
HST	<u>7,160.63</u>
Total Due	<u>\$ 62,242.38</u>

KSV Restructuring Inc.

Urbancorp Group

Time Summary

For the period September 1, 2023 to December 31, 2023

Personnel	Rate (\$)	Hours	Amount (\$)
Robert Kofman	800	24.85	19,880.00
Noah Goldstein	700	26.00	18,200.00
Robert Harlang	650	23.10	15,015.00
Other staff and administration		10.55	1,986.75
Total Fees		61.40	55,081.75

Schedule "A"

Urbancorp Toronto Management Inc.
Urbancorp (St. Clair Village) Inc.
Urbancorp (Patricia) Inc.
Urbancorp (Mallow) Inc.
Urbancorp (Lawrence) Inc.
Urbancorp Downsview Park Development Inc.
Urbancorp (952 Queen West) Inc.
King Residential Inc.
Urbancorp 60 St. Clair Inc.
High Res. Inc.
Bridge on King Inc.
Urbancorp Power Holdings Inc.
Vestaco Homes Inc.
Vestaco Investments Inc.
228 Queen's Quay West Limited
Urbancorp Cumberland 1 LP
Urbancorp Cumberland 1 GP Inc.
Urbancorp Partner (King South) Inc.
Urbancorp (North Side) Inc.
Urbancorp Residential Inc.
Urbancorp Realtyco Inc.

Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF NOAH GOLDSTEIN

Sworn before me

this 23rd day of January, 2024



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires January 27, 2024

Cumberland CCAA Entities

Schedule of Professionals' Time and Rates

For the Period from September 1, 2023 to December 31, 2023

Personnel	Title	Hours	Billing Rate (\$ per hour)	Amount (\$)
Robert Kofman	Managing Director	24.85	800	19,880.00
Noah Goldstein	Managing Director	26.00	700	18,200.00
Robert Harlang	Managing Director	23.10	650	15,015.00
Other staff and administrative	Various	10.55	175-225	1,986.75
Total fees				<u>55,081.75</u>
Total hours				84.50
Average hourly rate				\$ 651.86

Appendix “I”

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 TORONTO MANAGEMENT INC., URBANCORP (ST. CLAIR VILLAGE) INC.,
URBANCORP (PATRICIA) INC., URBANCORP (MALLOW) INC., URBANCORP
(LAWRENCE) INC., URBANCORP DOWNSVIEW PARK DEVELOPMENTS INC.,
URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL INC., URBANCORP NEW
KINGS INC., URBANCORP 60 ST. CLAIR INC., HIGH RES.INC., BRIDGE ON KING INC.
(THE "APPLICANTS") AND THE AFFILIATED ENTITIES LISTED IN SCHEDULE "A"
HERETO

**AFFIDAVIT OF
ROBIN B. SCHWILL
(Sworn January 22, 2024)**

I, Robin B. Schwill, of the City of Toronto, in the Province of Ontario,

MAKE OATH AND SAY:

1. I am a partner with Davies Ward Phillips & Vineberg LLP ("**Davies**"), solicitors for KSV Restructuring Inc. in its capacity as the court-appointed CCAA monitor (the "**Monitor**") of Urbancorp Toronto Management Inc., Urbancorp (St. Clair Village) Inc., Urbancorp (Patricia) Inc., Urbancorp (Mallow) Inc., Urbancorp (Lawrence) Inc., Urbancorp Downsview Park Developments Inc., Urbancorp (952 Queen West) Inc., King Residential Inc., Urbancorp New Kings Inc., Urbancorp 60 St. Clair Inc., High Res. Inc., Bridge On King Inc. and their affiliates listed in Schedule A hereto. As such, I have knowledge of the matters deposed to herein.

2. This affidavit is sworn in support of a motion to be made in these proceedings seeking, among other things, approval of the fees and disbursements of Davies for the period from September 1, 2023 to December 31, 2023 (the "**Period**"). There may be additional time for this Period which has been accrued but not yet billed.

3. During the Period, Davies has provided services and incurred fees and disbursements in the amounts of \$88,836.00 and \$83.96 (excluding harmonized sales tax ("**HST**")).

4. A billing summary of all invoices rendered by Davies during the Period is attached hereto as Exhibit "A". A summary of the hourly rates of each person who rendered services, the total time expended by such person and the aggregate blended rate of all professionals at Davies who rendered services on this matter is attached hereto as Exhibit "B". Copies of the actual invoices are attached hereto as Exhibit "C". The invoices disclose in detail: (i) the names of each person who rendered services on this matter during the Period; (ii) the dates on which the services were rendered; (iii) the time expended each day; and (iv) the total charges for each of the categories of services rendered during the Period.

5. I have reviewed the Davies invoices and believe that the time expended and the legal fees charged are reasonable in light of the services performed and the prevailing market rates for legal services of this nature in downtown Toronto.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario
this 22nd day of January, 2024



Commissioner for taking affidavits



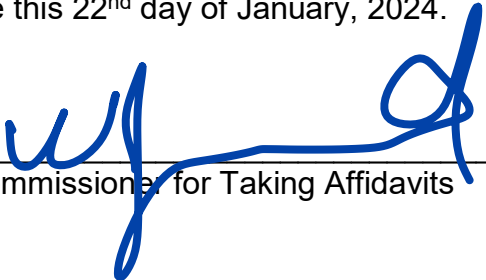
Robin B. Schwill

SCHEDULE "A"

LIST OF NON APPLICANT AFFILIATES

Urbancorp Power Holdings Inc.
Vestaco Homes Inc.
Vestaco Investments Inc.
228 Queen's Quay West Limited
Urbancorp Cumberland 1 LP
Urbancorp Cumberland 1 GP Inc.
Urbancorp Partner (King South) Inc.
Urbancorp (North Side) Inc.
Urbancorp Residential Inc.
Urbancorp Realtyco Inc.

This is Exhibit "A" referred to in the Affidavit of Robin B. Schwill sworn before me this 22nd day of January, 2024.



Commissioner for Taking Affidavits

Exhibit "A"

Billing Summary

Invoice Date	Docket Entry Periods	Fees	Disbursements	HST	Total
October 26, 2023	September 1, 2023 to September 30, 2023	\$48,347.00	\$11.40	\$6,286.59	\$54,644.99
November 15, 2023	October 1, 2023 to October 31, 2023	\$27,844.00	\$32.98	\$3,624.01	\$31,500.99
December 8, 2023	November 1, 2023 to November 30, 2023	\$6,008.50	\$0.00	\$781.11	\$6,789.61
January 8, 2024	December 1, 2023 to December 31, 2023	\$6,636.50	\$39.58	\$867.88	\$7,543.96
	TOTALS	\$88,836.00	\$83.96	\$11,559.59	\$100,479.55

This is Exhibit "B" referred to in the Affidavit of Robin B. Schwill sworn before me this 22nd day of January, 2024.



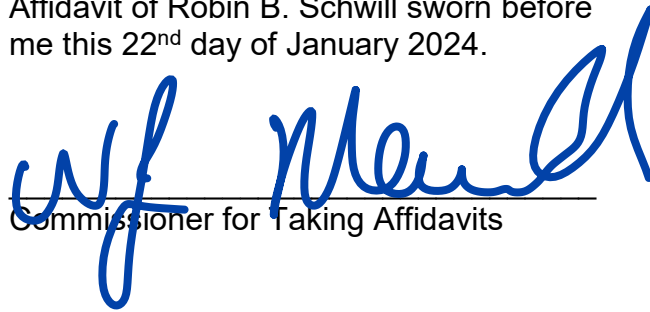
Commissioner for Taking Affidavits

Exhibit "B"

Aggregate Blended Rate Summary

Individual	Title	Hourly Rate	Total Hours
Robin B. Schwill	Partner	\$1350.00	45.10
Mehak Suri	Associate	\$580.00	0.80
Sabina Han	Lawyer	\$985.00	15.20
Stephanie Ben-Ishai	Affiliated Scholar	\$940.00	1.60
Paul Lamarre	Partner	\$1350.00	4.50
Cadie Yiu	Associate	\$620.00	7.40
Total Fees from Exhibit "A"			\$88,836.00
Total Hours			74.60
Average Blended Hourly Rate (rounded to the nearest dollar)			\$1,191.00

This is Exhibit "C" referred to in the Affidavit of Robin B. Schwill sworn before me this 22nd day of January 2024.



A handwritten signature in blue ink, appearing to read 'W. J. Mand', is written over a horizontal line.

Commissioner for Taking Affidavits

KSV Restructuring Inc.
150 King Street West
Suite 2308
Toronto, ON M5H 1J9
Canada

Attention: Robert Kofman
Managing Director
bkofman@ksvadvisory.com

CC: Noah Goldstein
ngoldstein@ksvadvisory.com

Invoice #: 765678
Date: October 26, 2023
Client/Matter #: 126507.256201
GST/HST: 118882927 RT0001
Billing Lawyer: Robin Schwill
Email: rschwill@dwpv.com
Phone: 416.863.5502

Privileged & Confidential

For professional services rendered through September 30, 2023 in connection with UrbanCorp (Matter #: 256201)

Our Fee	48,347.00	
Disbursements	11.40	
HST ON (13%)	6,286.59	
Total Due	Canadian Dollars (CAD)	\$ 54,644.99

Payment Due Upon Receipt

Canadian Dollar Payment

Beneficiary Bank:	Canadian Imperial Bank of Commerce 199 Bay Street Commerce Court-Main Banking Centre Toronto, Ontario M5L 1G9 Canada	Account Name:	Davies Ward Phillips & Vineberg LLP
		Bank Institution #:	010
		SWIFT Code:	CIBCCATT
		Bank Transit #:	00002
		Bank Account #:	2909219
Beneficiary:	Davies Ward Phillips & Vineberg LLP 155 Wellington Street West Toronto, Ontario M5V 3J7 Canada	Clearing Code:	CC001000002

Payment remittances should be directed to AR@dwpv.com. Billing questions can be made out to Billing@dwpv.com.

Any fees and disbursements recorded after the above mentioned period will appear on subsequent statements. Invoices are due upon receipt. Interest will be charged on all amounts owing over 30 days. The interest rate is set at 12% per year.

Please see important terms of client service, including file retention and disposal policy, on our website, www.dwpv.com/service/terms

Timekeeper Summary			
Timekeeper	Rate	Hours	Amount
Paul Lamarre	1,350.00	1.80	2,430.00
Robin B. Schwill	1,350.00	30.40	41,040.00
Stephanie Ben-Ishai	940.00	1.60	1,504.00
Sabina Han	985.00	2.60	2,561.00
Mehak Suri	580.00	1.40	812.00
Total		37.80	\$ 48,347.00

Time Detail			
Date	Timekeeper	Description	Hours
05/Sep/23	Robin B Schwill	Drafting Court of Appeal consent order and related materials; emails regarding Mattamy settlement;	0.60
06/Sep/23	Robin B Schwill	Drafting Consent Order and related material; Telephone conversation with counsel to the Israeli Functionary regarding same; emails regarding stay extension;	2.20
07/Sep/23	Robin B Schwill	Drafting revisions to Consent Order; related emails;	0.80
08/Sep/23	Paul Lamarre	Email exchange with R Harlang re debt forgiveness	0.20
08/Sep/23	Robin B Schwill	Emails regarding Mattamy settlement;	0.30
11/Sep/23	Robin B Schwill	Telephone conversation with counsel to Mattamy regarding settlement; related emails;	0.40
13/Sep/23	Robin B Schwill	Emails regarding Mattamy settlement;	0.10
18/Sep/23	Robin B Schwill	Drafting notice of motion and orders regarding Mattamy settlement; emails regarding stay extension;	1.40
19/Sep/23	Robin B Schwill	Emails regarding Mattamy settlement documents;	0.40
20/Sep/23	Paul Lamarre	Email exchange with R Harlang re debt forgiveness transfer	0.10
20/Sep/23	Robin B Schwill	Revisions to settlement motion materials; related emails;	0.60
20/Sep/23	Sabina Han	Reviewed comments from Paul Lamarre. Updated voluntary disclosure letter.	1.10
21/Sep/23	Paul Lamarre	Review and comment on draft voluntary disclosure materials	0.50
21/Sep/23	Robin B Schwill	Reviewing and commenting on draft 58th Report; related emails;	2.00
22/Sep/23	Robin B Schwill	Reviewing and commenting on draft 59th Report; revising motion materials;	0.60
22/Sep/23	Sabina Han	Reviewed comments from Paul Lamarre. Updated draft voluntary disclosure letter and emailed to Robert Land and Robin Schwill.	0.90
23/Sep/23	Robin B Schwill	Reviewing and commenting on draft 58th Report; drafting revisions to motion materials;	1.20

Time Detail			
Date	Timekeeper	Description	Hours
25/Sep/23	Robin B Schwill	Reviewing and commenting on draft 58th Report; finalizing and serving motion record; drafting revisions to factum; related emails;	5.20
25/Sep/23	Sabina Han	Emails with Robert Harlang. Reviewed comments from Robin Schwill.	0.50
26/Sep/23	Mehak Suri	Preparation of schedule of authorities. Finalisation of factum.	1.40
26/Sep/23	Stephanie Ben-Ishai	Mattamy Settlement Factum updates	1.60
26/Sep/23	Robin B Schwill	Drafting revisions to factum; related emails;	1.90
27/Sep/23	Paul Lamarre	Review documents and email exchanges re debt forgiveness transfer	0.70
27/Sep/23	Robin B Schwill	Emails regarding finalized Mattamy settlement documents; engaged in service and filing of factum; reviewing Applicant's stay extension factum; Telephone conversations with counsel to the Israeli Functionary regarding Alan Saskin's discharge hearing; related emails;	2.40
28/Sep/23	Robin B Schwill	Preparing for stay extension, Mattamy settlement approval and Inter-company Lender's Charge amendment motions; reviewing related case law in factum; Telephone conversation with Bobby Kofman regarding need for supplemental report; drafting supplemental report; serving and filing of same; related emails;	7.50
28/Sep/23	Sabina Han	Emails with Robert Harlang regarding GST voluntary disclosure.	0.10
29/Sep/23	Paul Lamarre	Review and comment on draft resolutions re debt forgiveness and emails re same	0.30
29/Sep/23	Robin B Schwill	Attending on stay extension, Mattamy settlement and Inter-company Lender's Charge amendment motions; draft revisions to orders; related emails;	2.80
Total Hours			37.80

Disbursement Summary		Amount
Taxable		
Lasercopy		11.40
Total		\$ 11.40

KSV Restructuring Inc.
150 King Street West
Suite 2308
Toronto, ON M5H 1J9
Canada

Attention: Robert Kofman
Managing Director
bkofman@ksvadvisory.com

CC: Noah Goldstein
ngoldstein@ksvadvisory.com

Invoice #: 767003
Date: November 15, 2023
Client/Matter #: 126507.256201
GST/HST: 118882927 RT0001
Billing Lawyer: Robin Schwill
Email: rschwill@dwpv.com
Phone: 416.863.5502

Privileged & Confidential

For professional services rendered through October 31, 2023 in connection with UrbanCorp (Matter #: 256201)

Our Fee	27,844.00
Disbursements	32.98
HST ON (13%)	3,624.01
Total Due	Canadian Dollars (CAD) \$ 31,500.99

Payment Due Upon Receipt

Canadian Dollar Payment

Beneficiary Bank:	Canadian Imperial Bank of Commerce 199 Bay Street Commerce Court-Main Banking Centre Toronto, Ontario M5L 1G9 Canada	Account Name:	Davies Ward Phillips & Vineberg LLP
		Bank Institution #:	010
		SWIFT Code:	CIBCCATT
		Bank Transit #:	00002
		Bank Account #:	2909219
Beneficiary:	Davies Ward Phillips & Vineberg LLP 155 Wellington Street West Toronto, Ontario M5V 3J7 Canada	Clearing Code:	CC001000002

Payment remittances should be directed to AR@dwpv.com. Billing questions can be made out to Billing@dwpv.com.

Any fees and disbursements recorded after the above mentioned period will appear on subsequent statements. Invoices are due upon receipt. Interest will be charged on all amounts owing over 30 days. The interest rate is set at 12% per year.

Please see important terms of client service, including file retention and disposal policy, on our website, www.dwpv.com/service/terms

Timekeeper Summary			
Timekeeper	Rate	Hours	Amount
Paul Lamarre	1,350.00	2.00	2,700.00
Robin B. Schwill	1,350.00	10.50	14,175.00
Cadie Yiu	620.00	5.30	3,286.00
Sabina Han	985.00	7.80	7,683.00
Total		25.60	\$ 27,844.00

Time Detail			
Date	Timekeeper	Description	Hours
04/Oct/23	Robin B Schwill	Emails regarding issued and entered orders and comments on draft Monitor's Certificate;	0.30
05/Oct/23	Robin B Schwill	Drafting Monitor's Certificate and revisions to same; related emails regarding Israeli Court Approval;	1.00
06/Oct/23	Paul Lamarre	Review CRA requirements re election form submissions; Email exchange with R Harlang re debt forgiveness form	0.30
06/Oct/23	Robin B Schwill	Drafting revisions to Monitor's Certificate; related emails;	0.70
08/Oct/23	Sabina Han	Revised voluntary disclosure letter. Prepared voluntary disclosure application. Prepared authorization forms.	1.90
10/Oct/23	Robin B Schwill	Emails regarding outside date for Israeli Court Approval of Mattamy Settlement; emails regarding lift-stay request regarding an insurance claim related to Bridge;	0.40
11/Oct/23	Robin B Schwill	Reviewing correspondence for lift-stay request; reviewing prior lift-stay orders; drafting reply email; reviewing and commenting on voluntary disclosure letter;	1.50
11/Oct/23	Sabina Han	Emailed updated draft to Robert Harlang.	0.10
12/Oct/23	Paul Lamarre	Prepare materials for filing from T2156 re debt forgiveness; Draft cover letter re same; Emails re same	0.80
12/Oct/23	Robin B Schwill	Reviewing and commenting on voluntary tax disclosure letter; related emails;	0.80
13/Oct/23	Robin B Schwill	Emails regarding lift-stay request;	0.10
16/Oct/23	Cadie Yiu	Meeting with S. Han re voluntary disclosure program. Completed AUT-01 and RC199 forms.	1.10
16/Oct/23	Paul Lamarre	Review filing package for debt forgiveness and email exchange re same	0.20
16/Oct/23	Sabina Han	Provided instructions to Cadie Yiu regarding forms. Considered payment requirements.	0.80
17/Oct/23	Cadie Yiu	Emails with S. Han re AUT-01 and RC199 voluntary disclosure forms. Prepared AUT-01 and RC199 forms.	0.70

KSV Restructuring Inc.
150 King Street West
Suite 2308
Toronto, ON M5H 1J9
Canada

Attention: Robert Kofman
Managing Director
bkofman@ksvadvisory.com

CC: Noah Goldstein
ngoldstein@ksvadvisory.com

Invoice #: 769196
Date: December 8, 2023
Client/Matter #: 126507.256201
GST/HST: 118882927 RT0001
Billing Lawyer: Robin Schwill
Email: rschwill@dwpv.com
Phone: 416.863.5502

Privileged & Confidential

For professional services rendered through November 30, 2023 in connection with UrbanCorp (Matter #: 256201)

Our Fee	6,008.50	
HST ON (13%)	781.11	
Total Due	Canadian Dollars (CAD)	\$ 6,789.61

Payment Due Upon Receipt

Canadian Dollar Payment

Beneficiary Bank:	Canadian Imperial Bank of Commerce 199 Bay Street Commerce Court-Main Banking Centre Toronto, Ontario M5L 1G9 Canada	Account Name:	Davies Ward Phillips & Vineberg LLP
		Bank Institution #:	010
		SWIFT Code:	CIBCCATT
		Bank Transit #:	00002
		Bank Account #:	2909219
Beneficiary:	Davies Ward Phillips & Vineberg LLP 155 Wellington Street West Toronto, Ontario M5V 3J7 Canada	Clearing Code:	CC001000002

Payment remittances should be directed to AR@dwpv.com. Billing questions can be made out to Billing@dwpv.com.

Any fees and disbursements recorded after the above mentioned period will appear on subsequent statements. Invoices are due upon receipt. Interest will be charged on all amounts owing over 30 days. The interest rate is set at 12% per year.

Please see important terms of client service, including file retention and disposal policy, on our website, www.dwpv.com/serviceterms

Timekeeper Summary			
Timekeeper	Rate	Hours	Amount
Paul Lamarre	1,350.00	0.70	945.00
Robin B. Schwill	1,350.00	0.80	1,080.00
Cadie Yiu	620.00	1.50	930.00
Sabina Han	985.00	3.10	3,053.50
Total		6.10	\$ 6,008.50

Time Detail			
Date	Timekeeper	Description	Hours
01/Nov/23	Sabina Han	Emails with Robin Schwill regarding descriptions for voluntary disclosure.	0.60
02/Nov/23	Paul Lamarre	Review requirements for CRA clearance certificate and email exchange with R Harlang re same	0.40
03/Nov/23	Robin B Schwill	Reviewing voluntary tax disclosure materials;	0.30
03/Nov/23	Sabina Han	Updated Voluntary disclosure application package and emailed to Robert Harlang.	0.50
06/Nov/23	Robin B Schwill	Emails regarding voluntary disclosure;	0.10
09/Nov/23	Sabina Han	Reviewed comments to voluntary disclosure letters. Reviewed timing considerations.	0.50
10/Nov/23	Sabina Han	Reviewed timing considerations. Emailed to Robert Harlang.	0.40
13/Nov/23	Sabina Han	Discussion with Robert Harlang regarding outstanding points for VDP application. Emailed to Paul Lamarre.	0.50
21/Nov/23	Paul Lamarre	Discuss HST disclosure with S Han	0.30
21/Nov/23	Sabina Han	Call with Paul Lamarre regarding timing considerations for voluntary disclosure.	0.30
22/Nov/23	Cadie Yiu	Discussion with S. Han re voluntary disclosure application. Updated voluntary disclosure application for client comments.	0.50
22/Nov/23	Sabina Han	Provided instructions to Cadie Yiu and emailed to Robert Harlang regarding revisions to voluntary disclosure application.	0.30
23/Nov/23	Cadie Yiu	Updated voluntary disclosure application and related forms for client comments. Prepared signature package. Circulated documents to S. Han.	1.00
23/Nov/23	Robin B Schwill	Emails regarding Saskin direction regarding UMI distributions; Telephone conversation with counsel to the Israeli Functionary regarding same; related emails;	0.40
Total Hours			6.10

KSV Restructuring Inc.
150 King Street West
Suite 2308
Toronto, ON M5H 1J9
Canada

Attention: Robert Kofman
Managing Director
bkofman@ksvadvisory.com

CC: Noah Goldstein
ngoldstein@ksvadvisory.com

Invoice #: 771426
Date: January 8, 2024
Client/Matter #: 126507.256201
GST/HST: 118882927 RT0001
Billing Lawyer: Robin Schwill
Email: rschwill@dwpv.com
Phone: 416.863.5502

Privileged & Confidential

For professional services rendered through December 31, 2023 in connection with UrbanCorp (Matter #: 256201)

Our Fee	6,636.50
Disbursements	39.58
HST ON (13%)	867.88
Total Due	Canadian Dollars (CAD)
	\$ 7,543.96

Payment Due Upon Receipt

Canadian Dollar Payment

Beneficiary Bank:	Canadian Imperial Bank of Commerce 199 Bay Street Commerce Court-Main Banking Centre Toronto, Ontario M5L 1G9 Canada	Account Name:	Davies Ward Phillips & Vineberg LLP
		Bank Institution #:	010
		SWIFT Code:	CIBCCATT
		Bank Transit #:	00002
		Bank Account #:	2909219
Beneficiary:	Davies Ward Phillips & Vineberg LLP 155 Wellington Street West Toronto, Ontario M5V 3J7 Canada	Clearing Code:	CC001000002

Payment remittances should be directed to AR@dwpv.com. Billing questions can be made out to Billing@dwpv.com.

Any fees and disbursements recorded after the above mentioned period will appear on subsequent statements. Invoices are due upon receipt. Interest will be charged on all amounts owing over 30 days. The interest rate is set at 12% per year.

Please see important terms of client service, including file retention and disposal policy, on our website, www.dwpv.com/serviceterms

Timekeeper Summary			
Timekeeper	Rate	Hours	Amount
Robin B. Schwill	1,350.00	3.40	4,590.00
Cadie Yiu	620.00	0.60	372.00
Sabina Han	985.00	1.70	1,674.50
Total		5.70	\$ 6,636.50

Time Detail			
Date	Timekeeper	Description	Hours
07/Dec/23	Sabina Han	Reviewed and updated voluntary disclosure application.	0.50
08/Dec/23	Sabina Han	Reviewed and revised voluntary disclosure application package and emailed to Robert Harlang.	0.80
09/Dec/23	Sabina Han	Emails with Robert Harlang regarding voluntary disclosure application.	0.20
11/Dec/23	Cadie Yiu	Emails re voluntary disclosure application.	0.20
11/Dec/23	Robin B Schwill	Reviewing DIG Developments plan in Israel; related emails;	1.00
11/Dec/23	Sabina Han	Discussion with Cadie Yiu regarding filing.	0.10
12/Dec/23	Robin B Schwill	Conference call with Bobby and Noah regarding DIG Development proposal in Israeli proceedings;	0.50
13/Dec/23	Cadie Yiu	Emails re filing of voluntary disclosure application.	0.10
18/Dec/23	Cadie Yiu	Updated voluntary disclosure application. Emails and tasks in connection with faxing AUT-01 forms to CRA.	0.30
18/Dec/23	Sabina Han	Emails with Cadie Yiu regarding separate filing of AUT-01 authorization forms.	0.10
19/Dec/23	Robin B Schwill	Conference call with Bobby, Noah and counsel to the Israeli Functionary regarding Saskin proposal in Israel; related emails;	0.60
27/Dec/23	Robin B Schwill	Reviewing and commenting on Saskin creditor plan in Israeli proceedings; related emails;	1.30
Total Hours			5.70

Disbursement Summary	
	Amount
Taxable	
Lasercopy	10.65
Courier	25.33
Scancopy	3.60
Total	\$ 39.58

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

Court File No. CV-16-11389-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
URBANCORP TORONTO MANAGEMENT INC., URBANCORP (ST. CLAIR VILLAGE) INC.,
URBANCORP (PATRICIA) INC., URBANCORP (MALLOW) INC., URBANCORP (LAWRENCE)
INC., URBANCORP DOWNSVIEW PARK DEVELOPMENTS INC., URBANCORP (952 QUEEN
WEST) INC., KING RESIDENTIAL INC., URBANCORP NEW KINGS INC., URBANCORP 60
ST. CLAIR INC., HIGH RES.INC., BRIDGE ON KING INC. (THE "APPLICANTS") AND THE
AFFILIATED ENTITIES LISTED IN SCHEDULE "A" HERETO

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

Proceeding commenced at Toronto

AFFIDAVIT OF ROBIN B. SCHWILL

DAVIES WARD PHILLIPS & VINEBERG LLP
155 WELLINGTON STREET WEST
TORONTO, ON M5V 3J

Robin B. Schwill (LSO #38452I)
Tel: 416.863.5502
Fax: 416.863.0871

Lawyers for the Monitor

Appendix “J”

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 TORONTO
MANAGEMENT INC., URBANCORP (ST. CLAIR VILLAGE)
INC., URBANCORP (PATRICIA) INC., URBANCORP
(MALLOW) INC., URBANCORP (LAWRENCE) INC.,
URBANCORP DOWNSVIEW PARK DEVELOPMENT INC.,
URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL
INC., URBANCORP 60 ST. CLAIR INC., HIGH RES. INC.,
BRIDGE ON KING INC. (Collectively the "Applicants") AND THE
AFFILIATED ENTITIES LISTED IN SCHEDULE "A" HERETO

FEE AFFIDAVIT OF EDMOND F.B. LAMEK
(sworn January 20, 2024)

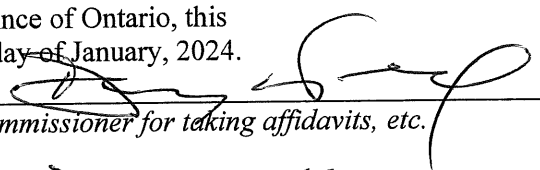
I, EDMOND F. B. LAMEK, of the City of Toronto, in the Province of Ontario, MAKE
OATH AND SAY:

1. I am a partner in the law firm of DLA Piper (Canada) LLP ("DLA"), the solicitors to the Applicants and entities listed in Schedule "A" to the Initial CCAA Order (the "**Urbancorp CCAA Entities**"). I have knowledge of the matters hereinafter deposed to.
2. Attached hereto as **Exhibit "A"** is a copy of the Statement of Account of DLA in respect of services rendered to the Urbancorp CCAA Entities during the period from September 1, 2023 to December 31, 2023 (the "**Billing Period**"). During the Billing Period, the total fees billed by DLA were \$6,497.50, plus disbursements in the amount of \$339 and applicable taxes in the amount of \$844.68.
3. As set out in the following table, 10.4 hours were billed by DLA personnel during the Billing Period, resulting in an average hourly rate of \$643.32 (exclusive of applicable taxes):


Lawyers/Clerks	Hours	Rate/Hr.
Danny Nunes	9.3	\$675
Tara Khatter	1.1	\$220
TOTAL	10.4	Avg. Rate/Hr: \$643.32

4. The activities detailed in the Statement of Account attached as Exhibit "A" accurately reflect the services provided by DLA and the rates charged are the standard hourly rates of those individuals at DLA at the time they were incurred.

5. I swear this affidavit in support of a motion for, *inter alia*, approval of the fees and disbursements of DLA set out above and for no other or improper purpose.


Sworn before me at the)
City of Toronto, in the)
Province of Ontario, this)
20th day of January, 2024.)
)
A Commissioner for taking affidavits, etc.)

DANNY NUNES



EDMOND F.B. LAMEK

This is Exhibit ^A referred to in the
affidavit of EDYOND LATEK
sworn before me, this 20
day of JANUARY 2024


A COMMISSIONER FOR TAKING AFFIDAVITS



DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King St W
Toronto ON M5X 1E2
www.dlapiper.com
T 416.365.3500
F 416.365.7886

Urbancorp CCAA Entities c/o KSV Advisory Inc.
Private and Confidential
150 King Street West
Suite 2308, Box 42
Toronto, ON M5H 1J9 Canada
Attention: Bobby Kofman/Noah Goldstein

Our File No: 038694-00001

Urbancorp Toronto Management Inc.
Re: CCAA Proceedings

Date: October 11, 2023
Invoice Number: 2229573

PROFESSIONAL SERVICES

For Professional Services rendered and/or disbursements advanced through September 30, 2023.

<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
09/01/23	Danny Nunes	Review correspondence from R. Schwill regarding stay extension motion;	0.10	67.50
09/06/23	Danny Nunes	Correspondence with commercial court regarding scheduling stay extension motion; correspondence with R. Schwill regarding same;	0.20	135.00
09/07/23	Danny Nunes	Correspondence with H. Krupat regarding lien claims;	0.20	135.00
09/07/23	Danny Nunes	Correspondence with commercial court regarding scheduling stay extension motion;	0.10	67.50
09/11/23	Danny Nunes	Correspondence regarding stay extension motion;	0.10	67.50
09/14/23	Danny Nunes	Correspondence with court regarding scheduling stay extension motion; correspondence to R. Schwill regarding same;	0.10	67.50
09/17/23	Danny Nunes	Review correspondence regarding scheduling stay extension motion;	0.10	67.50
09/18/23	Danny Nunes	Correspondence regarding scheduling stay extension motion; draft stay extension motion materials;	1.30	877.50
09/19/23	Danny Nunes	Correspondence to N. Goldstein regarding stay extension motion;	0.10	67.50
09/21/23	Danny Nunes	Correspondence with R. Schwill regarding	0.30	202.50



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
09/25/23	Danny Nunes	stay extension materials; revise same; Finalize and serve stay extension motion materials; correspondence with R. Schwill regarding same;	1.00	675.00
09/26/23	Danny Nunes	Draft factum for stay extension motion;	1.30	877.50
09/27/23	Danny Nunes	Finalize stay extension motion factum and serve same;	3.40	2,295.00
09/27/23	Tara Khatter	Updates to factum and finalizing of same; correspondence with D. Nunes re same; adding bookmarks and hyperlinks to motion record;	1.10	220.00
09/29/23	Danny Nunes	Review materials for stay extension motion; attend same; correspondence to service list regarding game;	1.00	675.00
Total Hours and Fees:			10.40	\$6,497.50

PROFESSIONAL SERVICES SUMMARY

<u>Professional</u>	<u>Rate</u>	<u>Hours</u>	<u>Amount</u>
Danny Nunes	675.00	9.30	6,277.50
Tara Khatter	200.00	1.10	220.00
Total Fees:			\$6,497.50

DISBURSEMENT SUMMARY

Disbursements

Non-Taxable Disbursements

<u>Description</u>	<u>Amount</u>
Filing Fees - Non Taxable	\$339.00
Non-Taxable Disbursements:	\$339.00

BILL SUMMARY

Total Fees:	\$	6,497.50
Total Disbursements:	\$	339.00
Total HST:	\$	844.68
Total Current Invoice Due:	CAD \$	7,681.18

REG # 110 152 824



Matter: 038694-00001
Invoice: 2229573
Page : 3

This is our account.

DLA Piper (Canada) LLP

Per:

A handwritten signature in black ink, appearing to read 'Edmond Lamek', written over a horizontal line.

Edmond Lamek

Please note that this account is payable on receipt. If not paid within 30 days from the invoice date, interest at the rate of prime plus 2% per annum will be charged from the invoice date.

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 TORONTO MANAGEMENT INC., URBANCORP (ST. CLAIR VILLAGE) INC., URBANCORP (PATRICIA) INC., URBANCORP (MALLOW) INC., URBANCORP (LAWRENCE) INC., URBANCORP DOWNSVIEW PARK DEVELOPMENT INC., URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL INC., URBANCORP 60 ST. CLAIR INC., HIGH RES. INC., BRIDGE ON KING INC. (Collectively the "Applicants") AND THE AFFILIATED ENTITIES LISTED IN SCHEDULE "A" HERETO

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

Proceedings commenced at Toronto

**AFFIDAVIT OF EDMOND F.B. LAMEK
(sworn January 20, 2024)**

DLA PIPER (CANADA) LLP
1 First Canadian Place, Suite 6000
100 King Street West
Toronto, ON M5X 1E2

Edmond F.B. Lamek (LSO #33338U)
Tel: 416.365.4444
Fax: 416.369.7945
Email: edmond.lamek@dlapiper.com

Danny M. Nunes (LSO #53802D)
Tel: 416.365.4444
Fax: 416.369.7945
Email: danny.nunes@dlapiper.com

Lawyers for the Urbancorp CCAA Entities