

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE
JUSTICE PATTILLO

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FRIDAY, THE 29TH
DAY OF OCTOBER, 2021

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondent

DISTRIBUTION ORDER

THIS MOTION, made by msi Spergel Inc. in its capacity as the Court-appointed receiver (the "Receiver") without security, of all of the assets, undertakings and properties of New Tecumseth Land Corporation (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at Toronto, Ontario, via Zoom videoconference during COVID-19 pandemic.

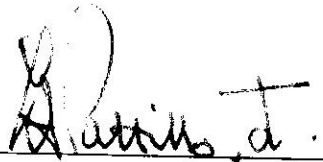
ON READING the Notice of Motion, the Third Report and appendices thereto, and on hearing the submissions of counsel or from "representatives" for those parties listed on the counsel slip, and no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Sherine Burke affirmed October 20, 2021, filed and upon being advised by counsel for the Receiver that all Investors and known unsecured creditors of the Debtor were delivered a copy of the Motion Record by email to last known email address of such Investor and unsecured creditor:

1. **THIS COURT ORDERS AND DECLARES** that any requirement for service of the Notice of Motion, the Third Report and Motion Record be and is hereby abridged, that the Motion is properly returnable today and that all parties requiring notice of this Motion have been duly served and that service on all parties is hereby validated and any further service is hereby dispensed with.
2. **THIS COURT ORDERS AND DIRECTS** that the conduct, activities and actions of the Receiver as set out in the Third Report be and are hereby authorized and approved.
3. **THIS COURT ORDERS AND DIRECTS** that the Receiver's Statement of Receipts and Disbursements, as detailed in the Third Report, are hereby approved.
4. **THIS COURT ORDERS** that the Receiver's Fees and its Counsel Fees, as detailed in the Third Report, are hereby approved and the Receiver is authorised to pay the same.
5. **THIS COURT ORDERS** that after payment of the Receiver's Fees and its Counsel Fees herein approved and subject to the Receiver maintaining sufficient reserves ("Reserves") to satisfy all charges as set out in the Appointment Order and as the Receiver deems necessary to complete the administration of the Receivership proceedings, the Receiver is hereby authorized to make a distribution as follows:
 - (a) Firstly, payment to the second in priority creditor, P.D.R. Investments Limited in the amount of \$995,570.11;
 - (b) Secondly, payment to the unsecured creditors of the Debtor as follows:
 - i. \$141,250.00 to the law firm of Parente Borean (attention Don Parente);
 - ii. \$39,550.00 to the law firm of Lawrence, Lawrence, Stevenson LLP;
 - iii. \$39,550.00 to the law firm of Teplitsky, Colson LLP;
 - iv. \$60,000.00 to R.D.M. Financial Ltd.;
 - v. \$18,113.58 to SCS Consulting Group Ltd.; and
 - vi. \$3,352.99 to Wildeboer Dellelce LLP;

- (c) Thirdly, payment to the Promissory Note Holders, on a pro-rated basis, of the remaining cash proceeds from the Sale Agreement, with each Promissory Note Holder receiving that percentage of the remaining cash that the subject Promissory Note Holder's Indebtedness is of the Total Promissory Note Holder Indebtedness as defined in the Third Report;
- (d) Fourthly, directing Emergia Inc., subject to applicable securities law, to issue and to deliver to each Promissory Note Holder the number of shares of Emergia Inc. required to fully pay the balance of the subject "Promissory Note Holder's Indebtedness", after crediting the aforesaid cash payment delivered pursuant to paragraph 5(c) hereof. The number of Emergia shares to be delivered to each Promissory Note Holder, as aforesaid, will be calculated on the basis that each Emergia share has a stipulated deemed value of \$1.00;
- (e) Fifthly, directing Emergia Inc., subject to applicable securities law, to issue the Stakeholder Shares, as defined in the Third Report, to the Investors, respectively, on a pro-rated basis, in accordance with the Investor's "percentage ownership" as referenced in paragraph 1.0.19 (g) of the Third Report;
- (f) Sixthly, subject to applicable securities law and the rights of Emergia Inc. as detailed in the Fifth Addendum to the Sale Agreement, deliver the Receiver's Shares as defined in the Third Report or if applicable, the proceeds of sale of such Receiver's Shares to the Investors, respectively, on a pro-rated basis in accordance with the Investor's "percentage ownership" as referenced in paragraph 1.0.19(g) of the Third Report;

such distribution is in full and final satisfaction of the indebtedness and liabilities of the Debtor to the aforesaid parties and in full and final satisfaction of the Investors' interest in the Debtor.

6. **THIS COURT ORDERS** that the total number of Emergia shares to be issued by Emergia Inc. as contemplated in paragraphs 5(d) and 5(e) of this Order is 4,500,000 Emergia shares ("Stakeholder Shares") and the total number of "Receiver's Shares" referenced in paragraph 5(f) of this Order is 300,000 Emergia shares.



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Court File No. CV-20-639679-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial Court)

PROCEEDINGS COMMENCED AT TORONTO

DISTRIBUTION ORDER

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