ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and -

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU AND SHUYAN XU

Defendants

MOTION RECORD OF THE RECEIVER

Returnable March 23, 2022

March 14, 2022

HARRISON PENSA LLP

Barristers & Solicitors 450 Talbot Street London, ON N6A 5J6

Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)

Tel: (519) 679-9660 Fax: (519) 667-3362

thogan@harrisonpensa.com rdanter@harrisonpensa.com

Lawyers for the Receiver, msi Spergel inc.

TO: Service List

SERVICE LIST

BY EMAIL

TO: Minden Gross LLP

Barristers & Solicitors 2200-145 King Street West Toronto, Ontario M5H 4G2

Attention: Rachel Moses (LSO #42081V)

Tel: (416) 369-4115 Fax: (416) 864-9223

Email: rmoses@mindengross.com

Lawyers for the Plaintiff, Royal Bank of Canada

AND

TO: msi Spergel inc.

505 Consumers Road., Suite 200 Toronto, ON M2J 4V8

Attention: Mukul Manchanda

Tel: (416) 498-4314 Fax: (416) 498-4314

Email: mmanchanda@spergel.ca

Receiver

AND

TO: Highyon Assets Corp.

350 Highway 7 East, Suite 310 Richmond Hill, ON L4B 3N2

Email: roger.pu@highyon.com and xushuyan@hotmail.com

Defendant

AND

TO: Highyon Realty Inc.

350 Highway 7 East, Suite 310 Richmond Hill, ON L4B 3N2 Email: roger.pu@highyon.com

Defendant

AND

TO: Bing Pu

350 Highway 7 East, Suite 310 Richmond Hill, ON L4B 3N2

18 Country Heights Drive Richmond Hill, ON L4E 3M8

Email: roger.pu@highyon.com

Representative of Highyon Assets Corp. and Highyon Realty Inc.

AND

TO: Shuyan Xu

18 Country Heights Drive Richmond Hill, ON L4E 3M8 Email: xushuyan@hotmail.com

Representative of Highyon Assets Corp.

AND

TO: Weng Law Firm

2347 Kennedy Rd., Unit 401 Toronto, ON M1T 3T8

Attention: Scott Weng (LSO #74860A)

Tel: 416-640-2000 Fax: 416-640-5213

Email: scott@wenglawfirm.ca

Lawyers for the Purchaser, 1000002868 Ontario Corporation

AND

TO: Henry K. Hui & Associates

Barristers & Solicitors 350 Highway #7 East, Suite 301 Richmond Hill, Ontario L4B 3N2

Attention: Henry K. Hui (LSO #14818C)

Tel: 905-881-7722 Fax: 905-881-1222

Email: henryhui@hkhlawyers.com

Lawyers for the second mortgage holder, Margaret Hui and for the third mortgage holder, Roger Lam

Noger Lan

AND

TO: Zhao Law Professional Corporation

150 Consumers Road, Suite 402 Toronto, ON M2J 1P9

Attention: Dong Shan Zhao

Tel: 416-491-8688 Fax: 416-491-8806

Email: zhaolawoffice@gmail.com

Lawyers for the fourth mortgage holder, Guohui Liang

TO: Canada Revenue Agency

c/o Department of Justice Ontario Regional Office The Exchange Tower, Box 36 130 King Street West, Suite 3400 Toronto, ON M5X 1K6

Attention: Diane Winters

Tel: (416) 952-8563

Email: diane.winters@justice.gc.ca

AND

TO: Her Majesty the Queen in Right of Ontario

as represented by Ministry of Finance Legal Services Branch 33 King Street West, 6th Floor Oshawa, ON L1H 8E9

Tel: (905) 433-6934 Fax: (905) 436-4510

Email: insolvency.unit@ontario.ca

AND

TO: City of Richmond Hill

Tax Department Revenue Services/Corporate & Financial Services 225 East Beaver Creek Richmond Hill, ON L4B 3P4

Tel: 905-771-2495

Email: revenue@richmondhill.ca

BY COURIER

TO: **Highyon Assets Corp.**

350 Highway 7 East, Suite 310 Richmond Hill, ON L4B 3N2

18 Country Heights Drive Richmond Hill, ON L4E 3M8

Defendant

AND

TO: Highyon Realty Inc.

350 Highway 7 East, Suite 310 Richmond Hill, ON L4B 3N2

Defendant

AND

TO: Bing Pu

350 Highway 7 East, Suite 310 Richmond Hill, ON L4B 3N2

18 Country Heights Drive Richmond Hill, ON L4E 3M8

Representative of Highyon Assets Corp. and Highyon Realty Inc.

AND

TO: Shuyan Xu

18 Country Heights Drive Richmond Hill, ON L4E 3M8

Representative of Highyon Assets Corp.

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Tab 1

ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and -

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU AND SHUYAN XU

Defendants

NOTICE OF MOTION (returnable March 23, 2022)

msi Spergel inc. ("**Spergel**") in its capacity as Court-appointed receiver (the "**Receiver**") appointed pursuant to the Order of the Honourable Justice Gilmore dated October 16, 2020 (the "**Appointment Order**") of the Property, as defined in the Appointment Order, will make a Motion to a Judge as soon as the Motion can be read.

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	PROPOSED METHOD OF HEAR	KING: The Motion is to be beard

☐ In writing under subrule 37.12.1 (1) because it is on consent;
☐ In writing as an opposed motion under subrule 37.12.1 (4);
□ In person;
☐ By telephone conference;
☑ By video conference.
at the following location:

https://harrisonpensa.zoom.us/j/82153416943?pwd=T2c2bTFuMVlqd2cyNzh2aDNmdUc5dz09

Meeting ID: 821 5341 6943

Passcode: Conway1!

On March 23, 2022 at 10:30 a.m., or as soon after that time as the Motion can be heard by judicial teleconference via Zoom at Toronto, Ontario.

THE MOTION IS FOR:

- 1. An Approval and Vesting Order, substantially in the form attached hereto at Schedule "A", *inter alia*, approving the transaction (the "Transaction") contemplated by the Agreement of Purchase and Sale between the Purchaser named therein (the "Purchaser") and the Receiver dated February 28, 2022 and appended to the First Report as Confidential Appendix "5" (the "Sale Agreement") for the sale of the real property known municipally as Suites 302 & 310, 350 Highway 7 East, Richmond Hill, ON, (the "Real Property") and owned by the Defendant, Highyon Assets Corp. (the "Debtor"), and vesting all of the right, title and interest in and to the Real Property of the Debtor absolutely in the Purchaser free and clear of and from any any security, charge or other restriction other than Permitted Encumbrances (as defined in the Approval and Vesting Order);
- 2. An Ancillary Order (Distribution and Discharge), substantially in the form attached hereto at Schedule "B", *inter alia*:
 - a. That the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable today and hereby dispenses with further service and confirmation hereof;
 - Approving the Receiver's First Report to the Court dated March 14, 2022 (the "First Report") and the activities and conduct of the Receiver as detailed therein:
 - Sealing the Confidential Appendices to the First Report until the completion of the sale of the Real Property, or until a further order of this Court;
 - d. That the Statement of Receipts and Disbursements as detailed in the First Report be approved; and,
 - e. That the Professional Fees (as defined and detailed in the First Report), and payment of same, be approved;
 - f. The release and discharge of the Receiver following completion of the Transaction; and,

3. Such further and other relief as counsel may request and this honourable court may permit.

THE GROUNDS FOR THE MOTION ARE:

The Debtor and the Appointment of the Receiver

- Pursuant to the Appointment Order, Spergel was appointed Receiver of the Real Property.
- The Plaintiff (hereinafter "RBC") is a secured creditor of the Debtor, and the Debtor was indebted to RBC in the sum of \$839,537.61 as at October 2, 2020 (the "Indebtedness").
- 3. As security for the Indebtedness, RBC requested and was granted certain security, including, but not limited to:
 - a. a first charge/mortgage in the principal sum of \$900,000 receipted as instrument no. YR2840572 on June 22, 2018 over the Real Property (the "Mortgage").

Real Property

- 4. The Real Property is a commercial property located in the City of Richmond Hill, Ontario, owned by the Debtor. The Debtor was a party to certain short-term month to month leases for temporary office space at the Real Property. Presently four (4) active tenants remain at the Real Property.
- In addition to the Mortgage, the following charges are also registered on title over the Real Property:
 - a. a second charge/mortgage in the principal sum of \$150,000 receipted as instrument no. YR2904645 on December 3, 2018 in favour of Margaret Hui;
 - a third charge/mortgage in the principal sum of \$200,00 receipted as instrument no. YR3052188 on January 2, 2020 in favour of Roger Lam; and.
 - c. a fourth charge/mortgage in the principal sum of \$2,800,000 receipted as instrument no. YR3117703 on July 10, 2020 in favour of Guohui Liang.

- 6. The Receiver took possession of the Real Property on October 16, 2020.
- 7. Upon taking possession of the Real Property, the Receiver undertook the following activities:
 - a. contacted the management and owners to obtain the books and records of the Debtor;
 - b. prepared and filed all statutory notices in accordance with the Bankruptcy and Insolvency Act ("BIA");
 - arranged for insurance coverage and security in respect of the Real Property;
 - d. notified the commercial tenants of the appointment of the Receiver; and,
 - e. retained Lockit Security to assist the Receiver with management and safeguarding of the Real Property.

The Sales Process and the Transaction

- 8. In November 2020, the Receiver did obtain two independent appraisals of the Real Property (the "Appraisals"), and, following a review of listing proposals submitted by prospective agents, ultimately chose to list the Real Property with Colliers International ("Colliers").
- 9. Pursuant to the recommendation of Colliers, the Receiver listed the Real Property on February 23, 2021, for \$1,100,000.
- 10. Colliers performed the activities as detailed in the Sale Process with Respect to the Real Property in the First Report, in order to market the Real Property for sale (the "Sales Process"), including:
 - a. Listed the Real Property on the market under the Multiple Listing Services (MLS) system in the Richmond Hill area;
 - b. Prepared sales and marketing materials that were accessible online to prospective purchasers;

- Targeted prospective purchasers that might have an interest in the Real Property and emailed sales and marketing materials to a comprehensive list of buyers; and,
- d. Distributed marketing materials to commercial real estate agents.
- 11. As only minimal interest was shown in the Real Property, the Receiver, at the recommendation of Colliers, agreed to the following list price reductions in order to attract potential purchasers:
 - a. On April 22, 2021, reduction from \$1,100,000 to \$999,000;
 - b. On June 28, 2021, reduction from \$999,000 to \$860,000;
 - c. On November 4, 2021, reduction from \$860,000 to \$838,838; and,
 - d. On February 16, 2022, reduction from \$838,838 to \$799,999.
- 12. The Receiver received an offer to purchase the Real Property on February 21, 2022 from 1000002868 Ontario Corporation (the "**Purchaser**").
- 13. After negotiations, on or about February 28, 2022, the Receiver, in consultation with Colliers, and as approved by RBC, accepted the Purchaser's offer to purchase the Real Property, subject to the approval of this Honourable Court.

Sale Agreement

- 14. There are no financing conditions in the Sale Agreement, which was completed on a cash-in-hand basis.
- 15. The closing date of the Transaction as contemplated in the Sale Agreement is ten (10) business days following the date that the Receiver obtains the Approval and Vesting Order sought herein, if approved by this Honourable Court, and the issuance of the Approval and Vesting Order forms a condition precedent to the Transaction.
- 16. Other material terms of the Sale Agreement include:
 - a. That the purchased assets under the Sale Agreement consist of all of the Debtor's rights, title and interest in the Real Property; and,

b. That the Transaction is on an "as is, where is" basis in relation to the Real Property.

Sale Transaction

- 17. It is the Receiver's position that the Sale Agreement represents a commercially reasonable transaction which will maximize the recovery from the sale of the Real Property.
- 18. The Receiver states that it, with Colliers, conducted an extensive marketing process for the sale of the Real Property, which widely exposed this property to the public. It is the Receiver's position that the offers received accurately represent the value and appeal of the Real Property on the open market.
- 19. RBC supports the Transaction.
- 20. The Purchaser's offer was the highest and best offer received by the Receiver in relation to the Real Property, and followed a thorough, impartial and fair sales process that fully tested the market.

Sealing Order

21. Until such time as the Transaction is completed, or until further order of this Court, the Receiver is of the view that the information and documentation contained in the Confidential Appendices should be sealed in order to avoid the negative impact that the dissemination of the confidential information contained therein would have, should the Transaction fail to close.

Approval of Receiver's Accounts

- 22. The Appointment Order requires the Receiver and its legal counsel to pass its accounts from time to time.
- 23. The Receiver has properly incurred fees and disbursements as detailed in the First Report.
- 24. The fees incurred by the Receiver for services provided by its legal counsel, Harrison Pensa LLP are detailed in the First Report.

- 25. The Receiver seeks the approval of the Professional Fees, and payment of same, as defined in the First Report.
- 26. Section 243 of the BIA.
- 27. Sections 100 and 137(2) of the Courts of Justice Act.
- 28. Rules 2, 3, 37, 38, and 60.10 of the Rules of Civil Procedure.
- 29. The grounds as detailed in the First Report.
- 30. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- 1. The Appointment Order;
- 2. The First Report of the Receiver and the Appendices thereto; and,
- 3. Such materials as counsel may advise and this Honourable Court may permit.

March 14, 2022

HARRISON PENSA LLP Barristers & Solicitors 450 Talbot St.

London, ON N6A 4K3

Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)

Tel: 519-679-9660 Fax: 519-667-3362

Email: thogan@harrisonpensa.com rdanter@harrisonpensa.com

Solicitors for the Receiver,

msi Spergel inc.

To: Service List

SCHEDULE "A"

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE)	WEDNESDAY, THE 23rd
)	
JUSTICE CONWAY)	DAY OF MARCH, 2022

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and -

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU

Defendants

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Highyon Assets Corp. (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and 1000002868 Ontario Corporation (the "Purchaser") dated February 25, 2022 and appended to the Report of the Receiver dated March 14, 2022 (the "Report"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Lands"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of Lindsay Ferguson sworn March 14, 2022, filed:

- 1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Lands to the Purchaser.
- 2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Lands described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Gilmore dated October 16, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property* Security Act (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Lands are hereby expunged and discharged as against the Lands.
- 3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of the Region of York an Application for Vesting Order, in the form prescribed by the *Land Titles Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject Lands identified in Schedule B in fee simple, and is hereby directed to delete and expunge from title to the Lands all of the Claims listed in Schedule C hereto.
- 4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Lands shall stand in the place and stead of the Lands, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances

shall attach to the net proceeds from the sale of the Lands with the same priority as they had with respect to the Lands immediately prior to the sale, as if the Lands had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

- 5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.
- 6. THIS COURT ORDERS that, notwithstanding:
 - (a) the pendency of these proceedings;
 - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made in respect of the Debtor;

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

7. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Justice, Ontario Superior Court of Justice Commercial List

Schedule A – Form of Receiver's Certificate

Court File No. CV-20-00648781-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and –

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU

Defendants

RECEIVER'S CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Honourable Madam Justice Gilmore of the Ontario Superior Court of Justice (the "Court") dated October 16, 2020, msi Spergel inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Highyon Assets Corp. (the "Debtor").
- B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of February 25, 2022 (the "Sale Agreement") between the Receiver and 1000002868 Ontario Corporation (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Lands, which vesting is to be effective with respect to the Lands upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Lands; (ii) that the conditions to Closing as set out in sections 11 and 12 of the Sale Agreement have been satisfied or waived by

the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

- 1. The Purchaser has paid and the Receiver has received the Purchase Price for Lands payable on the Closing Date pursuant to the Sale Agreement;
- 2. The conditions to Closing as set out in sections 11 and 12 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
- 3. The Transaction has been completed to the satisfaction of the Receiver.
- 4. This Certificate was delivered by the Receiver at [TIME] on [DATE].

MSI SPERGEL INC., in its capacity as Receiver of the undertaking, property and assets of HIGHYON ASSETS CORP., and not in its personal capacity

Per:			
	Name:		
	Title		

Schedule B – Lands

350 Highway 7 Avenue East, Suite 302, Richmond Hill ON L4B 3N2

PIN 29302-0093

Unit 18, Level 3, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

350 Highway 7 Avenue East, Suite 310, Richmond Hill ON L4B 3N2

PIN 29302-0094

Unit 19, Level 3, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

Parking

PIN 29302-0326

Unit 186, Level A, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

PIN 29302-0327

Unit 187, Level A, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

Schedule C – Claims to be deleted and expunged from title to Lands

350 Highway 7 Avenue East, Suite 302, Richmond Hill ON L4B 3N2

PIN 29302-0093

YR2100855 (February 28, 2014) – Transfer

YR2840572 (June 22, 2018) – Charge

YR2904645 (December 3, 2018) – Charge

YR3052188 (January 2, 2020) - Charge

YR3117703 (July 10, 2020) - Charge

YR3157858 (October 21, 2020) – Application to Register Court Order

350 Highway 7 Avenue East, Suite 310, Richmond Hill ON L4B 3N2

PIN 29302-0094

YR1640019 (April 29, 2011) – Transfer

YR2840572 (June 22, 2018) - Charge

YR2904645 (December 3, 2018) – Charge

YR3052188 (January 2, 2020) – Charge

YR3117703 (July 10, 2020) - Charge

YR3157858 (October 21, 2020) – Application to Register Court Order

Parking

PIN 29302-0326

YR2100855 (February 28, 2014) – Transfer

YR2840572 (June 22, 2018) – Charge

YR2904645 (December 3, 2018) - Charge

YR3052188 (January 2, 2020) – Charge

YR3117703 (July 10, 2020) – Charge

YR3157858 (October 21, 2020) – Application to Register Court Order

PIN 29302-0327

YR2100855 (February 28, 2014) – Transfer

YR2840572 (June 22, 2018) - Charge

YR2904645 (December 3, 2018) – Charge

YR3052188 (January 2, 2020) - Charge

YR3117703 (July 10, 2020) - Charge

YR3157858 (October 21, 2020) - Application to Register Court Order

Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants related to the Lands

(unaffected by the Vesting Order)

350 Highway 7 Avenue East, Suite 302, Richmond Hill ON L4B 3N2

PIN 29302-0093

R488826 (November 15, 1988) – Airport Zoning Regulations

R505310 (April 26, 1989) – Agreement

R510516 (June 7, 1989) - Agreement

R542751 (May 17, 1990) – Joint Licensing Agreement

LT712904 (November 21, 1990) – Declaration

LT718291 (December 7, 1990) – Bylaw #1

LT718292 (December 7, 1990) – Bylaw #2

LT718293 (December 7, 1990) – Bylaw #3

LT719295 (December 10, 1990) - Bylaw #4

LT720186 (December 12, 1990) – Amendment to Declaration

LT722320 (December 18, 1990) – Bylaw #5

65R15192 (May 13, 1991) – Reference Plan

LT876092 (November 3, 1992) – Special Bylaw #6

LT929391 (August 16, 1993) – Bylaw #7

LT941283 (October 22, 1993) – Special Bylaw #7

LT968662 (April 11, 1994) – Special Bylaw #9

LT1059097 (September 12, 1995) - Special Bylaw #7

LT1293064 (August 20, 1998) – Notice of Change of Address

LT1507736 (July 31, 2000) – Notice of Change of Address

YR1089753 (November 20, 2007) – Bylaw #6

65R31704 (June 12, 2009) – Reference Plan

YR1373973 (September 14, 2009) – Plan Expropriation

YR1564335 (October 21, 2010) – Application to Register Court Order

350 Highway 7 Avenue East, Suite 310, Richmond Hill ON L4B 3N2

PIN 29302-0094

R48826 (November 15, 1988) – Airport Zoning Regulations

R505310 (April 26, 1989) - Agreement

R510516 (June 7, 1989) - Agreement

R542751 (May 17, 1990) – Joint Licensing Agreement

LT712904 (November 21, 1990) - Declaration

LT718291 (December 7, 1990) – Bylaw #1

LT718292 (December 7, 1990) – Bylaw #2

LT718293 (December 7, 1990) – Bylaw #3

LT719295 (December 10, 1990) - Bylaw #4

LT720186 (December 12, 1990) – Amendment to Declaration

LT722320 (December 18, 1990) – Bylaw #5

65R15192 (May 13, 1991) – Reference Plan

LT876092 (November 3, 1992) – Special Bylaw #6

LT929391 (August 16, 1993) – Bylaw #7

LT941283 (October 22, 1993) – Special Bylaw #7

LT968662 (April 11, 1994) – Special Bylaw #9

LT1059097 (September 12, 1995) – Special Bylaw #7

LT1293064 (August 20, 1998) – Notice of Change of Address

LT1507736 (July 31, 2000) – Notice of Change of Address

YR1089753 (November 20, 2007) – Bylaw #6

65R31704 (June 12, 2009) - Reference Plan

YR1373973 (September 14, 2009) – Plan Expropriation

YR1564335 (October 21, 2010) – Application to Register Court Order

Parking

PIN 29302-0326

R48826 (November 15, 1988) – Airport Zoning Regulations

R505310 (April 26, 1989) – Agreement

R510516 (June 7, 1989) - Agreement

R542751 (May 17, 1990) – Joint Licensing Agreement

LT712904 (November 21, 1990) – Declaration

LT718291 (December 7, 1990) - Bylaw #1

LT718292 (December 7, 1990) – Bylaw #2

LT718293 (December 7, 1990) – Bylaw #3

LT719295 (December 10, 1990) – Bylaw #4

LT720186 (December 12, 1990) – Amendment to Declaration

LT722320 (December 18, 1990) – Bylaw #5

65R15192 (May 13, 1991) – Reference Plan

LT876092 (November 3, 1992) – Special Bylaw #6

LT929391 (August 16, 1993) – Bylaw #7

LT941283 (October 22, 1993) – Special Bylaw #7

LT968662 (April 11, 1994) – Special Bylaw #9

LT1059097 (September 12, 1995) – Special Bylaw #7

LT1293064 (August 20, 1998) – Notice of Change of Address

LT1507736 (July 31, 2000) – Notice of Change of Address

YR1089753 (November 20, 2007) – Bylaw #6

65R31704 (June 12, 2009) – Reference Plan

YR1373973 (September 14, 2009) – Plan Expropriation

YR1564335 (October 21, 2010) – Application to Register Court Order

PIN 29302-0327

R48826 (November 15, 1988) – Airport Zoning Regulations

R505310 (April 26, 1989) – Agreement

R510516 (June 7, 1989) - Agreement

R542751 (May 17, 1990) – Joint Licensing Agreement

LT712904 (November 21, 1990) – Declaration

LT718291 (December 7, 1990) – Bylaw #1

LT718292 (December 7, 1990) – Bylaw #2

LT718293 (December 7, 1990) – Bylaw #3

LT719295 (December 10, 1990) - Bylaw #4

LT720186 (December 12, 1990) – Amendment to Declaration

LT722320 (December 18, 1990) – Bylaw #5

65R15192 (May 13, 1991) – Reference Plan

LT876092 (November 3, 1992) – Special Bylaw #6

LT929391 (August 16, 1993) - Bylaw #7

LT941283 (October 22, 1993) – Special Bylaw #7

LT968662 (April 11, 1994) - Special Bylaw #9

LT1059097 (September 12, 1995) – Special Bylaw #7

LT1293064 (August 20, 1998) – Notice of Change of Address

LT1507736 (July 31, 2000) – Notice of Change of Address

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65R31704 (June 12, 2009) – Reference Plan

YR1373973 (September 14, 2009) – Plan Expropriation

YR1564335 (October 21, 2010) – Application to Register Court Order

HIGHYON ASSETS CORP., et al.	Defendants Court File No. CV-20-00648781-00CL	ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST PROCEEDING COMMENCED AT TORONTO	APPROVAL AND VESTING ORDER	HARRISON PENSA LLP Barristers & Solicitors 450 Talbot Street London, ON N6A 5J6	Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)	Tel: (519) 661-6725 Fax: (519) 667-3362 Email: <u>thogan@harrisonpensa.com</u> <u>rdanter@harrisonpensa.com</u>
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ROYAL BANK OF CANADA	Plaintiff					

Lawyers for the Receiver, msi Spergel inc.

SCHEDULE "B"

ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

THE HONOURABLE)	WEDNESDAY, THE 23 rd
)	
JUSTICE CONWAY)	DAY OF MARCH, 2022

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and -

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU

Defendants

DISCHARGE and ANCILLARY ORDER

THIS MOTION, made by msi Spergel inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Highyon Assets Corp. (the "Debtor"), appointed pursuant to the Order of the Honourable Madam Justice Gilmore dated October 16, 2020, for an order:

- 1. That the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable today, and dispensing with further service and confirmation hereof;
- 2. Approving the Receiver's First Report to the Court dated March 14, 2022 (the "Report") and the activities and conduct of the Receiver as detailed therein;
- 3. Sealing the Confidential Appendices to the Report (the "Confidential Appendices") until the completion of the Transaction (as defined in the Report), or until further Order of this Court;

- 4. Approving the Receiver's Statement of Receipts and Disbursements as detailed in the First Report (the "Statement of Receipts and Disbursements");
- 5. Approving the fees of the Receiver and its counsel, Harrison Pensa LLP, and payment of same, as detailed in the First Report (collectively, the "Professional Fees");
- 6. An Order that, after payment of the Professional Fees herein approved, and following the completion of the Transaction, the Receiver is hereby authorized to make such distributions as are recommended in the Report;
- 7. Discharging the Receiver as Receiver of the Property (as defined in the Appointment Order) of the Debtor, on completion of the Transaction, and the issuance of the Receiver's discharge certificate attesting to the completion of the Receiver's administration as concerns the Debtor, and releasing the Receiver from liability for its actions while acting in such capacity, save and except for the Receiver's gross negligence or willful misconduct, and barring all claims against msi Spergel inc. in connection with the within estate upon its discharge as Receiver;

was heard this day by judicial video conference via Zoom, at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion dated March 14, 2022, the Report including the Confidential Appendices, the affidavits of the Receiver and its counsel as to fees (the "Fee Affidavits"), and on hearing the submissions of counsel for the Receiver, no one else appearing although properly served as evidenced by the Affidavit of [NAME] sworn [DATE], filed;

- 1. THIS COURT ORDERS that that the time for service, filing and confirmation of the Notice of Motion and the Motion Record be and is abridged so that this motion is properly returnable today and hereby dispenses with further service and confirmation hereof.
- 2. THIS COURT ORDERS that the Report, and the activities and conduct of the Receiver as detailed therein, be and are approved.
- 3. THIS COURT ORDERS that the Confidential Appendices be and are sealed until the completion of the Transaction, or until further Order of this Court.

- 4. THIS COURT ORDERS that the Statement of Receipts and Disbursements be and are approved.
- 5. THIS COURT ORDERS that the Professional Fees, including the Fee Accrual, as set out in the Report and the Fee Affidavits, be and are approved.
- 6. THIS COURT ORDERS that, after payment of the Professional Fees herein approved, and following the completion of the Transaction, the Receiver be and is authorized to make such distributions as are recommended in the Report.
- 7. THIS COURT ORDERS that, on completion of the Transaction, and upon the Receiver filing a certificate certifying that it has completed the other activities described in the Report, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of msi Spergel inc. in its capacity as Receiver.
- 8. THIS COURT ORDERS AND DECLARES that msi Spergel inc. is hereby released and discharged from any and all liability that msi Spergel inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of msi Spergel inc. while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, msi Spergel inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

Justice, Ontario Superior Court of Justice (Commercial List)

HIGHYON ASSETS CORP., et al.	Defendants Court File No. CV-20-00648781-00CL	ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	PROCEEDING COMMENCED AT TORONTO	ANCILLARY ORDER (DISTRIBUTION AND DISCHARGE)	HARRISON PENSA LLP	Barristers & Solicitors 450 Talbot Street London, ON N6A 5J6	Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)	Tel: (519) 661-6725 Fax: (519) 667-3362 Email: <u>thogan@harrisonpensa.com</u> <u>rdanter@harrisonpensa.com</u>	Lawyers for the Receiver, msi Spergel inc.
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ROYAL BANK OF CANADA	Plaintiff								

HIGHYON ASSETS CORP., et al.	Defendants Court File No. CV-20-00648781-00CL	ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST PROCEEDING COMMENCED AT TORONTO	NOTICE OF MOTION	HARRISON PENSA LLP Barristers & Solicitors 450 Talbot Street London, ON N6A 5J6	Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)	Tel: (519) 661-6725 Fax: (519) 667-3362 Email: thogan@harrisonpensa.com rdanter@harrisonpensa.com
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ROYAL BANK OF CANADA	Plaintiff					

Lawyers for the Receiver, msi Spergel inc.

Tab 2

Court File No. CV-20-00648781-00CL

ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)

BETWEEN:

ROYAL BANK OF CANADA

Applicant

-and-

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU AND SHUYAN XU

Defendants

FIRST REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER
OF HIGHYON ASSETS CORP.

March 14, 2022

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APPENDICES

- 1. The Receivership Order
- 2. Copies of the leases
- 3. Correspondence from CRA regarding Payroll Source Deductions and HST
- 4. The Listing Agreement for the Real Property
- 5. Colliers Marketing Report
- 6. Redacted 2868 Offer/Sale Agreement
- 7. Parcel Abstract for the Real Property dated March 10, 2022
- 8. Personal Property Security Act search against Highyon
- 9. Fee Affidavit of Mukul Manchanda, sworn March 11, 2022
- 10. Fee Affidavit of Thomas Masterson, sworn March 11, 2022
- 11. Interim Statement of Receipts and Disbursements as at March 10, 2022
- 12. The Security Opinion

Confidential Appendices

- 1. The Cushman Appraisal
- 2. The Wagner Appraisal
- 3. The Summary of the Offers and Appraisals of the Real Property
- 4. Copies of marketing proposals obtained from Intercity and Colliers
- 5. The Sale Agreement

I. <u>APPOINTMENT AND BACKGROUND</u>

- 1. This first report (this "First Report") is filed by msi Spergel inc. ("Spergel") in its capacity as the Court-appointed receiver (in such capacity, the "Receiver") of the assets, undertakings and properties of Highyon Assets Corp. ("Highyon" or the "Company").
- 2. Highyon is a private Ontario corporation with a registered office at 350 Highway 7 East, Suite 300, Richmond Hill Ontario. Highyon is the owner of the real property located at Suites 302 & 310, 350 Highway 7 East, Richmond Hill, ON and legally described as:
 - a. UNIT 18, LEVEL 3, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973; TOWN OF RICHMOND HILL (PIN 29302 0093 LT);
 - b. UNIT 19, LEVEL 3, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; RICHMOND HILL; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973 (PIN 29302 0094 LT);
 - c. UNIT 186, LEVEL A, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; RICHMOND HILL; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973 (PIN 29302 0326 LT);
 - d. UNIT 187, LEVEL A, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; RICHMOND HILL; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973 (PIN 29302 0327 LT).

(the "Real Property").

- 3. The Real Property is located in an office building and consists of 14 private offices, a boardroom, a reception area, kitchenette and two underground parking spaces.
- 4. Spergel was appointed as the Receiver of all the assets, undertakings and properties of Highyon, including the Real Property (collectively, the "Property") by Order of the Honourable Madam Justice Gilmore of the Ontario Superior Court of

Justice (Commercial List) (the "Court") made October 16, 2020 (the "Receivership Order"). The Receivership Order was made upon the application of Highyon's general secured creditor, Royal Bank of Canada ("RBC"). Attached as Appendix "1" to this First Report is a copy of the Receivership Order.

5. The Receiver retained Harrison Pensa LLP as its independent counsel (the "Receiver's Counsel").

II. PURPOSE OF THIS FIRST REPORT AND DISCLAIMER

- 6. The purpose of this First Report is to advise the Court as to the steps taken by the Receiver in these proceedings and to seek Orders from this Court:
 - a) approving this First Report and the actions of the Receiver described herein, including without limitation, the Receiver's interim statement of receipts and disbursements as at March 10, 2022;
 - approving the sale transaction contemplated by the agreement of purchase and sale dated February 28, 2022 between the Receiver, as vendor, and 1000002868 Ontario Corporation (the "Purchaser" or "2868 Ontario Corp"), as purchaser, (the "Sale Agreement") with respect to the Real Property and authorizing the Receiver to complete the transaction contemplated thereby (the "Transaction");
 - c) vesting in the Purchaser, Highyon's right, title and interest in and to the Real Property free and clear of any claims and encumbrances save and except for "Permitted Encumbrances";
 - d) sealing the Confidential Appendices (as defined herein) to this First Report until the earlier of the completion of the Transaction or further Order of this Court;
 - e) approving the fees and disbursements of the Receiver and Receiver's Counsel for the period to and including March 10, 2022;
 - f) approving the Fee Accrual (as defined herein);

- g) authorizing and directing the Receiver to make the distributions proposed in this First Report; and
- h) effective upon filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Company have been completed to the satisfaction of the Receiver, discharging Spergel as the Receiver and granting certain ancillary relief in relation thereto.

Restrictions & Disclaimer

- 7. The Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this First Report for any other purpose.
- 8. In preparing this First Report, the Receiver has relied upon certain information provided to it by the management of the Company. The Receiver has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information.
- 9. Unless otherwise stated, all monetary amounts contained in this First Report are expressed in Canadian dollars.

III. ACTIONS OF THE RECEIVER UPON APPOINTMENT

- 10. Further to its appointment and commencing on October 16, 2020, the Receiver attended at the Real Property for the purpose of taking possession and securing same. Additionally, the Receiver undertook the following activities:
 - contacted the management and owners to obtain the books and records of the Company;
 - b) prepared and filed all statutory notices in accordance with the *Bankruptcy* and *Insolvency Act* ("**BIA**");

- arranged for insurance coverage and security in respect of the Real Property;
- d) notified the commercial tenants of the appointment of the Receiver;
- e) retained Lockit Security to assist the Receiver with management and safeguarding of the Real Property.
- 11. Since the date Receiver took possession of the Real Property, the Receiver's activities have been focused primarily on the day-to-day management and safeguarding of the Real Property, including, without limitation, dealing with the tenants at the Real Property, the management and payment of monthly utilities and conducting regular inspections of the Real Property and addressing any site-specific matters as they arise.
- 12. Receiver's Counsel corresponded with the lawyer for the second mortgage holder Margaret Hui (the "Second Chargee") over the Real Property, Henry K. Hui & Associates, with respect to the Receiver's marketing of the Real Property.

 Tenants
- 13. As at the Receiver's appointment, Highyon was a party to 9 rental agreements with tenants at the Real Property for the lease of small, contained office spaces.
- 14. Through the administration of the estate, the Receiver terminated 5 leases as a result of non-payment of rent. The Receiver also entered into new leases for certain additional space with an existing tenant. As at the date of this First Report, there remain 4 tenants at the Real Property, with short term leases of the office space units. Attached as **Appendix "2"** are copies of the leases.
- 15. The Receiver engaged the services of Cushman & Wakefield ULC ("Cushman") and Wagner, Andrews & Kovacs Ltd. ("Wagner") to attend at and conduct a full narrative appraisal of the Real Property. The Receiver obtained appraisals in relation to the Real Property from Cushman on November 5, 2020 and from Wagner on November 19, 2020. Attached hereto as Confidential Appendices "1", "2" and "3", respectively are copies of the appraisals obtained by the

Receiver together with a summary of the values attributed by the appraisers to the Real Property and the offers received for the Real Property.

Canada Revenue Agency

- 16. Canada Revenue Agency ("CRA") conducted an exam of Highyon's payroll and Harmonized Sales Tax ("HST") accounts and has advised that the CRA has the following unsecured claim:
 - a) Payroll Source Deductions Unsecured claim of \$15,647.29
 - b) HST Unsecured clam of \$1,623.61

Attached hereto as **Appendix "3"** is a copy of the email received from CRA confirming the amounts.

IV. THE SALE PROCESS WITH RESPECT TO THE REAL PROPERTY

- 17. In addition to the above noted appraisals, the Receiver sought listing proposals from two real estate brokers, Intercity Realty Inc. ("Intercity"), and Colliers International ("Colliers"). Attached as Confidential Appendix "4" to this First Report are copies of the proposals obtained from Intercity and Colliers and a summary of same.
- 18. On December 21, 2020, the Receiver received an offer to purchase the Real Property from the Second Mortgagee, for a purchase price that was substantially less than the initial listing price and ultimately the price in the Sale Agreement. This offer was not accepted by the Receiver.
- 19. On February 23, 2021, the Receiver entered into an MLS Listing Agreement with Colliers (the "Listing Agreement") at a list price of \$1,100,000. Further to the Receiver entering into the Listing Agreement, the Real Property was forthwith listed for sale on the MLS website. Attached as **Appendix "4"** to this First Report is a copy of the Listing Agreement.
- 20. Colliers prepared sales and marketing materials that were accessible online to prospective purchasers. Colliers also targeted prospective purchasers that might have an interest in the Real Property and emailed sales and marketing materials

to a comprehensive list of buyers. In addition, Colliers distributed marketing materials to commercial real estate agents. Attached as **Appendix "5"** to this First Report is the marketing report outlining the marketing efforts undertaken by Colliers.

21. Initially there was little interest in the Real Property, accordingly the Receiver, in consultation with Colliers and RBC, and based on advice from Colliers in relation to the state of the market and the appropriate listing price, authorized reductions in the listing price as set out below:

Date	List Price
February 23, 2021	\$1,100,000.00
April 22, 2021	\$ 999,000.00
June 28, 2021	\$ 860,000.00
November 4, 2021	\$ 838,838.00
February 16, 2022	\$ 799,999.00

- 22. On February 21, 2022 an offer from 2868 Ontario Corp (the "2868 Offer") was received by Colliers with respect to the Real Property. After negotiations, on or about February 28, 2022 the Receiver accepted the 2868 Offer. The acceptance of the 2868 Offer is conditional only upon the approval of this Honourable Court and accordingly is the subject matter, *inter alia*, of the motion brought by the Receiver. Attached as Confidential Appendix "5" (collectively with Confidential Appendices "1", "2", "3" and "4", the "Confidential Appendices") to this First Report is a copy of the 2868 Offer/Sale Agreement. Attached at as Appendix "6" to this First Report is a copy of the redacted 2868 Offer/Sale Agreement.
- 23. The Receiver is of the view that the sale process was conducted in a commercially reasonable manner and that the market was extensively canvassed pursuant to Colliers professional and industry standard marketing efforts detailed above. Further, the Receiver is of the opinion that the efforts of Colliers through the listing of the Real Property on MLS and Colliers internal and external network have provided sufficient exposure of the Real Property to the market.
- 24. It is the opinion of the Receiver that the terms and conditions contained within the Sale Agreement are commercially reasonable in all respects and that the purchase

- price in the Sale Agreement is at market value for the Real Property and is the best outcome to the estate in the circumstances.
- 25. RBC has been consulted with respect to the Transaction supports the completion of same and the relief sought by the Receiver in the within motion.
- 26. The Receiver recommends that the Court approve the Transaction.
- 27. Attached hereto as **Appendix "7"** is a parcel abstract for the Real Property, detailing the interests in the Real Property, including RBC's first charge.
- 28. Attached hereto as **Appendix "8"** is a *Personal Property Security Act* search as against Highyon.
- 29. All parties with an interest in the Real Property have been served with this motion.
- 30. If the closing of the Transaction is approved, same will close on ten business days after the date that the Approval and Vesting Order is granted by this Court.
- 31. Accordingly, the Receiver is seeking an order from this Honourable Court approving the Transaction.

V. THE RECEIVER'S REQUEST FOR A SEALING ORDER

32. The Receiver is seeking a sealing order in respect of the Confidential Appendices as they each contain commercially sensitive information, the release of which prior to the completion of the Transaction would be prejudicial to the stakeholders of Highyon in the event the Transaction does not close.

VI. FEES AND DISBURSEMENTS OF THE RECEIVER

33. Attached hereto as **Appendix "9"** is the Affidavit of Mukul Manchanda, sworn March 11, 2022, which incorporates by reference a copy of the Receiver's time dockets for the period to and including March 10, 2022 in the amount of \$87,622.40 (inclusive of disbursements and HST). This represents a total of 319 hours at an average rate of \$242.82 per hour.

VII. FEES AND DISBURSEMENTS OF THE RECEIVER'S COUNSEL

- 34. Attached hereto as **Appendix "10"** is the Affidavit of Thomas Masterson sworn March 11, 2022, which incorporates by reference a copy of the accounts rendered by the Receiver's Counsel for the period to and including March 10, 2022 in the amount of \$19,193.94 (inclusive of disbursements and HST).
- 35. The Receiver has reviewed the accounts of Receiver's Counsel and, given the Receiver's involvement in this matter, the Receiver is of the view that all the work set out in the accounts of the Receiver's Counsel was carried out and was necessary. The hourly rates of the lawyers who worked on this matter were reasonable in light of the services required, and the services were carried out by lawyers with the appropriate level of experience

VIII. FEE ACCRUAL

36. Provided there is no opposition to the relief sought in this First Report and that such relief is granted, the Receiver estimates that the additional fees and disbursements for itself and the Receiver's Counsel necessary to complete the proceedings will be \$20,000 and \$15,000 (not including HST and disbursements), respectively.

IX. RECEIVER'S INTERIM STATEMENTS OF RECEIPTS AND DISBURSEMENTS

37. Attached hereto as **Appendix "11"** is a copy of the Receiver's Interim Statement of Receipts and Disbursements as at March 10, 2022.

X. PROPOSED DISTRIBUTION

Receiver's Certificate

- 38. Pursuant to paragraph 21 of the Receivership Order, the Receiver borrowed monies from RBC in principal amount of \$30,000 (the "Receiver's Borrowings") to fund its activities in respect to the receivership.
- 39. Pursuant to paragraph 21 of the Receivership Order, the issuance of the Receiver's Certificate has the effect of creating a charge on the Property, by way of a fixed specific charge (the "Receiver's Borrowings Charge") as security for the repayment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances,

statutory or otherwise, in favour of any Person (as defined in the Receivership Order), but subordinate to the Receiver's Charge, and the charges set out in subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

40. Therefore, after payment of the fees and disbursements of the Receiver and the Receiver's Counsel, including the Fee Accrual, the Receiver recommends that it be authorized and directed to distribute \$30,000 plus interest to RBC in satisfaction of the Receiver's Borrowings Charge.

RBC

- 41. RBC holds certain security over Highyon, including, amongst others, general security agreement dated June 14, 2018 and collateral charge/mortgage in the principal sum of \$900,000 on June 22, 2018.
- 42. The Receiver's Counsel has reviewed RBC's Security, and, subject to the usual assumptions and qualifications of an opinion of such nature, has opined that RBC's Security is validly perfected and enforceable in accordance with its terms (the "Security Opinion"). Attached as Appendix "12" to this First Report is the Security Opinion.
- 43. Title search conducted with respect to the Real Property on March 10, 2022 has indicated the following registrations on title in order of priority:
 - a first mortgage in the principal amount of \$900,000 held by RBC which comprises an initial charge registered on June 22, 2018 (the "First Mortgage");
 - a second mortgage in the principal amount of \$150,000 held by the Second Chargee which comprises an initial charge registered on December 3, 2018 (the "Second Mortgage");
 - a third mortgage in the principal amount of \$200,000 held by Roger Lam which comprises an initial charge registered on January 2, 2020 (the "Third Mortgage"); and
 - d) a fourth mortgage in the principal amount of \$2,800,000 geld by Guohui Liang which comprises an initial charge registered on July 10, 2020

- 44. On March 10, 2022 RBC provided details of the amounts due by the Company to RBC, including legal expenses, which together total \$1,028,435.73 (plus further amounts for the continued accrual of interest and recovery expenses).
- 45. Accordingly, the Receiver recommends that, after payment of the fees and disbursements of the Receiver and the Receiver's Counsel, including the Fee Accrual, and the payment of the Receiver's Borrowing Charge, the Receiver be authorized and directed to pay the balance of any and all funds available in Highyon's estate to RBC, on account of Highyon's secured indebtedness to RBC for principal, interest and costs up to the amount of Highyon's indebtedness to RBC. It is anticipated that RBC will suffer a shortfall accordingly there will be no funds available for distribution for subsequent mortgage holders.

XI. <u>DISCHARGE OF THE RECEIVER</u>

- 46. Subsequent to the date of this First Report, and prior to the Receiver's discharge, the Receiver proposes to attend to the following:
 - a) closing of the Transaction;
 - b) the payment of distributions as identified above;
 - other residual and/or administrative matters in connection with Spergel's appointment as Receiver; and
 - d) filing of the final Receiver's certificate of discharge.

XII. RECOMMENDATIONS

47. The Receiver respectfully requests that this Honourable Court grant the relief sought in this First Report.

Dated at Toronto this 14th day of March, 2022.

msi Spergel inc.

in its capacity as the Court-appointed Receiver of Highyon Assets Corp., and not in its personal or corporate capacity.

Per:

Pukl

Mukul Manchanda, CPA, CIRP, LIT

APPENDIX 1

ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

THE HONOURABLE)	FRIDAY, THE 16th DAY
JUSTICE GILMORE)	OF OCTOBER, 2020
BETWEEN:		

ROYAL BANK OF CANADA

Plaintiff

and

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU

Defendants

ORDER (appointing Receiver)

THIS MOTION made by the Plaintiff for an Order pursuant to section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the Courts of Justice Act, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing msi Spergel inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Highyon Assets Corp. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day via Zoom video conference as a result of the COVID-19 pandemic.

ON READING the affidavit of Jerry C. Tsao sworn October 5, 2020 and the Exhibits thereto and on hearing the submissions of counsel for the Receiver, no one appearing for the Debtor although duly served as appears from the affidavit of service of Samantha

Bogoroch sworn October 7, 2020 and on reading the consent of msi Spergel inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, msi Spergel inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

- 3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary

course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such

terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$25,000.00, provided that the aggregate consideration for all such transactions does not exceed \$75,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act or section 31 of the Ontario Mortgages Act, as the case may be, shall not be required,

- (I) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property, including against title to the following real property: Suites 302 & 310, 350 Highway 7 East, Richmond Hill, Ontario [PIN 29302-0093, PIN 29302-0094, PIN 29302-0326 and PIN 29302-0327];
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and

on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

- 4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.
- 5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the

foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

- 6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.
- 7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors,

such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract,

agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a

spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, including, but not limited to, any illness or bodily harm resulting from a party or parties contracting COVID-19, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security

interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

- 19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.
- 20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

- 22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
- 23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
- 24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

- 25. 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/practicedirections/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.spergelcorporate.ca.
- 26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested

parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

- 27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
- 28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
- 29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
- 30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
- 31. **THIS COURT ORDERS** that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

- 32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
- 33. **THIS COURT ORDERS** that this Order is effective from today's date and is hereby enforceable without the need for entry and filing.

66

C. Shoper. V.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO
AMOUNT \$
1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties Highyon Assets Corp. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the day of, 2020 (the "Order") made in an action having Court file number CV-20-00648781-00CL, has received as such Receiver from
the holder of this certificate (the " Lender ") the principal sum of \$, being part
of the total principal sum of \$ which the Receiver is authorized to borrow
under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the day of each month] after the date hereof at a notional rate per annum equal to the rate of per cent above the prime commercial lending rate of Bank of from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with
the principal sums and interest thereon of all other certificates issued by the Receiver
pursuant to the Order or to any further order of the Court, a charge upon the whole of the
Property, in priority to the security interests of any other person, but subject to the priority
of the charges set out in the Order and in the Bankruptcy and Insolvency Act, and the
right of the Receiver to indemnify itself out of such Property in respect of its remuneration
and expenses.

All sums payable in respect of principal and interest under this certificate are

payable at the main office of the Lender at Toronto, Ontario.

4.

- 5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
- 6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7.	The Receiver does not undertake, and it is not under any personal liability, to pay			
any su	ım in respec	ct of which it may	issue cert	tificates under the terms of the Order.
DATE	D the	_ day of	,	20
				msi Spergel inc., solely in its capacity as Receiver of the Property, and not in its personal capacity
				Per:
				Name:

Title:

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU
Defendants

Court File No. CV-20-00648781-00CL

ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER

MINDEN GROSS LLP

Barristers and Solicitors 2200 - 145 King Street West Toronto, ON M5H 4G2

 Rachel Moses (LSO#42081V)

 rmoses@mindengross.com

 Tel:
 416-369-4115

 Fax:
 416-864-9223

Lawyers for the Plaintiff

(File No. 4119619)

APPENDIX 2

Suite310, 350 HWY 7 E, Richmond Hill, ON L4B3N2 P (905) 597-7702 ¤ F (905) 597-7703

COMMERCIAL LEASE AGREEMENT

THIS LEASE (this "Lease") dated 1st day of October, 2020

Between: Highyon Assets Corp. (the" Party 1") of 350 Highway 7 E, Suite 310

-AND-

AI FINANCIAL __(the "Party 2").

Address: Room #21, 350 Hwy 7 East, Suite 310.

Contact Name: LIN MEI LU

Mobile: 647-328-8818 Email: capitotal.ca@gmail.com

IN CONSIDERATION OF the Landlord leasing certain premises to the Tenant, the Tenant leasing those premises from the Landlord and the mutual benefits and obligations set forth in this Lease, the parties to this Lease (the "Parties") agree as follows:

Business Scope: FINANCE

Leased Premises

1. The Landlord agrees to rent to the Tenant the office space municipally described as Unit 310, Room 21 (the "Premises") in Highyon Suite 310. The Premises will be used for only the following permitted use (the "Permitted Use"):

Term

- 2. The term of the Lease commences on October 1st, 2020 and ends on June 30th, 2021 (the "Term").
- 3. The Tenant which will be subject to all the terms and conditions of this Lease but will be terminable upon either party giving two month's notice to the other party.

Rent

4. Subject to the provisions of this Lease, the Tenant will pay the rent of					
\$200.00	for Room; Total amount: _	\$226.00	monthly.		

- 5. The Tenant should remit 12 posted checks dated on the 1st day of each month to Landlord at this Lease start date of the Term.
- The Tenant will be charged an additional amount of \$35,00 for any late payment of Rent.

Use and Occupation

7. The Tenant will carry on business under the name of <u>AI FINANCIAL</u> and will not change such name without the prior written consent of the Landlord. Such consent not to be unreasonably withheld.

Security Deposit

8. On execution of this Lease, the Tenant will pay the Landlord a security deposit of \$0.00 to be held by the Landlord without interest. If lost keys, damage the chair, desk, phone or anything in the room and work stations will be covered by the Security Deposit. Within 3 days after the termination of this tenancy, the Landlord will deliver the Security Deposit less any proper deductions (include furniture, lock damage) to the Tenant.

Quiet Enjoyment

9. The Landlord covenants that on paying the Rent and performing the covenants contained in this Lease, the Tenant will peacefully and quietly have, hold, and enjoy the Premises for the agreed term.

Distress

10. If and whenever the Tenant is in default in payment of any money, the Landlord may, without notice, enter upon the Premises, remove the Tenant's goods, terminated this Lease. The Security Deposit will not refund to the Tenant.

Renewal of Leased

11. Upon giving written notice no later than 60 days before the expiration of the Term, the Tenant may renew this Lease for an additional term. All terms of the renewed, the Rent will be re- determined by discussing between both parties depend on the market price.

Utilities and Other Costs

12. The Landlord is responsible for the payment of the following utilities and other charges in relation to the Premises: electricity, natural gas, water, sewer, Internet and cable.

Insurance

13. The Tenant is hereby advised and understands that the personal property of the Tenant is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such loss.

Care and Use of Premises

- 14. The Tenant will promptly notify the Landlord of any damage (include furniture, lock), or of any situation that may significantly interfere with the normal use of the Premises.
- 15. The Tenant will not make (or allow to be made) any noise or nuisance which, in the reasonable opinion of the Landlord, disturbs the comfort or convenience of other tenants.
- 16. The Tenant will clean the room by self and take out the garbage everyday to avoid any unpleasant smell in the room.
- 17. The Tenant will not engage in any illegal trade or activity on or about the Premises.
- 18. The Tenant will not keep or have on the Premises any article or thing of a dangerous, that might unreasonably increase the danger of fire on the Premises.
- 19. The Tenant will obey all rules and regulations posted by the Landlord regarding the care of the other area and facilities that are not included in the Premises.
- 20. This Lease will constitute the entire agreement between the Landlord and the Tenant. Any prior understanding or representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent incorporated in this Lease. In particular, no warranties of the Landlord not expressed in this Leased are to be implied.

BREACH OF CONTRACT/EARLY TERMINATION

21. In event Tenant, prior to expiration of this Agreement, breaches any obligation in this Agreement, abandons the Premises, or gives notice of Tenant's intent to terminate this tenancy prior to its expiration, last month's rent will not be returned and this agreement will be terminated by then.

AI FINANCIAL

(Tenant)

Roger Bing Pu

Highyon Assets Corp. (Landlord)

Date: 500 09,202

Date: <u>Sep 09</u> 2020.

Sulte310, 350 HWY 7 E, Richmond Hill, ON 1483N2 P (905) 597-7702 ¤ F (905) 597-7703

COMMERCIAL LEASE AGREEMENT

THIS LEASE (this "Lease") dated 1st day of July, 2020

Between: Highyon Assets Corp. (the" Party 1") of 350 Highway 7 E, Suite 310

-AND-

Al FINANCIAL (the "Party 2").

Address: Room #16&18&23, 350 Hwy 7 East, Suite 310.

Contact Name: LIN MEI LU

Mobile: 647-328-8818 Email: capitotal.ca@gmail.com

IN CONSIDERATION OF the Landlord leasing certain premises to the Tenant, the Tenant leasing those premises from the Landlord and the mutual benefits and obligations set forth in this Lease, the parties to this Lease (the "Parties") agree as follows:

Business Scope: FINANCE

Leased Premises

1. The Landlord agrees to rent to the Tenant the office space municipally described as Unit 310, Room 16&18&23 (the "Premises") in Highyon Suite 310. The Premises will be used for only the following permitted use (the "Permitted Use"):

Term

- 2. The term of the Lease commences on July 1st, 2020 and ends on June 30th, 2021 (the "Term").
- 3. The Tenant which will be subject to all the terms and conditions of this Lease but will be terminable upon either party giving two month's notice to the other party.

Rent

4. Subject to the provisions of this Lease, the Tenant will pay the rent of

\$1900.00 for Room; Total amount: \$1900.00 monthly.

- 5. The Tenant should remit 12 posted checks dated on the 1st day of each month to Landlord at this Lease start date of the Term.
- 6. The Tenant will be charged an additional amount of \$35.00 for any late payment of Rent.

Use and Occupation

7. The Tenant will carry on business under the name of Al FINANCIAL and will not change such name without the prior written consent of the Landlord. Such consent not to be unreasonably withheld.

Security Deposit

8. On execution of this Lease, the Tenant will pay the Landlord a security deposit of \$1900.00 (Last Month Rent) to be held by the Landlord without interest. If lost keys, damage the chair, desk, phone or anything in the room and work stations will be covered by the Security Deposit. Within 3 days after the termination of this tenancy, the Landlord will deliver the Security Deposit less any proper deductions (include furniture, lock damage) to the Tenant.

Quiet Enjoyment

9. The Landlord covenants that on paying the Rent and performing the covenants contained in this Lease, the Tenant will peacefully and quietly have, hold, and enjoy the Premises for the agreed term.

Distress

10. If and whenever the Tenant is in default in payment of any money, the Landlord may, without notice, enter upon the Premises, remove the Tenant's goods, terminated this Lease. The Security Deposit will not refund to the Tenant.

Renewal of Leased

11. Upon giving written notice no later than 60 days before the expiration of the Term, the Tenant may renew this Lease for an additional term. All terms of the renewed, the Rent will be re- determined by discussing between both parties depend on the market price.

Utilities and Other Costs

12. The Landlord is responsible for the payment of the following utilities and other charges in relation to the Premises: electricity, natural gas, water, sewer, Internet and cable.

Insurance

13. The Tenant is hereby advised and understands that the personal property of the Tenant is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such loss.

Care and Use of Premises

- 14. The Tenant will promptly notify the Landlord of any damage (include furniture, lock), or of any situation that may significantly interfere with the normal use of the Premises.
- 15. The Tenant will not make (or allow to be made) any noise or nuisance which, in the reasonable opinion of the Landlord, disturbs the comfort or convenience of other tenants.
- 16. The Tenant will clean the room by self and take out the garbage everyday to avoid any unpleasant smell in the room.
- 17. The Tenant will not engage in any illegal trade or activity on or about the Premises.
- 18. The Tenant will not keep or have on the Premises any article or thing of a dangerous, that might unreasonably increase the danger of fire on the Premises.
- 19. The Tenant will obey all rules and regulations posted by the Landlord regarding the care of the other area and facilities that are not included in the Premises.
- 20. This Lease will constitute the entire agreement between the Landlord and the Tenant. Any prior understanding or representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent incorporated in this Lease. In particular, no warranties of the Landlord not expressed in this Leased are to be implied.

BREACH OF CONTRACT/EARLY TERMINATION

21. In event Tenant, prior to expiration of this Agreement, breaches any obligation in this Agreement, abandons the Premises, or gives notice of Tenant's intent to terminate this tenancy prior to its expiration, last month's rent will not be returned and this agreement will be terminated by then.

AI FINANCIAL

(Tenant)

Roger Bing Pu_

Highyon Assets Corp. (Landlord)

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Data

COMMERCIAL LEASE

THIS LEASE made as of the 28th day of February, 2022 (this "Lease");

BETWEEN:

MSI SPERGEL INC.

in its capacity as Court Appointed Receiver of HIGHYON ASSETS CORP, and not in its corporate capacity (hereinafter referred to as the "Landlord")

OF THE FIRST PART

- and -

AI FINANCIAL

a corporation incorporated under the *Business Corporations Act* (Ontario) (hereinafter referred to as the "**Tenant**")

OF THE SECOND PART

RECITALS

WHEREAS the Landlord and the Tenant have agreed to enter into this Lease;

NOW THEREFORE THIS INDENTURE WITNESSES that in consideration of the mutual covenants and agreements between the parties to this Lease and the sum of TWO DOLLARS (\$2.00) paid by the Tenant to the Landlord (the receipt and sufficiency of which is hereby acknowledged by the Landlord), the Landlord and the Tenant agree as follows:

ARTICLE 1 DEFINITIONS

MEANING OF CERTAIN TERMS

- 1.1 In this Lease:
 - (a) "Commencement Date" shall mean March 1, 2022;
 - (b) "Leased Premises" means rooms #1 and #27 within Suite 310 at the property known municipally as 350 Highway 7, Richmond Hill, Ontario L4B 3N2;
 - (j) "Rent" shall have the meaning set forth at Section 4.1 of this Lease;
 - (I) "Term" shall mean a month-to-month tenancy of the Tenant at the Leased Premises commencing on the Commencement Date.

ARTICLE 2 DEMISE

LEASED PREMISES

2.1 The Landlord hereby leases the Leased Premises to the Tenant and the Tenant hereby leases the Leased Premises from the Landlord for the Term at the Rent, subject to the conditions and in accordance with the covenants, obligations and agreements contained in this Lease.

ARTICLE 3 TERM

TERM

3.1 TO HAVE AND TO HOLD the Leased Premises for and during a period of one (1) month beginning on the Commencement Date and from thenceforth each and every month the Tenant and/or Landlord may agree to permit the Tenant to occupy the Leased Premises subject to the rights of termination referred to in Article 9.

ARTICLE 4 RENT

RENT

4.1 From and after the Commencement Date the Tenant shall pay to the Landlord in lawful money of Canada, without deduction, abatement or set-off, rent of TWO HUNDRED DOLLARS plus HST (\$200.00 + HST) per room (the "Rent"), such Rent to be payable to the Landlord in advance in equal monthly instalments of FOUR HUNDRED DOLLARS plus HST (\$400 + HST) on the first day of each and every month.

TENANT TO PAY RENT

4.2 The Tenant covenants to pay Rent in accordance with the terms of this Lease.

ARTICLE 5 TAXES, UTILITIES AND OTHER CHARGES

TENANT TO PAY CERTAIN TAXES

5.1 From and after the Commencement Date the Tenant shall pay and discharge every tax, rate, duty, assessment, and licence fee in respect of all trade fixtures and equipment in or on the Leased Premises, of any and every business conducted on or from the Leased Premises and of the use or occupancy of the Leased Premises including, without limitation, all business taxes, and rates and licences.

LANDLORD TO PAY REALTY TAXES

5.2 From and after the Commencement Date the Landlord shall pay and when the same or the instalments for the same become due all real property taxes levied, rated, charged or assessed against the Leased Premises and all rates and charges for water, gas, sewage, telephone, cable and other communications facilities and electric power services and utilities supplied to the Leased Premises.

INTERNET AND JANITORIAL

5.3 From and after the Commencement Date the Landlord shall be solely responsible for and promptly pay to all costs and charges for telephone, cable internet and related services used or consumed exclusively in or provided to the Leased Premises. Upon providing proper notice to the Landlord, the Tenant agrees to arrange with the appropriate authorities for the connection of telephone, cable and internet in the name of the Tenant, if applicable. In no event shall the Landlord be liable for any interruption or failure in the supply of any such services to the Leased Premises. The Tenant shall be responsible for paying for its own janitorial services.

ARTICLE 6 USE OF LEASED PREMISES

6.1 The Tenant shall be entitled to use the Leased Premises as office space for the purpose of operating its financial services business, and related activities, or such other use as approved by the Landlord, which approval may be withheld. The Tenant shall not change, amend, or alter its name "Al Financial" without the prior written consent of the Landlord, such consent not to be unreasonably withheld.

ARTICLE 7 REPAIR AND MAINTENANCE OF LEASED PREMISES

7.1 The Tenant covenants that:

- (a) it will not allow refuse, garbage and other objectionable materials, to accumulate on or around the Leased Premises, all such items to be placed in designated locations, and at all times to keep the Leased Premises in a clean condition consistent with its intended use:
- (b) it will not engage in any illegal trade or activity on or about the Leased Premises;
- (c) it will keep the Leased Premises in good condition and maintenance;
- (d) the Landlord may enter and view state of repair of the Leased Premises and that the Tenant will repair or replace any item according to any notice provided to the Tenant by the Landlord in writing.

7.9 The Tenant shall not be entitled to make any alterations, additions, repairs or improvements to the building and the Leased Premises without the consent of the Landlord, which approval may be withheld.

ARTICLE 8 INSURANCE

LANDLORD'S INSURANCE

8.1 The Landlord will maintain insurance on the Leased Premises in those reasonable amounts that a prudent owner of a similar premises would maintain.

TENANT'S INSURANCE

- 8.2 The Tenant shall, at its own cost and expense, take out and keep in full force and effect during the Term of this Lease, the following insurance:
 - (a) fire insurance with extended coverage upon its leasehold improvements, merchandise, furnishings, fixtures, improvements, signage and any other personal property to the full replacement value thereof against damage by fire, lightning, tempest, sprinkler or other water leakage or discharge, or additional perils subject to statutory exclusion for such commercial policies;
 - (b) tenant legal liability insurance against liability for damage to the Leased Premises with limits of coverage that are commercially reasonable;
 - (c) comprehensive property damage and public liability insurance with respect to the Leased Premises and the business conducted by the Tenant and any other persons in the Leased Premises against personal injury, death, property damage, products liability, non-owned automobile liability, and occupiers' liability, with limits of coverage not less than TWO MILLION DOLLARS (\$2,000,000.00) inclusive per occurrence; and,
 - (d) business interruption insurance against loss of earnings attributable to all perils commonly insured against by prudent tenants, with limits of coverage that are commercially reasonable.

All such policies shall:

- (a) name the Landlord as additional insured(s) as its interests may appear; and,
- (b) be forthwith copied and, upon the Commencement Date, be delivered to the Landlord.

ARTICLE 9

ENTRY BY LANDLORD

RIGHT OF LANDLORD

9.1 The Landlord and its officers, agents, servants, employees, and contractors shall be entitled at all reasonable times to enter the Leased Premises upon twenty-four (24) hours prior notice and during business hours except in emergencies for the purpose of making any repairs required or permitted to be made by the Landlord under this Lease, and for the purpose of making any repairs which the Tenant fails to make according to notice in writing.

ARTICLE 10 LANDLORD'S REMEDIES

LANDLORD MAY PERFORM TENANT'S COVENANTS

10.1 If the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease and such default shall have continued for such period as may be reasonable in the circumstances to remedy such default after notice by the Landlord, the Landlord, without prejudice to any other rights which it may have with respect to such default, may remedy such default and the cost thereof to the Landlord together with interest shall be added to the Rent on the next succeeding date on which Rent is payable.

RE-ENTRY

- 10.2 An event of default by the Tenant shall occur when:
 - the Tenant shall be in default in the payment of any Rent, whether lawfully demanded or not, and such default shall continue for a period of five (5) consecutive days following receipt of notice of same by the Tenant;
 - (b) the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease and such default shall have continued for such period as may be reasonable in the circumstances to remedy such default by the Landlord;
 - (c) any property of the Tenant has been sold under a valid writ of execution, or any receiver of any property of the Tenant shall have been appointed, or the Tenant shall have made an assignment for the benefit of creditors or shall have made any assignment or have had a receiving order made against it under the *Bankruptcy and Insolvency Act*, or becoming bankrupt or insolvent shall have made application for relief under the provisions of any statute now or hereafter in force concerning bankrupt or insolvent debtors, or any action whatever, legislative or otherwise shall have been taken with a view to the winding up, dissolution or liquidation of the Tenant; or,
 - (d) any insurance policy which the Tenant is responsible to maintain under this Lease, is terminated, cancelled or not renewed by an insurer by reason of any particular use or occupation of the Leased Premises.

(the foregoing each an "Event of Default")

Upon the occurrence of any Event of Default by the Tenant, the Landlord may terminate this Lease and without notice or any form of legal process whatever may re-enter the Leased Premises.

LANDLORD MAY RE-LET

10.3 If the Landlord does not exercise its option under Section 10.2 to terminate this Lease it may nevertheless re-enter the Leased Premises without terminating this Lease, make such alterations and repairs as it may consider to be necessary in order to re-let the Leased Premises or any part thereof as agent for the Tenant for such period or periods (which may extend beyond the Term) and at such rental or rentals and upon such other terms and conditions as the Landlord in its sole discretion may deem advisable. Upon each such re-letting all rentals received by the Landlord from such re-letting shall be applied, first, to the payment of any costs and expenses of such re-letting, including brokerage fees and solicitors' fees and of the costs of such alterations and repairs; second, to the payment of any indebtedness other than Rent due from the Tenant to the Landlord; third, to the payment of Rent due and unpaid, and the residue, if any, shall be held by the Landlord and applied in payment of future Rent as it may become due and payable.

RIGHT TO DISTRAIN

- 10.4 The Tenant waives and renounces the benefit of any present or future statute purporting to limit or qualify the Landlord's right to distrain and agrees with the Landlord that upon the happening of any event of default described in Section 10.2 the Landlord, in addition to the other rights reserved to it, shall have the right
 - (a) to enter the Leased Premises as agent of the Tenant either by force or otherwise without being liable for any prosecution therefor and to take possession of any goods and chattels whatsoever on the Leased Premises, save and except any such goods and chattels as are owned by any person other than the Tenant;
 - (b) to levy distress against the goods and chattels owned by the Tenant at any place to which the Tenant or any other person may have moved them, in the same manner as if such goods and chattels had remained upon the Leased Premises or at any other premises of the Tenant;
 - to change the locks on the Leased Premises to prevent the removal by the Tenant of the goods and chattels owned by the Tenant which are the subject matter of the distress without thereby re-entering the Leased Premises or terminating this Lease;
 - (d) to levy distress after dark and on Sundays; and,
 - (e) to sell any goods and chattels seized at public or private sale without notice and to apply the proceeds of such sale on account of the Rent or other sums provided in this Lease to be paid by the Tenant as Rent is arrears or in satisfaction of the default obligations by the Tenant of its covenants, obligations and agreements under this Lease; provided that the Tenant shall remain liable for the deficiency, if any.

ARTICLE 11 DAMAGE AND DESTRUCTION

11.1 Provided that, notwithstanding the other provisions of this Lease, in the event the Leased Premises or any part thereof are damaged or destroyed by fire, lightning or tempest, or damage resulting from structural defect, or damage by other casualty against which the Landlord is insured, so as to render the Leased Premises totally unfit for the purpose of the Tenant or totally incapable of access, the Rent hereby reserved or a proportionate part thereof, according to the nature of the damage to the Leased Premises, shall abate until the Leased Premises are rebuilt; and the Landlord agrees that it will with reasonable diligence repair the Leased Premises to the extent of the Landlord's work initially done by the Landlord and make the same capable of access, unless the Tenant is obliged to repair under the terms hereof, or unless this Lease is terminated as hereinafter provided.

ARTICLE 12 EXPIRATION OF TERM

REMOVAL OF TENANT'S PROPERTY

12.1 The Tenant shall not remove any leasehold improvements, whether at the expiration or other sooner termination of the Term unless the Landlord provides written consent to the Tenant, which consent may be reasonably withheld. The Tenant shall repair any damage to the Leased Premises which may be occasioned by such removal.

SURRENDER OF LEASED PREMISES

12.2 At the expiration of the Term the Tenant shall peaceably surrender and yield up to the Landlord the Leased Premises and all Leasehold Improvements all in good and substantial repair and condition in accordance with this Lease, reasonable wear and tear excepted.

OVERHOLDING

12.3 In the absence of written agreement to the contrary regarding the number of months of the Term, during each month of the Term, the Tenant shall be subject to all covenants, obligations and agreements provided for in this Lease.

ARTICLE 13 DISPOSITIONS

ASSIGNMENT AND SUB-LETTING

13.1 The Tenant may not assign in whole or in part, nor sublet all or any part of the Leased Premises without the prior written consent of the Landlord which consent may be withheld.

TRANSFERS BY THE LANDLORD

13.2 The Landlord shall, at any time and from time to time, have the right to sell, transfer, lease, assign or otherwise dispose of the whole or any part of its interest in the Leased Premises and in addition the Landlord shall have the right to enter into any mortgage of the whole or any part of its interest in the Leased Premises.

ARTICLE 14 CERTIFICATES, NOTICES AND PAYMENTS

ESTOPPEL CERTIFICATES

14.1 The Tenant at any time and from time to time upon not less than five (5) days' prior notice, at the request of the Landlord, shall execute and deliver as directed by the Landlord an estoppel certificate detailing, among other items: (a) that this Lease is unmodified and in full force and effect; and (b) the amount of any Rent payable under this Lease.

NOTICES

14.2 Any notice, demand or request which any party shall give to any other party shall be in writing and may be delivered mailed by mail, email or similar telecommunication device and shall be addressed as follows:

if to the Landlord:

MSI SPERGEL INC. 505 Consumers Road, Suite 200 Toronto, Ontario M2J 4V8

Attention: Phone: Email:

if to the Tenant:

AI FINANCIAL 350 Highway 7, Suite 310 Richmond Hill, Ontario L4B 3N2

Attention: Lin Mei Lu

Phone:

Email: capitotal.ca@gmail.com

PAYMENTS

14.3 Until such time as the Tenant shall have received written notice to the contrary, all payments of Rent shall be paid to the Landlord at its address referred to in Section 14.2 and notwithstanding any transfer or other disposition by the Landlord of the Leased Premises or of the Rent or any change of the name and address of the payee of any Rent, the Tenant, until receipt of such notice, may continue to pay the Rent to the same payee to which and in the same manner in which the last preceding payment thereof was made and each such payment made by the Tenant prior to the receipt by it of such notice shall, to the extent thereof, exonerate and discharge the Tenant of its liability to pay such Rent.

ARTICLE 15 GENERAL

ADDITIONAL DOCUMENTS AND ACTS

15.1 Each party shall execute and deliver such additional documents and instruments and shall perform such additional acts as may be necessary or appropriate in connection with this Lease and all transactions contemplated by this Lease to effectuate, carry out and perform all of the covenants, obligations and agreements of this Lease and such transactions.

TIME OF THE ESSENCE

15.2 Time shall be of the essence of this Lease.

QUIET ENJOYMENT

15.3 The Landlord covenants with the Tenant for quiet enjoyment.

PLANNING ACT

This Lease is entered into subject to the express condition that it is to be effective only if the applicable provisions of the *Planning Act (Ontario)*, or any statute that may be substituted therefor, as from time to time be amended, are complied with and only if any consent required thereby is granted on conditions which are acceptable to the Landlord.

NOTICE OF LEASE

15.5 This Lease may not be registered against the title to the lands underlying the Leased Premises.

AUTHORIZATION

15.6 Each of the Landlord and Tenant has all requisite power and possess all licenses, franchises, permits, consents and other rights necessary to enable it to enter into this Lease.

WAIVERS

15.7 No waiver by a party of any breach by another party of any of the covenants, obligations and agreements under this Lease shall be a waiver of any subsequent breach or of any other covenant, obligation or agreement, nor shall any forbearance to seek a remedy for any breach be a waiver of any rights and remedies with respect to such or any subsequent breach. The acceptance by the Landlord of the payment of Rent after notice to the Tenant of any default shall not constitute a waiver of any rights or remedies of the Landlord with respect to such or any other default.

SEVERABILITY

15.8 If any covenant, obligation or agreement in this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such covenant, obligation or agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and

each covenant, obligation and agreement in this Lease shall be separately valid and enforceable to the fullest extent possible.

CHANGES REQUIRED BY CONTEXT

This Lease shall be read with all changes of gender and number required by the context.

WHOLE AGREEMENT

This Lease supersedes all prior agreements, arrangements and communications and contains and constitutes the entire agreement with respect to the subject matter herein set out between the parties. There are no understandings, inducements, representations, warranties, collateral agreements or conditions affecting or supported by this Lease or upon which any party has relied in entering into this Lease other than as expressed in this Lease. This Lease may be amended or modified only by a written instrument signed by each of the parties.

HEADINGS

The article headings and section headings in this Lease have been inserted for convenience of reference only and do not form part of this Lease. They shall not be referred to in the interpretation of this Lease.

APPLICABLE LAW

This Lease shall be construed in accordance with the laws of the Province of Ontario and no action or other proceeding shall be brought to construe or enforce this Lease except in those courts having jurisdiction in the Province of Ontario.

ASSIGNS

This Lease shall enure to the benefit of and be binding upon the parties hereto, shall be binding upon their respective successors and permitted assigns and shall enure to the benefit of and be enforceable by only such successors and permitted assigns.

ELECTRONIC TRANSMISSION

The Landlord and Tenant agree that this Lease may be transmitted by facsimile, email, or such similar manner, and that the reproduction of signatures by facsimile, email, or such similar manner, will be treated as binding as if originals and each party hereto undertakes to provide, upon reasonable notice, each and every other party hereto with a copy of this to the Agreement bearing original signatures forthwith.

[a signature page follows]

IN WITNESS WHEREOF the parties hereto have executed this Lease effective as at the date first above written.

6297665_1

MSI SPERGEL INC., in its capacity as Court Appointed Receiver of HIGHYON ASSETS CORP. and not ins corporate capacity.
Per:
Name: MUKIL MONTHOUS &
Title:
Per:
Name:
Title:
I/We have authority to bind the Corporation
AI FINANCIAL
Per:
Name: Lin Mei Lu Title:
I have authority to bind the Corporation.

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COMMERCIAL LEASE

THIS LEASE made as of the 22 day of September, 2021 (this "Lease");

BETWEEN:

MSI SPERGEL INC.

in its capacity as Court Appointed Receiver of HIGHYON ASSETS CORP. and not in its corporate capacity (hereinafter referred to as the "Landlord")

OF THE FIRST PART

- and -

AI FINANCIAL FINANCIAL POWER GROUP LIMITED

a corporation incorporated under the *Business Corporations Act* (Ontario) (hereinafter referred to as the "**Tenant**")

OF THE SECOND PART

RECITALS

WHEREAS the Landlord and the Tenant have agreed to enter into this Lease;

NOW THEREFORE THIS INDENTURE WITNESSES that in consideration of the mutual covenants and agreements between the parties to this Lease and the sum of TWO DOLLARS (\$2.00) paid by the Tenant to the Landlord (the receipt and sufficiency of which is hereby acknowledged by the Landlord), the Landlord and the Tenant agree as follows:

ARTICLE 1 DEFINITIONS

MEANING OF CERTAIN TERMS

- 1.1 In this Lease:
 - (a) "Commencement Date" shall mean September 21, 2021;
 - (b) "Leased Premises" means rooms #25, #26 and #28 within Suite 310 at the property known municipally as 350 Highway 7, Richmond Hill, Ontario L4B 3N2;
 - (j) "Rent" shall have the meaning set forth at Section 4.1 of this Lease;
 - (I) "Term" shall mean a month-to-month tenancy of the Tenant at the Leased Premises commencing on the Commencement Date.

ARTICLE 2 DEMISE

LEASED PREMISES

2.1 The Landlord hereby leases the Leased Premises to the Tenant and the Tenant hereby leases the Leased Premises from the Landlord for the Term at the Rent, subject to the conditions and in accordance with the covenants, obligations and agreements contained in this Lease.

ARTICLE 3 TERM

TERM

3.1 TO HAVE AND TO HOLD the Leased Premises for and during a period of one (1) month beginning on the Commencement Date and from thenceforth each and every month the Tenant and/or Landlord may agree to permit the Tenant to occupy the Leased Premises subject to the rights of termination referred to in Article 9.

ARTICLE 4 RENT

RENT

From and after the Commencement Date the Tenant shall pay to the Landlord in lawful money of Canada, without deduction, abatement or set-off, rent of FIVE HUNDRED DOLLARS plus HST (\$500.00 + HST) per room (the "Rent"), such Rent to be payable to the Landlord in advance in equal monthly instalments of ONE THOUSAND FIVE HUNDRED DOLLARS plus HST (\$1,500.00 + HST) on the twenty first day of each and every month.

TENANT TO PAY RENT

4.2 The Tenant covenants to pay Rent in accordance with the terms of this Lease.

ARTICLE 5 TAXES, UTILITIES AND OTHER CHARGES

TENANT TO PAY CERTAIN TAXES

5.1 From and after the Commencement Date the Tenant shall pay and discharge every tax, rate, duty, assessment, and licence fee in respect of all trade fixtures and equipment in or on the Leased Premises, of any and every business conducted on or from the Leased Premises and of the use or occupancy of the Leased Premises including, without limitation, all business taxes, and rates and licences.

LANDLORD TO PAY REALTY TAXES

5.2 From and after the Commencement Date the Landlord shall pay and when the same or the instalments for the same become due all real property taxes levied, rated, charged or assessed against the Leased Premises and all rates and charges for water, gas, sewage, telephone, cable and other communications facilities and electric power services and utilities supplied to the Leased Premises.

INTERNET AND JANITORIAL

5.3 From and after the Commencement Date the Landlord shall be solely responsible for and promptly pay to all costs and charges for telephone, cable internet and related services used or consumed exclusively in or provided to the Leased Premises. Upon providing proper notice to the Landlord, the Tenant agrees to arrange with the appropriate authorities for the connection of telephone, cable and internet in the name of the Tenant, if applicable. In no event shall the Landlord be liable for any interruption or failure in the supply of any such services to the Leased Premises. The Tenant shall be responsible for paying for its own janitorial services.

ARTICLE 6 USE OF LEASED PREMISES

6.1 The Tenant shall be entitled to use the Leased Premises as office space for the purpose of operating its financial services business, and related activities, or such other use as approved by the Landlord, which approval may be withheld. The Tenant shall not change, amend, or alter its name "Al Financial" without the prior written consent of the Landlord, such consent not to be unreasonably withheld.

ARTICLE 7 REPAIR AND MAINTENANCE OF LEASED PREMISES

- 7.1 The Tenant covenants that:
 - (a) it will not allow refuse, garbage and other objectionable materials, to accumulate on or around the Leased Premises, all such items to be placed in designated locations, and at all times to keep the Leased Premises in a clean condition consistent with its intended use;
 - (b) it will not engage in any illegal trade or activity on or about the Leased Premises;
 - (c) it will keep the Leased Premises in good condition and maintenance;
 - (d) the Landlord may enter and view state of repair of the Leased Premises and that the Tenant will repair or replace any item according to any notice provided to the Tenant by the Landlord in writing.

7.9 The Tenant shall not be entitled to make any alterations, additions, repairs or improvements to the building and the Leased Premises without the consent of the Landlord, which approval may be withheld.

ARTICLE 8 INSURANCE

LANDLORD'S INSURANCE

8.1 The Landlord will maintain insurance on the Leased Premises in those reasonable amounts that a prudent owner of a similar premises would maintain.

TENANT'S INSURANCE

- 8.2 The Tenant shall, at its own cost and expense, take out and keep in full force and effect during the Term of this Lease, the following insurance:
 - (a) fire insurance with extended coverage upon its leasehold improvements, merchandise, furnishings, fixtures, improvements, signage and any other personal property to the full replacement value thereof against damage by fire, lightning, tempest, sprinkler or other water leakage or discharge, or additional perils subject to statutory exclusion for such commercial policies;
 - (b) tenant legal liability insurance against liability for damage to the Leased Premises with limits of coverage that are commercially reasonable;
 - (c) comprehensive property damage and public liability insurance with respect to the Leased Premises and the business conducted by the Tenant and any other persons in the Leased Premises against personal injury, death, property damage, products liability, non-owned automobile liability, and occupiers' liability, with limits of coverage not less than TWO MILLION DOLLARS (\$2,000,000.00) inclusive per occurrence; and,
 - (d) business interruption insurance against loss of earnings attributable to all perils commonly insured against by prudent tenants, with limits of coverage that are commercially reasonable.

All such policies shall:

- (a) name the Landlord as additional insured(s) as its interests may appear; and.
- (b) be forthwith copied and, upon the Commencement Date, be delivered to the Landlord.

ARTICLE 9

ENTRY BY LANDLORD

RIGHT OF LANDLORD

9.1 The Landlord and its officers, agents, servants, employees, and contractors shall be entitled at all reasonable times to enter the Leased Premises upon twenty-four (24) hours prior notice and during business hours except in emergencies for the purpose of making any repairs required or permitted to be made by the Landlord under this Lease, and for the purpose of making any repairs which the Tenant fails to make according to notice in writing.

ARTICLE 10 LANDLORD'S REMEDIES

LANDLORD MAY PERFORM TENANT'S COVENANTS

10.1 If the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease and such default shall have continued for such period as may be reasonable in the circumstances to remedy such default after notice by the Landlord, the Landlord, without prejudice to any other rights which it may have with respect to such default, may remedy such default and the cost thereof to the Landlord together with interest shall be added to the Rent on the next succeeding date on which Rent is payable.

RE-ENTRY

- 10.2 An event of default by the Tenant shall occur when:
 - (a) the Tenant shall be in default in the payment of any Rent, whether lawfully demanded or not, and such default shall continue for a period of five (5) consecutive days following receipt of notice of same by the Tenant;
 - (b) the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease and such default shall have continued for such period as may be reasonable in the circumstances to remedy such default by the Landlord:
 - (c) any property of the Tenant has been sold under a valid writ of execution, or any receiver of any property of the Tenant shall have been appointed, or the Tenant shall have made an assignment for the benefit of creditors or shall have made any assignment or have had a receiving order made against it under the *Bankruptcy* and *Insolvency Act*, or becoming bankrupt or insolvent shall have made application for relief under the provisions of any statute now or hereafter in force concerning bankrupt or insolvent debtors, or any action whatever, legislative or otherwise shall have been taken with a view to the winding up, dissolution or liquidation of the Tenant; or,
 - (d) any insurance policy which the Tenant is responsible to maintain under this Lease, is terminated, cancelled or not renewed by an insurer by reason of any particular use or occupation of the Leased Premises.

(the foregoing each an "Event of Default")

Upon the occurrence of any Event of Default by the Tenant, the Landlord may terminate this Lease and without notice or any form of legal process whatever may re-enter the Leased Premises.

LANDLORD MAY RE-LET

10.3 If the Landlord does not exercise its option under Section 10.2 to terminate this Lease it may nevertheless re-enter the Leased Premises without terminating this Lease, make such alterations and repairs as it may consider to be necessary in order to re-let the Leased Premises or any part thereof as agent for the Tenant for such period or periods (which may extend beyond the Term) and at such rental or rentals and upon such other terms and conditions as the Landlord in its sole discretion may deem advisable. Upon each such re-letting all rentals received by the Landlord from such re-letting shall be applied, first, to the payment of any costs and expenses of such re-letting, including brokerage fees and solicitors' fees and of the costs of such alterations and repairs; second, to the payment of any indebtedness other than Rent due from the Tenant to the Landlord; third, to the payment of Rent due and unpaid, and the residue, if any, shall be held by the Landlord and applied in payment of future Rent as it may become due and payable.

RIGHT TO DISTRAIN

- 10.4 The Tenant waives and renounces the benefit of any present or future statute purporting to limit or qualify the Landlord's right to distrain and agrees with the Landlord that upon the happening of any event of default described in Section 10.2 the Landlord, in addition to the other rights reserved to it, shall have the right
 - (a) to enter the Leased Premises as agent of the Tenant either by force or otherwise without being liable for any prosecution therefor and to take possession of any goods and chattels whatsoever on the Leased Premises, save and except any such goods and chattels as are owned by any person other than the Tenant;
 - (b) to levy distress against the goods and chattels owned by the Tenant at any place to which the Tenant or any other person may have moved them, in the same manner as if such goods and chattels had remained upon the Leased Premises or at any other premises of the Tenant;
 - (c) to change the locks on the Leased Premises to prevent the removal by the Tenant of the goods and chattels owned by the Tenant which are the subject matter of the distress without thereby re-entering the Leased Premises or terminating this Lease;
 - (d) to levy distress after dark and on Sundays; and,
 - (e) to sell any goods and chattels seized at public or private sale without notice and to apply the proceeds of such sale on account of the Rent or other sums provided in this Lease to be paid by the Tenant as Rent is arrears or in satisfaction of the default obligations by the Tenant of its covenants, obligations and agreements under this Lease; provided that the Tenant shall remain liable for the deficiency, if any.

ARTICLE 11 DAMAGE AND DESTRUCTION

11.1 Provided that, notwithstanding the other provisions of this Lease, in the event the Leased Premises or any part thereof are damaged or destroyed by fire, lightning or tempest, or damage resulting from structural defect, or damage by other casualty against which the Landlord is insured, so as to render the Leased Premises totally unfit for the purpose of the Tenant or totally incapable of access, the Rent hereby reserved or a proportionate part thereof, according to the nature of the damage to the Leased Premises, shall abate until the Leased Premises are rebuilt; and the Landlord agrees that it will with reasonable diligence repair the Leased Premises to the extent of the Landlord's work initially done by the Landlord and make the same capable of access, unless the Tenant is obliged to repair under the terms hereof, or unless this Lease is terminated as hereinafter provided.

ARTICLE 12 EXPIRATION OF TERM

REMOVAL OF TENANT'S PROPERTY

12.1 The Tenant shall not remove any leasehold improvements, whether at the expiration or other sooner termination of the Term unless the Landlord provides written consent to the Tenant, which consent may be reasonably withheld. The Tenant shall repair any damage to the Leased Premises which may be occasioned by such removal.

SURRENDER OF LEASED PREMISES

12.2 At the expiration of the Term the Tenant shall peaceably surrender and yield up to the Landlord the Leased Premises and all Leasehold Improvements all in good and substantial repair and condition in accordance with this Lease, reasonable wear and tear excepted.

OVERHOLDING

12.3 In the absence of written agreement to the contrary regarding the number of months of the Term, during each month of the Term, the Tenant shall be subject to all covenants, obligations and agreements provided for in this Lease.

ARTICLE 13 DISPOSITIONS

ASSIGNMENT AND SUB-LETTING

13.1 The Tenant may not assign in whole or in part, nor sublet all or any part of the Leased Premises without the prior written consent of the Landlord which consent may be withheld.

TRANSFERS BY THE LANDLORD

13.2 The Landlord shall, at any time and from time to time, have the right to sell, transfer, lease, assign or otherwise dispose of the whole or any part of its interest in the Leased Premises and in addition the Landlord shall have the right to enter into any mortgage of the whole or any part of its interest in the Leased Premises.

ARTICLE 14 CERTIFICATES, NOTICES AND PAYMENTS

ESTOPPEL CERTIFICATES

14.1 The Tenant at any time and from time to time upon not less than five (5) days' prior notice, at the request of the Landlord, shall execute and deliver as directed by the Landlord an estoppel certificate detailing, among other items: (a) that this Lease is unmodified and in full force and effect; and (b) the amount of any Rent payable under this Lease.

NOTICES

14.2 Any notice, demand or request which any party shall give to any other party shall be in writing and may be delivered mailed by mail, email or similar telecommunication device and shall be addressed as follows:

if to the Landlord:

MSI SPERGEL INC. 505 Consumers Road, Suite 200 Toronto, Ontario M2J 4V8

Attention: Susan Downey Phone: 416 644 1669 Email: sdowney@spergel.ca

if to the Tenant:

AI FINANCIAL POWER GROUP LIMITED

350 Highway 7, Suite 310 Richmond Hill, Ontario L4B 3N2

Attention: Lin Mei Lu Phone: 647-328-8818 Email: capitotal.ca@gmail.com

PAYMENTS

14.3 Until such time as the Tenant shall have received written notice to the contrary, all payments of Rent shall be paid to the Landlord at its address referred to in Section 14.2 and notwithstanding any transfer or other disposition by the Landlord of the Leased Premises or of the Rent or any change of the name and address of the payee of any Rent, the Tenant, until receipt of such notice, may continue to pay the Rent to the same payee to which and in the same manner in which the last preceding payment thereof was made and each such payment made by the Tenant prior to the receipt by it of such notice shall, to the extent thereof, exonerate and discharge the Tenant of its liability to pay such Rent.

ARTICLE 15 GENERAL

ADDITIONAL DOCUMENTS AND ACTS

15.1 Each party shall execute and deliver such additional documents and instruments and shall perform such additional acts as may be necessary or appropriate in connection with this Lease and all transactions contemplated by this Lease to effectuate, carry out and perform all of the covenants, obligations and agreements of this Lease and such transactions.

TIME OF THE ESSENCE

15.2 Time shall be of the essence of this Lease.

QUIET ENJOYMENT

15.3 The Landlord covenants with the Tenant for guiet enjoyment.

PLANNING ACT

This Lease is entered into subject to the express condition that it is to be effective only if the applicable provisions of the *Planning Act (Ontario)*, or any statute that may be substituted therefor, as from time to time be amended, are complied with and only if any consent required thereby is granted on conditions which are acceptable to the Landlord.

NOTICE OF LEASE

15.5 This Lease may not be registered against the title to the lands underlying the Leased Premises.

AUTHORIZATION

15.6 Each of the Landlord and Tenant has all requisite power and possess all licenses, franchises, permits, consents and other rights necessary to enable it to enter into this Lease.

WAIVERS

15.7 No waiver by a party of any breach by another party of any of the covenants, obligations and agreements under this Lease shall be a waiver of any subsequent breach or of any other covenant, obligation or agreement, nor shall any forbearance to seek a remedy for any breach be a waiver of any rights and remedies with respect to such or any subsequent breach. The acceptance by the Landlord of the payment of Rent after notice to the Tenant of any default shall not constitute a waiver of any rights or remedies of the Landlord with respect to such or any other default.

SEVERABILITY

15.8 If any covenant, obligation or agreement in this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such covenant, obligation or agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and

each covenant, obligation and agreement in this Lease shall be separately valid and enforceable to the fullest extent possible.

CHANGES REQUIRED BY CONTEXT

This Lease shall be read with all changes of gender and number required by the context.

WHOLE AGREEMENT

This Lease supersedes all prior agreements, arrangements and communications and contains and constitutes the entire agreement with respect to the subject matter herein set out between the parties. There are no understandings, inducements, representations, warranties, collateral agreements or conditions affecting or supported by this Lease or upon which any party has relied in entering into this Lease other than as expressed in this Lease. This Lease may be amended or modified only by a written instrument signed by each of the parties.

HEADINGS

15.11 The article headings and section headings in this Lease have been inserted for convenience of reference only and do not form part of this Lease. They shall not be referred to in the interpretation of this Lease.

APPLICABLE LAW

This Lease shall be construed in accordance with the laws of the Province of Ontario and no action or other proceeding shall be brought to construe or enforce this Lease except in those courts having jurisdiction in the Province of Ontario.

ASSIGNS

15.13 This Lease shall enure to the benefit of and be binding upon the parties hereto, shall be binding upon their respective successors and permitted assigns and shall enure to the benefit of and be enforceable by only such successors and permitted assigns.

ELECTRONIC TRANSMISSION

The Landlord and Tenant agree that this Lease may be transmitted by facsimile, email, or such similar manner, and that the reproduction of signatures by facsimile, email, or such similar manner, will be treated as binding as if originals and each party hereto undertakes to provide, upon reasonable notice, each and every other party hereto with a copy of this to the Agreement bearing original signatures forthwith.

[a signature page follows]

IN WITNESS WHEREOF the parties hereto have executed this Lease effective as at the date first above written.

MSI SPERGEL INC., in its capacity as
Court Appointed Receiver of HIGHYON
ASSETS CORP. and not in its corporate
capacity.
Per:
Name:
Title:
Per:
Name:
Title:
ride.
I/We have authority to bind the Corporation.
AI FINANCIAL POWER GROUP LIMITED
\mathbb{I}
Per:
Name: Lin Mei Lu
Title: Vice President
I have authority to bind the Corporation.

6297665_1



Suite310, 350 HWY 7 E, Richmond Hill, ON L4B3N2 P (905) 597-7702 x F (905) 597-7703

LEASE AGREEMENT

Date:March 22, 2017	Room Number(s): 19
Client Information	
Company Name: An Link Financial Inc	Contact Name: Winston Luo
Address:	City:
State and Zip:	Tax ID:
Telephone:	Fax:
Nature of Business:	Email: an_link@yahoo.ca
Number of Workstations:	Mobile: 647 986 2966
Special Services:	
Comments: Automatic renewal at the same rent; Three mo	
Deposit Provided:	* · · · · · · · · · · · · · · · · · · ·
Monthly Fee (before HST): \$442.48	HST: _\$57.52
Security Deposit:	Total Monthly Fee: \$500.00
Agreement Period: One Year	
Start Date: September 1st, 2016	End Date: August 31th, 2017
Client Name: Winston Luo	S.S. No.:
Title: President	
Client Signature	Executive Suite Signature

COMMERCIAL LEASE AGREEMENT
THIS LEASE (this "Lease") dated 1th day of February, 2020
Between: Highyon Assets Corp. (the" Party 1") of 350 Highway 7 E, Suite 310
<u>-AND-</u>
Premium Diamond MIC & Prudent Excellence Mortgage Investment Corporation (the "Party 2"). Address Unit 15 &17, 350 HWY 7
Contact Name: Fujia Wang Mobile: 647-400-0186 Email: wang-fu-jia@msn.com
∂ .
IN CONSIDERATION OF the Landlord leasing certain premises to the Tenant, the Tenant leasing those premises from the Landlord and the mutual benefits and obligations set forth in this Lease, the parties to this Lease (the "Parties") agree as follows:
Leased Premises
1. The Landlord agrees to rent to the Tenant the office space municipally described as Room 15 & Room 17, (the "Premises") in Highyon Suite 310. The Premises will be used for only the following permitted use (the "Permitted Use"):
Term
2. The term of the Lease commences on February 01 st , 2020 and ends on January 31th, 2021 (the "Term").
3. The Tenant which will be subject to all the terms and conditions of this Lease but will be terminable upon either party giving two month's notice to the other party.
Rent
4. Subject to the provisions of this Lease, the Tenant will pay the rent of
900 for both Room plus HST: 117 ; Total amount: 1017 monthly
5. The Tenant should remit 12 posted checks dated on the 1 st day of each month to Landlord at this Lease start date of the Term.
6. The Tenant will be charged an additional amount of \$35.00 for any late payment of Rent.

Use and Occupation

7. The Tenant will carry on business under the name of _______ and will not change such name without the prior written consent of the Landlord. Such consent not to be unreasonably withheld.

7.

Security Deposit

- 8. On execution of this Lease, the Tenant will pay the Landlord a security deposit of \$500.00 to be held by the Landlord without interest. Within 3 days after the termination of this tenancy, the Landlord will deliver the Security Deposit less any proper deductions (include furniture, lock damage) to the Tenant.
- 9. The Tenant may not use the Security Deposit as payment for the Rent.

Quiet Enjoyment

10. The Landlord covenants that on paying the Rent and performing the covenants contained in this Lease, the Tenant will peacefully and quietly have, hold, and enjoy the Premises for the agreed term.

Distress

11. If and whenever the Tenant is in default in payment of any money, the Landlord may, without notice, enter upon the Premises, remove the Tenant's goods, terminated this Lease. The Security Deposit will not refund to the Tenant.

Renewal of Leased

12. Upon giving written notice no later than 60 days before the expiration of the Term, the Tenant may renew this Lease for an additional term. All terms of the renewed, the Rent will be re- determined by discussing between both parties depend on the market price.

Utilities and Other Costs

13. The Landlord is responsible for the payment of the following utilities and other charges in relation to the Premises: electricity, natural gas, water, sewer, Internet and cable.

Insurance

14. The Tenant is hereby advised and understands that the personal property of the Tenant is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such loss.

Care and Use of Premises

- 15. The Tenant will promptly notify the Landlord of any damage (include furniture, lock), or of any situation that may significantly interfere with the normal use of the Premises.
- 16. The Tenant will not make (or allow to be made) any noise or nuisance which, in the reasonable opinion of the Landlord, disturbs the comfort or convenience of other tenants.

- 17. The Tenant will not engage in any illegal trade or activity on or about the Premises.
- 18. The Tenant will not keep or have on the Premises any article or thing of a dangerous, that might unreasonably increase the danger of fire on the Premises.
- 19. The Tenant will obey all rules and regulations posted by the Landlord regarding the care of the other area and facilities that are not included in the Premises.
- 20. This Lease will constitute the entire agreement between the Landlord and the Tenant. Any prior understanding or representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent incorporated in this Lease. In particular, no warranties of the Landlord not expressed in this Leased are to be implied.

John o	Roger Bing Pu_
(Tenant)	Highyon Assets Corp. (Landlord)
Date: 2020 - 02 - 0	Date: 2020 - Feb - 0

TENANT ACKNOWLEDGMENT FORM

Name of Tenant:	FOURPURE MORTESSE INC.
Address:	BICHMOND HILL, ONTARIO LABBANZ
Principal Contact:	BARRY CONSTABLE
Telephone:	416-662-7424
Fax:	
Email:	BARRY OF FOUR PHET MORTES AGE COM
Term of Lease:	Prex (Provide copy of lease)
Base Rent Payable:	9 300
Date First Occupied Pr	emises:
Date of Last Rent Payn	nent:(Attach cancelled cheque)
To whom rent delivere	ed: ROBER Pu
Details of sub-tenancy	(if applicable):
MAINLY	DEFSET FOR WORK WITH ACCREBITES REAMY PORTNERS INC
HIGHYON	Find Marine
HIOHYON	HOSTERGE INVESTMENT CORPORATION FIGHYON GP NO 118 CORP.
Dated: 20 - 1/-	
	26/11/1
Witness:	Signature of Tenant/Sub-Tenant

APPENDIX 3

Mukul Manchanda

To: Paula Amaral Subject: RE: Highyon Claims

From: Romeh, Mona < Mona.Romeh@cra-arc.gc.ca >

Sent: March 3, 2022 6:05 PM

To: Paula Amaral pamaral@spergel.ca

Subject: RE: Updates

Categorization: Unclassified

Hi Paula,

Thanks for the information re: the pharmacy.

Regarding Highyon, a proof of claim was filed just under a year ago I think – but I'm completing an updated one now. Updated to include a fairly small debt on the GST/HST account. There is no deemed trust portion for either the source deductions or the GST/HST accounts, so please note this claim is fully unsecured. If you can you confirm whether unsecured creditors are looking at any distributions at this time, that would be great too.

I am working a little late today, so I will probably have the claim letter back to you tonight. Just so you know what to expect, The GST/HST account has a balance of \$1,623.61 and the source deductions debt sits at \$15,647.29, for a total unsecured claim of \$17,270.90 against Highyon Assets Corp.

Have a great evening,

Mona

From: Paula Amaral <pamaral@spergel.ca>

Sent: March 3, 2022 3:56 PM

To: Romeh, Mona < Mona. Romeh@cra-arc.gc.ca>

Subject: Updates

ATTENTION

This email originated from outside of the Government of Canada. **Do not click links or open attachments unless you recognize the sender and believe the content is safe.** For more information regarding reporting suspicious emails, please visit the KnowHow webpage: <u>Suspicious emails - how to report</u>

Ce courriel provient de l'extérieur du Gouvernement du Canada. **Ne cliquez pas sur les liens et n'ouvrez pas les pièces jointes, à moins de connaître l'expéditeur et croire que le contenu est sécuritaire.** Pour de plus amples renseignements sur la façon de signaler les courriels suspects, veuillez consulter la page Web SavoirFaire: <u>Courriels suspects – Comment signaler</u>

Hi Mona,

APPENDIX 4



Form 520 for use in the Province of Ontario

Listing Agreement - Commercial Seller Representation Agreement

Authority to Offer for Sale

					EXCLUSIVE
This	is a Multiple Listing Service® Agreement	$\left(\begin{array}{c} 1 \\ 1 \end{array} \right)$	OR	This Listing is Exclusive	
DET	AAFEENI.	(Seller's Initials)			(Seller's Initials)
	WEEN: OKERAGE:	COLLIERS MA	ACAULAY N	ICOLLS INC.	
			/ab #1 :-4:-	- Pl") T-I N- (416)	777-2200
•••••		5-1-1u -	(ine Listin	g Brokerage") Tel. No. (416)	appointed
SELI	MSI Spergel Inc.	Solely in	115	Capacity as Lourt	(the "Seller")
In co	onsideration of the Listing Brokerage listing the real p	property for sale kno	own as3	50 Highway 7 Ave E, sui	te 310
	Richmond Hill			L4B 3N2	(the "Property")
the S	Seller hereby gives the Listing Brokerage the exclusi	ive and irrevocabl	e right to act	as the Seller's agent,	
con	nmencing at 12:01 a.m. on the25	. day of		February	, 2021,
unti	II 11:59 p.m. on the		August	, 20.21	(the "Listing Period"),
<	Seller acknowledges that the length of the Listing Peri MLS® listing, may be subject to minimum requiremen and Business Brokers Act, 2002, (REBBA), if the Lis	its of the real estate b	oard, howeve	er, in accordance with the Real Estate	[Seller's Initials]
to of	ffer the Property for sale at a price of:				
	One Million One Hun	dred Thousand		Dollars (\$CDN)1,1	00,000.00
set c	upon the terms particularly set out herein, or at suc out herein are at the Seller's personal request, after the perty.	h other price and/or	terms accept	able to the Seller. It is understood that t	ne price and/or terms
	Seller hereby represents and warrants the Property or agreement to pay commission				
1.	DEFINITIONS AND INTERPRETATIONS: For the "Seller" includes vendor and a "buyer" includes a any agreement to exchange, or the obtaining of an exercised, or an agreement to sell or transfer shares Act (2002). The "Property" shall be deemed to include other remonents. For purposes of this Agreement, anyone administrators, successors, assigns, related corporation where one half or a majority of the shareshareholders, directors, or officers of the corporation	purchaser or a prospe option to purchase what is or assets. "Real properties of the lude any part thereof nuneration. This Agre introduced to or show tions and affiliated ac- reholders, directors or	ective purchashich is subsective include or interest the ement shall be well the propertions. Response of the original origin	ser. A purchase shall be deemed to inclu- quently exercised, or the causing of a Firs is real estate as defined in the Real Estate erein. A "real estate board" includes a ri- e read with all changes of gender or ni- rry shall be deemed to include any spa- elated corporations or affiliated corpora- e related or affiliated corporation are the	t Right of Refusal to be and Business Brokers eal estate association. Imber required by the buse, heirs, executors, tions shall include any
2.	COMMISSION: In consideration of the Listing Bro	okerage listing the Pro	perty for sale	e, the Seller agrees to pay the Listing Bro	okerage a commission
	of5 % of the sale price of the Prop	perty or 4% if the	e deal co	mpleted directly with the	listing term
	OR if it is listed on the interested for any valid offer to purchase the Property from any this Agreement OR such other terms and conditions	y source whatsoever	obtained duri		• • • • • • • • • • • • • • • • • • • •
	INITIALS OF LISTING BRO	KERAGE: M	N	INITIALS OF SELLER	S):
	The read-one of DEALTONS DEALTONS MISS MISS MISS OF				

The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pe
the co-operating brokerage a commission of
The Seller further garges to pay such commission as calculated above if an agreement to purchase is agreed to be accepted by the Seller or agreement.

The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property.

Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.

In the event the buyer fails to complete the purchase and the deposit or any part thereof becomes forfeited, awarded, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit forfeited, awarded, directed or released to the Seller (but not to exceed the commission payable had a sale been consummated) and to pay the balance of the deposit to the Seller.

All amounts set out as commission are to be paid plus applicable taxes on such commission.

REPRESENTATION: The Seller acknowledges that the Listing Brokerage has provided the Seller with written information explaining agency relationships, including information on Seller Representation. Sub-agency, Buyer Representation, Multiple Representation and Customer Service. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage acting as an agent for more than one seller without any claim by the Seller of conflict of interest. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage.

The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practical opportunity and in all cases prior to any offer to purchase being submitted or presented.

The Seller understand and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:

- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- · that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information
 applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- · the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer.

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

Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.

MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Listing Brokerage's relationships to each seller and buyer.

INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):



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- 4. REFERRAL OF ENQUIRIES: The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage by the Seller before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller's accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period described above, the Seller agrees to pay the Listing Brokerage the amount of commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.
- 5. MARKETING: The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or amissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or wilful act.
- 6. WARRANTY: The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.
- 7. INDEMNIFICATION AND INSURANCE: The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or wilful act. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement and, if attached, the accompanying data form.

 The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.
- 8. ENVIRONMENTAL INDEMNIFICATION: The Seller agrees to indomnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury as a result of the Property being affected by any contaminants or environmental problems:
- FAMILY LAW ACT: The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless
 the spouse of the Seller has executed the consent hereinafter provided.
- 10. FINDERS FEES: The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the commission as described above.
- 11. VERIFICATION OF INFORMATION: The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
- 12. USE AND DISTRIBUTION OF INFORMATION: The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS® System of the appropriate Board. The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid. The Seller acknowledges that the database, within the board's MLS® System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may: during the term of the listing and thereafter, distribute the information in the database, within the board's MLS® System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and

INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):



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selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or ot terminated and the Property is not sold, the Seller, by initiall			(
consent to allow other real estate board members to contact other termination of this Agreement to discuss listing or other		•		(Does)	(Does Not)
3. SUCCESSORS AND ASSIGNS: The heirs, executors, admini	strators, s	uccessors and assi	gns of the und	ersigned are bound	by the terms of this Agreement.
14. CONFLICT OR DISCREPANCY: If there is any conflict or attached hereto) and any provision in the standard pre-set p extent of such conflict or discrepancy. This Agreement, inclu the Brokerage. There is no representation, warranty, collater	portion he	ereof, the added p Schedule attache	provision sha d hereto, sha	ll supersede the star	ndard pre-set provision to the re Authority from the Seller to
5. ELECTRONIC COMMUNICATION: This Agreement and a by means of electronic systems, in which case signatures sha means shall be deemed to confirm the Seller has retained a	ll be deer	ned to be original	. The transmis		
6. ELECTRONIC SIGNATURES: If this Agreement has been si electronic signature with respect to this Agreement pursuant					
17. SCHEDULE(S)A, B					
THE LISTING BROKERAGE AGREES TO MARKET THE PICTURE TO PURCHASE OTHER TERMS SATISFACTORY TO THE SELLER.	THE PR		E TERMS SE	T OUT IN THIS A	
MMcholls		5/2U21 10 			
Authorized to bind the Listing Brokerige F THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTO			•	me of Person Signing)	
ON THIS DATE I HAVE SIGNED UNDER SEAL. Any represended in the past of my knowledge, information and be SIGNED, SEALED AND DELIVERED I have hereunto set my hand MSI Spergel Inc. solely in its capacity as Court-Appointment of Seller.	elief. and seal:		ur as snown	on the accompany	ning adia term respecting the
(Mkl)		February 23	3, 2021		
Signature of Seller/Authorized Signing Officer) MSI Spergel Inc.	🏓	(Date)		(Tel. No.)	
Signature of Seller/Authorized Signing Officer	(Seci)	(Date)		(Tel. No.)	
EPOUSAL CONSENT: The undersigned spouse of the Seller he aw Act, R.S.O. 1990 and hereby agrees to execute all necessar					
Spouse)	(Seal)	(Date)	•••••	[Tel. No.]	
DECL	ARATIO	N OF INSURAN	ICE		
The Salesperson/Rinker/Rinker of Percent					
יייי הווספוסקוייייי הוואסוע ווואסוע ווויפוסקניייייייייייייייייייייייייייייייייייי		Chri	s Kwun Ho	Lee	
The Salesperson/Broker/Broker of Record	(Name of			ord)	
hereby declares that he/she is insured as required by REBBA.		Docu	uSigned by:		
hereby declares that he/she is insured as required by REBBA.	(Sign	ature(s) of Solespage	usigned by: IS LU Ran/Braker/And	ker of Record)	
hereby declares that he/she is insured as required by REBBA. A The Seller(s) hereby acknowledge that the Seller(s) fu	(Sign	ature(s) of Sciences VLEDGEMENT erstand the ter	usigned by: S. L.W. Rein/Anaker/Abo	ker of Record) Agreement and	have received a copy of
hereby declares that he/she is insured as required by REBBA.	(Sign	ature(s) of Sciences VLEDGEMENT erstand the ter	usigned by: S. L.W. Rein/Anaker/Abo	ker of Record) Agreement and	have received a copy of , 20 . <u>.21</u>
hereby declares that he/she is insured as required by REBBA. A The Seller(s) hereby acknowledge that the Seller(s) fu	(Sign ACKNOV illy unde	ature(s) of Scientification VLEDGEMENT Perstand the ter	uSigned by: S LUC RAND/Booker/Alboo ms of this A	ker of Record) Agreement and Februa	have received a copy of

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COMMERCIAL - SALE MLS® DATA INFORMATION FORM



Mandatory Field All Property Types All Property Types	MLS® LISTING # FOR BOARD USE ONLY FOR A NEW LISTING OR TO BE
PROPERTY INFORMATION	COMPLETED FOR A RE-RUN.
ASSESSMENT ROLL NUMBER (ARN)	
PIN# AREA	
R I C H M O N D H I L L	
D O N C R E S T	
STREET NUMBER STREET NAME	ABBREVIATION DIR APT/UNIT # POSTAL CODE
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	E 3 1 0 L 4 B 3 N 2
LEGAL DESCRIPTION (LOT, PLAN, CONCESSION)	
PROPERTY MANAGEMENT COMPANY	
Lot Bldg X Unit Metres	LOT IRREGULARITIES Acres
* NOT MANDATORY FOR COMMERCIAL CONDO DIRECTION/MAIN CROSS STREETS	MAP # MAP COL (NUMERIC) MAP ROW (ALPHA)
PRICE/DATES	♦ One of Possession Date or Possession Remarks is Mandatory
LIST PRICE CODE NOTE: REFER TO PRICE CODES	MIN. RENTAL TERM (MONTHS) MAX. RENTAL TERM (MONTHS)
[1 1 0 0 0 0 0 . 0 0 F O R S A L E	
SELLER NAME	
MSI SPERGEL INC., soley in its capacity	as court appointed receiver
CONTRACT COMMENCEMENT EXPIRY DATE POSSESSION DATE 0 2 / 2 5 / 2 0 2 1 0 8 / 2 5 / 2 0 2 1 / / M M D D Y Y Y Y	CONTACTO
	ASSESSMENT YEAR CONDO MAINTENANCE FEES (MONTHLY)
7,5,5,0,.,1,1,	* MANDATORY FOR COMMERCIAL & INDUSTRIAL CONDOS ONLY
FORM 590 © 2020 Toronto Regional Real Estate Board ("TREB"). All rights reserved. This form wa	

DETAILS

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TYPE - PRIMARY (check 1)	CATEGORY (check 1)			USE (check 1)	
Commercial Retail Property (Do not use for Sale of Business)	Highway Commercial Multi-Use Retail Service	Automotive Related Health & Beauty Rela	= ' '	elated Retail Store Related	Service Related
	Commercial Condo Institutional*	☐ Bank * ☐ (Church* School	* Other* *uses	for Institutional category only
Sale of Business	☐ With Property ☐ Without Property	Apparel Art Gallery Art Supplies Automotive Related Bakery Banquet Hall Bar/Tavern/Pub Beauty Salon Bed & Breakfast Butcher/Meat Cabins/Cottages Café Car Wash Caterer/Cafeteria Coffee/Donut Shop	Coin Laundromat Convenience/Vari Copy/Printing Crafts/Hobby Dairy Products Day Care Delicatessen Delivery/Courier Distributing Drugstore/Pharma Dry Cleaning/Lau Electronics Entertainment Fast Food/Takeou Fitness/Training	ety Food Court Outlet Footwear Fruit/Vegetable/Mark Funeral Home Furniture Garden/Landscaping Gas Station Golf Course acy Golf Driving Range ndry Gravel Pit/Quarry Grocery/Supermarke Hair Salon	Medical/Dental Other Pizzeria Real Estate Office Restaurant Self Storage Service Related
Store With Apartment/Office	Store With Apartment/Office				
☐ Investment	Accommodation 1 Apartment 2 Retail Industrial Recreational 3 Office	Apts-2 To 5 Units ²	Cabins/Cottages 1 Hotel/Mo Apts-6 To 12 Units 2 Apts-13 To Marina 3 Campgro ation only 2 - uses for Apartm	o 20 Units ² Apts-Over 20 Units ² Dunits ³ Apts-Over 20 Units ³ Sports/Entertainment ³	Seniors Residence ² Other ² Other ³ Only All others have no uses.
▼ Office	▼ Office	Medical/Dental	▼ Professional Office Of	e Other	
☐ Industrial	Free Standing Mutli-Unit Industrial Condo	Cooler/Freezer/ Food Inspected	☐ Factory/Manufact ☐ Laboratory	uring Other Transportation	☐ Warehouse
☐ Farm	Agricultural	Cash Crop Dairy Products	Hobby Horse	Livestock	Other
Land	Raw (Outside Official Plan) Designated	Bush Golf Gravel Pit/Quarry Industrial	☐ Hospitality☐ Office☐ Other	Parking Lot Recreational Residential	Restricted Retail Waterfront
3 FREESTANDING	☐ Acres ☐ Hectare: ※ Square ☐ Sq. Ft. [☐ Square ☐ Sq. M. [s Feet 5 Divisible Metres Divisible	Square Feet Sq. Ft. Divisible Square Metres Sq. M. Divisible	6 INDUSTRIAL AREA CODE (check 1) Percentage Square Feet Sq. Ft. Divisible Square Metres Sq. M. Divisible DS RS INITIALS	7 RETAIL AREA 7 RETAIL AREA CODE (check 1) Percentage Square Feet Sq. Ft. Divisible Square Metres Sq. M. Divisible

DocuSign Envelope ID: 7916C950)-2551-4FA8-929C-CCDBB7	7943850		
APPROXIMATE AGE	10 SPRINKLERS (check 1)	14 HEAT TYPE (check 1)	15 GRADE LEVEL SHIP DOORS #	OUTSIDE STORAGE
☐ New ☐ 0 - 5 Years	☐ No ☐ Partial	Baseboard Elec Forced Air		☐ No ☐ Yes
6 - 15 Years 16 - 30 Years	Yes	☐ Elec Hot Water ☐ Fan Coil ☐ Gas Forced Air Closed	DOOR HEIGHT FT LLJ IN LLJ DOOR WIDTH FT LLJ IN LLJ	18 RAIL
☐ 31 - 50 Years ☐ 51 - 99 Years ☐ 100 + Years	11 UTILITIES X Available	Gas Forced Air Open Gas Hot Water None		Available X No Yes
AREA INFLUENCES	Yes No	Oil Forced Air Oil Hot Water	16 ELEVATOR (check 1) Freight/Public Freight	CRANE No Yes
(check 2) Greenbelt/Conservation Major Highway	VOLTS	Oil Steam Other Propane Gas	☐ None ☑ Public	SURVEY
Public Transit Recreation/Community Center Skiing	12 WATER (check 1)	Radiant Solar Steam Radiators	17 GARAGE TYPE (check 1)	□ No □ Yes
Subways PHYSICALLY HANDICAPPED-EQUIPPED	Municipal None	Water Radiators Woodburning WASHROOMS	Covered Double Detached In/Out	SOIL TEST (check 1) Construction Audit Construction & Environmental
Yes No	Other Well	SHIPPING DOOR TYPES 15 TRUCK LEVEL SHIP DOORS #	Lane None Other	Environment Audit No Yes
Yes 🗶 No	(check 1)	DOOR HEIGHT FT LIJ IN LIJ	Outside/Surface Pay Plaza Public	¹⁹ SEWERS (check 1)
UFFI (check 1) No	Bored Well Cistern Community Well	DOOR WIDTH FT IN IN III 15 DOUBLE MAN SHIP DOORS #	Reserved/Assigned Single Detached Street	NoneSanitary AvailableX Sanitary + Storm
Partially Removed Removed Yes	Drilled Well Dug Well Lake/River	DOOR HEIGHT FT LIJ IN LIJ	✓ Underground ✓ Valet ✓ Visitor	Sanitary + Storm Available Sanitary Septic Available
9 CLEAR HEIGHT	Shared Well	DOOR FT LL IN LL	PARKING SPACES TOTAL	Septics Storm
FEET LL INCHES LL INCHES LL	13 AIR CONDITIONING (check 1)	DRIVE-IN LEVEL SHIP DOORS #	NUMBER OF TRAILER	Storm Available
WIDTH FT LL IN LL	│	DOOR HEIGHT FT LLJ IN LLJ	PARKING SPOTS	
LENGIH FI LLL IN LLL	A les	DOOR FT LL IN LL		

REMARKS FOR CLIENTS (use up to 463 characters)

Appear in the Brokerage Full, Client Full and Flyer Reports in TorontoMLS and are published on the Internet.

REMARKS MUST RELATE DIRECTLY TO PROPERTY.

3. DISCLOSE POTL DETAILS & POTL MONTHLY FEES IN THIS FIELD.

Professional office unit along Hwy 7. Building is equipped with motion sensors allowing for contactless entries and exits. Conveniently located with easy access to Hwy 404 & 407, and VIVA transit directly in front of building. Well maintained unit with functional layout includes private offices, boardroom, reception area, and kitchenette. Ample amenities in the area banks, hotels, grocery stores, gas stations, fitness, and abundance of restaurants/cafes.

EXTRAS (use up to 240 characters)

1. Appear in the Brokerage Full, Client Full and Flyer Reports in TorontoMLS and are published on the Internet.
2. REMARKS MUST RELATE DIRECTLY TO PROPERTY.

Excellent parking ratio of surface and underground parking - 2 exclusive underground parking. Vacant possession available or current tenant is willing to commit to longer term.

COMMENTS

REMARKS FOR BROKERAGES (use up to 280 characters)

- 1. Appear in the Brokerage Full Report in TorontoMLS and not on the Client Reports and are not published on the Internet.
 2. LIST ALL EQUIPMENT THAT IS RENTED, LEASED, OR LEASED TO OWN FOR THE PROPERTY INCLUDING THE DETAILS AND TERMS.
 REFER TO RESIDENTIAL INFORMATION CHECKLIST RENTAL OR LEASE FIXTURE(S)/CHATTEL(S) INCLUDED FORM 823.
 3. ADDITIONAL CONTACT INFORMATION IS ALLOWED ONLY IN THIS FIELD.

Tenant and/or Tenant's agent to verify all taxes and condo fees. Please contact listing agent for marketing package and tours.

FINANCIAL INFORMATION	
FINANCIAL INFORMATION	
20 FINANCIAL STATEMENT 21 CHATTELS 22 FRANCHISE 23 DAYS OPEN Yes No Yes No Yes No One Two Three Four Five Six Seven N	HOURS OPEN 24 EMPLOYEES Varies
25 SEATS 26 L.L.B.O. BUSINESS/BUILDING NAME (37 characters) Yes No Volume N	TAXES EXPENSE
INSURANCE EXPENSE MANAGEMENT EXPENSE MAINTENANCE HEAT EXPENSES	HYDRO EXPENSE WATER EXPENSE
OTHER EXPENSES GROSS INCOME/SALES VACANCY ALLOWANCE OPERATING EXPENSES	NET INCOME BEFORE DEBT
EST. INV. VALUES AT COST COMMON AREA UPCHARGE PERCENTAGE RENT Actual Estimate COMPLETE ONLY	d L
BROKERAGE INFORMATION	
LISTING BROKERAGE OFFICE PHO	ONE (4 1 6 - 7 7 7 - 2 2 0 0
Colliers Macaulay Nicolls Inc L.B. FAX N	0.
BROKER 1/SALESPERSON 1 BROKER 1/S	SALESPERSON 1 PHONE
Chris Lee	1 7 2 1 6
BROKER 2/SALESPERSON 2	SALESPERSON 2 PHONE
Anthony Miller	1 1 7 2 2 7
COMMISSION TO CO-OPERATING BROKERAGE	
SPIS ENERGY CERTIFICATION CERTIFICATION LEVEL	
☐ Yes ■ No ☐ Yes ☐ No ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	
GREEN PROPERTY INFORMATION STATEMENT DISTRIBUTE TO DDF™/IDX DISTRIBUTE TO INTERNET	DISPLAY ADDRESS ON INTERNET
☐ Yes ☐ No ☐ Yes ☒ No	▼ Yes □ No
APPOINTMENTS	PERMISSION TO CONTACT LB TO ADVERTISE
	☐ Yes 🗶 No
OCCUPANCY (check 1) CONTACT AFTER EXPIRED HOL	DOVER DAYS
☐ Owner/Tenant ☐ Owner ☐ Partial 【 Tenant ☐ Vacant ☐ Yes 【 No ☐ 9☐	0
VIRTUAL TOUR URL (100 characters)	
PHOTO OPTIONS ✓ Use photo from photo library Upload your own photo(s) No photo for this listing	
SELLER HEREBY ACKNOWLEDGES HAVING RECEIVED A COPY OF PART 2 OF 2 OF THE LISTING AGREEMEN	т.
SIGNATURE ()	2/25/2021 8:55 AM PST
F9F791F028684ED	
SIGNATURE	DATE

SCHEDULE "A"

- 1. Notwithstanding any other provision contained in this Agreement, the Seller shall only be liable to pay the commission provided for in the Listing Agreement if the purchase is completed. Colliers Macaulay Nicolls Inc. (hereinafter, the "Broker") acknowledges that the sale is taking place pursuant to the Ontario Superior Court of Justice Commercial List Court Order of The Honourable Justice Gilmore dated October 20, 2020 and that further court approval of the sale ("Court Approval") is a pre-condition to completion of the transaction. The Seller cannot guarantee that Court Approval will be obtained. The Brokerage also acknowledges that the purchaser of the Property may include in the agreement of purchase and sale certain conditions which the Seller is required to fulfil prior to closing (collectively, "Conditions") including, without limitation, the delivery of vacant possession. The fulfilment of such Conditions by the Seller cannot be guaranteed. The parties agree that no commission shall be payable if the transaction is not completed because Court Approval is not obtained or if the Conditions are not met or are impracticable to meet.
- 2. It is further understood and agreed that the Broker shall offer the Property for sale on an "as is, where is" basis and that the Broker shall make no representations, warranties, promises or agreements with respect to or in any way connected with the Property, including, without limitation, the title, description, fitness, state, condition, environmental status nor the existence of any work orders or deficiency notices affecting the Property.
- 3. Notwithstanding any other provision of this Agreement, the Vendor makes no representations or warranties regarding the Property, the condition of the Property, the existence of any insurance or its ability to enter into this listing agreement nor does the Vendor provide the Broker with any indemnification regarding any such matters.
- 4. In the event of any conflict between the provisions of this Schedule "A" and the provisions of the pre-printed portions of the Listing Agreement, the provisions of this Schedule "A" shall override and shall govern and prevail for all purposes.
- 5. Any prospective purchaser agrees to use the Vendors Form of Offer which will be provided by the Broker to such prospective purchaser.
- 6. The terms in the Agreement with respect to the payment of commission to the Listing Brokerage through the Holdover Period do not apply in the event that there is an auction or tender of the property by the Seller subsequent to the expiry of the listing. The Seller will have no obligation to pay any commission to the listing brokerage in the event that the property is sold at auction or tender subsequent to the expiry of the listing.



SCHEDULE "B"

ACKNOWLEDGEMENT (this "Acknowledgment")

TO: msi Spergel inc. ("Spergel"), in its capacity as the Court-appointed receiver (in such capacity, the "Receiver") of Highyon Assets Corp., (the "Company")

WHEREAS:

- A. Spergel was appointed as the Receiver of all the assets, undertakings and properties of the Company by way of an Order of The Honourable Mr. Justice Gilmore of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on October 16, 2020 (the "Receivership Order");
- B. subject to the terms and conditions of the Receivership Order, the Receiver is empowered and authorized to, amongst other things, occupy the premises municipally known as Suites 302 & 310, 350 Highway 7 East, Richmond Hill, ON (the "**Premises**");
- C. the Receivership Order also provides, amongst other things, that "the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out [of] the provisions of [the Receivership Order], including, but not limited to, any illness or bodily harm resulting from a party or parties contracting COVID-19, save and except for any gross negligence or wilful misconduct on its part" (the "Release"); and
- D. the undersigned wishes to access the Premises on the terms and conditions herein provided;

NOW THEREFORE, in consideration of being provided access to the Premises and such other good and valuable consideration, receipt of which is hereby acknowledged, the undersigned agrees as follows:

- 1. it agrees to abide strictly by all regulations and recommendations put in place by the relevant governmental authorities, including, without limitation, the relevant health authorities, in respect of COVID-19;
- 2. it agrees that the Receiver shall incur no liability or obligation as a result of it granting the undersigned access to the Premises, including, but not limited to, any illness or bodily harm that may result from the undersigned or any other person contracting COVID-19;
- 3. it has had an adequate opportunity to read and consider the Release and this Acknowledgment and to obtain such advice in regard to the Release and this Acknowledgment as the undersigned considers advisable, including, without limitation, independent legal advice;
- 4. it fully understands the nature and effect of the Release and this Acknowledgment and agrees to be bound by the Release and this Acknowledgment;
- 5. this Acknowledgment has been duly executed voluntarily;

- 6. all of the foregoing shall enure to the benefit of the Receiver and its successors, assigns, representatives and agents and be binding upon the undersigned and its heirs, executors, successors, assigns, representatives and agents;
- 7. this Acknowledgment will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein;
- 8. the undersigned hereto irrevocably attorns to the jurisdiction of the courts of the Province of Ontario sitting in Toronto, and consents to the jurisdiction and venue of the Court for the resolution of any disputes with the Receiver, regardless of whether or not such disputes arose under this Acknowledgment;
- 9. the terms of this Acknowledgment constitute the entire agreement between the undersigned and the Receiver relating to the subject matter hereof;
- 10. it is acknowledged by the undersigned that Spergel is entering into this Acknowledgment solely in its capacity as the Receiver and that Spergel shall have absolutely no personal or corporate liability under or as a result of this Acknowledgment in any respect; and
- 11. this Acknowledgment may be executed by the undersigned by PDF, each of which when so executed will be deemed to be an original.

IN WITNESS V	VHEREOF the undersign	ed has executed this Acknowledgment this	
day of	, 2020.		
Witness		Name and Signature	



APPENDIX 5

Listing Activity &Marketing Report

350 Highway 7 East | Markham, ON



Date	Activity	MLS
5-Feb-21	Original Listing with Anthony Miller & Chris Lee Signed & Uploaded	N128234
Feb 5 - Mar 4, 2021	Colliers Creating Marketing Material (See chart below)	
4-Mar-21	Colliers Website Activated	
28-Jun-21	Price Change to \$860,000	N5128234
25-Aug-21	Original Listing Expires & Chris Lee leaves Colliers	N5128234
17-Nov-21	New Listing with Anthony Miller & Yanis Signed & Uploaded	N5435011
24-Nov-21	First eBlast with New Listing Team Sent	
14-Jan-22	Second eBlast with New Listing Team Sent	
2-Feb-22	Price Reduced on MLS	N5435011
10-Feb-22	eBlast sent announcing Price Reduction	

Marketing Initiatives

- ✓ Flyer
- ✓ Photos
- MLS listing
- ✓ Virtual Tour
- ✓ Email blast
- ✓ Website

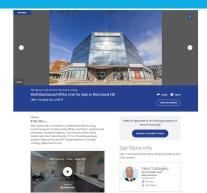


Click Here to take a Virtual Tour

Yanis Tzatzoglou*

Vice President +1 416 791 7208 yanis.tzatzoglou@colliers.com

Website



Anthony Miller*

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eBlast Sample

350 Highway 7 East | Markham, ON



Property Features

For Sale: 2,545 SF

- Sale Price: \$838,838 CAD
- Easy access to Highway 404 and 407
 VIVA Transit in front of building
 Surface and underground parking available
 Functional layout with reception area, private
- offices, boardroom and kitchenette
- Touchless and motion sensor entries and exits Minutes to Langstaff GO Station

Description

Well maintained unit located in a professional office building. Functional layout includes private offices, boardroom, reception and kitchenette. Located at Highway 7 and Chalmers Road. Great location with VIVA Transit directly in front of building and easy access to Highway 404 and 407. Ample amenities in the area, including





Download Flyer





PRICE REDUCED - \$838,838 CAD

Well Maintained 2,545 SF Office Condo

Office Unit For Sale in Richmond Hill



Details

For Sale: 2,545 SF

- · Easy access to Highway 404 and 407

- VIVA Transit in front of building
 Surface and underground parking available
 Functional layout with reception area, private offices, boardroom and kitchenette
- Touchless and motion sensor entries and exits Minutes to Langstaff GO Station

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View Property Website





Email #1

597 **Email Recipients**

Link

11/24/21 **Date** Sent

Email #2

Email Recipients

Link **Clicks**

01/14/22 Date

Email #3



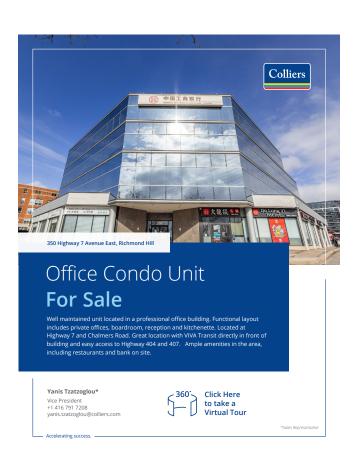
Email Recipients

Link **Clicks**

Date 02/10/22 Sent

Flyer

350 Highway 7 East | Markham, ON



350 Highway 7 East, Suite 310 | Richmond Hill

Property Overview

Civic Address	350 Highway 7 East, Richmond Hill
Available Area	Suite 310 2,545 SF
Location	The property is directly located on the corner of Highway 7 and Chalmers Road in Richmond Hill.
Zoning	Office
Security	Motion sensors for contactless entry/exit
Parking	Excellent Free Surface parking ratio Underground available with 2 exclusive spots
Asking Price	\$799,999 CAD
Condo Maintenance Fees	\$3,661.48 (monthly)
Property Tax	\$7,550 (2020 annual)
Possession Date	Contact Agent



\$799,999 cad

Key Highlights



















Flyer

350 Highway 7 East | Markham, ON

350 Highway 7 East, Suite 310 | Richmond Hill

Surrounding Amenities



Subject property

Amenities

Bus Routes

Vork Region

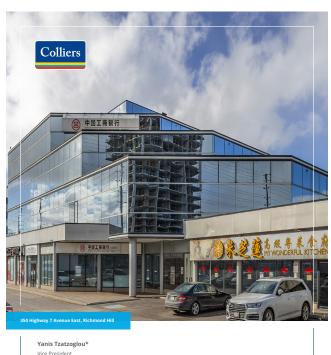
Restaurant/bar

Was Blue

Viva Purple

Hotel

Groceries



Vanis Tzatzoglou

Vice President

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yanis.tzatzoglou@colliers.com

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APPENDIX 6

AGREEMENT OF PURCHASE AND SALE

(350 Highway 7 Avenue East, Suites 302 and 310, Richmond Hill, Ontario, and associated Parking Spots)

THIS AGREEMENT dated	l as of the 28th day of February	, 2022.
BETWEEN:		
	MSI SPERGEL INC., solely in its careceiver of HIGHYON ASSETS CO or corporate capacity and without liability.	RP. and not in its persona
	(the "Vendor" or "Receiver")	
		OF THE FIRST PART
	- and -	
	1000002868 Ontario Corporation	
	(the "Purchaser")	
		OF THE SECOND PART

IN CONSIDERATION of the mutual agreements contained in this Agreement, the sufficiency of which is acknowledged by each of the Vendor and the Purchaser, the Vendor and the Purchaser agree as follows:

1. **DEFINITIONS**

In this Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

- (a) "Act" means, for purposes of Section 16 hereof only, the Excise Tax Act (Canada);
- (b) "Agreement" means this agreement of purchase and sale executed by the Purchaser and accepted by the Vendor, together with the attached schedules;
- (c) "Approval and Vesting Order" shall have the meaning ascribed thereto in Section 13(a) hereof and shall be substantially in the form attached as Schedule "D";
- (d) "Buildings" means the buildings, improvements, installations and fixtures of every nature and kind situate in, on and/or over the Lands;

- (e) "Business Day" means any day other than a Saturday or a Sunday or a statutory holiday in the Province of Ontario;
- (f) "Claims" means security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, writs of seizure and sale, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise:
- (g) "Closing" shall have the meaning ascribed to it in Section 6 hereof;
- (h) "Condominium Corporation" shall mean York Region Condominium Corporation Plan No. 711 ("YRCC 711").
- (i) "Court" means the Ontario Superior Court of Justice (Commercial List);
- (j) "Court Order" means the order of the Honourable Madam Justice Gilmore dated the 16th day of October, 2020, whereby the Vendor was appointed receiver of Highyon Assets Corp., and was given authority to sell, convey, transfer, lease or assign the Lands or any part or parts thereof, a copy of which order is attached as Schedule "A":
- (k) "Date of Closing" shall have the meaning ascribed to it in Section 6 hereof;
- (I) "Deposit" shall have the meaning ascribed to it in Section 3(a) hereof;
- (m) "DRA" shall have the meaning ascribed to it in Section 7(a)(i) hereof;
- (n) "<u>Due Diligence Period</u>" shall have the meaning ascribed to it in Section 12(a)(i) hereof:
- (o) "Environmental Law" means any and all applicable international, federal, provincial, state, municipal or local laws, by-laws, statutes, regulations, treaties, orders, judgements, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, health protection or any Hazardous Materials:
- (p) "Government Authority" means any person, body, department, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial or municipal government having or claiming to have jurisdiction over part or all of the Lands, the transaction contemplated in this Agreement and/or one or both of the parties hereto and shall include a board or association of insurance underwriters;
- (q) "Hazardous Materials" means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any "contaminants", "dangerous substances", "hazardous materials", "hazardous substances", "hazardous wastes", "industrial wastes", "liquid wastes", "pollutants" and "toxic substances", all as defined in,

referred to or contemplated in federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health and/or safety matters and, not to limit the generality of the foregoing, includes asbestos, urea formaldehyde foam insulation and mono- or poly-chlorinated biphenyl wastes;

- (r) "HST" shall have the meaning ascribed thereto in Section 16(a) hereof;
- (s) "ICA" shall have the meaning ascribed thereto in Section 10(b) hereof;
- (t) "Lands" means the lands and premises legally described on Schedule "B" hereto, of which the Vendor intends to sell to the Purchaser together with all easements, rights-of-way, privileges and appurtenances attaching thereto and enuring to the benefit thereof:
- (u) "Material Damages" shall have the meaning ascribed to it in Section 8 hereof;
- (v) "Permitted Encumbrances" means the encumbrances listed in Schedule "C" hereof;
- (w) "Purchase Price" shall have the meaning ascribed thereto in Section 3 hereof;
- (x) "Purchaser" means 1000002868 Ontario Corporation;

(y)	"Purchaser's Solicitor"	means		_ (Telephone	No.
			, Fax No);	

- (z) "Registry Office" shall have the meaning ascribed to it in Section 7(a) hereof;
- (aa) "Rights" means the right, title and interest, if any, of Highyon Assets Corp. in all benefits, advantages, licences, guarantees, warranties, indemnities, income, rents and options relating to the Lands and the Buildings, to the extent that they are assignable;
- (bb) "Status Certificate" means the Certificate issued by YRCC 711 with respect to the Lands.
- (cc) "TERS" shall have the meaning ascribed to it in Section 7(a) hereof;
- (dd) "<u>Vendor</u>" means msi Spergel inc., solely in its capacity as Court-appointed receiver of Highyon Assets Corp. and not in its personal or corporate capacity and without personal or corporate liability;
- (ee) "Vendor's Deliveries" shall have the meaning ascribed thereto in Section 13 hereof; and
- (ff) "Vendor's Solicitors" means the firm of Harrison Pensa LLP., 450 Talbot Street, London, Ontario N6A 5J6, Attention: Timothy C. Hogan, 519-661-6743 and by email at thogan@harrisonpensa.com.

NATURE OF TRANSACTION

The Purchaser shall purchase and the Vendor shall sell the Lands, upon and subject to the terms of this Agreement.

PURCHASE PRICE

The aggregate purchase price (the "Purchase Price") for the Lands shall be the sum of The Purchase Price shall be paid, accounted for and satisfied as follows:

- (a) Deposit: by the Purchaser delivering to the Vendor concurrently upon the execution of this Agreement by both parties hereto, the sum of the "Deposit"), by way of certified cheque, bank draft or wire transfer drawn upon one of Canada's chartered banks, which sum shall be held by the Vendor, in trust, as a deposit pending Closing or termination of this Agreement. Subject only to the terms of this Agreement, the Deposit is to be credited on account of the Purchase Price upon completion of the transaction contemplated in this Agreement. In the event that this Agreement is terminated for any reason other than the default of the Purchaser, the Deposit shall be returned to the Purchaser forthwith, without interest or deduction; and
- (b) Balance Due at Closing: the balance of the Purchase Price, net of the Deposit and subject to the adjustments expressly set out in this Agreement, by payment at Closing to the Vendor (or as the Vendor may otherwise direct in writing) by way of wire transfer from one of Canada's chartered banks.

The Vendor and the Purchaser acknowledge and agree that they shall each make their own allocations of the Purchase Price between the Lands for the purposes of the *Income Tax Act* (Canada) acting reasonably and any filings in accordance with the provisions thereof.

4. CLOSING AND POST-CLOSING ADJUSTMENTS

—¤s MM

(a) Closing Adjustments: Adjustment shall be made, as of 12:01 a.m. on the Date of Closing, for condominium fees, realty taxes, local improvement rates, rent, municipal/provincial levies and charges, water and assessment rates, and/or utilities, provided that the aforementioned items form a lien on title and are not vested out but by the Approval and Vesting Order. There shall be no credit by the Vendor for any rents, deposits or prepaid items not actually received by the Vendor. The Date of Closing shall be for the account of the Purchaser, both as to income and expense.

TERMS OF PURCHASE

(a) "As Is, Where Is": The Purchaser acknowledges that the Vendor is selling and the Purchaser is purchasing the Lands on an "as is, where is" basis subject to whatever defects, conditions, impediments, Hazardous Materials or deficiencies which may exist on the Date of Closing, including, without limiting the generality of the foregoing, any latent or patent defects in the Lands and such defects as may be revealed in the Vendor's Deliveries. The Purchaser further acknowledges that

it has entered into this Agreement on the basis that the Vendor does not quarantee title to the Lands and that the Purchaser shall have conducted such inspections of the condition and title to the Lands and its lawful use, as it deems appropriate and shall have satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrance, description. fitness for purpose or use, the existence or non-existence of Hazardous Materials, compliance with any or all Environmental Law, legality of rents, income. merchantability, physical condition, or quality, or lawful use or in respect of any other matter or thing whatsoever concerning the Lands, or the right of the Vendor to sell same save and except as expressly provided for in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the Sale of Goods Act of Ontario or pursuant to any other applicable law do not apply hereto and have been waived by the Purchaser. All material, documentation, information, data and descriptions of, and/or in regard to the Lands contained in this Agreement and/or supplied by the Vendor, its employees, agents, contractors and/or representative, are for the purposes of reference and/or identification only and no representation, warranty or condition has or will be given by the Vendor concerning the accuracy thereof and the Purchaser acknowledges and agrees that it has not placed any reliance thereon but rather has assumed all risk in regard thereto. If the Closing occurs, the Purchaser shall assume any and all risks relating to the physical condition of the Lands which existed on or prior to the Closing Date. Neither the Purchaser nor any permitted occupant of the Lands shall have any recourse to the Vendor as a result of the nature or condition of the Lands.

- (b) Without limiting the generality of the foregoing, the Purchaser further acknowledges that the Vendor has made no representation or warranty with respect to or in any way related to the Lands including the following:
 - the existence, validity, terms and conditions of any licenses, permits, consents or other regulatory approvals relating to or in any way connected with the Lands or any matter or thing arising out of or in any way connected therewith;
 - (ii) the conformity of the Lands to past, current or future applicable zoning or building code requirements;
 - (iii) the existence of soil instability, past soil repairs, soil additions or conditions of soil fill;
 - (iv) the sufficiency of any drainage;
 - (v) whether the Lands are located wholly or partially in a flood plain or a flood hazard boundary or similar area;
 - (vi) the existence or non-existence of underground storage tanks;
 - (vii) any other matter affecting the stability or integrity of the Lands;
 - (viii) the availability of public utilities and services for the Lands;

- (ix) the sufficiency or adequacy of any wells and water supply for irrigation or any other purpose;
- (x) the existence of zoning or building entitlements affecting the Lands;
- (xi) whether any fixtures attaching to the Lands are owned or rented;
- (xii) that keys or passcodes for the Buildings will be available on the Date of Closing or thereafter.
- (c) <u>Existing Leases</u>: The Purchaser agrees to assume all existing leases and occupancy agreements, if any, affecting the Lands on closing.

6. **DATE OF CLOSING**

Subject to the provisions of Sections 11 and 12 hereof, the transaction contemplated hereunder shall be completed (the moment of completion shall be referred to as "Closing") on the day which is ten (10) Business Days after the date upon which the Vendor obtains the Approval and Vesting Order (the "Date of Closing" or the "Closing Date") and advises the Purchaser of same.

7. **ELECTRONIC REGISTRATION**

- (a) In the event that the electronic registration system ("TERS") is operative in the relevant land registry office (the "Registry Office"), the following provisions shall apply:
 - (i) The Purchaser shall be obliged to retain a solicitor who is both an authorized TERS user and is in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the transaction and shall authorize such solicitor to enter into a document registration agreement with the Vendor's Solicitors in the form prepared by The Law Society of Upper Canada, which document version was adopted by the joint LSUC-CBAO Committee on Electronic Registration of Title **Documents** and which can be viewed http://rc.lsuc.on.ca/pdf/membershipServices/dramarch04.pdf(the "DRA"), establishing the procedures and timing for completing this transaction.
- (b) If through no fault of the Purchaser's Solicitor or the Vendor's Solicitors TERS is unavailable on the Closing Date, such that the Purchaser's Solicitor is unable to register the Application for registration of the Approval and Vesting Order, then the transaction contemplated by this Agreement shall be completed in escrow in accordance with the terms of the DRA which shall apply until such time as TERS becomes available. Upon TERS becoming available, the Vendor's Solicitors shall advise the Purchaser's Solicitor forthwith and the parties shall arrange to complete the registration of the Application for registration of the Approval and Vesting Order as expeditiously as possible, whereupon the escrow shall be released.

In the event of any conflict or inconsistency between the terms of this Section 7 and the terms of the DRA, the terms of this Section 7 shall prevail.

8. PRE-CLOSING RISK AND POST-DAMAGE ENTITLEMENTS

The Lands are and shall remain at the Vendor's risk until Closing. In the event of material damage to the Lands prior to the Closing Date, in excess of two hundred and fifty thousand (\$250,000) Dollars, as determined by an independent third party expert appointed by the Vendor ("Material Damage"), the Purchaser may, at its option: (a) complete the transaction contemplated by this Agreement without reduction of the Purchase Price, in which event all proceeds of insurance or compensation shall be payable to the Purchaser; or (b) rescind this Agreement, and the parties hereto shall have no further rights and remedies against each other and the Deposit shall be returned to the Purchaser forthwith, without deduction. The Vendor shall use its best efforts to advise the Purchaser, in writing, within twenty-four (24) hours of the Vendor learning of any Material Damage to the Lands. The Purchaser shall have five (5) days, or such longer period as the Vendor in its sole and absolute discretion may agree to in writing, from delivery of such notice to advise the Vendor in writing as to its election, if any. In the event that the Purchaser fails to notify the Vendor in writing as to its election within the prescribed time period, the Vendor may terminate this Agreement immediately by providing written notice to the Purchaser and the parties hereto shall have no further rights and remedies against each other and the Deposit shall be returned to the Purchaser forthwith, without deduction, failing which, the Purchaser shall be deemed to have elected to complete the transaction in accordance with subparagraph (a) above.

9. VENDOR'S REPRESENTATIONS AND WARRANTIES

The Vendor represents and warrants to the Purchaser that, as at the date hereof:

- (a) Non-Residency: the Vendor is not now and does not intend to become, prior to Closing, a non-resident of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada); the Vendor is not now and does not intend to become, prior to Closing, an agent or a trustee of such non-resident;
- (b) Authority to Sell: MSI SPERGEL INC. has been duly appointed as Receiver of Highyon Assets Corp. by the Court Order and has the right, power and authority to market the Lands for sale and, subject to obtaining the Approval and Vesting Order prior to Closing, on Closing MSI SPERGEL INC., shall have the power and authority to sell, convey, transfer, lease or assign the Lands as a result of the Court Order, in accordance with and subject to the terms and conditions of this Agreement and the Approval and Vesting Order.

10. PURCHASER'S REPRESENTATIONS AND WARRANTIES

The Purchaser represents and warrants to the Vendor that, as at the date hereof:

(a) Corporate Matters Regarding Purchaser: the Purchaser is a corporation duly incorporated, organized and validly subsisting under the laws of Ontario and has all requisite corporate power, authority and capacity to execute and deliver and to perform each of its obligations pursuant to this Agreement; neither the execution of this Agreement nor the performance (such performance shall include, without limitation, the exercise of any of the Purchaser's rights and compliance with each of the Purchaser's obligations hereunder) by the Purchaser of the transaction contemplated hereunder will violate:

- (i) the Purchaser's articles of incorporation and by-laws;
- (ii) any agreement to which the Purchaser is bound or is a party;
- (iii) any judgment or order of a court of competent authority or any Government Authority; or
- (iv) any applicable law;

and the Purchaser has duly taken, or has caused to be taken, all requisite corporate action required to be taken by it to authorize the execution and delivery of this Agreement and the performance of each of its obligations hereunder; and

- (b) <u>Investment Canada Act (Canada)</u>: either (i) the Purchaser is not a "non-Canadian", as defined in the *Investment Canada Act* (Canada) ("ICA"); or (ii) if the Purchaser is a "non-Canadian", this transaction is not a reviewable transaction under the ICA, or, if applicable, the Purchaser is a non-Canadian for the purpose of the ICA and will within three (3) Business Days of the execution of this Agreement submit to Investment Canada a fully completed Application for Review with respect to the transaction contemplated in this Agreement and will use its best efforts to obtain Investment Canada Approval within ten (10) days thereafter.
- (c) Each of the Purchaser's representations and warranties contained in this Agreement shall be true at and as of the date hereof and each of such representations and warranties shall continue to be true as at Closing.
- (d) The Purchaser shall have complied with each and every covenant/agreement made by it herein and required to be completed at or prior to Closing.

The Purchaser shall promptly deliver to the Vendor written notice specifying the occurrence or likely occurrence of any event which may result in any of the Purchaser's representations and warranties contained in this Agreement not continuing to be true as at Closing.

11. CONDITIONS OF CLOSING IN FAVOUR OF THE VENDOR

- (a) The Vendor's obligations contained in this Agreement shall be subject to the fulfilment at or prior to Closing, of each of the following conditions:
 - (i) Representations and Warranties: each of the Purchaser's representations and warranties contained in this Agreement shall be true in all material respects at and as of the date hereof and each of such representations and warranties shall continue to be true in all material respects as at Closing;
 - (ii) <u>Covenants/Agreements</u>: the Purchaser shall have complied with each and every covenant/agreement made by it herein and required to be completed at or prior to Closing;
 - (iii) <u>Approval and Vesting Order:</u> the Vendor shall have obtained the Approval and Vesting Order. The Vendor shall not have received notice of appeal in

respect to of the Approval and Vesting Order and the Approval and Vesting Order shall not have been stayed, varied or vacated and shall be in full force and effect and no Order restraining or prohibiting Closing shall have been made by the Court; and

(iv) <u>Corporate Steps and Proceedings</u>: all necessary corporate steps and proceedings shall have been taken by the Purchaser to permit the Purchaser's execution of this Agreement and performance of each of the Purchaser's obligations hereunder.

For greater certainty, each of the conditions contained in this Section 11(a) have been inserted for the benefit of the Vendor.

- (b) The Vendor covenants to use reasonable commercial efforts to fulfil or cause to be fulfilled the condition contained in Section 11(iii) and the Purchaser covenants to use its reasonable commercial efforts to fulfil or cause to be fulfilled the conditions contained in Section 11 hereof prior to Closing.
- (c) In the event that any of the foregoing conditions shall not be fulfilled, in whole or in part, at or prior to Closing, the Vendor may, in its absolute and unfettered discretion, terminate this Agreement by written notice to the Purchaser without penalty or liability whatsoever to the Vendor, subject to the provisions of Section 3(a) hereof with respect to the Deposit, and otherwise without cost or other compensation and each of the Vendor and the Purchaser shall be released from their obligations and liabilities.

12. <u>CONDITIONS OF CLOSING IN FAVOUR OF THE PURCHASER</u>

- (a) The Purchaser's obligations contained in this Agreement shall be subject to the fulfilment, at or prior to Closing, of each of the following conditions:
 - (i) <u>Due Diligence Period</u>: the Purchaser shall have a period of seven (7) Business Days commencing on the first day immediately following after the day of execution of this Agreement by the Vendor and the Purchaser to complete its due diligence (the "Due Diligence Period"). In the event, this condition is not waived within or at the end of the Due Diligence Period, this Agreement shall be null and void and the Initial Deposit shall be returned to the Purchaser without any deductions.
 - (ii) Representations and Warranties: each of the Vendor's representations and warranties contained in this Agreement shall be true in all material respects at and as of the date hereof and each of such representations and warranties shall continue to be true in all material respects as at Closing;
 - (iii) <u>Covenants/Agreements</u>: the Vendor shall have complied with each and every covenant/agreement made by it herein and required to be completed at or prior to Closing; and
 - (iv) <u>Approval and Vesting Order:</u> the Vendor shall have obtained the Approval and Vesting Order. The Vendor shall not have received notice of appeal in respect to of the Approval and Vesting Order and the Approval and Vesting

Order shall not have been stayed, varied or vacated and shall be in full force and effect and no Order restraining or prohibiting Closing shall have been made by the Court.

For greater certainty, each of the conditions contained in this Section 12(a) have been inserted for the benefit of the Purchaser.

(b) The Vendor covenants to use reasonable commercial efforts to fulfil or cause to be fulfilled the conditions contained in Subsection 12(a) (ii-iv) hereof prior to Closing.

13. <u>VENDOR'S CLOSING DELIVERIES</u>

The Vendor covenants to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date expressly provided herein:

- (a) Approval and Vesting Order: A copy of the issued and entered Approval and Vesting Order vesting in the Purchaser all right, title and interest of Highyon Assets Corp., if any, in and to the Lands free and clear of all Claims save and except for the Permitted Encumbrances, in accordance with the provisions of this Agreement, substantially in the form as Schedule "D".
- (b) <u>Statement of Adjustments</u>: a statement of adjustments prepared in accordance with Section 4 hereof, to be delivered not less than two (2) Business Days prior to Closing (the "Statement of Adjustments"). Except as aforesaid, no adjustments shall be allowed to the Purchaser for changes in the Lands from the time of acceptance of this Agreement up to and including the Closing Date. If the final cost or amount of any item which is to be adjusted cannot be determined at Closing, then the adjustment for such items shall be made at Closing on the basis of the cost or amount as estimated by the Vendor, acting reasonably, as of the Closing Date on the basis of the best evidence available at Closing as to what the final adjustment should be. The estimated adjustments as herein set for shall, for all purposes, be a final adjustment or final adjustments. The Closing Date will be for the Purchaser's account both as to revenue and expense;
- (c) <u>Direction Regarding Funds</u>: a direction from the Vendor designating the party or parties to which the balance of the Purchase Price described in Subsection 3(b)hereof shall be paid; in the event that the Vendor designates more than one party then it shall also designate amounts payable to each of the parties;
- (d) <u>Undertaking to Re-Adjust</u>: the Vendor shall not be obliged to re-adjust any item on or omitted from the statement of adjustments;
- (e) Readjustments: The Purchaser hereby acknowledges that there may be outstanding arrears with respect to the real property taxes, condominium fees and utilities and agrees that the Vendor, at its option, shall be entitled to make adjustment on the Statement of Adjustments for such matters or, in the alternative, direct that a portion of the proceeds due on Closing be used to pay out such arrears. The Purchaser further covenants and agrees to deliver an irrevocable direction to the Government Authority authorizing it to pay to the Vendor any realty tax rebate (together with interest thereon) obtained by the Vendor for the period

prior to Closing. Provided that in the event the Government Authority does not deliver such rebate directly to the Vendor, the Purchaser hereby irrevocably undertakes to deliver realty tax rebate to the Vendor upon either receipt or readjustment of same.

- (f) Non-Residence Certificate: the Vendor's certificate setting out that the Vendor is not a "non-resident" of Canada within the meaning and purpose of Section 116 of the Income Tax Act (Canada) and is not the agent nor trustee of a "non-resident"; and
- (g) <u>General Deliveries</u>: such further documentation relating to the completion of the transaction contemplated hereunder as shall be:
 - (i) otherwise referred to herein; or
 - (ii) required by law and/or any Government Authority;

Provided that such further documentation is in a form satisfactory to the Vendor, taking into consideration the fact that the Vendor is selling the Lands as Receiver.

14. PURCHASER'S CLOSING DELIVERIES

The Purchaser covenants to execute, where applicable, and deliver the following to the Vendor at or prior to Closing:

- (a) <u>Direction Regarding Title</u>: a direction from the Purchaser designating the transferee(s) in the Approval and Vesting Order (required only in the event that the Approval and Vesting Order is to be inscribed in favour of a person/entity other than the Purchaser) provided that any such transferee(s) shall also provide a written agreement with the Vendor to assume and be bound with all of the obligations of the Purchaser under this Agreement;
- (b) <u>Undertaking To Re-Adjust</u>: the Purchaser's undertaking to re-adjust any item on or omitted from the statement of adjustments, subject to the limitation contained in Subsection 4(a) hereof;
- (c) <u>Purchaser's Certificates</u>: the Purchaser's certificate setting out that each of the Purchaser's representations and warranties contained in this Agreement are true as at Closing and, if applicable, the Purchaser's certificate described in Section 16 hereof;
- (d) <u>Directors' Resolution</u>: a certified copy of a resolution of the board of directors of the Purchaser authorizing the execution of this Agreement and performance of each of the Purchaser's obligations hereunder;
- (e) **HST Indemnity**: the indemnity provided for under Section 16 hereof;
- (f) <u>Certificate of Incumbency</u>: a certificate of incumbency setting out the names and specimen signatures of each of the directors and officers of the Purchaser;

- (g) <u>Purchaser's Agents Commissions</u>: evidence of payment by the Purchaser of any commission or other remuneration payable to the Purchaser's agent, if any, in connection with the purchase of the Lands, or a certificate from the Purchaser certifying that it has not retained any such agent and that no such commission or other remuneration is payable;
- (h) Environmental Indemnity: an environmental indemnity indemnifying and holding the Vendor harmless from any and all damages, claims, actions, losses, costs, liabilities or expenses (collectively "Damages") suffered or incurred by the Vendor, directly or indirectly, as a result of or in connection with any of the following, whether arising as a result of the actions of Vendor and/or its predecessors, or of any party claiming through the Vendor, or otherwise, and without restricting the generality of the foregoing, which include Damages incurred in addressing an administrative order by a Government Authority or in addressing a notice, investigation or other process which could reasonably be anticipated to result in such an order:
 - (i) the presence or release of any Hazardous Materials in, on or under the Lands or the threat of a release;
 - (ii) the presence of any Hazardous Materials in, on or under properties adjoining or proximate to the Lands;
 - (iii) any other environmental matters relating to the Lands;
 - (iv) the breach by the Purchaser or those for whom it is responsible at law of any Environmental Law applicable to the Lands; or,
 - (v) the release or threatened release of any Hazardous Materials owned, managed, generated, disposed of, controlled or transported by or on behalf of the Purchaser
- (i) <u>Balance Due at Closing</u>: the balance of the Purchase Price described in Subsection 3(b) hereof; and
- (j) <u>Further Documentation</u>: any other documentation relative to the completion of this Agreement as may reasonably be required by the Vendor or the Vendor's Solicitors.

15. PLANNING ACT (ONTARIO)

This Agreement shall be effective to create an interest in the Lands for the Purchaser only if Part VI of the *Planning Act* (Ontario) is complied with prior to Closing. The Purchaser shall not require the Vendor to make any statements contemplated by section 50(22) of the Planning Act (Ontario) as amended, from time to time or any successor provision thereto. The Purchaser agrees to satisfy itself with respect to compliance with the Planning Act (Ontario).

16. HARMONIZED GOODS AND SERVICES TAX

- (a) Application of HST to this Agreement: If the transaction contemplated hereunder shall be subject to the goods and services tax ("HST") levied pursuant to the Act, then HST shall be in addition to and not included in the Purchase Price and shall be collected and remitted in accordance with the Act.
- (b) <u>Self-Assessment</u>: If part or all of the said transaction is subject to HST and:
 - (i) the Vendor is a non-resident of Canada or the Vendor would be a non-resident of Canada but for Subsection 132(2) of the Act; and/or
 - (ii) the Purchaser is a "prescribed recipient" under the Act and/or is registered under the Act,

then the Purchaser shall deliver, prior to Closing, its certificate in form prescribed by the Act or, if no such form is prescribed, then in reasonable form, certifying and undertake that the Purchaser shall be liable for, shall self-assess and shall remit to the appropriate Government Authority all HST payable in respect of the transaction contemplated hereunder. If Subsection 16(b)(ii) hereof shall be applicable, then the Purchaser's certificate shall also include certification of the Purchaser's prescription and/or registration, as the case may be, and the Purchaser's HST registration number. If the Purchaser shall fail to deliver its certificate, then the Purchaser shall tender to the Vendor, at Closing, in addition to the balance due at Closing described in Subsection 3(b) hereof, an amount equal to the HST that the Vendor shall be obligated to collect and remit in connection with the said transaction.

(c) <u>HST Indemnity</u>: The Purchaser shall indemnify and save harmless the Vendor from all taxes, levies claims, liabilities, penalties, interest, costs and legal and other expenses incurred, directly or indirectly, in connection with the assessment of HST payable in respect of the transaction contemplated hereunder and/or the Purchaser failing to comply with the said certificate and undertaking set out in Subsection 16(b).

17. NOTICE

Any notice given hereunder shall be in writing and delivered or communicated by telecopier machine to:

		- -
	 	-
	 	-
Attention:	 	
Email:	 	
Fav.		

th a copy	to the Purchaser's Solicito	r at;
		
	Attention:	
	Email:	
	Fax:	

and in the case of the Vendor to:

msi Spergel inc., in its Capacity as Court-Appointed Receiver of Highyon Assets Corp. 200-505 Consumers Road Toronto, ON M2J 4V8

Attention: Mukul Manchanda Email: mmanchanda@spergel.ca

Fax: 416-498-4325

with a copy to the Vendor's Solicitors:

Harrison Pensa LLP 450 Talbot Street London, ON, N6A 5J6

Attention: Tim Hogan

Email: thogan@harrisonpensa.com

Such notice shall be deemed to have been delivered upon delivery or communicated upon transmission unless such notice is delivered or transmitted outside of usual business hours, in which event the notice shall be deemed to have been delivered or transmitted on the next Business Day. A party may change its address, email address and/or fax number by providing notice in accordance with this Section 17.

18. WAIVER OF CONDITIONS

Except as otherwise provided in this Agreement, all conditions contained herein have been inserted for the benefit of either the Vendor or the Purchaser, as indicated, and are conditions of the obligations of such party to complete the transaction contemplated hereunder at Closing and are not conditions precedent of this Agreement. Any one or more of the said conditions may be waived, in writing, in whole or in part, by the benefiting party without prejudice to the benefiting party's right of termination in the event of the nonfulfilment of any other condition, and, if so waived, this Agreement shall be read exclusive of the said condition or conditions so waived. For greater certainty, the closing of the transaction contemplated hereunder by a party hereof shall be deemed to be a waiver by

such party of compliance with any condition inserted for its benefit and not satisfied at Closing.

19. **SEVERABILITY**

If any provision contained in this Agreement or the application thereof to any person/entity or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement and the application of such provision to persons/entities or circumstances other than those to whom/which it is held invalid or unenforceable, shall not be affected thereby and each provision contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

20. **DIVISION/HEADINGS**

The division of this Agreement into Sections, Subsections, Paragraphs and Subparagraphs and the insertion of headings or captions are for convenience of reference only and shall not affect the construction or interpretation of this Agreement or any part hereof.

21. ENTIRE AGREEMENT

This Agreement and the schedules attached hereto constitute the entire agreement between the Vendor and the Purchaser in respect of the Lands. Each of the parties acknowledges that, except as contained in this Agreement, there is no representation, warranty, collateral agreement or condition (whether a direct or collateral condition or an express or implied condition) which induced it to enter into this Agreement.

22. CUMULATIVE REMEDIES

No remedy conferred upon or reserved to one or both of the parties hereto is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy conferred upon or reserved hereunder, whether such remedy shall be existing or hereafter existing, and whether such remedy shall become available under common law, equity or statute.

23. INTERPRETATION

This Agreement shall be read with all changes of gender and number as required by the context.

24. REFERENCES TO STATUTES

Except as otherwise provided in this Agreement, references to any statute herein shall be deemed to be a reference to such statute and any and all regulations from time to time promulgated thereunder and to such statute and regulations as amended or re-enacted from time to time. Any reference herein to a specific section or sections, paragraph or paragraphs and/or clause or clauses of any statute or regulations promulgated thereunder shall be deemed to include a reference to any corresponding provision of future law.

25. TIME OF ESSENCE

Time shall in all respects be of the essence hereof provided that the time for the doing or completing of any matter referred to herein may be extended or abridged by an agreement, in writing, executed by the Vendor and the Purchaser or their respective solicitors who are hereby expressly appointed for that purpose.

26. CANADIAN FUNDS

All references to dollar amounts contained in this Agreement shall be deemed to refer to Canadian funds.

27. TENDER

Not to limit the provisions of paragraph 7, any tender of notices, documents and/or monies hereunder may be made upon the Vendor or the Purchaser or their respective solicitors. Monies may be tendered by a negotiable cheque certified by a Canadian chartered bank or by an official bank draft drawn upon one of Canada's five largest chartered banks.

28. FURTHER ASSURANCES

Except as otherwise expressed herein to the contrary, each party shall, without receiving additional consideration therefore, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, in order to carry out the purpose and intent of this Agreement.

29. **CONFIDENTIALITY**

The Purchaser and its agents, advisors and authorized representatives shall maintain in strict confidence, until Closing, all information and materials delivered or made available pursuant to this Agreement, except as may reasonably be disclosed by the Purchaser:

- (a) to facilitate the procurement of financing for the Lands;
- (b) to enforce any of its rights/remedies hereunder;
- (c) to enforce any of its other rights/remedies, if any, pursuant to common law, equity or statute; or
- (d) to comply with laws requiring disclosure.

In the event that the transaction contemplated in this Agreement is, for any reason whatsoever, not completed, then the Purchaser shall, upon request from the Vendor,

promptly return to the Vendor all materials delivered hereunder and deliver to the Vendor all copies of materials made available hereunder.

30. NON-BUSINESS DAYS

In the event that any date specified or any date contemplated in this Agreement shall fall upon a day other than a Business Day, then such date shall be deemed to be the next following Business Day.

31. <u>DOCUMENTATION PREPARATION AND REGISTRATION</u>

The Purchaser shall prepare or cause to be prepared the documentation described in Subsections 14(a), (d), (f) and (g) hereof. The Vendor shall prepare or cause to be prepared all other documentation described in Sections 13 and 14 hereof. Each of the parties shall deliver draft documentation to the other not less than five (5) Business Days prior to Closing. Except as otherwise expressly provided in this Agreement, all such documentation shall be in form and have substance satisfactory to the Vendor and the Purchaser, acting reasonably. The Purchaser shall be responsible for and pay all registration costs incurred in connection with the transaction contemplated in this Agreement. Except as otherwise expressly provided in this Agreement, each of the Vendor and the Purchaser shall be responsible for and pay all legal and other professional/consultant fees and disbursements incurred by it, directly or indirectly, in connection with this Agreement.

32. LAND TRANSFER TAXES, RETAIL SALES TAXES AND PROPERTY TAXES

The Purchaser shall pay on or prior to Closing all land transfer taxes (as required pursuant to the *Land Transfer Tax Act* (Ontario)) payable in connection with the transfer of the Lands pursuant to this Agreement.

The Purchaser acknowledges that the Vendor may apply for a reduction in the taxes payable to the municipality with respect to the Lands for the period prior to the Closing Date. The Purchaser agrees that the Vendor shall be entitled to the benefit of any such reduction for the period prior to the Closing Date. The Purchaser shall execute such directions, acknowledgements and other documents as may be necessary or desirable to ensure that the benefit of any such reduction for the period prior to the Closing Date is received by the Vendor.

33. **GOVERNING LAWS**

This Agreement has been executed in the Province of Ontario and, for all purposes, shall be construed in accordance with and governed by the laws in effect within the Province of Ontario.

34. **ASSIGNMENT**

The Purchaser shall not assign part or all of its interest under this Agreement without the prior written consent of the Vendor, which consent may be arbitrarily withheld. The Vendor shall have the unilateral right in its sole and unfettered discretion to assign this Agreement to any other party at any time prior to Closing provided that such party is the registered owner of the Lands as of Closing, who, from the time of such assignment, shall be entitled to all of the benefits and shall assume and be subject to all of the obligations

and liabilities of the Vendor hereunder and, upon such assignment and written notice thereof given by the Vendor to the Purchaser, the Vendor shall be fully and forever released from all obligations and liability under this Agreement. In this regard, the Purchaser hereby acknowledges and agrees that it shall accept title from the registered owner of the Lands and will accept such owner's title covenants in lieu of those of the Vendor, in the event that the Vendor is not the registered owner of the Lands on the Closing Date.

35. NON-REGISTRATION OF AGREEMENT

The Purchaser acknowledges that this Agreement is personal to the Purchaser and that this Agreement or any monies paid hereunder do not create an interest in the Lands and the Purchaser further acknowledges that upon any breach of this Agreement by the Vendor the Purchaser will not register or cause or permit to be registered this Agreement and that no reference to or notice of it or any caution, certificate of pending litigation or other similar court process in respect thereof shall be registered on title to the Lands, and the Purchaser shall be deemed to be in default under this Agreement if it makes any registration or causes or permits any registration to be made on title to the Lands prior to the Date of Closing.

36. **VENDOR'S CAPACITY**

It is acknowledged by the Purchaser that msi Spergel inc. is entering into this Agreement solely in its capacity as Court-appointed receiver of Highyon Assets Corp. msi Spergel inc. shall have no personal or corporate liability under or as a result of this Agreement. Any claim against msi Spergel inc. shall be limited to and only enforceable against the property and assets then held by or available to it in its capacity as receiver of Highyon Assets Corp. and shall not apply to its personal property and other assets held by it in any other capacity. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Lands.

37. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

38. TIME FOR ACCEPTANCE

The offer to purchase comprising this Agreement shall be irrevocable by the Purchaser and open for acceptance by the Vendor until 5:00 o'clock p.m. on the 1st day of March, 2022, after which time, if not accepted and notice of such acceptance communicated to

39. CONDITIONAL UPON COURT APPROVAL

Should the Vendor not obtain the Approval and Vesting Order within 365 days after the date of this Agreement, the Purchaser, at its sole option and discretion, shall be permitted:

- 1) To extend the closing of this transaction one or more times, for the purpose of allowing the Vendor to obtain the Approval and Vesting Order;
 OR
- 2) To terminate this Agreement and have the Deposit returned to it in full and without deduction.

The above options are for the sole benefit of the Purchaser.



the Purchaser, then the said offer to purchase shall be null and void and of no further force and effect.

DATED as of the date first mentioned above.

1000002868 ONTARIO CORPORATION				
Ву:	William Weng			
	Name: William Weng			
	Director Title:			

I have authority to bind the Corporation.

The Vendor hereby accepts the foregoing offer to purchase and its terms and agrees with the Purchaser to duly complete the transaction contemplated thereunder.

DATED this 25th day of February, 2022.

MSI SPERGEL INC., in its capacity as Court-Appointed Receiver of HIGHYON ASSETS CORP. and not in its personal or corporate capacity and without personal or corporate liability

By:

Name: Mukul Manchanda, CPA, CIRP, LIT

Title: Managing Partner

I have authority to bind the Receiver

Schedule "A" - COURT ORDER OF THE HONOURABLE MADAM JUSTICE GILMORE

October 16, 2020

Court File No. CV-20-00648781-00CL

ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

THE HONOURABLE)	FRIDAY, THE 16th DAY	
JUSTICE GILMORE)	OF OCTOBER, 2020	
BETWEEN:			

ROYAL BANK OF CANADA

Plaintiff

and

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU

Defendants

ORDER (appointing Receiver)

THIS MOTION made by the Plaintiff for an Order pursuant to section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the Courts of Justice Act, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing msi Spergel inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Highyon Assets Corp. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day via Zoom video conference as a result of the COVID-19 pandemic.

ON READING the affidavit of Jerry C. Tsao sworn October 5, 2020 and the Exhibits thereto and on hearing the submissions of counsel for the Receiver, no one appearing for the Debtor although duly served as appears from the affidavit of service of Samantha

Bogoroch sworn October 7, 2020 and on reading the consent of msi Spergel inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, msi Spergel inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

- 3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary

course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor:
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such

terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$25,000.00, provided that the aggregate consideration for all such transactions does not exceed \$75,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act or section 31 of the Ontario Mortgages Act, as the case may be, shall not be required,

- (I) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property, including against title to the following real property: Suites 302 & 310, 350 Highway 7 East, Richmond Hill, Ontario [PIN 29302-0093, PIN 29302-0094, PIN 29302-0326 and PIN 29302-0327];
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and

on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

- 4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.
- 5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the

foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

- 6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Receiver way in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.
- 7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors,

such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filling of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract,

agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a

spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, including, but not limited to, any illness or bodily harm resulting from a party or parties contracting COVID-19, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security

interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

- 19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.
- 20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

- 22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
- 23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
- 24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

- 25. 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/practicedirections/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 with in accordance the Protocol with the following http://www.spergelcorporate.ca.
- 26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested

parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

- 27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
- 28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
- 29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
- 30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
- 31. **THIS COURT ORDERS** that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

- 32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
- 33. **THIS COURT ORDERS** that this Order is effective from today's date and is hereby enforceable without the need for entry and filing.

Commercial Commercial

4.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO
AMOUNT \$
1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "Receiver") of the
assets, undertakings and properties Highyon Assets Corp. acquired for, or used in
relation to a business carried on by the Debtor, including all proceeds thereof (collectively,
the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial
List) (the "Court") dated the day of, 2020 (the "Order") made in an action
having Court file number CV-20-00648781-00CL, has received as such Receiver from
the holder of this certificate (the " Lender") the principal sum of \$, being part
of the total principal sum of \$ which the Receiver is authorized to borrow
under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the
Lender with interest thereon calculated and compounded [daily][monthly not in advance
on the day of each month] after the date hereof at a notional rate per annum
equal to the rate of per cent above the prime commercial lending rate of Bank of
from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with
the principal sums and interest thereon of all other certificates issued by the Receiver
·
pursuant to the Order or to any further order of the Court, a charge upon the whole of the
Property, in priority to the security interests of any other person, but subject to the priority
of the charges set out in the Order and in the Bankruptcy and Insolvency Act, and the
right of the Receiver to indemnify itself out of such Property in respect of its remuneration
and expenses.
4. All sums payable in respect of principal and interest under this certificate are

payable at the main office of the Lender at Toronto, Ontario.

7.

- 5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
- 6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

The Receiver does not undertake, and it is not under any personal liability, to pay

any sum in respect of which it may issue o	certificates under the terms of the Order.
DATED the day of	_, 20
	msi Spergel inc., solely in its capacity as Receiver of the Property, and not in its personal capacity
	Per:
	Name:

Title:

A DocuSign Envelope ID: B0F3CC1E-2AB2-42FE-A8A1-BEC1FE1AC58C

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU

Defendants

Court File No. CV-20-00648781-00CL

SUPERIOR COURT OF JUSTICE COMMERCIAL LIST ONTARIO

Proceeding commenced at Toronto

ORDER

MINDEN GROSS LLP

Barristers and Solicitors 2200 - 145 King Street West Toronto, ON M5H 4G2

Rachel Moses (LSO#42081V) moses@mindengross.com Tel: 416-369-4115 Fax: 416-864-9223

Lawyers for the Plaintiff

(File No. 4119619)

Schedule "B" - LEGAL DESCRIPTION OF PROPERTY

350 Highway 7 Avenue East, Suite 302, Richmond Hill ON L4B 3N2

PIN 29302-0093

Unit 18, Level 3, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

350 Highway 7 Avenue East, Suite 310, Richmond Hill ON L4B 3N2

PIN 29302-0094

Unit 19, Level 3, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

Parking

PIN 29302-0326

Unit 186, Level A, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

PIN 29302-0327

Unit 187, Level A, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

Schedule "C" - PERMITTED ENCUMBRANCES

- 1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown.
- 2. Applicable municipal by-laws and regulations provided, in each case the same do not materially adversely affect the use or value of the Purchase Assets for commercial parking purposes.
- 3. Any right of expropriation, access or user, or any similar rights conferred by or reserved in any statutes of Canada or the Province of Ontario.
- 4. Unregistered or inchoate statutory liens, charges or encumbrances affecting title to the Property for taxes, assessments, governmental charges or levies not yet due or any other unregistered statutory liens.
- 5. The exceptions and qualifications contained in paragraphs 7, 8, 9, 10, 12 and 14 of Subsection 44 (1) of the *Land Titles Act*.
- Any defects or deficiencies which an up-to-date building location survey of the property might reveal.
- 7. Easements, rights-of-way and/or licenses now registered for the supply and installation of utility services, drainage, telephone services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Project (collectively, the "Utility Easements"), together with any easement and cost-sharing agreement(s) or reciprocal agreement(s) confirming (or pertaining to) any easement or right-of-way for access, egress, support and/or servicing purposes, and/or pertaining to the sharing of any services, facilities and/or amenities with adjacent or neighboring property owners or any crane access agreements or tieback or shoring agreements provided, in each case the same do not materially adversely affect the use or value of the Purchase Assets for commercial parking purposes.
- 8. Registered municipal agreements and registered agreements with publicly regulated utilities including without limitation, any development, site plan, subdivision, engineering, heritage casement agreements and/or other municipal agreement (or similar agreements entered into with any governmental authorities), (with all of such agreements being hereinafter collectively referred to as the "Development Agreements") provided, in each case, the terms and conditions of each such Development Agreement has been complied with in all material respects and does not materially adversely affect the use of the Purchase Assets for commercial parking purposes.
- 9. Agreements relating to any metering, submetering and/or check metering equipment, or relating to the supply of utility services to the Public Parking Garage.
- 10. Any shared facilities agreements, reciprocal and/or cost sharing agreements, or other agreements, easements or rights-of-way with the Project forming part of the Project and/or adjoining properties including the Reciprocal Operating Agreement provided, in each case, the terms and conditions of each such agreement has been complied with in all material respects and does not materially adversely affect the use the use of the Purchase Assets for commercial parking purposes.

- 4 -

Schedule "D" FORM OF VESTING ORDER

Court File No. CV-20-00648781-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE)		, THE
JUSTICE)	DAY OF	, 2022

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and -

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU

Defendants

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Highyon Assets Corp. (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and 1000002868 Ontario Corporation (the "Purchaser") dated [DATE] and appended to the Report of the Receiver dated [DATE] (the "Report"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Lands"), was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

- 1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Lands to the Purchaser.
- 2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Lands described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Gilmore dated October 16, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Lands are hereby expunged and discharged as against the Lands.
- 3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of the Region of York an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the Land Registration Reform Act, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the

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

- 4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Lands shall stand in the place and stead of the Lands, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Lands with the same priority as they had with respect to the Lands immediately prior to the sale, as if the Lands had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
- 5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.
- 6. THIS COURT ORDERS that, notwithstanding:
 - (a) the pendency of these proceedings;
 - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made in respect of the Debtor:

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

7. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give

- 7 -

effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Justice, Ontario Superior Court of Justice

(Commercial List)

Schedule A – Form of Receiver's Certificate

Court File No. CV-20-00648781-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and -

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU

Defendants

RECEIVER'S CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Honourable Madam Justice Gilmore of the Ontario Superior Court of Justice (the "Court") dated October 16, 2020, msi Spergel inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Highyon Assets Corp. (the "Debtor").
- B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] (the "Sale Agreement") between the Receiver and 1000002868 Ontario Corporation (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Lands, which vesting is to be effective with respect to the Lands upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Lands; (ii) that the conditions to Closing as set out in sections 11 and 12 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

- 1. The Purchaser has paid and the Receiver has received the Purchase Price for the Lands payable on the Closing Date pursuant to the Sale Agreement;
- 2. The conditions to Closing as set out in sections 11 and 12 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
- 3. The Transaction has been completed to the satisfaction of the Receiver.
- 4. This Certificate was delivered by the Receiver at [TIME] on [DATE].

MSI SPERGEL INC., in its capacity as Receiver of the undertaking, property and assets of HIGHYON ASSETS CORP., and not in its personal capacity

Per:		_		
	Name:			
	Title:			

Schedule B - Lands

350 Highway 7 Avenue East, Suite 302, Richmond Hill ON L4B 3N2

PIN 29302-0093

Unit 18, Level 3, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

350 Highway 7 Avenue East, Suite 310, Richmond Hill ON L4B 3N2

PIN 29302-0094

Unit 19, Level 3, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

Parking

PIN 29302-0326

Unit 186, Level A, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

PIN 29302-0327

Unit 187, Level A, York Region Condominium Plan No. 771

Town of Richmond Hill, York County

Schedule C - Claims to be deleted and expunged from title to Real Property

[TO BE COMPLETED]

Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants related to the Real Property

(unaffected by the Vesting Order)

[TO BE COMPLETED]

APPENDIX 7



29302-0093 (LT)

PAGE 1 OF 3
PREPARED FOR lisaandr
ON 2022/03/10 AT 16:49:03

PIN CREATION DATE:

1995/12/18

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION:

UNIT 18, LEVEL 3, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973; TOWN OF RICHMOND HILL

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FIRST CONVERSION FROM BOOK

FEE SIMPLE ABSOLUTE

OWNERS' NAMES CAPACITY SHARE

HIGHYON ASSETS CORP.

ROWN

RECENTLY:

			KOWN			CERT/
REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CHKD
EFFECTIVE	2000/07/29	THE NOTATION OF THE	BLOCK IMPLEMENTATION	ON DATE" OF 1995/12/18 ON THIS PIN		
WAS REPLA	CED WITH THE	"PIN CREATION DATE"	OF 1995/12/18			
** PRINTOUT	INCLUDES ALI	DOCUMENT TYPES (DEI	LETED INSTRUMENTS NO	OT INCLUDED) **		
	1988/11/15 MARKS: AIRPOR	NOTICE T ZONING REGULATIONS				С
R505310	1989/04/26	AGREEMENT			THE CORPORATION OF THE TOWN OF RICHMOND HILL	C
R510516	1989/06/07	AGREEMENT			THE CORPORATION OF THE TOWN OF RICHMOND HILL	С
R542751	1990/05/17	AGREEMENT				С
LT712904	1990/11/21	DECLARATION CONDO			735373 ONTARIO LTD.	С
	1990/12/07 MARKS: NO. 1	BYLAW				С
	1990/12/07 MARKS: NO. 2	BYLAW				С
	1990/12/07 MARKS: NO. 3	BYLAW				С
	1990/12/10 MARKS: NO. 4	BYLAW				С
	1990/12/12 MARKS: AMENDI					С
	1990/12/18 MARKS: NO. 5	BYLAW				С



29302-0093 (LT)

PAGE 2 OF 3
PREPARED FOR lisaandr
ON 2022/03/10 AT 16:49:03

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
65R15192	1991/05/13	PLAN REFERENCE				С
LT876092 REI	1	BYLAW SPECIAL NO. 6				С
	1993/08/16 MARKS: NO. 7	BYLAW				С
LT941283		BYLAW L NO. 7				С
	1994/04/11 MARKS: SPECIA					С
	1995/09/12 MARKS: SPECIA					С
LT1293064	1998/08/20	NO CHNG ADDR INST		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
LT1507736	2000/07/31	NO CHNG ADDR INST		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
YR1089753 REI	2007/11/20 MARKS: BY-LAW	CONDO BYLAW/98		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
65R31704	2009/06/12	PLAN REFERENCE				С
YR1373973 REI	2009/09/14 MARKS: PT COM	PLAN EXPROPRIATION MON ELEMENTS			THE REGIONAL MUNICIPALITY OF YORK	С
	2010/10/21 MARKS: LT7201	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	YORK REGION CONDOMINIUM CORPORATION NO. 771	С
YR2100855	2014/02/28	TRANSFER	\$230,000	735373 ONTARIO LTD.	HIGHYON ASSETS CORP.	С
YR2840572	2018/06/22	CHARGE	\$900,000	HIGHYON ASSETS CORP.	ROYAL BANK OF CANADA	C
YR2904645	2018/12/03	CHARGE	\$150,000	HIGHYON ASSETS CORP.	HUI, MARGARET	С
YR3052188	2020/01/02	CHARGE	\$200,000	HIGHYON ASSETS CORP.	LAM, ROGER	С
YR3117703	2020/07/10	CHARGE	\$2,800,000	HIGHYON ASSETS CORP.	LIANG, GUOHUI	С



29302-0093 (LT)

PAGE 3 OF 3
PREPARED FOR lisaandr
ON 2022/03/10 AT 16:49:03

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR3157858	2020/10/21	APL COURT ORDER	ONTARIO	SUPERIOR COURT OF JUSTICE	MSI SPERGEL INC.	C



29302-0094 (LT)

PAGE 1 OF 3
PREPARED FOR lisaandr
ON 2022/03/14 AT 13:13:25

PIN CREATION DATE:

1995/12/18

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION:

UNIT 19, LEVEL 3, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; RICHMOND HILL; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FIRST CONVERSION FROM BOOK

RECENTLY:

FEE SIMPLE ABSOLUTE

OWNERS' NAMES CAPACITY SHARE

HIGHYON ASSETS CORP.

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
EFFECTIV	2000/07/29	THE NOTATION OF THE	"BLOCK IMPLEMENTATION DATE"	OF 1995/12/18 ON THIS PIN		
WAS REPL	ACED WITH THE	"PIN CREATION DATE"	OF 1995/12/18			
** PRINTOU	I INCLUDES AL.	L DOCUMENT TYPES (DEI	 LETED INSTRUMENTS NOT INCLUI	DED) **		
R488826	1988/11/15	NOTICE				С
RE	MARKS: AIRPOF	T ZONING REGULATIONS				
R505310	1989/04/26	AGREEMENT			THE CORPORATION OF THE TOWN OF RICHMOND HILL	С
R510516	1989/06/07	AGREEMENT			THE CORPORATION OF THE TOWN OF RICHMOND HILL	С
R542751	1990/05/17	AGREEMENT				С
LT712904	1990/11/21	DECLARATION CONDO			735373 ONTARIO LTD.	С
LT718291	1	BYLAW				С
RE	MARKS: NO. 1					
LT718292	1990/12/07	BYLAW				С
RE	MARKS: NO. 2					
LT718293	1990/12/07	BYLAW				С
RE	MARKS: NO. 3					
LT719295	1990/12/10	BYLAW				С
RE	MARKS: NO. 4					
LT720186	1990/12/12					С
RE	MARKS: AMENDI	NG LT712904				
LT722320	1990/12/18					С
RE	MARKS: NO. 5					



29302-0094 (LT)

PAGE 2 OF 3
PREPARED FOR lisaandr
ON 2022/03/14 AT 13:13:25

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
65R15192	1991/05/13	PLAN REFERENCE				С
LT876092	1992/11/03 MARKS: NO. 6	BYLAW SPECIAL NO. 6				С
LT929391	1993/08/16 MARKS: NO. 7					С
LT941283	1993/10/22 MARKS: SPECIA					С
LT968662	1994/04/11 MARKS: SPECIA	BYLAW				С
LT1059097	1995/09/12 MARKS: SPECIA	BYLAW				С
LT1293064	1998/08/20	NO CHNG ADDR INST		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
LT1507736	2000/07/31	NO CHNG ADDR INST		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
	2007/11/20 MARKS: BY-LAW	CONDO BYLAW/98		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
65R31704	2009/06/12	PLAN REFERENCE				С
	2009/09/14 MARKS: PT COM	PLAN EXPROPRIATION MON ELEMENTS			THE REGIONAL MUNICIPALITY OF YORK	С
	2010/10/21 MARKS: LT7201	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	YORK REGION CONDOMINIUM CORPORATION NO. 771	С
YR1640019	2011/04/29	TRANSFER	\$450,000	1656958 ONTARIO INC.	HIGHYON ASSETS CORP.	С
YR2840572	2018/06/22	CHARGE	\$900,000	HIGHYON ASSETS CORP.	ROYAL BANK OF CANADA	С
YR2904645	2018/12/03	CHARGE	\$150,000	HIGHYON ASSETS CORP.	HUI, MARGARET	С
YR3052188	2020/01/02	CHARGE	\$200,000	HIGHYON ASSETS CORP.	LAM, ROGER	С
YR3117703	2020/07/10	CHARGE	\$2,800,000	HIGHYON ASSETS CORP.	LIANG, GUOHUI	С



29302-0094 (LT)

PAGE 3 OF 3
PREPARED FOR lisaandr
ON 2022/03/14 AT 13:13:25

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR3157858	2020/10/21	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	MSI SPERGEL INC.	С



29302-0326 (LT)

PAGE 1 OF 3
PREPARED FOR lisaandr
ON 2022/03/14 AT 12:58:43

PIN CREATION DATE:

1995/12/18

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION:

UNIT 186, LEVEL A, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; RICHMOND HILL; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FIRST CONVERSION FROM BOOK

FEE SIMPLE ABSOLUTE

<u>OWNERS' NAMES</u> <u>CAPACITY</u> <u>SHARE</u>

HIGHYON ASSETS CORP.

ROWN SHARE

RECENTLY:

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
EFFECTIVE	2000/07/29	THE NOTATION OF THE	BLOCK IMPLEMENTATIO	ON DATE" OF 1995/12/18 ON THIS PIN		
WAS REPLA	CED WITH THE	"PIN CREATION DATE"	OF 1995/12/18			
** PRINTOUT	INCLUDES ALI	L DOCUMENT TYPES (DELI	ETED INSTRUMENTS N	OT INCLUDED) **		
R488826 REI	1988/11/15 MARKS: AIRPOR	NOTICE T ZONING REGULATIONS				С
R505310	1989/04/26	AGREEMENT			THE CORPORATION OF THE TOWN OF RICHMOND HILL	С
R510516	1989/06/07	AGREEMENT			THE CORPORATION OF THE TOWN OF RICHMOND HILL	С
R542751	1990/05/17	AGREEMENT				С
LT712904	1990/11/21	DECLARATION CONDO			735373 ONTARIO LTD.	С
	1990/12/07 MARKS: NO. 1	BYLAW				С
	1990/12/07 MARKS: NO. 2	BYLAW				С
	1990/12/07 MARKS: NO. 3	BYLAW				С
	1990/12/10 MARKS: NO. 4	BYLAW				С
	1990/12/12 MARKS: AMENDI					С
	1990/12/18 MARKS: NO. 5	BYLAW				С



29302-0326 (LT)

PAGE 2 OF 3
PREPARED FOR lisaandr
ON 2022/03/14 AT 12:58:43

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
65R15192	1991/05/13	PLAN REFERENCE				С
LT876092 RE	1992/11/03 MARKS: NO. 6	BYLAW SPECIAL NO. 6				С
	1993/08/16 MARKS: NO. 7	BYLAW				С
	1993/10/22 MARKS: SPECIA					С
	1994/04/11 MARKS: SPECIA					С
	1995/09/12 MARKS: SPECIA					С
LT1293064	1998/08/20	NO CHNG ADDR INST		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
LT1507736	2000/07/31	NO CHNG ADDR INST		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
	2007/11/20 MARKS: BY-LAN	CONDO BYLAW/98		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
65R31704	2009/06/12	PLAN REFERENCE				С
	2009/09/14 MARKS: PT COM	PLAN EXPROPRIATION			THE REGIONAL MUNICIPALITY OF YORK	С
	2010/10/21 MARKS: LT7201	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	YORK REGION CONDOMINIUM CORPORATION NO. 771	С
YR2100855	2014/02/28	TRANSFER	\$230,000	735373 ONTARIO LTD.	HIGHYON ASSETS CORP.	С
YR2840572	2018/06/22	CHARGE	\$900,000	HIGHYON ASSETS CORP.	ROYAL BANK OF CANADA	С
YR2904645	2018/12/03	CHARGE	\$150,000	HIGHYON ASSETS CORP.	HUI, MARGARET	С
YR3052188	2020/01/02	CHARGE	\$200,000	HIGHYON ASSETS CORP.	LAM, ROGER	С
YR3117703	2020/07/10	CHARGE	\$2,800,000	HIGHYON ASSETS CORP.	LIANG, GUOHUI	С



29302-0326 (LT)

PAGE 3 OF 3
PREPARED FOR lisaandr
ON 2022/03/14 AT 12:58:43

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR3157858	2020/10/21	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	MSI SPERGEL INC.	С



29302-0327 (LT)

PAGE 1 OF 3
PREPARED FOR lisaandr
ON 2022/03/14 AT 13:12:16

PIN CREATION DATE:

1995/12/18

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION:

UNIT 187, LEVEL A, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; RICHMOND HILL; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FIRST CONVERSION FROM BOOK

FEE SIMPLE ABSOLUTE

OWNERS' NAMES CAPACITY SHARE

HIGHYON ASSETS CORP.

ROWN

RECENTLY:

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
EFFECTIV	E 2000/07/29	THE NOTATION OF THE	"BLOCK IMPLEMENTATION	ON DATE" OF 1995/12/18 ON THIS PIN		
WAS REPI	ACED WITH THE	"PIN CREATION DATE"	OF 1995/12/18			
** PRINTOU	INCLUDES AL	DOCUMENT TYPES (DE.	LETED INSTRUMENTS NO	DT INCLUDED) **		
R488826	1988/11/15	NOTICE				С
R.	EMARKS: AIRPOF	T ZONING REGULATIONS	5			
R505310	1989/04/26	AGREEMENT			THE CORPORATION OF THE TOWN OF RICHMOND HILL	С
R510516	1989/06/07	AGREEMENT			THE CORPORATION OF THE TOWN OF RICHMOND HILL	С
R542751	1990/05/17	AGREEMENT				С
LT712904	1990/11/21	DECLARATION CONDO			735373 ONTARIO LTD.	С
LT718291	1	BYLAW				С
R	EMARKS: NO. 1					
LT718292		BYLAW				С
R.	EMARKS: NO. 2					
LT718293		BYLAW				С
R.	EMARKS: NO. 3					
LT719295	1990/12/10	BYLAW				С
R.	EMARKS: NO. 4					
LT720186	1990/12/12					С
R.	EMARKS: AMENDI	NG LT/12904				
LT722320	1990/12/18					С
. R.	EMARKS: NO. 5					1



29302-0327 (LT)

PAGE 2 OF 3
PREPARED FOR lisaandr
ON 2022/03/14 AT 13:12:16

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
65R15192	1991/05/13	PLAN REFERENCE				С
LT876092	1992/11/03 MARKS: NO. 6	BYLAW SPECIAL NO. 6				С
LT929391	1993/08/16 MARKS: NO. 7					С
LT941283	1993/10/22 MARKS: SPECIA					С
LT968662	1994/04/11 MARKS: SPECIA	BYLAW				С
LT1059097	1995/09/12 MARKS: SPECIA	BYLAW				С
LT1293064		NO CHNG ADDR INST		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
LT1507736	2000/07/31	NO CHNG ADDR INST		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
	2007/11/20 MARKS: BY-LAW	CONDO BYLAW/98		YORK REGION CONDOMINIUM CORPORATION NO. 771		С
65R31704	2009/06/12	PLAN REFERENCE				С
	2009/09/14 MARKS: PT COM	PLAN EXPROPRIATION MON ELEMENTS			THE REGIONAL MUNICIPALITY OF YORK	С
	2010/10/21 MARKS: LT7201	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	YORK REGION CONDOMINIUM CORPORATION NO. 771	С
YR2100855	2014/02/28	TRANSFER	\$230,000	735373 ONTARIO LTD.	HIGHYON ASSETS CORP.	С
YR2840572	2018/06/22	CHARGE	\$900,000	HIGHYON ASSETS CORP.	ROYAL BANK OF CANADA	С
YR2904645	2018/12/03	CHARGE	\$150,000	HIGHYON ASSETS CORP.	HUI, MARGARET	С
YR3052188	2020/01/02	CHARGE	\$200,000	HIGHYON ASSETS CORP.	LAM, ROGER	С
YR3117703	2020/07/10	CHARGE	\$2,800,000	HIGHYON ASSETS CORP.	LIANG, GUOHUI	С



29302-0327 (LT)

PAGE 3 OF 3
PREPARED FOR lisaandr
ON 2022/03/14 AT 13:12:16

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR3157858	2020/10/21	APL COURT ORDER	ONTARIO	SUPERIOR COURT OF JUSTICE	MSI SPERGEL INC.	C

APPENDIX 8

ServiceOntario

Main Menu New Enquiry

Enquiry Result

File Currency: 10MAR 2022





Note: All pages have been returned.

Type of Search	Business Debt	or								
Search Conducted On	HIGHYON ASS	IIGHYON ASSETS CORP.								
File Currency	10MAR 2022									
	File Number	Family	of Families	Page	of Pages	Expiry	Date		Status	
	740439423	1	1	1	1	12JUN 2	2023			
FORM 1C FINANCING	STATEMENT	Γ/ CLAIM	FOR LIEN							
File Number	Caution Filing	Page of	Total Pages	Motor Vel		Registr	ation Nur	nber	Registered Under	Registration Period
740439423		01	001			201806	12 1431 1	530 5491	P PPSA	5
									1	
Individual Debtor	Date of Birth		First Given	Name			Initial		Surname	
Business Debtor	Business Deb	otor Name	!				!		Ontario Cor Number	poration
	HIGHYON ASSETS CORP.									
	Address						City		Province	Postal Code
	350 HIGHWAY	7 EAST					RICHMON	ND HILL	ON	L4B 3N2
Individual Debtor	Date of Birth		First Given	Name			Initial		Surname	
Business Debtor						Ontario Corporation Number				
	Address						City		Province	Postal Code
Secured Party	Secured Party									
	ROYAL BANK	OF CANADA	4							
	Address						City	_	Province	Postal Code
	36 YORK MILL	S ROAD, 4	TH FLOOR				TORONT	0	ON	M2P 0A4
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor \		Amount	Date of Maturity or	No Fixed Maturity Dat
		X	X	Χ	Χ	Χ				
Motor Vehicle	Year	Make				Model			V.I.N.	
Description										
General Collateral	Cananal Call	toral Daga	wintio-							
Description	General Colla	iterai Desc	приоп							
										186

	CANADIAN SECURITIES REGISTRATION SYSTEMS			
	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	ВС	V5G 3S8
	<u>'</u>			
LAST PAGE				

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Web Page ID: **WEnqResult** System Date: **11MAR2022** Last Modified: November 03, 2019

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APPENDIX 9

ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)

BETWEEN:

ROYAL BANK OF CANADA

Applicant

-and-

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU AND SHUYAN XU

Defendants

AFFIDAVIT OF MUKUL MANCHANDA

(Sworn March 11, 2022)

I, **MUKUL MANCHANDA**, of the City of Brampton, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

- 1. I am a Licensed Insolvency Trustee with msi Spergel inc. ("Spergel"), the court-appointed Receiver (in such capacity, the "Receiver") of Highyon Assets Corp. (the "Debtor"), and as such have knowledge of the matters to deposed herein, except where such knowledge is stated to be based on information and belief, in which case I state the source of the information and verily believe such information to be true.
- 2. The Receiver was appointed, without security, of all the assets, undertakings and properties of the Debtor by Order of the Honourable Madam Justice Gilmore of the Ontario Superior Court of Justice (Commercial List) made on October 16, 2020.
- 3. In connection with the receivership proceedings of the Debtor for the period to and including March 10, 2022, fees of \$87,622.40 (inclusive of HST and disbursements) were

charged by Spergel as detailed in the billing summary and time dockets attached hereto as **Exhibit "1"** to this, my Affidavit. This represents 319 hours at an effective rate of \$242.82 per hour.

- 4. The hourly billing rates detailed in this Affidavit are comparable to the hourly rates charged by Spergel for services rendered in relation to similar proceedings.
- 5. I make this Affidavit for no improper purpose.

SWORN before me at the City of Toronto, in the Province of Ontario this 11th day of March, 2022.

Mukul Manchanda

Commissioner for Taking Affidavits

Ellien Stunge

Barbara Eileen Sturge, a Commissioner, etc., Province of Ontario, for msi Spergel inc. and Spergel & Associates inc. Expires September 21, 2022.

This is Exhibit "1" of the Affidavit of Mukul Manchanda Sworn before me on this 11th day of March, 2022

A Commissioner, Etc.

B. Emin Stunge

Barbara Eileen Sturge, a Commissioner, etc., Province of Ontario, for msi Spergel inc. and Spergel & Associates inc. Expires September 21, 2022.



March 11, 2022 Invoice #: 12314

Highyon Assets Corp.

Invoice

RE: Highyon Assets Corp.

FOR PROFESSIONAL SERVICES RENDERED for the period to and including March 10, 2022 with respect to the receivership proceedings.

	Hours	Hourly Rate	Total
Deborah Hornbostel, CPA, CA, CFE, CIRP,LIT	0.80	\$465.00	\$372.00
Gillian Goldblatt, CPA, CA, CIRP, LIT	4.90	321.43	1,575.00
Mukul Manchanda, CPA, CIRP, LIT	97.50	389.34	37,960.50
Susan Downey	138.10	150.00	20,715.00
Paula Amaral	54.20	250.00	13,550.00
Others	23.50	139.94	3,288.50
Total Professional fees	319.00	\$242.82	\$77,461.00
HST			10,069.93
Reimbursable Expenses			
Courier			\$73.86
PPSA Search			\$8.00
Total Reimbursable expenses			\$81.86
HST on expenses			\$9.61
Total			\$87,622.40

HST Registration #R825172935

(AAHIGH-R)

msi Spergel inc. Licensed Insolvency Trustees 505 Consumers Road, Suite 200, Toronto, ON M2J 4V8 • Tel 416 497 1660 • Fax 416 494 7199

[•] Barrie 705 722 5090 • Hamilton 905 527 2227 • Mississauga 905 602 4143 • Oshawa 905 721 8251 • Toronto-Central 416 778 8813 • Brampton 905 874 4905 • London 519 902 2772 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Saskatchewan 306 341 1660

Printed on: 3/11/22

Page 1 of 20

Day	Date	Memo		B-Hrs	B-Rate	Amount
Debor	ah Hornbostel (DHO)				
Thur	11/05/2020	Review and approve disbursements		0.10	\$465.00	\$46.50
Thur	11/26/2020	Review and approve disbursements		0.20	\$465.00	\$93.00
Wed	03/03/2021	Review and approve disbursements		0.10	\$465.00	\$46.50
Thur	03/25/2021	Review and approve disbursement		0.10	\$465.00	\$46.50
Tues	04/13/2021	Review and approve disbursements		0.10	\$465.00	\$46.50
Fri	07/16/2021	Review and approve disbursements		0.20	\$465.00	\$93.00
			Deborah Hornbostel (DHO)	0.80	_	\$372.00
Gillian	Goldblatt (GG	O)				
Wed	11/11/2020	review and approve disbursements.		0.20	\$290.00	\$58.00
Wed	11/18/2020	review and approve disbursement.		0.10	\$290.00	\$29.00
Thur	11/26/2020	review and approve disbursements.		0.10	\$290.00	\$29.00
Thur	12/03/2020	review and approve disbursement.		0.10	\$290.00	\$29.00
Thur	02/11/2021	review and approve disbursements		0.20	\$325.00	\$65.00
Wed	02/17/2021	review and approve disbursements		0.20	\$325.00	\$65.00
Thur	02/25/2021	review and approve disbursements.		0.10	\$325.00	\$32.50
Thur	03/11/2021	review and approve disbursements		0.20	\$325.00	\$65.00
Fri	03/26/2021	review and approve disbursements.		0.20	\$325.00	\$65.00
Tues	04/27/2021	review and approve disbursement		0.10	\$325.00	\$32.50
Tues	05/11/2021	General		0.20	\$325.00	\$65.00
Wed	05/19/2021	review & approve disbursement		0.10	\$325.00	\$32.50
Tues	05/25/2021	review and approve disbursements.		0.30	\$325.00	\$97.50
Wed	06/09/2021	review and approve disbursement.		0.20	\$325.00	\$65.00
Fri	06/25/2021	review and approve disbursements.		0.30	\$325.00	\$97.50
Tues	07/20/2021	review and approve disbursements.		0.20	\$325.00	\$65.00
Wed	08/11/2021	General		0.10	\$325.00	\$32.50
Tues	09/14/2021	review and approve disbursement.		0.10	\$325.00	\$32.50
Thur	10/07/2021	review and sign disbursement.		0.10	\$325.00	\$32.50
Thur	10/14/2021	review and approve disbursements.		0.30	\$325.00	\$97.50
Wed	11/10/2021	review and approve disbursement.		0.10	\$325.00	\$32.50
Fri	11/26/2021	review and approve disbursement.		0.10	\$325.00	\$32.50
Fri	12/03/2021	review and approve disbursement.		0.10	\$325.00	\$32.50
Tues	12/14/2021	review and approve disbursements.		0.30	\$325.00	\$97.50
Wed	01/05/2022	review and approve bank reconciliation.		0.10	\$325.00	\$32.50
Mon	01/24/2022	review and approve disbursements.		0.30	\$325.00	\$97.50
Fri	01/28/2022	review and approve disbursement.		0.10	\$325.00	\$32.50
Thur	02/03/2022	review and approve bank reconciliation.		0.10	\$325.00	\$32.50
Fri	02/25/2022	review and approve disbursements.		0.30	\$325.00	\$97.50
			Gillian Goldblatt (GGO)	4.90	_	\$1,575.00
Hinna	Shaikh (HSH)					
Mon	10/19/2020	Created engagement on site and updated site		0.20	\$120.00	\$24.00
			Hinna Shaikh (HSH)	0.20		\$24.00
Haran	Sivanathan (HS	1)				
Tues	11/10/2020	General		0.30	\$150.00	\$45.00
Wed	12/09/2020	General		0.40	\$150.00	\$60.00
Thur	12/10/2020	General		0.40	\$150.00	\$60.00
Fri	12/11/2020	General		0.20	\$150.00	\$30.00
Wed	01/06/2021	General		0.50	\$150.00	\$75.00
Thur	01/07/2021	General		0.90	\$150.00	\$135.00
						102

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Haran	Sivanathan (H	SI)			
Fri	01/08/2021	General	0.50	\$150.00	\$75.00
Mon	01/11/2021	General	0.80	\$150.00	\$120.00
Thur	01/14/2021	General	0.70	\$150.00	\$105.00
Fri	01/15/2021	General	0.30	\$150.00	\$45.00
Mon	01/18/2021	General	0.20	\$150.00	\$30.00
Thur	01/21/2021	General	0.30	\$150.00	\$45.00
Tues	01/26/2021	General	0.30	\$150.00	\$45.00
Tues	08/10/2021	Bank reconciliation/Posting cheques/Deposit	0.50	\$150.00	\$75.00
Mon	09/20/2021	General	0.40	\$150.00	\$60.00
Tues	12/07/2021	Bank reconciliation/Posting cheques/Deposit	0.40	\$150.00	\$60.00
Thur	12/09/2021	Bank reconciliation/Posting cheques/Deposit	0.30	\$150.00	\$45.00
Fri	03/04/2022	Banking Cheques/deposit/Reveiw	0.50	\$150.00	\$75.00
Tues	03/08/2022	General	0.20	\$150.00	\$30.00
1003	00/00/2022			ψ100.00 •	
		Haran Siva	nathan (HSI)8.10	-	\$1,215.00
	riptuleac (IFR)				
Mon	11/02/2020	Deposit;Issue cheques	0.80	\$125.00	\$100.00
Mon	11/09/2020	Issue cheques, Deposit	0.60	\$125.00	\$75.00
Tues	11/17/2020	Issue cheque	0.20	\$125.00	\$25.00
Mon	11/23/2020	Issue cheques	1.00	\$125.00	\$125.00
Mon	11/30/2020	Issue cheques	0.60	\$125.00	\$75.00
Mon	12/07/2020	Issue cheque	0.20	\$125.00	\$25.00
Mon	01/18/2021	Deposit	0.20	\$125.00	\$25.00
Mon	02/01/2021	Deposit	0.20	\$125.00	\$25.00
Wed	02/10/2021	Deposits; Issue cheques;	0.60	\$125.00	\$75.00
Wed	02/24/2021	Issue cheques	0.60	\$125.00	\$75.00
Tues	03/02/2021	Deposit, Issue cheque	0.40	\$125.00	\$50.00
Tues	03/09/2021	Issue cheque	0.20	\$125.00	\$25.00
Thur	03/25/2021	Deposit, Issue cheques	0.80	\$125.00	\$100.00
Thur	04/15/2021	Issue cheques;	0.20	\$125.00	\$25.00
Wed	04/28/2021	Issue cheques;	0.60	\$125.00	\$75.00
Tues	05/11/2021	Issue cheques, Deposits	0.60	\$125.00	\$75.00
Mon	05/17/2021	Issue cheque	0.20	\$125.00	\$25.00
Wed	05/26/2021	Issue cheques	0.20	\$125.00	\$25.00
Thur	06/24/2021	Issue cheque	0.20	\$125.00	\$25.00
Mon	07/05/2021	Deposit	0.20	\$125.00	\$25.00
Tues	07/13/2021	Issue cheques; Deposit,	0.40	\$125.00	\$50.00
Tues	08/03/2021	Deposit	0.20	\$125.00	\$25.00
Tues	08/10/2021	Issue cheque	0.20	\$125.00	\$25.00
Mon	08/23/2021	Deposit; Issue cheques	0.50	\$125.00	\$62.50
Tues	09/07/2021		0.20	\$125.00	\$25.00
		Deposit	0.30		\$37.50
Tues	09/14/2021	Issue cheques, Deposit,		\$125.00	
Tues	10/05/2021	Issue cheques; Deposit	0.40	\$125.00	\$50.00
Tues	10/12/2021	Issue cheques; Deposit	0.60	\$125.00	\$75.00
Mon	11/01/2021	Deposit (a)	0.10	\$125.00	\$12.50
Mon	11/08/2021	Issue cheques	0.30	\$125.00	\$37.50
Mon	11/15/2021	Deposit	0.10	\$125.00	\$12.50
Mon	11/22/2021	Issue cheque; Deposit	0.20	\$125.00	\$25.00
Mon	11/29/2021	Deposit, Issue cheque	0.20	\$125.00	\$25.00
Thur	01/13/2022	Issue cheques	0.20	\$125.00	\$25.00
Tues	01/18/2022	Issue cheques	0.40	\$125.00	\$50.00 194

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Inga F	riptuleac (IFR)				
Fri	01/28/2022	Issue cheque	0.10	\$125.00	\$12.50
Mon	02/07/2022	Deposit; Issue cheques	0.30	\$125.00	\$37.50
Mon	02/14/2022	Deposit; Issue cheques	0.20	\$125.00	\$25.00
Thur	02/24/2022	Issue cheques;	0.30	\$125.00	\$37.50
Wed	03/02/2022	Deposits	0.30	\$125.00	\$37.50
		Inga Friptuleac (IFR)	14.10		\$1,762.50
leff Λ	diken (JAD)	gzp.			 \
	. ,		0.70	¢205.00	¢105.00
Sun	01/31/2021	Jan 27, 2021 - sign cheques .1	0.60	\$325.00	\$195.00
		Jan 29, 2021 - sign cheques .1 November 11, 2020 - sign cheques .1			
		November 27, 2020 - sign cheques .1			
		December 29, 2020 - sign cheques .1			
		January 8, 2021 - sign cheques .1			
		January 12, 2021 - sign cheques .2			
Mon	04/19/2021	March 5, 2021 - Review and sign cheques .1	0.10	\$385.00	\$38.50
Mon	08/30/2021	August 27, 2021 - Sign cheques	0.10	\$385.00	\$38.50
141011	00/00/2021	Jeff Adiken (JAD)	0.80		\$272.00
		· · · · · · · · · · · · · · · · · · ·	0.00		
	Manchanda (A	MMA)			
Fri	10/16/2020	Time spent prior to appointment in discussions with secured lender	5.00	\$375.00	\$1,875.00
		and review of application record and draft order. Receipt and			
		review of the issued and entered Receivership order. Provided			
		instrustions to P. Amaral and S. Downey with respect taking			
		possession and commencing the mandate. Multiple telephone			
		discussions with respect issues related to the tenants on the			
		property, books and records of the debtor, insurance and other ancillary matters.			
Mon	10/19/2020	Review of the court documents, arranged to have same posted on	2.50	\$375.00	\$937.50
	.0, .,,2020	the case website. Review of the information obtained at the site	2.00	φο, σισσ	φ/ο/.00
		visit including financial records, rent roll and post dated cheques.			
		Review of insurance policy provided instructions with respect to			
		adding the Receiver as named insured.			
Tues	10/20/2020	Receipt and review of an email from M. Cassone containing	1.50	\$375.00	\$562.50
		documents to be signed for registration of the order on title of the			
		property. Executed and emailed same to M. Cassone. Receipt			
		and review fo an email from M. Cassone providing confirmation of			
		registration of order on title. Receipt and review of email			
		exchanges with the insurance broker with respect to the status of			
		the insurance policy. Receipt, review and approve the letter to be			
		sent to the utility providers for transfer of account. Receipt, review			
		and approve the notice to tenants.			
Thur	10/22/2020	Receipt and review of the Notice and Statement of the Receiver.	2.20	\$375.00	\$825.00
		Provided edits. Telephone discussion with S. Downey regarding			
		same. Receipt review and edit the information request letter			
		prepared by P. Amaral. Telephone discussion with a tenant regarding the receivership. Email exchanges with respect to mail			
		redirection. Email exchanges with respect to a tenant vacating the			
		premises. Review of the lease in question. Email exchanges with J.			
		Tsao regarding freezing the bank account and forwarding the			
		balance in the account to the receiver. Review of the estimated			
		monthly costs for the next 6 months and determined the borrowing			
		amount based on same. Instructed P. Amaral to prepare a			
		Receiver's Certificate in connection with the borrowings.			

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul	Manchanda (N	1MA)			
Fri	10/23/2020	Email exchanges with J. Tsao regarding closing the bank account. Review of email exchanges regarding opening of the trust account. Receipt and review of an email from S. Pan providing acknowledgement of the notice received. Review and sign the Receiver's Certificate and emailed same to J. Tsao requesting an advance of \$30K. Lengthy telephone discussions with various tenants regarding the receivership proceedings. Email exchanges and telephone discussion with J. Tsao with respect to existing appraisals over the property. Review of the financial information obtained from the premsies.	2.40	\$375.00	\$900.00
Mon	10/26/2020	Receipt and review of an email from P. Amaral containing quotations for appraisal from three different parties. Sent an email to J. Tsao providsing wire transfer instructions for the advance of funds. Receipt and review of email exhcanges between Sunita and P. Amaral regarding condominium fees. Review of the rent roll and lease documents.	1.50	\$375.00	\$562.50
Tues	10/27/2020	Receipt and review of an email regarding the advance request. Receipt and review of an email from J. Tsao. Receipt and review of the proposal for appraisal from Wagner. Sent an email approving the engagement. Review of email exchanges with C. McAlpine regarding appraisal of the property. Receipt, reviewed and edited the letter to the property management company. Receipt and review of an email exchange with Sunita from Goldview. Receipt and review of an email from C. Alpine providing the engagement letter.	1.00	\$375.00	\$375.00
Wed	10/28/2020	Receipt and review of an email from A. Fraser containing the engagement letter and the retainer invoice.	0.10	\$375.00	\$37.50
Thur	10/29/2020	Participated in a conference call with C. McAlpine and P. Amaral. Receipt and review of an email to C. McAlpine containing documents with respect to the real property relevant for appraisal purposes.	0.60	\$375.00	\$225.00
Fri	10/30/2020	Receipt and review of an email from S. Pan containing a summary of payments made.	0.10	\$375.00	\$37.50
Mon	11/02/2020	Receipt and review of an email to the insurance broker. Receipt and review of an email containing letters to tenants for arrears.	0.40	\$375.00	\$150.00
Tues	11/03/2020	Email exchanges with property manager regarding outstanding payment. Email exchanges regarding appraisal of the property. Email exchanges with J. Tsao regarding funding. Receipt of an email from insurance broker confirming the validity of the insurance and adding the receiver as the additional named insured.	0.40	\$375.00	\$150.00
Wed	11/04/2020	Review and sign the proposal from Wagner for commissioning the appraisal. Receipt and review of an email from R. MOses forwarding a letter from counsel of the second mortgagee. Forwarded same to T. Hogan. Telephone discussion with T. Hogan regarding repsonse to same. Receipt and review of an email from A. Fraser regarding the appraisal.	1.00	\$375.00	\$375.00
Thur	11/05/2020	Receipt and review of an email from P. Amaral to A. Fraser providing the information required for commissioning the appraisal. Email exchanges with J. Tsao regarding receipt of advance from RBC. Receipt and review of an email from T. Hogan containing a draft letter to counsel of the second mortgagee. Sent an email to T. Hogan providing comments.	0.50	\$375.00	\$187.50

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul	Manchanda (N	MA)			
Mon	11/09/2020	Receipt and review of an email to S. Xu regarding payment of rent. Instructions to S. Downey regarding changing locks of certain offices.	0.10	\$375.00	\$37.50
Tues	11/10/2020	Receipt and review of an email to A. Zhong regarding nsf cheque and replacement of same. Receipt and review of the demand letter to I. Masorri regarding payment of outstanding rent. Email exchanges with T. Hogan regarding termination of the lease.	0.20	\$375.00	\$75.00
Wed	11/11/2020	Receipt and review of an email from T. Hogan containing the notice of termination in relation to a unit. Prepared an executed copy of same. Instructions to S. Downey regarding termination of the lease and steps to take possession of the unit. Receipt, review and approve payables.	0.50	\$375.00	\$187.50
Mon	11/16/2020	Receipt, review and approve disbursement. Receipt and review of the appraisal from Cushman.	0.80	\$375.00	\$300.00
Tues	11/17/2020	Receipt and review of an email from I. Masroori regarding removal of personal effect from the premises. Email exchanges with T. Hogan regarding same.	0.20	\$375.00	\$75.00
Wed	11/18/2020	Receipt, review and approve payable.	0.10	\$375.00	\$37.50
Thur	11/19/2020	Receipt and review of an email from Sunita regarding payment of the outstanding invoices.	0.10	\$375.00	\$37.50
Mon	11/23/2020	Receipt and review of an appraisal from Wagner. Receipt and review of an email from Sunita providing arrears statements and lien notice. Forwarded same to T. Hogan. Email exchanges with P. AMaral regarding outstanding information request.	0.50	\$375.00	\$187.50
Tues	11/24/2020	Receipt, review and approve payables. Receipt and review of an email from T. Hogan regarding the rights of the condominium copr to put a lien on the property and priority of same. Further discussions regarding same.	0.50	\$375.00	\$187.50
Thur	11/26/2020	Telephone discussion with A. Miller regarding obtaining a marketing proposal for the real property.	0.30	\$375.00	\$112.50
Fri	11/27/2020	Receipt, review and edit letter to principals of the company regarding outstanding information.	0.20	\$375.00	\$75.00
Thur	12/03/2020	Receipt, review and approve payables.	0.10	\$375.00	\$37.50
Mon	12/07/2020	Receipt and review of an email from T. Hogan forwarding a letter from H. HUi regarding the sales process. Discussion with T. Hogan regarding the stalking horse offer offered.	0.40	\$375.00	\$150.00
Tues	12/08/2020	Review of emails from banking regaeding nsf cheque. Provided instructions to S. Downey and P. Amaral to obtain a replacement cheque.	0.20	\$375.00	\$75.00
Wed	12/09/2020	Review of email exchanges regarding payment of insurance premiums. Review of the insurance policy and the evidence of payments made by the Receiver. Instructed S. DOwney to provide evidence of payment to the broker.	0.50	\$375.00	\$187.50
Thur	12/17/2020	Lengthy telephone discussion with A. Miller regarding the real property and listing of same. Review of comparables and other information provided by A. Miller.	1.00	\$375.00	\$375.00
Mon	12/21/2020	Email exchanges with T. Hogan regarding the letter received from counsel of the second mortgagee. Telephone discussion with T. Hogan regarding same. Review and approve draft response to counsel for second mortgagee. Receipt review of an email from H. Hui containing a stalking horse bid. Discussion with T> Hogan regarding same.	0.80	\$375.00	\$300.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul	Manchanda (/	MMA)			
Wed	12/23/2020	Review of an email from T> Hogan to H. Hui advising that the reciever is not able to entertain his client's offer as it is required to market the property prior to recommedning a purchaser for same to the court.	0.10	\$375.00	\$37.50
Tues	12/29/2020	Receipt, review and approve disbursements. Review and edit communication to tenants regarding payment of rent.	0.30	\$375.00	\$112.50
Wed	01/06/2021	Receipt and review of a lengthy email from H. Hui. Email exchanges and telephone discussion with T. Hogan regarding the email. Email exchanges with A. Miller regarding obtaining a marketing proposal for the property. Telephone discussion with A. Miller regarding same. Multiple email exchanges with C. Lee regarding the site visit and other information required for preparation of marketing proposal.	0.70	\$375.00	\$262.50
Thur	01/07/2021	Receipt and review of an email from P. Amaral providing the maintenance fee schedule, tax bills and other relevant information requested by C. Lee. Receipt and review of an email from T. Hogan to H. Hui regarding his query with respect listing of the property.	0.40	\$375.00	\$150.00
Mon	01/11/2021	Email exchanges with C. Lee regarding description of the property and other matters to obtain a marketing proposal.	0.20	\$395.00	\$79.00
Tues	01/12/2021	Receipt, review and approve disbursements.	0.20	\$375.00	\$75.00
Wed	01/13/2021	Review of an email from C. Lee providing an update on the status of the marketing proposal.	0.20	\$395.00	\$79.00
Thur	01/14/2021	Receipt and review of an email from P. Amaral to C. Lee providing certain information. Sent an email to P. Amaral asking her to reach out to N. Bhachu to obtain a marketing proposal. Receipt and review of email exchanges between P. Amaral and N. Bhachu.	0.30	\$395.00	\$118.50
Fri	01/15/2021	Multiple email exchanges with N. Bachchu regarding commencing the mandate. Prepared and emailed N. Bhachu NDA with respect to obtaining the appraisal. Receipt and reviewed a signed NDA. Sent an email containing the appraisals.	0.50	\$395.00	\$197.50
Mon	01/18/2021	Receipt and review of an email from N. Bhachu regarding marketing proposal. Email exchanges and telephone discussion with A. Miller regarding the status of the marketing proposal.	0.40	\$395.00	\$158.00
Tues	01/19/2021	Email exchanges with N. Bhachu regarding further information request.	0.20	\$395.00	\$79.00
Wed	01/20/2021	Receipt and review of an email from N. Bhachu containing the marketing proposal.	0.50	\$395.00	\$197.50
Thur	01/21/2021	Receipt and review of an email from A. Miller containing the marketing proposal.	0.50	\$395.00	\$197.50
Fri	01/22/2021	Email exchanges and telephone discussions with N. Bhachu and A. Miller regarding additional information with respect to the submitted marketing proposals.	1.00	\$395.00	\$395.00
Tues	01/26/2021	Receipt and review of an email from T. Hogan containing the security opinion. Review of email exchanges between P. Amaral and C. Lee regarding clarification on commission and listing price. Lengthy telephone discussion with A. Miller regarding same.	0.80	\$395.00	\$316.00
Fri	01/29/2021	Email exchanges with N. Bhachu.	0.10	\$395.00	\$39.50
Wed	02/03/2021	Receipt and review of the comparison of the marketing proposals received from Intercity and Colliers. Sent an email to J. Tsao providing the comparison and recommending we engage Colliers to list the property. Email exchanges with J. Tsao regarding list price of the property.	1.00	\$395.00	\$395.00
Thur	02/04/2021	Receipt and review of an email from C. Lee containing the listing agreement. Forwarded same to T. Hogan for comments.	0.60	\$395.00	\$237.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Muku	Manchanda (A	MMA)			
Mon	02/08/2021	Receipt, review and approve payable. Review of email exchanges with banking regarding placing a stop payment on the cheque. Email exchanges with the banking department regarding putting a stop payment to a cheque made out to the property management company.	0.40	\$395.00	\$158.00
Tues	02/09/2021	Receipt and review of an email from T. Hogan providing draft APS and asking for certain information. Sent an email to P. Amaral asking her to provide the information. Finalize the APS.	1.00	\$395.00	\$395.00
Wed	02/10/2021	Telephone discussion with T. Hogan regarding the APS and Listing Agreement. Receipt, review and approve payables. Email exchanges with P. Amaral regarding the parking spot inclusion in the APS. Review of application record regarding same.	0.80	\$395.00	\$316.00
Thur	02/11/2021	Receipt and review of an email containing the Geowarehouse report of the property indicating 2 parking spots attached to the property. Telephone discussion with T. Hogan regarding same.	0.60	\$395.00	\$237.00
Fri	02/12/2021	Receipt and review of an email from T. HOgan containing amendments to the Schedule A to the Listing Agreement. Revised the schedule accordingly and emailed same to C. Lee.	0.40	\$395.00	\$158.00
Wed	02/17/2021	Receipt and review of an email from N. Bhachu regarding the listing. Sent an email to N. Bachi advising that we have selected Colliers to list the property. Telephone discussion with N. Bhachu regarding same.	0.50	\$395.00	\$197.50
Thur	02/18/2021	Email exchanges with S. Downey regarding renewal of mail redirection. LEngthy telephone discussion with insurance provider regarding ongoing insurance and renewal date. Multiple telephone conversations with parties interested in purchasing the property.	1.00	\$395.00	\$395.00
Fri	02/19/2021	Email exchanges with C. Lee regarding listing the property.	0.20	\$395.00	\$79.00
Mon	02/22/2021	Email exchanges with T. Hogan regarding Schedule A to the listing agreement. Prepared the schedule A and emailed same to T. Hogan. Telephone discussion with T. Hogan regarding same. Sent an email to C. Lee containing the revised listing agreement along with schedules. Email exchanges with S. Downey regarding issuing a letter to a tenant for non-payment of rent.	1.00	\$395.00	\$395.00
Tues	02/23/2021	Finalized the Isiting agreement and schedules and prepared executed copies of same. Emailed same to C. Lee.	0.60	\$395.00	\$237.00
Wed	02/24/2021	Receipt, review and approve payables. Receipt and review of the letter to tenant for non-payment of rent. Receipt and review of an email from C. Lee advising the listing is in the process of being uploaded. Receipt and review of the data form. Prepared an executed copy of same and emailed to C. Lee. Telephone discussion with C. Lee and A. Miller regarding the listing.	1.50	\$395.00	\$592.50
Thur	02/25/2021	Receipt and review of an email from C. Lee containing the fully executed copy of the Listing Agreement.	0.10	\$395.00	\$39.50
Mon	03/01/2021	Email exchanges with C. Lee and A. Miller regarding the listing. Telephone discussion with a tenant interested in purchasing the property. Directed the tenant to the real estate agent. Telephone discussion with C. Lee regarding the sales process and the number of interested parties to date.	1.00	\$395.00	\$395.00
Wed	03/03/2021	Receipt, review and approve payables. Receipt and review of an email from C. Lee containing the virtual tour of the premises and the mls listing.	0.30	\$395.00	\$118.50
Thur	03/04/2021	Telephone discussion with T> Hogan regarding the listing and informing the second mortgagee regarding same. Receipt and review of an email from T. Hogan to Mr. Hui regarding same.	0.30	\$395.00	\$118.50
Fri	03/05/2021	Receipt, review and approve payable.	0.20	\$395.00	\$79.00
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Day	Date	Memo	B-Hrs	B-Rate	Amount
Muku	l Manchanda (A	MMA)			
Mon	03/08/2021	Email exchanges with S. Downey regarding delinquent tenants. Receipt and review of an email from C. Lee providing update regarding potential purchasers and requesting termination letter for a tenant for which the lease is expiring. Receipt and review of an email from P. Amaral providing lease documents related to a tenant. Lengthy telephone discussion with A. Miller regarding the sale of the property. Receipt and review of the demand letter and termination notice to be sent to the tenants.	1.80	\$395.00	\$711.00
Tues	03/09/2021	Email exchanges with T. Hogan regarding the demand letter and termination notice.	0.20	\$395.00	\$79.00
Mon	03/15/2021	Email exchanges with the insurance broker regarding renewal of the policy.	0.20	\$395.00	\$79.00
Tues	03/16/2021	Review of email exchanges with the insurance broker.	0.10	\$395.00	\$39.50
Mon	03/22/2021	Receipt and review of an email from J. Tsao requesting the listing agreement and the link to the listing. Sent an email to J. Tsao providing the requested the information.	0.20	\$395.00	\$79.00
Tues	03/23/2021	Email exchanges with S. Downey regarding delinquent tenants. Email exchanges with T. Hogan regarding termination notices with respect to delinquent tenants. Email exchanges with C. Lee regarding sale process and interested parties.	0.40	\$395.00	\$158.00
Wed	03/24/2021	Receipt, review and approve payables.	0.10	\$395.00	\$39.50
Fri	03/26/2021	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Thur	04/01/2021	Email exchanges with C. Pond regarding renewal of insurance.	0.10	\$395.00	\$39.50
Mon	04/05/2021	Receipt and review of an email from C. Lee providing a status report. Email exchanges with C. Lee regarding reduction in list price. Email exchanges with T. Hogan regarding reduction in sale price.	0.30	\$395.00	\$118.50
Thur	04/08/2021	Instructed P. Amaral to send to C. Lee the form of offer.	0.10	\$395.00	\$39.50
Fri	04/09/2021	Email exchanges with C. Lee regarding reduction of listing price. Email exchanges with P. Amaral regarding leasing unit 25.	0.20	\$395.00	\$79.00
Tues	04/13/2021	Receipt, review and approve payables. Receipt, review and sign the 246 report.	0.30	\$395.00	\$118.50
Wed	04/14/2021	Email exchanges with T. Hogan regarding reduction of the sale price. Email exchanges regarding lease of room 25.	0.20	\$395.00	\$79.00
Thur	04/15/2021	Email exchanges with S. Downey regarding renewal of insurance.	0.20	\$395.00	\$79.00
Fri	04/16/2021	Email exchanges with C. Lee regarding potential purchaser and a reduction in the sale price.	0.10	\$395.00	\$39.50
Wed	04/21/2021	Sent an email to C. Lee advising that we will consult with stakeholders regarding reduction of sale price. Email exchanges and telephone discussion with J. Tsao regarding same. Telephone discussion with T. Hogan regarding same. Sent an email to C. Lee advising to reduce the sale price to \$999K. Email exchanges with C. Lee. Receipt and review of an email from T. Hogan to H. Hui providing an update regarding reduction in the sale price.	1.00	\$395.00	\$395.00
Thur	04/22/2021	Receipt and review of the price amendment form from C. Lee. Prepared an executed of same and emailed it to C. Lee. Receipt and review of an email from H. Hui to T. Hogan requesting first right of refusal to match any offers received on the property. Receipt and review of an email from T. Hogan to H. Hui advising the receiver is not able to provide the first right of refusal.	0.30	\$395.00	\$118.50
Mon	04/26/2021	Receipt, review and approve the insurance policy renewal.	0.20	\$395.00	\$79.00
Tues	04/27/2021	Review of the rent roll. Instructions to P. Amaral regarding tenants behind in rent. Receipt, review and approve payable.	0.50	\$395.00	\$197.50
Wed	05/05/2021	Email exchanges with respect to cleaning of the premises.	0.20	\$395.00	\$79.00
Fri	05/07/2021	Review of emails with respect to collection of rent.	0.10	\$395.00	\$39.50
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Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul	Manchanda (A	1MA)			
Mon	05/10/2021	Email exchanges with C. Lee regarding access to the premises.	0.10	\$395.00	\$39.50
Tues	05/11/2021	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Tues	05/25/2021	Receipt, review and approve payables. Receipt and review of an email from J. Tsao regarding CEBA application by the principals of the company.	0.20	\$395.00	\$79.00
Thur	05/27/2021	Email exchanges with S. Downey regarding internet for tenants and cost of same.	0.20	\$395.00	\$79.00
Fri	05/28/2021	Email exchanges regarding payment of internet fees arrears.	0.10	\$395.00	\$39.50
Mon	06/07/2021	Sent an email to C. Lee asking for an update. Receipt and review of an email from C. Lee providing update on the sale process.	0.20	\$395.00	\$79.00
Wed	06/09/2021	Receipt, review and approve payables.	0.10	\$395.00	\$39.50
Mon	06/21/2021	Receipt and review of an email from J. Tsao regarding the file. Sent an email to J. Tsao providing him with an update. Email exchanges with C. Lee regarding strategy to sell the property.	0.30	\$395.00	\$118.50
Wed	06/23/2021	Receipt review and approve payables.	0.10	\$395.00	\$39.50
Fri	06/25/2021	Receipt and review of an email from C. Lee regarding the activity on the sale of the property and providing recommendation to reduce the price.	0.20	\$395.00	\$79.00
Mon	06/28/2021	Lengthy discussion with C. Lee regarding sale of property and reduction in price. Email exchanges with J. Tsao regarding same. Receipt and review of the price amendment agreement. Prepared an executed copy of same and emailed same to C. Lee.	1.20	\$395.00	\$474.00
Tues	07/13/2021	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Wed	07/14/2021	Review of the rent roll, email exchanges with S. Downey and P. Amaral regarding collection of outstanding rent.	0.50	\$395.00	\$197.50
Fri	07/16/2021	Receipt, review and approve disbursements.	0.20	\$395.00	\$79.00
Tues	07/20/2021	Receipt, review and approve payables.	0.10	\$395.00	\$39.50
Wed	07/21/2021	Receipt, review and approve payables.	0.10	\$395.00	\$39.50
Mon	07/26/2021	Receipt and review of an email from R. Moses asking to confirm that we have not made any distributions to the bank. Sent an email to R. Moses confirming same.	0.10	\$395.00	\$39.50
Fri	07/30/2021	Email exchanges with C. Lee regarding sales process and interest to date in the property. Telephone discussion with C. Lee regarding same.	0.30	\$395.00	\$118.50
Tues	08/10/2021	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Wed	08/11/2021	Receipt, review and approve payables. Receipt and review of an email from R. Moses containing the default judgement.	0.30	\$395.00	\$118.50
Fri	08/13/2021	Email exchanges with C. Lee regarding setting up a viewing.	0.20	\$395.00	\$79.00
Tues	08/17/2021	Email exchanges with S. Downey regarding leasing additional space. Lengthy call with the potential tenant regarding leasing the space.	0.60	\$395.00	\$237.00
Mon	08/23/2021	Email exchanges with S. Downey and P. Gennis regarding leasing additional units.	0.20	\$395.00	\$79.00
Wed	08/25/2021	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Mon	08/30/2021	Receipt, review and approve payables. Email exchanges regarding leasing additional units.	0.40	\$395.00	\$158.00
Wed	09/01/2021	Email exchanges with C. Lee regarding listing agreement. Telephone call with C. Lee regarding the new listing agreement and interest in the property to date. Receipt, review and sign the listing agreement.	0.80	\$395.00	\$316.00
Fri	09/03/2021	Email exchanges with AI Financial regarding renting additional space.	0.20	\$395.00	\$79.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul	Manchanda (/	MMA)			
Thur	09/09/2021	Email exchanges and discussions regarding additional rental request from AI Financial.	0.20	\$395.00	\$79.00
Tues	09/14/2021	Receipt, review and approve payables. Discussion regarding leasing the empty space. Receipt and review of the draft lease agreement.	0.80	\$395.00	\$316.00
Thur	09/16/2021	Email exchanges with C. Lee regarding interest in the property.	0.20	\$395.00	\$79.00
Fri	09/17/2021	Receipt and review of a draft lease from T. Hogan. Provided comments regarding same. Email exchanges with C. Lee and A. Miller regarding further recommendation to reduce the list price. Telephone discussion with C. Lee regarding same.	1.20	\$395.00	\$474.00
Mon	09/20/2021	Review of the nsf payment. Discussion with tenant regarding the lease. Receipt, review and approve payables.	0.50	\$395.00	\$197.50
Thur	09/23/2021	Email exchanges and discussions with S. Downey regarding the ownership of the furniture and claim of Highyon Realty regarding same.	0.30	\$395.00	\$118.50
Mon	09/27/2021	Email exchanges with counsel regarding amendments to the new lease of AI Financials.	0.30	\$395.00	\$118.50
Tues	09/28/2021	Review of emails from A. Wu regarding ownership of the furniture.	0.10	\$395.00	\$39.50
Thur	09/30/2021	Email exchanges with T. Hogan regarding the furniture issue. Receipt and review of a draft email from T. Hogan to A. Wu. Approved same. Review of email exchanges between A. Wu and T. Hogan. Receipt and review of an email exchange between R. Moses and T. Hogan regarding the issue.	0.20	\$395.00	\$79.00
Mon	10/04/2021	Receipt and review of an email from A. Wu providing information with respect to the ownership of the furniture. Email exchanges with T. Hogan regarding same. Email exchanges with T. Hogan regarding security position of RBC in Highyon Realty Inc.	0.30	\$395.00	\$118.50
Tues	10/05/2021	Receipt, review and approve disbursements.	0.10	\$395.00	\$39.50
Wed	10/06/2021	Email exchanges with T. Hogan regarding the furniture at the premises. Email exchanges regarding further borrowings from the bank. Review of email exchanges between A. Wu and T. Hogan regarding RBC's security interest in the furniture.	0.40	\$395.00	\$158.00
Wed	10/13/2021	Receipt, review and execute the 246 report.	0.30	\$395.00	\$118.50
Thur	10/21/2021	Participated in a conference call with A. Mlller, Yanis and P. Amaral regarding the sale of the property.	0.50	\$395.00	\$197.50
Mon	10/25/2021	Email exchanges with T. Hogan regarding a potential buyer. Provided contact information of the agent.	0.20	\$395.00	\$79.00
Mon	11/01/2021	Discussions and email exchanges with S. Downey regarding removal of furniture by the Debtor. Email exchanges with T. Hogan regarding same. Receipt, review and approve payables. Email exchanges with J. Tsao regarding further reduction of price.	0.50	\$395.00	\$197.50
Tues	11/02/2021	Further email exchanges and discussions with T. Hogan regarding removal of assets. Email exchanges with J. Tsao regarding reducing the list price. Provided marketing report to J. Tsao.	0.60	\$395.00	\$237.00
Thur	11/04/2021	Review and sign the updated listing agreement. Email exchanges with S. Downey regarding changing internet providers.	0.40	\$395.00	\$158.00
Mon	11/08/2021	Receipt and review of the draft letter from M. Vine regarding the removal of the furniture. Telephone discussion with M. Vine regarding the content of the letter and revisions to same.	0.50	\$395.00	\$197.50
Wed	11/10/2021	Review of email exchanges between R. Moses and J. Tsao.	0.20	\$395.00	\$79.00
Thur	11/11/2021	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Mon	11/15/2021	Email exchanges regarding arranging new internet connection. Email exchanges with L. Smith and A. Miller regarding the listing.	0.40	\$395.00	\$158.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul	Manchanda (M	IMA)			
Tues	11/16/2021	Review of email exchanges between T. Hogan and L. Smith. Email exchanges with P. Amaral regarding request from a unit owner to enter the premises for repair purposes. Email exchanges with T. Hogan regarding same.	0.20	\$395.00	\$79.00
Wed	11/17/2021	Receipt and reveiw of the draft letter regarding access to the unit. Email exchanges with counsel regarding same.	0.40	\$395.00	\$158.00
Tues	11/23/2021	Telephone discussion with T. Hogan regarding the file. Receipt, review and approve payables.	0.40	\$395.00	\$158.00
Wed	11/24/2021	Email exchanges with T. Hogan regarding removal of the furniture. Review of email exchanges between T. Dunn and T. Hogan. Email exchanges with Y. Tzatzoglou regarding marketing and number of interested parties.	0.40	\$395.00	\$158.00
Thur	11/25/2021	Email exchanges with Y. Tzatzoglous regarding showings.	0.10	\$395.00	\$39.50
Mon	11/29/2021	Review of emails from Y. Tzatzoglou regarding visits and potential purchasers.	0.20	\$395.00	\$79.00
Tues	11/30/2021	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Thur	12/02/2021	Receipt, review and approve payables.	0.10	\$395.00	\$39.50
Fri	12/03/2021	Receipt, review and approve payables.	0.10	\$395.00	\$39.50
Tues	12/07/2021	Email exchanges with S. Downey regarding operational issues. Receipt and review of the draft rent letter.	0.30	\$395.00	\$118.50
Thur	12/09/2021	Receipt, review and approve payables. Email exchanges with the realtor regarding an interested party and potential offer on the property. Receipt, review and approve payables.	0.30	\$395.00	\$118.50
Mon	12/13/2021	Receipt and review of an email from A. Miller containing an offer. Telephone discussion with A. Miller regarding same.	0.50	\$395.00	\$197.50
Tues	12/14/2021	Telephone call with A. Miller regarding the offer. Receipt, review and approve payables. Sent an email to J. Tsao containing the offer and providing recommendation with respect to a counter offer. Further email exchanges with J. Tsao.	1.00	\$395.00	\$395.00
Wed	12/15/2021	Email exchanges and telephone discussion with N. Baruch regarding access to the premises for repair purposes.	0.50	\$395.00	\$197.50
Thur	01/13/2022	Receipt, review and approve payables.	0.10	\$395.00	\$39.50
Mon	01/17/2022	Receipt, review and approve payables. Email exchanges and lengthy call with the broker regarding price reduction and other challenges with sale of the property.	0.90	\$395.00	\$355.50
Tues	01/18/2022	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Wed	01/19/2022	Review of rent roll and instructed S. Downey to write to the tenant in default.	0.50	\$395.00	\$197.50
Thur	01/20/2022	Receipt and review of a voicemail from an agent inquiring about the vesting order and the process. Telephone call with Yanis regarding same. Sent an email to Yanis explaining the process. Receipt, review and approve notice of termination. Receipt and review of an email from yanis providing a recommendation to reduce the list price.	0.90	\$395.00	\$355.50
Mon	01/24/2022	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Fri	01/28/2022	Receipt, review and approve payables.	0.20	\$395.00	\$79.00
Mon	02/14/2022	Email exchanges with the real estate agents regarding the price reduction.	0.20	\$395.00	\$79.00
Wed	02/16/2022	Email exchanges and telephone discussions with Yanis regarding price reductions and other measures to market the premises. Receipt, review and sign the price reduction document.	0.80	\$395.00	\$316.00
Thur	02/17/2022	Lengthy discussion with tenants regarding arrears. Discussion with the realtor regarding the interest in the premises.	1.30	\$395.00	\$513.50

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Mukul	Manchanda (M	IMA)			
Tues	02/22/2022	Receipt and review of an email from Yanis containing an offer. Discussion with J. Tsao and T. Hogan regarding same. Review of the draft form of offer and made changes to same.	1.90	\$395.00	\$750.50
Wed	02/23/2022	Telephone call with J. Tsao regarding the counter offer. Receipt and review of the revised offer from the purchaser.	0.50	\$395.00	\$197.50
Thur	02/24/2022	Receipt and review of an email from Yanis containing the suggested counter offer. Email exchanges with T> Hogan regarding the form offer. Telephone discussion regarding same. INstructed T> Hogan to prepare the counter offer using our form of offer. Receipt, review and approve disbursements.	0.90	\$395.00	\$355.50
Fri	02/25/2022	Receipt and review of reports regarding the parking spot and the units owned by Highyon. Forwarded same to T. Hogan. Email exchanges with T. Hogan regarding preparation of the offer. Telephone discussion with T. Hogan regarding same. Email exchanges with R. Danter. Receipt and reveiw of the draft offer. Provided comments regarding same.	1.30	\$395.00	\$513.50
Mon	02/28/2022	Receipt and review of an email from Yanis containing comments on the offer from the purchaser. Email exchanges with T. Hogan regarding same. Prepared a fully executed copy of the offer and emailed same to Yanis. Lengthy call with AI Financial regarding renting additional units.	0.80	\$395.00	\$316.00
Tues	03/01/2022	Sent an email to Yanis containing the wire transfer instructions. Receipt and review of an email from Yanis containing the confirmation of Co-operating brokerage documents. Amended same and prepared a fully executed copy and emailed same to Yanis.	0.60	\$395.00	\$237.00
Wed	03/02/2022	Email exchanges with R. Danter and T. Hogan regarding canvassing dates with the court for an approval motion. Lengthy call with realtor and agent of the purchaser regarding the process to obtain AVO and benefits of same.	1.10	\$395.00	\$434.50
Thur	03/03/2022	Commence review of the file in anticipation of drafting the report.	2.60	\$395.00	\$1,027.00
Fri	03/04/2022	Telephone call with CRA regarding amount outstanding with respect to Highyon. Continue drafting the report.	1.90	\$395.00	\$750.50
Mon	03/07/2022	Discussion with realtor regarding the offer and potential closing of the transaction. Continue drafting report.	1.20	\$395.00	\$474.00
Tues	03/08/2022	Receipt, review and approve payables. Continue drafting report.	1.80	\$395.00	\$711.00
Wed	03/09/2022	Completed first draft of the report and emailed same to T. Hogan for comments.	4.80	\$395.00	\$1,896.00
Thur	03/10/2022	Email exchanges with T. Hogan regarding the fully executed agreement and information of the purchaser's counsel. Telephone discussion with T. Hogan regarding the report. Receipt and review of an email from T. Hogan containing comments with respect to the report to court. Review and assemble appendices to the report. Email exchanges with J. Tsao regarding amounts outstanding to RBC.	1.40	\$395.00	\$553.00
		Mukul Manchanda (MMA)	97.50	_	\$37,960.50
Paula Fri	10/16/2020	Attend premises for possession. Return to office to review	6.00	\$250.00	\$1,500.00
Mon	10/19/2020	documents and transfer/open utility accounts. Preparation of tenant letters and acknowldegements. Review and organizing of information obtained from premises.	3.00	\$250.00	\$750.00
Tues	10/20/2020	Send tenants Letters and Acknowledgement Forms. Prepare and send letter to utilities for opening of new account.	2.00	\$250.00	\$500.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Paula	Amaral (PAM)				
Wed	10/21/2020	Prepare Tenant Information and Rent Roll. Respond to emails and calls from tenants in response to letter and acknowledgment form.	1.50	\$250.00	\$375.00
Thur	10/22/2020	Contact appraisers for quotes for property appraisals. Prepare and send Request for Information Letter to directors of Highyon Assets.	3.00	\$250.00	\$750.00
Mon	10/26/2020	Communication with Property Management Company regarding arrears and future payments. Preparation of Expected Costs for 6 month period.	1.50	\$250.00	\$375.00
Tues	10/27/2020	Contact selected appraisers regarding proposals for appraisal of property to book appointments and provide requested documents	1.00	\$250.00	\$250.00
Wed	10/28/2020	Call with Cushman Wakefield regarding requirements for appraisal.	0.25	\$250.00	\$62.50
Thur	10/29/2020	Communication with appraiser and tenants.	0.50	\$250.00	\$125.00
Fri	10/30/2020	Prepare Requisition for Maintenance Fee Payments for both units	0.25	\$250.00	\$62.50
Wed	11/04/2020	Attended Highyon Assets office for appraisal visit. Addressed tenant questions.	3.00	\$250.00	\$750.00
Thur	11/05/2020	Attended Highyon Assets' office for appraisal visit	2.00	\$250.00	\$500.00
Tues	11/10/2020	Contact 3 tenants by phone and email regarding payment for November rent	0.50	\$250.00	\$125.00
Mon	11/16/2020	Review Appraisal report provided by Cushman Wakefield.	0.50	\$250.00	\$125.00
Mon	11/23/2020	Respond to email regarding property management fees, payments for appraisals. Uploading documents submitted 11/24/20 to R drive.	0.50	\$250.00	\$125.00
Tues	12/01/2020	Receive upload Wganer, Kovacs final report	0.10	\$250.00	\$25.00
Wed	12/02/2020	Prepare requisitions for property management payment. Prepare and send tenant acknowledgement for Unit 22 and contact Unit 25 for rent payment.	1.00	\$250.00	\$250.00
Thur	12/03/2020	General	0.50	\$250.00	\$125.00
Mon	12/21/2020	Contact Priority Submetering regaridng account and proper set up.	0.30	\$250.00	\$75.00
Tues	12/22/2020	Contact property management to request statements and address fee discrepancy.	0.40	\$250.00	\$100.00
Wed	12/23/2020	Request Condo Maintenance Fee Statement and prepare requisition	0.30	\$250.00	\$75.00
Mon	01/04/2021	Send email to all tentants to request rent cheques	0.40	\$250.00	\$100.00
Mon	01/11/2021	Attend premises and meet with real estate agent for walkthrough	1.60	\$250.00	\$400.00
Wed	01/13/2021	Respond to email from Colliers regarding request for information regarding units numbers and legal descriptions.	0.30	\$250.00	\$75.00
Fri	01/15/2021	Meet with Intercity Real Estate agent to view property.	2.00	\$250.00	\$500.00
Mon	01/18/2021	Respond to Intercity Real Estate agent's request for information including rent roll, previous taxes and property management	0.30	\$250.00	\$75.00
Tues	01/19/2021	Communication with agents and Goldview property management to see if floor plans are available. Emails to Susan and Roslyn to confirm number of units and rental status of previous owner occupied units.	0.60	\$250.00	\$150.00
Wed	01/20/2021	Respond to emails from Intercity real estate agent regarding sale of unit and receipt and review of proposal.	0.50	\$250.00	\$125.00
Wed	01/27/2021	General	1.00	\$250.00	\$250.00
Fri	01/29/2021	Review Invoice for Property Management Fees and prepare requisition for approval	0.30	\$250.00	\$75.00
Mon	02/01/2021	Prepare cheque for mail	0.10	\$250.00	\$25.00
Wed	02/10/2021	General	0.60	\$250.00	\$150.00
Mon	03/01/2021	Attend premised to meet real estate agent and photographer (1:30 pm and 2:30 pm)	2.50	\$250.00	\$625.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Paula	Amaral (PAM)				
Fri	03/05/2021	Ssend email to property management to notify them the cheque is ready for pick up. Disucssion with Susan regaridng outstanding rent. Contact tenant	0.60	\$250.00	\$150.00
		by email/phone and left message to call back.			
Mon	03/08/2021	Respond to email from Chris Lee regarding existing tenant interested in property. Emailed Chris Lee copy of lease.	0.20	\$250.00	\$50.00
Fri	03/12/2021	Receipt of email from tenant Tiumphant Group requestion rent relief. Send condo corp information to Phil. Receipt of emails regarding organizing property for sale.	0.40	\$250.00	\$100.00
Fri	03/26/2021	Email property management for statement, prepare requisition for condo fees and review with Mukul	0.30	\$250.00	\$75.00
Tues	04/06/2021	Contact tenant regarding showing and communicate to real estate agent.	0.10	\$250.00	\$25.00
Fri	04/09/2021	Respond to real esate agent's email requesting APS and Schedule Review rent payments and status of leases	0.50	\$250.00	\$125.00
Fri	04/16/2021	Contact Highyon to confirm real estate appointment.	0.20	\$250.00	\$50.00
Thur	05/06/2021	Organize rent payments with tenants.	0.20	\$250.00	\$50.00
Fri	05/07/2021	General	0.20	\$250.00	\$50.00
Fri	05/14/2021	Contact administrator to notify her of two upcoming showings	0.10	\$250.00	\$25.00
Sat	05/22/2021	Receive status certificate from property management and forward to Phil and real estate agents and save to R drive.	0.20	\$250.00	\$50.00
Mon	06/21/2021	Receive and respond to email from occupant in building seeking access to office in Unit 310 for air consditioning repair. Contacted property management to determine if request is valid. Contact tenant to allow access for repairs and connect tenant with	0.50	\$250.00	\$125.00
Wed	07/28/2021	occupant requiring access. General	0.10	\$250.00	\$25.00
Thur	07/29/2021	Receive request for real estate appointments, send email to office administrator for confirmation and confirm with real estate agent.	0.10	\$250.00	\$25.00
Wed	08/04/2021	Receive condo fees ledger and prepare requisitions for payment.	0.10	\$250.00	\$25.00
Tues	08/10/2021	Review requisition for condo fees with Mukul. Contact property management to arrange a courier to pick up cheque.	0.10	\$250.00	\$25.00
Fri	08/13/2021	Receive email regarding a showing and confirm with staff at Highyon. Respond to agent confirming appointment.	0.10	\$250.00	\$25.00
Tues	08/17/2021	Receive email from tenant regarding rent cheque fo August and renting of additional rooms. Discuss with Susan.	0.10	\$250.00	\$25.00
Tues	08/31/2021	Respond to email regarding leasing of additional units.	0.10	\$250.00	\$25.00
Mon	09/20/2021	Attend premises to meet with LockIt to remove items from offices and prepare for new tenants.	1.50	\$250.00	\$375.00
Tues	10/12/2021	Receive condo fee statements and prepare requisitions for approval.	0.20	\$250.00	\$50.00
Thur	10/21/2021	Call with Colliers for introduction to new real estate agent and discussion of next steps.	0.30	\$250.00	\$75.00
Tues	11/09/2021	Prepare requisitions for payroll including calculation of source deductions.	1.00	\$250.00	\$250.00
Wed	11/10/2021	Receipt of Statement for condo fees, Preparation of requisition for payment.	0.30	\$250.00	\$75.00
Wed	11/17/2021	Receipt of call from unit holder above Units 310 requesting access for construction purposes and subsequent discussions. Draft letter for review by lawyer in order to grant access.	1.00	\$250.00	\$250.00
Thur	11/25/2021	Prepare RT 0002 HST filing and submit using Netfile. Receive and respond to email from real estate agent requesting access. Confirm with tenants.	0.70	\$250.00	\$175.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Paula	Amaral (PAM)				
Tues	11/30/2021	Confirm real estate showing with tenants and respond to real estate agent with confirmation. Review rent roll and forward to real estate agent.	0.40	\$250.00	\$100.00
Mon	12/06/2021	Receive email from real estate agent regarding showings. Confirm appointments with tenants.	0.10	\$250.00	\$25.00
Wed	12/08/2021	Receive statements for condo fees and prepare requisitions for payment.	0.20	\$250.00	\$50.00
Mon	12/20/2021	General	5.00	\$250.00	\$1,250.00
Tues	02/15/2022	Prepare requisitions for payment of condo fees for Units 302 and 310.	0.20	\$250.00	\$50.00
Thur	02/24/2022	Receive email from real estate agent to book showing. Confirm showing with tenants.	0.10	\$250.00	\$25.00
Fri	02/25/2022	Search Geowarehouse for parking PIN numbers and forward to Mukul.	0.20	\$250.00	\$50.00
Wed	03/02/2022	Contact CRA Insolvency unit to request update on trust exams and claims. Receive email and forward to Mukul.	0.20	\$250.00	\$50.00
Thur	03/03/2022	Email auditor to request status of claims.	0.10	\$250.00	\$25.00
Tues	03/08/2022	Prepare receipt for deposit received by purchaser of the unit.	0.20	\$250.00	\$50.00
		Paula Amaral (PAM)	54.20		\$13,550.00
Susan	Downey (SDW)	_			
Fri	10/16/2020	Took possession of property (on-site), Meeting with Shuyan Xu and discussions with Bing Pu. Meet with Locksmith. Review of books/records, etc. Collection of information required and other general "take possession" tasks required.	7.50	\$150.00	\$1,125.00
Mon	10/19/2020	Preparing notice of receiver, contact Gary Chan of Ensurco Insurance Brokers, Conduct Profile Search, PPSA Search, compile list of possible creditors, set up file in our system	3.00	\$150.00	\$450.00
Tues	10/20/2020	On-site visit, discussion with Insurance re: adding Spergel as insured. Preparing for Notice of Receiver to finalize.	2.50	\$150.00	\$375.00
Thur	10/22/2020	On-site visit to Highyon to deliver hard copy tenant letters, collect mail, send Notice of Receiver/order to OR	1.00	\$150.00	\$150.00
Fri	10/23/2020	Set up file in Ascend, mail redirection and open receivership bank account, disscussion with Cavell at Ensurco re: Insurance	1.00	\$150.00	\$150.00
Mon	10/26/2020	On-site visit/took pictures/checked for mail.	0.50	\$150.00	\$75.00
Wed	10/28/2020	Discussion with Cavell at Ensurco confirming Receiver added to Insurance.	0.20	\$150.00	\$30.00
Thur	10/29/2020	Visit site. Call with appraiser. Process November rent deposits	1.30	\$150.00	\$195.00
Fri	10/30/2020	Prepare Business Consent form and open RT002 account,, update rent roll/copy rent cheques received/discussion with Danielle of CRA re: trust exam	1.20	\$150.00	\$180.00
Mon	11/02/2020	On site visit, e-mail and discussion with Cavell at Ensurco re: insurance	0.80	\$150.00	\$120.00
Wed	11/11/2020	2 site visits to change locks, collect cheques/mail and notice of termination sent via e-mail and registered mail to I. Masroori	1.70	\$150.00	\$255.00
Fri	11/13/2020	Process invoice re: Lockit	0.10	\$150.00	\$15.00
Mon	11/16/2020	Site visit and cheque req for Lockit, e-mail from/to I. Masroori regarding collection of personal belongings	0.90	\$150.00	\$135.00
Thur	11/19/2020	Attend Highyon for mail, site check and collection of tenant's personal items, receipt and review of insurance policy	1.20	\$150.00	\$180.00
Fri	11/20/2020	Site visit to pick up mail and check on tenant in office #22	0.60	\$150.00	\$90.00
Mon	11/23/2020	Site visiit	0.70	\$150.00	\$105.00
Tues	11/24/2020	Site visit	0.70	\$150.00	\$105.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Susan	Downey (SDW)				
Sat	11/28/2020	E-mail review of claims and returning phone calls to ex-employees, send insurance cheque	0.40	\$150.00	\$60.00
Mon	11/30/2020	Highyon site check and process cheques for December rent receipts and update schedule. Process copier refund cheque.	1.00	\$150.00	\$150.00
Wed	12/02/2020	File management/notices/creditors/staff and independent contractors.	1.00	\$150.00	\$150.00
Thur	12/03/2020	Updating receiver notice	0.50	\$150.00	\$75.00
Fri	12/04/2020	Telephone discussion and e-mail to tenant re: returned rent cheque	0.10	\$150.00	\$15.00
Mon	12/07/2020	Site, visit, collect cheque, deliver mail.	0.70	\$150.00	\$105.00
Wed	12/09/2020	Insurance issues regarding monthly installment	0.50	\$150.00	\$75.00
Thur	12/10/2020	Site visit/collect cheque/collect registered mail from Canada Post/update rent schedule/ TD POS machine issues with transferring to trust account	1.50	\$150.00	\$225.00
Tues	12/15/2020	Deliver mail and site visit	0.70	\$150.00	\$105.00
Wed	12/16/2020	Processing receipts, review of invoices/payables/insurance/rent etc.	1.00	\$150.00	\$150.00
Thur	12/17/2020	Site visit to collect/deliver mail and discuss office cleaning.	0.50	\$150.00	\$75.00
Tues	12/22/2020	Site visit collect/deliver mail	0.70	\$150.00	\$105.00
Thur	12/24/2020	Site visit collect/deliver mail. Looking for superintendent re: cleaning.	0.70	\$150.00	\$105.00
Mon	01/04/2021	Attend site to deliver mail and collect rent cheques, Process rent cheques received and update schedule.	1.50	\$150.00	\$225.00
Tues	01/05/2021	General file activities including processing invoices for payment, notifying creditors and processing receipts and other matters.	0.50	\$150.00	\$75.00
Wed	01/06/2021	Deliver mail, pick up rent cheque, meet with cleaning company for on-site estimate and prepare HST return	1.30	\$150.00	\$195.00
Wed	01/13/2021	Supervising cleaning of site. Collect mail	2.00	\$150.00	\$300.00
Fri	01/15/2021	Follow up email and phone calls with tenants re: rent	0.50	\$150.00	\$75.00
Sat	01/16/2021	Attend Highyon for RE Appraisal	2.00	\$150.00	\$300.00
Mon	01/18/2021	E-mail/discussion with Ensurco re: insurance	0.20	\$150.00	\$30.00
Wed	01/20/2021	Attend site to deliver mail and give key to cleaning staff	1.00	\$150.00	\$150.00
Thur	01/21/2021	Discussion with Cavell re: insurance issue	0.20	\$150.00	\$30.00
Fri	01/22/2021	Process receipt of rent cheques from tenant	0.20	\$150.00	\$30.00
Thur	01/28/2021	E-mail and response from/to Town of Richmond Hill re: receivership of other entity	0.10	\$150.00	\$15.00
Fri	01/29/2021	Site visiit and deliver mail. Call with Roslyn re: CRA letter expecting	0.80	\$150.00	\$120.00
Mon	02/01/2021	Processing rent cheques and drafting letter to tenant	0.50	\$150.00	\$75.00
Mon	02/08/2021	Discussion with S. D'Souza re: CRA audit	0.10	\$150.00	\$15.00
Wed	02/10/2021	site inspection/delivered mail	0.80	\$150.00	\$120.00
Thur	02/11/2021	Updating and review of rent schedule and review tasks to complete	0.20	\$150.00	\$30.00
Fri	02/12/2021	Delivered mail and site check	0.80	\$150.00	\$120.00
Fri	02/19/2021	Delivered mail/site check	0.80	\$150.00	\$120.00
Fri	02/26/2021	Site visit and collect mail	0.50	\$150.00	\$75.00
Mon	03/01/2021	General	1.30	\$150.00	\$195.00
Wed	03/03/2021	Processing rent receipts	0.50	\$150.00	\$75.00
Thur	03/04/2021	Deliver mail to Highyon and site visit. Call to CRA regarding books and records	0.80	\$150.00	\$120.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Susan	Downey (SDW)				
Mon	03/08/2021	Draft letters and notices for tenants in arrears and sent to Tim Hogan for review and approval/e-mail with Paula on same and Mukul	0.50	\$150.00	\$75.00
Tues	03/09/2021	Drafting of letters and review of status of rent payments. E-mails to/from Tim Hogan re: same. Discussion with creditor of Highyon Realty regarding wanting to file claim in "Highyon Assets" receivership - explained the process - debt not transferable to another entity/discussion with Cavell re: Insurance renewal	1.00	\$150.00	\$150.00
Wed	03/10/2021	E-mailed letter re: rent arrears to occupants of office #25/#28. Site visit/delivered mail and hand delivered rent arrears letters.	1.00	\$150.00	\$150.00
Mon	03/22/2021	Attend site to deliver mail.	0.50	\$150.00	\$75.00
Wed	03/24/2021	Prepare 2 notices of termination	0.20	\$150.00	\$30.00
Thur	03/25/2021	Attend site to change locks on 2 interior offices, deliver mail and discussion with tenant interested in purchasing property	1.50	\$150.00	\$225.00
Thur	04/01/2021	Site visit to deliver mail.	0.80	\$150.00	\$120.00
Mon	04/05/2021	Drafting letter to tenants and reconciling rent spreadsheet/e-mail and call with Cavell re: insurance	1.00	\$150.00	\$150.00
Thur	04/08/2021	E-mails to/from Paula re: tenant rent and Room 25 tenant wanting access and lease space	0.20	\$150.00	\$30.00
Fri	04/09/2021	Site visit to deliver mail.	1.00	\$150.00	\$150.00
Mon	04/12/2021	E-mails regarding rent arrears	0.20	\$150.00	\$30.00
Tues	04/13/2021	Processed disbursements and finalized Receiver's Interim report and faxed to OR	0.80	\$150.00	\$120.00
Thur	04/15/2021	Following up on insurance	0.20	\$150.00	\$30.00
Fri	04/16/2021	Site visit and deliver mail	1.00	\$150.00	\$150.00
Thur	04/22/2021	Site check and deliver mail	1.00	\$150.00	\$150.00
Mon	04/26/2021	Receipt of insurance	0.20	\$150.00	\$30.00
Tues	04/27/2021	Processing insurance cheque and rent deposits	0.50	\$150.00	\$75.00
Wed	04/28/2021	Site visit and deliver mail	1.00	\$150.00	\$150.00
Wed	05/05/2021	Site visit and collecting mail. E-mail re: cleaning	1.00	\$150.00	\$150.00
Mon	05/10/2021	Discussion with Cavell re: insruance	0.20	\$150.00	\$30.00
Wed	05/12/2021	Site visit to collect mail and meet with cleaner	1.00	\$150.00	\$150.00
Wed	05/19/2021	Site visit - collect mail	1.00	\$150.00	\$150.00
Tues	05/25/2021	Processing disbursements	0.20	\$150.00	\$30.00
Wed	05/26/2021	Site visit and collect mail	0.80	\$150.00	\$120.00
Thur	05/27/2021	Rogers internet issue	3.00	\$150.00	\$450.00
Fri	05/28/2021	Rogers internet issue	1.50	\$150.00	\$225.00
Mon	05/31/2021	Site visit to deliver mail and collect rent cheques. Processed receipts. Emails with Tenant re: cheques and communication with	1.30	\$150.00	\$195.00
Fri	06/04/2021	tenant and office assistant regarding lost key. HST documents	0.50	\$150.00	\$75.00
Wed	06/09/2021	Site visit to collect mail and process receipt of cheque	1.00	\$150.00	\$150.00
Mon	06/21/2021	Respond to Cavel re: update on insurance and sale	0.10	\$150.00	\$15.00
Wed	06/23/2021	Process disbursements	0.20	\$150.00	\$30.00
Wed	06/30/2021	Site visit and delivered mail	1.00	\$150.00	\$150.00
Wed	07/07/2021	Processing receipts/disbursements	0.50	\$150.00	\$75.00
Thur	07/08/2021	E-mail direction to Rogers re: bill	0.20	\$150.00	\$30.00
Wed	07/14/2021	Rent receipt reconciliation, Call to Kenneth Chung re: rent arrears. Call / e-mail to Rogers re: account. Draft demand letter to K. Chung.	2.00	\$150.00	\$300.00
Fri	07/16/2021	Processing receipts and disbursements	0.50	\$150.00	\$75.00
Mon	07/19/2021	Site visit	0.80	\$150.00	\$120.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount
Susan	Downey (SDW)				
Tues	08/17/2021	Attend site to collect mail and show vacant units to current tenant/review of vacant unit rental rates	1.50	\$150.00	\$225.00
Thur	08/19/2021	Reviewing rent roll and vacant units to determine rental space available.	1.00	\$150.00	\$150.00
Mon	08/23/2021	Review of Highyon vacant office space and recommended rental rates including cubicles in common area.	0.50	\$150.00	\$75.00
Fri	08/27/2021	Site visit to deliver mail	0.80	\$150.00	\$120.00
Mon	09/13/2021	Site visit to deliver mail and discuss office rental space	1.00	\$150.00	\$150.00
Tues	09/14/2021	Drafted new lease for office space and sent to counsel for review. Communication with Al Financial. Process disbursements.	2.00	\$150.00	\$300.00
Thur	09/16/2021	Met with Rocco to change locks and assess moving certain furniture. Deliver mail. Review of lease. Discussion with AI Financial.	2.00	\$150.00	\$300.00
Mon	09/20/2021	On site re: moving furniture, discussion with Mae Lin re offices. Review and edit lease and send to Al Financial for review. E-mail to Kenneth Chung re: NSF cheque	2.50	\$150.00	\$375.00
Wed	09/22/2021	Site visit, delivered mail, Opened offices for clearner. Discussion with Al Financial re: lease	1.50	\$150.00	\$225.00
Thur	09/23/2021	Office furniture issue	0.50	\$150.00	\$75.00
Mon	09/27/2021	Discussion with Mukul re: Highyon Realty's claim on furniture and Al Financial lease. E-mail to/from Highyon Realty regarding furniture.	0.20	\$150.00	\$30.00
Tues	09/28/2021	Receipt of insurance confirmation and update lease agreement. Deliver keys to Highyon and discuss possibility of leasing another office. Deliver mail and collect rent. Discussion with Mukul re: Highyon Realty's claim on furniture.	1.50	\$150.00	\$225.00
Thur	09/30/2021	Processed receipts and furniture issue.5	0.50	\$150.00	\$75.00
Tues	10/05/2021	Processing disbursements	0.50	\$150.00	\$75.00
Wed	10/06/2021	Processing disbursements	0.50	\$150.00	\$75.00
Fri	10/08/2021	General	1.50	\$150.00	\$225.00
Sat	10/09/2021	Cutting keys for front door	0.50	\$150.00	\$75.00
Tues	10/12/2021	Deliver keys and collect mail. Discussion with AI Financial. Processed receipts and disbursements. Prepared Receiver's Second Interim Report	2.00	\$150.00	\$300.00
Wed	10/13/2021	Attend site to deliver mail and key for cleaning staff	1.00	\$150.00	\$150.00
Thur	10/14/2021	Process disbursements	0.50	\$150.00	\$75.00
Mon	10/18/2021	Call with Barry Constable re: new front door key	0.10	\$150.00	\$15.00
Tues	10/19/2021	Get kesy cut for tenant and attend site to collect mail and leave key. Call with tenant Barry Constable and e-mail from Al Financial regarding leasing more offices.	1.20	\$150.00	\$180.00
Wed	10/27/2021	Processing disbursements	0.30	\$150.00	\$45.00
Thur	10/28/2021	Attend site to clean out office to be leased	2.00	\$150.00	\$300.00
Mon	11/01/2021	Discussion with Lin Mei and e-mail to Tim Hogan regarding furniture removal.	0.20	\$150.00	\$30.00
Tues	11/02/2021	Attend site to take photos of common area and discuss furniture removal by previous owner. Deliver mail and collect rent cheque.	1.50	\$150.00	\$225.00
Wed	11/03/2021	Processing receipts and ordering Bell Internet service and reminders sent to tenants re: rent.	1.50	\$150.00	\$225.00
Mon	11/08/2021	Process disbursements/review letter from solicitor to Shuyan Xu re: furniture removal, e-mail to Linmei regarding Bell internet installation.	0.50	\$150.00	\$75.00
Tues	11/09/2021	Attend site to deliver mail and meet with Bell technician regarding installation of Bell Internet and processing disbursements	2.00	\$150.00	\$300.00
Mon	11/15/2021	Call to Bell and Al Financial re: Upgrading Bell internet system. E-mail to owners re: Rogers account	0.50	\$150.00	\$75.00

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Day	Date	Memo	B-Hrs	B-Rate	Amount	
Susan	Downey (SDW)					
Thur	11/18/2021	E-mail to Bell re: internet issues	0.20	\$150.00	\$30.00	
Mon	11/22/2021	Confirmed with Cavell at Ensurco that property not yet sold.	0.10	\$150.00	\$15.00	
Tues	11/23/2021	Call to Rogers re: account	0.20	\$150.00	\$30.00	
Thur	11/25/2021	Attend site to deliver mail and site check and processing disbursements	1.00	\$150.00	\$150.00	
Fri	12/03/2021	Attend site, collect mail and deal with mail issue	1.50	\$150.00	\$225.00	
Tues	12/07/2021	Draft rent statements/review payment history/draft letter to tenant in arrears Kenneth	1.00	\$150.00	\$150.00	
Mon	12/13/2021	Processing Disbursements	0.50	\$150.00	\$75.00	
Fri	12/17/2021	Send letters (e-mail) to tenants re: Post dated cheques and rent arrears	0.50	\$150.00	\$75.00	
Mon	12/20/2021	Attend site for contractor	2.50	\$150.00	\$375.00	
Wed	12/29/2021	Attend site to collect rent cheques. E-mail to tenant (Winston).	1.00	\$150.00	\$150.00	
Fri	01/14/2022	Attend site to collect rent cheques. Process receipts	1.20	\$150.00	\$180.00	
Mon	01/17/2022	Processing disbursements	1.00	\$150.00	\$150.00	
Tues	01/18/2022	Processed disbursements	0.50	\$150.00	\$75.00	
Wed	01/19/2022	E-mail from T. Hogan and to locksmith regarding Kenneth Chung office space and changing lock.	0.20	\$150.00	\$30.00	
Fri	01/21/2022	Attend site to change locks.	2.00	\$150.00	\$300.00	
Thur	01/27/2022	Processing disbursements	0.20	0.20 \$150.00 0.10 \$150.00 0.20 \$150.00 1.00 \$150.00 1.50 \$150.00 0.50 \$150.00 2.50 \$150.00 1.00 \$150.00 1.00 \$150.00 1.00 \$150.00 1.20 \$150.00 1.20 \$150.00 1.20 \$150.00 1.20 \$150.00 2.50 \$150.00 1.20 \$150.00 1.20 \$150.00 1.20 \$150.00 1.20 \$150.00 1.20 \$150.00 1.20 \$150.00 1.20 \$150.00 1.20 \$150.00		
Mon	02/07/2022	Processing Rent Cheques	0.20	0.20 \$150.00 0.10 \$150.00 0.20 \$150.00 1.00 \$150.00 1.50 \$150.00 1.00 \$150.00 0.50 \$150.00 0.50 \$150.00 1.00 \$150.00 1.00 \$150.00 1.00 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.20 \$150.00 0.10 \$150.00 0.50 \$150.00 1.50 \$150.00 1.20 \$150.00 1.20 \$150.00 1.20 \$150.00		
Wed	02/09/2022	General	0.00	\$150.00	\$0.00	
Thur	02/10/2022	Process disbursements and reconcile rent receipts. E-mail to Barry Constable re: outstanding rent.	0.70	\$150.00	\$105.00	
Tues	02/22/2022	Telephone discussion with Linmei re: status of offices available for lease	0.10	\$150.00	\$15.00	
Thur	02/24/2022	Review rent receipts and drafted letter to FourPlex re: rent arrears/Process disbursements	0.50	\$150.00	\$75.00	
Mon	02/28/2022	Bell internet issue, paid outstanding balance, updated address re: bills. Attend site to discuss internet issue/ Updated lease agreement, process rent cheques and disbursements. Gather storage containers to clear office #27 for rent	4.00	\$150.00	\$600.00	
Tues	03/01/2022	Attend site to pack up office #27. Get lease for space #1 & 27 signed. Returned dually signed copy to AI Financial.	2.00	\$150.00	\$300.00	
Wed	03/02/2022	Prepare deposit for Deposit on Sale of Property	0.10	\$150.00	\$15.00	
Thur	03/03/2022	Attend site to collect rent cheques. Process receipts and discussion with Caval at Ensurco re: Insurance renewal. E-mail to B. Constable re: rent arrears	1.20	\$150.00	\$180.00	
Fri	03/04/2022	Processing receipt of cheques from B. Constable	0.20	\$150.00	\$30.00	
Tues	03/08/2022	Review tenant leases and rent receipts to date. Upload leases into drive. E-mail tenant (An Link) regarding late rent. E-mail to Cavall regarding insurance renewal.	1.50	\$150.00	\$225.00	
Wed	03/09/2022	Collect cheque from site and process receipt	1.00	\$150.00	\$150.00	
Thur	03/10/2022	Assisting in the preparation of the First Report of the Receiver and call with Bell regarding combining internet billing accounts. Review of and uploading files to R:Drive	1.00	\$150.00	\$150.00	
C.L	- T-1-4 (0TC)	Susan Downey (SDW)	138.10	138.10		
Mon Mon	z Tolat (STO) 10/19/2020	Corporate Profile search requested by Susan Downey. Back-up emailed to Millan Lee.	0.30	\$50.00	\$15.00	

MSGG - Detailed Time Dockets

- Time Entry Date: 1/01/70 to 3/10/22 - File ID: AAHIGH-R: to AAHIGH-R:

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Day	Date	Memo	B-Hrs	B-Rate	Amount
		Shenaz Tolat (STO)	0.30		\$15.00
		Total for File ID AAHIGH-R:	319.00	[\$77,461.00
		Grand Total:	319.00	[\$77,461.00

HIGHYON ASSETS CORP., <i>et al.</i> Defendants	Court File No. CV-20-00648781-00CL	ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	PROCEEDING COMMENCED AT TORONTO	FEE AFFIDAVIT	HARRISON PENSA LLP Barristers & Solicitors 450 Talbot Street London, ON N6A 5J6	Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)	Tel: (519) 661-6725 Fax: (519) 667-3362 Email: <u>thogan@harrisonpensa.com</u> <u>rdanter@harrisonpensa.com</u>	Lawyers for the Receiver, msi Spergel inc.
>								
ROYAL BANK OF CANADA								

APPENDIX 10

ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and -

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU

Defendants

AFFIDAVIT OF THOMAS MASTERSON (Sworn March 11, 2022)

I, **THOMAS MASTERSON**, of the City of London, in the Province of Ontario, **MAKE OATH AND SAY:**

- 1. I am a solicitor qualified to practice law in the Province of Ontario and I am a lawyer with Harrison Pensa LLP, who acts as counsel for msi Spergel inc., in its capacity as Court-Appointed Receiver of the Defendant, Highyon Assets Corp., in the within proceeding, and as such I have knowledge of the matters to which I hereinafter depose except for those matters based expressly upon information and belief.
- 2. Attached hereto and marked as **Exhibit "A"** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements for the period of August 19, 2020 to January 26, 2021.
- 3. Attached hereto and marked as **Exhibit "B"** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of August 19, 2020 to January 26, 2021, and an account statement detailing the services provided dated January 26, 2021.

- 4. Attached hereto and marked as **Exhibit "C"** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements for the period of February 4, 2021 to April 14, 2021.
- Attached hereto and marked as Exhibit "D" are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of February 4, 2021 to April 14, 2021, and an account statement detailing the services provided dated April 16, 2021.
- 6. Attached hereto and marked as **Exhibit "E"** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements for the period of April 21, 2021 to October 6, 2021.
- 7. Attached hereto and marked as **Exhibit "F"** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of April 21, 2021 to October 6, 2021 and an account statement detailing the services provided dated October 15, 2021.
- 8. Attached hereto and marked as **Exhibit "G"** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements for the period of October 25, 2021 to March 10, 2022.
- Attached hereto and marked as Exhibit "H" are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of October 25, 2021 to March 10, 2022 and an account statement detailing the services provided dated March 11, 2022.
- 10. The hourly billing rates set out in the Exhibits are comparable to the hourly rates charged by Harrison Pensa ^{LLP} for services rendered in relation to similar proceedings.
- 11. The fees and disbursements of Harrison Pensa ^{LLP} in this matter to March 10, 2022 are as follows:
 - a. Total Billed Fees and Disbursements from August 19, 2020 to January 26, 2021 -\$5,445.15;
 - b. Total Billed Fees and Disbursements from February 4, 2021 to April 14, 2021 -\$3,389.89;

- c. Total Billed Fees and Disbursements from April 21, 2021 to October 6, 2021 \$2,765.68;
- d. Total Billed Fees and Disbursements from October 25, 2021 to March 10, 2022 -\$7,593.22;
- e. Total \$19,193.94.
- 12. The weighted average hourly rate charged by professionals at Harrison Pensa ^{LLP} is \$340.25.
- 13. I make this Affidavit in support of among other things, approval of fees and disbursements of the counsel for the Receiver.

SWORN BEFORE ME at the City	
of London, in the Province of	
Ontario this 11th day of	
March, 2022	

THOMAS MASTERSON

A Commissioner, etc.

LSO # P13252

Court File No. CV-20-00648781-00CL

ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and -

HIGHYON ASSETS CORP., HIGHYON REALTY INC., BING PU and SHUYAN XU

Defendants

EXHIBITS

TABS "A" TO "H" ARE THE EXHIBITS TO THE AFFIDAVIT OF THOMAS MASTERSON SWORN THIS 11TH DAY OF MARCH, 2022

A Commissioner for taking Affidavits

LSO # P13252

EXHIBIT A

(From August 19, 2020 to January 26, 2021)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	5.80	\$450.00	\$2,610.00
	Michael Cassone	2002	0.30	\$415.00	\$124.50
Associates	Robert Danter	2016	4.00	\$250.00	\$1,000.00
	Thomas Masterson	2019	0.40	\$185.00	\$74.00
Clerks	Olivia Rajsp		0.40	\$120.00	\$48.00
Students	Joshua Murray		2.30	\$100.00	\$230.00
TOTAL FEES					\$4,086.50
HST ON FEES					\$531.25
TOTAL TAXABLE DISBURSEMENTS					\$674.65
TOTAL NON – TAXABLE DISBURSEMENTS					\$65.05
HST DISBURSEMENTS					\$87.70
TOTAL FEES, DISBURSEMENTS AND HST					\$5,445.15

EXHIBIT B



450 Talbot Street P.O. Box 3237 LONDON ON N6A 4K3

Telephone: (519) 679 9660 Facsimile: (519) 667 3362

msi Spergel Inc. 505 Consumers Rd., Suite 200 Toronto, ON M2J 4V8

\$

January 26, 2021 Invoice #: 210710 Account #: 210710-183697

File #: 183697/Timothy C. Hogan RE: Highyon Assets Corp.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
19-Aug-20	E-mail to client	.20	\$90.00	ТСН
7-Oct-20	Review application record, e-mail to RBC counsel	.40	\$180.00	тсн
7-Oct-20	E-mail to counsel	.20	\$90.00	ТСН
16-Oct-20	E-mail from RBC counsel, review order, e-mail to counsel and client	.40	\$180.00	ТСН
20-Oct-20	Cross reference acknowledgment with order and parcels.	.20	\$83.00	MEC
20-Oct-20	Email to client,.	.10	\$41.50	MEC
26-Oct-20	E-mail from and to client	.20	\$90.00	ТСН
5-Nov-20	Letter from counsel for HUI and e-mail to client	.40	\$180.00	тсн
6-Nov-20	Letter to Hui	.20	\$90.00	ТСН
10-Nov-20	E-mail from client, call with client	.40	\$180.00	ТСН
10-Nov-20	To draft Notice of Termination re: Lease	.40	\$74.00	THM
11-Nov-20	E-mail to client and amend notice	.20	\$90.00	тсн
11-Nov-20	E-mail to client	.20	\$90.00	тсн
24-Nov-20	Review condo lien, e-mail to client	.40	\$180.00	тсн
24-Nov-20	Review stay lift and e-mail to client	.40	\$180.00	ТСН
24-Nov-20	To researching lifting stays under receivership orders to register lien; to drafting memo re: same	2.30	\$230.00	jmu
20-Dec-20	E-mail to receiver	.40	\$180.00	TCH
21-Dec-20	To review file	.30	\$75.00	RDA

DATE	DESCRIPTION			HOURS	AMOUNT		LAWYER
22-Dec-20	To obtain PPSA searche	s;		.40	\$48.00		ORA
22-Dec-20	Call with client			.20	\$90.00		ТСН
22-Dec-20	Review motion record, s	security		.70	\$175.00		RDA
22-Dec-20	Draft opinion	,		3.00	\$750.00		RDA RDA
6-Jan-21	E-mail from Hui and to	aliant					
7-Jan-21	E-mail to counsel	chent		.40	\$180.00		TCH
				.20	\$90.00		TCH
26-Jan-21	Review and revise opini	on		1.00	\$450.00		TCH
Total Plus C Plus H Tota l	GST:		\$	4,086.50 0.00 531.25	\$.	4,617.75	
FEE SUMMA	RV.						
LAWYER Michael Cassor Timothy C. Ho Thomas Master Danter Rob Olivia Rajsp Joshua Murray NON-TAXAB Register Applic	ne egan rson LE DISBURSEMENTS	HOURS .30 5.80 .40 4.00 .40 2.30	RA \$415 \$450 \$185 \$250 \$120 \$100	.00 .00 .00 .00		AMOUNT \$124.50 \$2,610.00 \$74.00 \$1,000.00 \$48.00 \$230.00	
Cyberbahn - PI Teranet Search Teranet Registr Title Services Registration Se Document Prep Title Services Total ' Plus G Plus H	ration Fee ervices paration Taxable Disbursements: GST:	. X)	\$	143.20 310.60 10.85 30.00 50.00 80.00 674.65 0.00 87.70	<u>\$</u>	827.40	
TOTAL DUE	& OWING				<u>\$</u>	<u>5,445.15</u>	

THIS IS OUR ACCOUNT HEREIN

HARRISON PENSA LLP

Per:

Timothy C. Hogan

E. & O.E.

Harrison Pensa LLP is a registered payee with most Canadian banks. Payment can be made online through your bank's website or mobile app.

 $GST / HST \ REGISTRATION \ NO: \ R867630543$ Interest of 0.5% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

TERMS: DUE UPON RECEIPT Cheque, Mastercard and VISA also accepted.

EXHIBIT C

(From February 4, 2021 to April 14, 2021)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	2.90	\$450.00	\$1,305.00
	Michael Cassone	2002	3.10	\$415.00	\$1,286.50
Clerks	Lindsay Ferguson		0.30	\$165.00	\$49.50
	Kelsey Evanitski		1.40	\$135.00	\$189.00
TOTAL FEES					\$2,830.00
HST ON FEES					\$367.90
TOTAL TAXABLE DISBURSEMENTS					\$169.90
TOTAL NON – TAXABLE DISBURSEMENTS					\$0.00
HST DISBURSEMENTS					\$22.09
TOTAL FEES, DISBURSEMENTS AND HST					\$3,389.89

EXHIBIT D



450 Talbot Street P.O. Box 3237 LONDON ON N6A 4K3

Telephone: (519) 679 9660 Facsimile: (519) 667 3362

msi Spergel Inc. 505 Consumers Rd., Suite 200 Toronto, ON M2J 4V8

April 16, 2021 Invoice #: 212969 Account #: 212969-183697

File #: 183697/Timothy C. Hogan RE: Highyon Assets Corp.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
4-Feb-21	E-mail from client	.20	\$90.00	тсн
8-Feb-21	Draft and edit of APS.	1.60	\$664.00	MEC
8-Feb-21	Draft and edit Agreement of Purchase and Sale.	.80	\$108.00	KWE
9-Feb-21	Review of title search and mortgage documentation. Draft and edit of APS.	1.20	\$498.00	MEC
9-Feb-21	Draft and edit agreement of purchase and sale.	.60	\$81.00	KWE
9-Feb-21	Review of search results re parking PINs. Cross reference with mortgage.	.30	\$124.50	MEC
10-Feb-21	Call with client, amend listing agreement, e-mail to client	.40	\$180.00	тсн
17-Feb-21	E-mails with client, review schedule to listing agreement	.40	\$180.00	тсн
21-Feb-21	E-mail to client	.20	\$90.00	ТСН
22-Feb-21	Call with client	.20	\$90.00	тсн
22-Feb-21	To edit listing agreement;	.30	\$49.50	LFE
4-Mar-21	Call with client	.20	\$90.00	тсн
9-Mar-21	Review lease, e-mail to client	.30	\$135.00	тсн
23-Mar-21	E-mail from and to client	.40	\$180.00	тсн
5-Apr-21	E-mails with client re listing	.40	\$180.00	TCH
14-Apr-21	E-mail to client	.20	\$90.00	TCH

Total Fees: Plus GST: Plus HST: Total Fees (INCL TAX)	ı	\$ 	2,830.00 0.00 367.90	<u>\$</u>	3 , 197.90
FEE SUMMARY:					
LAWYER Michael Cassone Timothy C. Hogan Lindsay Ferguson Kelsey Evanitski TAXABLE DISBURSEMENTS Teranet Search B&W Photocopies/Printing Total Taxable Disbursem Plus GST: Plus HST: Total Disbursements (III	ents:	RA ⁷ \$415. \$450. \$165. \$135.	00 00 00	<u>\$</u>	AMOUNT \$1,286.50 \$1,305.00 \$49.50 \$189.00
TOTAL DUE & OWING				<u>s</u>	3,389.89

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HARRISON PENSA LLP

Timothy C. Hogan

E. & O.E.

EXHIBIT E

(From April 21, 2021 to October 6, 2021)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	4.00	\$450.00	\$1,800.00
Associates	Logan Burnett	2019	3.50	\$185.00	\$647.50
TOTAL FEES					\$2,447.50
HST ON FEES					\$318.18
TOTAL TAXABLE DISBURSEMENTS					\$0.00
TOTAL NON – TAXABLE DISBURSEMENTS					\$0.00
HST DISBURSEMENTS					\$0.00
TOTAL FEES, DISBURSEMENTS AND HST					\$2,765.68

EXHIBIT F



450 Talbot Street P.O. Box 3237 LONDON ON N6A 4K3

Telephone: (519) 679 9660 Facsimile: (519) 667 3362

msi Spergel Inc. 505 Consumers Rd., Suite 200 Toronto, ON M2J 4V8

October 15, 2021 Invoice #: 218254 Account #: 218254-183697

File #: 183697/Timothy C. Hogan RE: Highyon Assets Corp.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
21-Apr-21	E-mails with client and agent re listing and e-mail to 2nd charge counsel	.40	\$180.00	ТСН
25-May-21	E-mail to RBC	.20	\$90.00	ТСН
15-Jun-21	E-mail to client	.20	\$90.00	тсн
21-Jun-21	E-mail from client re update on marketing activity	.20	\$90.00	TCH
13-Aug-21	Call with client	.20	\$90.00	тсн
30-Aug-21	Call with Spergel	.20	\$90.00	тсн
14-Sep-21	E-mail from client	.20	\$90.00	тсн
15-Sep-21	To review lease, to prepare comments, to draft lease.	.80	\$148.00	LOB
16-Sep-21	To draft lease re: receiver.	2.00	\$370.00	LOB
17-Sep-21	Review lease/e-mail to client	.40	\$180.00	тсн
17-Sep-21	To amend lease, to draft email/memo to TCH re: lease.	.50	\$92.50	LOB
27-Sep-21	E-mail with client	.20	\$90.00	ТСН
27-Sep-21	To correspond with client re: lease status.	.20	\$37.00	LOB
30-Sep-21	E-mails on furniture issue	.20	\$90.00	тсн
30-Sep-21	Review order, review application record, e-mail to borrower	.40	\$180.00	ТСН
30-Sep-21	E-mail from debtor principal and to RBC counsel	.40	\$180.00	ТСН
4-Oct-21	E-mail with Highyon Realty on furniture	.20	\$90.00	тсн
5-Oct-21	Call from RBC counsel, e-mail to client	.40	\$180.00	ТСН

DATE	DESCRIPTION	HOURS	AMOUNT LAWYER
6-Oct-21	E-mail from Realty re furniture	.20	\$90.00 TCH
	GST: HST: Fees (INCL TAX)	\$ 2,447.50 0.00 318.18	\$ 2,765.68
FEE SUMMA LAWYER Timothy C. Ho Logan Burnett	HOURS	RATE \$450.00	AMOUNT \$1,800.00
TOTAL DUE		\$185.00	\$647.50 \$

THIS IS OUR ACCOUNT HEREIN

HARRISON PENS

Per:

Timothy C. Hogan

E. & O.E.

Harrison Pensa LLP is a registered payee with most Canadian banks. Payment can be made online through your bank's website or mobile app.

GST / HST REGISTRATION NO: R867630543
Interest of 0.5% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

TERMS: DUE UPON RECEIPT Cheque, Mastercard and VISA also accepted.

Please make cheque payable to: HARRISON PENSA LLP. 450 Talbot Street, P.O. Box 3237, London ON N6A 4K3

EXHIBIT G

(From October 25, 2021 to March 10, 2022)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	1.90	\$450.00	\$855.00
	Timothy C. Hogan	1995	4.60	\$495.00	\$2,277.00
	Melinda Vine	2007	1.30	\$350.00	\$455.00
Associates	Robert Danter	2016	6.90	\$320.00	\$2,208.00
	Thomas Masterson	2019	0.70	\$230.00	\$161.00
	Jason DiFruscia	2021	0.10	\$175.00	\$17.50
Clerks	Lindsay Ferguson		2.50	\$180.00	\$450.00
TOTAL FEES					\$6,423.50
HST ON FEES					\$835.06
TOTAL TAXABLE DISBURSEMENTS					\$282.00
TOTAL NON – TAXABLE DISBURSEMENTS					\$16.00
HST DISBURSEMENTS					\$36.66
TOTAL FEES, DISBURSEMENTS AND HST					\$7,593.22

EXHIBIT H



450 Talbot Street P.O. Box 3237 LONDON ON N6A 4K3

Telephone: (519) 679 9660 Facsimile: (519) 667 3362

msi Spergel Inc. 505 Consumers Rd., Suite 200 Toronto, ON M2J 4V8

March 11, 2022 Invoice #: ****** Account #: ******-183697

File #: 183697/Timothy C. Hogan RE: Highyon Assets Corp.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
25-Oct-21	E-mails with counsel and client	.20	\$90.00	тсн
2-Nov-21	E-mail with receiver re Highyon Realty	.20	\$90.00	TCH
2-Nov-21	E-mails with client	.20	\$90.00	тсн
8-Nov-21	To various correspondence with client;	.30	\$105.00	MVI
8-Nov-21	To draft letter to Xu;	.60	\$210.00	MVI
8-Nov-21	Review/revise letter to HRI	.20	\$90.00	TCH
8-Nov-21	To telephone call with client;	.20	\$70.00	MVI
8-Nov-21	To correspondence with client;	.20	\$70.00	MVI
8-Nov-21	To revise letter	.10	\$17.50	JDI
16-Nov-21	E-mail from client, e-mail to agent	.20	\$90.00	TCH
17-Nov-21	Review/revise access agreement and e-mail to client	.50	\$225.00	TCH
24-Nov-21	E-mail to RBC counsel	.20	\$90.00	TCH
25-Nov-21	Call with RBC counsel	.20	\$90.00	TCH
19-Jan-22	E-mails with client and review lease termination	.40	\$198.00	TCH
24-Feb-22	Review offer, review APS, e-mail to Receiver	.40	\$198.00	TCH
25-Feb-22	E-mails with client	.40	\$198.00	TCH
25-Feb-22	Revise APS re Unit 310	1.10	\$352.00	RDA
25-Feb-22	Review APS and call with client	.40	\$198.00	TCH
25-Feb-22	Email to client	.20	\$64.00	RDA

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER		
25-Feb-22	Review PINS	.30	\$96.00	RDA		
25-Feb-22	Revise APS	.80	\$256.00	RDA		
25-Feb-22	Email to client		.20	\$64.00	RDA	
25-Feb-22	Email to client		.20	\$64.00	RDA	
25-Feb-22	Telephone with client		.20	\$64.00	RDA	
25-Feb-22	Revise APS		.20	\$64.00	RDA	
25-Feb-22	Email to client		.20	\$64.00	RDA	
28-Feb-22	E-mails with client and review amended sale agreer	nent	.40	\$198.00	TCH	
1-Mar-22	Review co-operating broker form and e-mail to clie	nt	.20	\$99.00	TCH	
2-Mar-22	E-mails and calls with client and Bank lawyers		.40	\$198.00	TCH	
2-Mar-22	Draft AVO motion		.60	\$192.00	RDA	
2-Mar-22	Email to client		.20	\$64.00	RDA	
2-Mar-22	Review request form		.30	\$96.00	RDA	
2-Mar-22	Update to client		.20	\$64.00	RDA	
3-Mar-22	Email to client	.20	\$64.00	RDA		
7-Mar-22	Revise AVO, draft/revise Ancillary Order, notice of motion	1.80	\$576.00	RDA		
8-Mar-22	To draft Fee Affidavit		.70	\$161.00	THM	
8-Mar-22	Call to client		.20	\$99.00	TCH	
9-Mar-22	Email to client		.20	\$64.00	RDA	
10-Mar-22	To edit Notice of Motion; To organize court docum preparation for serving; To obtain searches;	2.50	\$450.00	LFE		
10-Mar-22	Call and e-mail with client		.40	\$198.00	TCH	
10-Mar-22	Review revise First Report		1.40	\$693.00	ТСН	
Total F Plus G Plus H Total I	ST: ST:	6,423.50 0.00 835.06	\$	7,258.5 <u>6</u>		
Total Fees (INCL TAX) <u>\$ 7,258.5</u> FEE SUMMARY:						
LAWYER Timothy C. Hog	HOURS gan 4.60	TE .00		AMOUNT \$2,277.00		
Timothy C. Hog		.00		\$855.00		
Melinda Vine Jason DiFruscia	1.30 .10	.00		\$455.00		
Thomas Masters		\$175. \$230.			\$17.50 \$161.00	
Danter Rob	6.90	\$320.			\$2,208.00	
Lindsay Ferguso		.00		\$450.00		

NON-TAXABLE DISBURSEMENTS Government Filing Fees \$16.00 Total Non-Taxable Disbursements: 16.00 **TAXABLE DISBURSEMENTS** Cyberbahn - Corporate Profile 28.20 Teranet Search 198.35 **Teranet Writs** 15.45 **Title Services** 40.00 282.00 Total Taxable Disbursements: \$ Plus GST: 0.00 Plus HST: 36.66 Total Disbursements (INCL TAX) 334.66 **TOTAL DUE & OWING** 7,593.22 THIS IS OUR ACCOUNT HEREIN HARRISON PENSA LLP Timothy C. Hogan

E. & O.E.

Harrison Pensa LLP is a registered payee with most Canadian banks. Payment can be made online through your bank's website or mobile app.

GST / HST REGISTRATION NO: R867630543
Interest of 0.5% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

TERMS: DUE UPON RECEIPT Cheque, Mastercard and VISA also accepted.

	-and-	HIGHYON ASSETS CORP. et al.	
Plaintiff		Defendants Court File No. CV-20-00648781-00CL	3781-00CL
		ONTARIO SUPERIOR COURT OF JUSTICE	JUSTICE
		Proceeding commenced at Toronto, Ontario	ced at
		AFFIDAVIT OF THOMAS MASTERSON	IASTERSON
		Harrison Pensa LP Barristers and Solicitors 450 Talbot Street, P.O. Box 3237 London, Ontario N6A 4K3	
		Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O) Tel: (519) 679-9660 Fax: (519) 667-3362	
		Solicitors for the Receiver, msi Spergel inc.	

APPENDIX 11

District of

Division No. CV-20-00648781-00CL

Court No. 31-459079 Estate No. 31-459079

In the matter of the Receivership of HIGHYON ASSETS CORP of the City of Toronto, in the Province of Ontario

Receiver's Statement of Receipts and Disbursements
As at March 10, 2022

1 Miscellaneous

Receiver Borrowing from Secured Creditor \$

 30,000.00

 Refunds
 225.72

 Rental Income
 76,016.77

 Tax Collected (HST)
 9,793.73

TOTAL RECEIPTS

DISBURSEMENTS

2. Federal and Provincial taxes
HST paid on disbursements exclusive of fees
11,438.75

3. Miscellaneous
Appraisal
Appraisal
Accord License Fee

Ascend License Fee 275.00 **Bank Charges** 656.50 Cleaning Service 5,320.00 Condo Fees 54,982.11 Filing Fees Paid to O/R 71.54 HST on Ascend License Fee 35.75 Insurance 2,830.89 Locks Changed 1,945.00 Office Expense 40.90 Redirection of Mail 167.50 Telephone 2,836.99 Travel 1,228.58 Utilities 13,006.23 90,295.49

TOTAL DISBURSEMENTS 101,734.24

Net Receipts over Disbursements

14,301.98

EO&E

APPENDIX 12



Timothy C. Hogan Direct Line: (519)-661-6743 thogan@harrisonpensa.com

> Assistant: Cathy Coleiro Direct Line: (519) 850-5568 ccoleiro@harrisonpensa.com

January 26, 2021

Via E-Mail - mmanchanda@spergel.ca

msi Spergel Inc. Licensed Insolvency Trustees 505 Consumers Road, Suite 200 North York, M2J 4V8

Attention: Mukul Manchanda

Dear Sir:

Re: Highyon Assets Corp. (the "Debtor")
Our File No. 181641

This will confirm your instructions for us to review and provide an opinion to msi Spergel Inc., in its capacity as Court appointed Receiver of the Debtor, regarding the security provided by the Debtor to Royal Bank of Canada (the "Bank").

In preparing this opinion, we have reviewed the following documentation:

- 1. A *Personal Property Security Act ("PPSA")* search as against the Debtor current to December 21, 2020;
- 2. A corporate profile of the Debtor;
- 3. Affidavit of Jerry Tsao, sworn October 5, 2020 in Ontario Superior Court of Justice (Commercial List) (the "Court") File No. CV-20-00648781-00CL, and all exhibits to same (the "Application");
- 4. Order of the Court in the Application dated October 16, 2020 (the "**Appointment Order**"):
- 5. General Security Agreement from the Debtor dated June 14, 2018 (the "**Debtor GSA**");
- 6. General Security Agreement from Highyon Reality Inc. ("**Realty**") dated June 14, 2018 (the "**Realty GSA**");
- 7. Guarantee from Realty dated June 14, 2018 (the "Realty Guarantee");
- 8. Collateral Charge/Mortgage from the Debtor, in the principal sum of \$900,000, receipted as instrument no. YR2840572 on June 22, 2018 (the "Mortgage") over

HARRISON PENSA LLP Lawyers real property municipally known Suites 302 & 310, 350 Highway 7 East, Richmond Hill, ON (the "**Real Property**"), and legally described as:

- a. UNIT 18, LEVEL 3, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973; TOWN OF RICHMOND HILL (PIN 29302 0093 LT);
- b. UNIT 19, LEVEL 3, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; RICHMOND HILL; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973 (PIN 29302 0094 LT);
- c. UNIT 186, LEVEL A, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; RICHMOND HILL; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973 (PIN 29302 0326 LT);
- d. UNIT 187, LEVEL A, YORK REGION CONDOMINIUM PLAN NO. 771; PT LTS 20 & 21 PL 2607, PTS 1 TO 8 & 10 65R14620, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT712904 AS AMENDED BY LT720186; RICHMOND HILL; S/T TEMP EASE OVER PT 3 EXPROP PL YR1373973 (PIN 29302 0327 LT).

A. <u>Assumptions and Qualifications</u>

The comments and opinions hereafter expressed are subject to the assumptions and qualifications detailed at Schedule "A" to this letter.

B. The Debtor

The Debtor is an Ontario Corporation incorporated on November 19, 2010, with its head office located in Richmond Hill, Ontario.

Bing Pu and Shuyan Xu are the officers and directors of the Debtor.

C. <u>The Personal Property Security</u>

The Debtor GSA

We have reviewed the Debtor GSA. The Debtor GSA is enforceable on its face, attachment having occurred pursuant to the provisions of the PPSA on the date of execution by the Debtor and the advance of funds by the Bank to the Debtor.

The GSA grants a continuing security interest in all of the Debtor's present and after acquired personal property and undertaking including, without limitation, Inventory, Equipment, Accounts and Debts, and Intellectual Property (all as defined therein), and all intangibles.

We have completed a certified PPSA search current to December 21, 2020 as against the Debtor and we note the following registrations:

DATE	SECURED	COLLATERAL	NOTES
(FILE NUMBER)	CREDITOR		
2018/06/12	Royal Bank of	Inventory,	
(740439423)	Canada	Equipment,	
,		Accounts, Other,	
		Motor Vehicle	

The Debtor GSA is perfected by the above noted registration under the PPSA dated June 12, 2018 in favour of the Bank.

We note the previous registration of the Bank as against the Debtor dated August 19, 2015, which was amended on May 7, 2018 to remove the Debtor as a debtor under this registration.

The Realty GSA

We have reviewed the Realty GSA. The Realty GSA is enforceable on its face, attachment having occurred pursuant to the provisions of the PPSA on the date of execution by Realty and the advance of funds by the Bank to the Debtor, as guaranteed by Realty.

The Realty GSA grants a continuing security interest in all of Realty's present and after acquired personal property and undertaking including without limitation, Inventory, Equipment, Accounts and Debts, and Intellectual Property (all as defined therein), and all intangibles.

We have completed a certified PPSA search current to December 21, 2020 as against Realty and we note the following registrations:

DATE	SECURED	COLLATERAL	NOTES
(FILE NUMBER)	CREDITOR		
2018/06/12	Royal Bank of	Inventory,	(714611502)
(740439459)	Canada	Equipment,	
		Accounts, Other	

The Realty GSA is perfected by the above noted registration under the PPSA dated June 12, 2018 in favour of the Bank, and with the exception of Motor Vehicle collateral.

We note the previous registration of Mercedes-Benz Financial Services Canada Corporation as against Realty dated August 9, 2017, which was discharged on December 14, 2020.

D. The Real Property Security

The Debtor has provided the following real property security to the Bank:

a. The Mortgage.

Pursuant to the charge terms, the Mortgage is collateral security for all obligations, debts and liabilities, present or future, direct or indirect owing by the Debtor to the Bank.

We have completed a sub-search on the parcels constituting the Real Property current to December 22, 2020 which provide as follows:

PIN 29302-0093 LT

DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
	ITE			
1988/11/15	Notice			
1989/04/26	Agreement			
1989/06/07	Agreement			
1990/05/17	Agreement			
1990/11/21	Declaration Condo			
1990/12/07	Bylaw			
1990/12/07	Bylaw			
1990/12/07	Bylaw			
1990/12/10	Bylaw			
1990/12/12	Declaration			
1990/12/18	Bylaw			
1991/05/13	Plan Ref			
1992/11/03	Bylaw			
1993/08/16	Bylaw			
1993/10/22	Bylaw			
1994/04/11	Bylaw			
1995/09/12	Bylaw			
1998/08/20	No Chng Addr Inst		York Region	
			Condominium	
			Corporation No. 771	
2000/07/31	No Chng Addr Inst		York Region	
			Condominium	
			Corporation No. 771	

2007/11/20	Condo Bylaw/98		York Region	
			Condominium	
			Corporation No. 771	
2009/06/12	Plan Ref			
2009/09/14	Plan Expropriation			The Regional Municipality of
				York
2010/10/21	Apl Court Order		Superior Court of Justice	York Region Condominium
				Corporation No. 771
2014/02/28	Transfer	\$230,000	735373 Ontario Ltd.	Highyon Assets Corp.
2018/06/22	Charge	\$900,000	Highyon Assets Corp.	Royal Bank of Canada
2018/12/03	Charge	\$150,000	Highyon Assets Corp.	Hui, Margaret
2020/01/02	Charge	\$200,000	Highyon Assets Corp.	Lam, Roger
2020/07/10	Charge	\$2,800,000	Highyon Assets Corp.	Liang, Guohui

PIN 29302-0094 LT

DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
4000/44/45	N. C			
1988/11/15	Notice			
1989/04/26	Agreement			
1989/06/07	Agreement			
1990/05/17	Agreement			
1990/11/21	Declaration Condo			
1990/12/07	Bylaw			
1990/12/07	Bylaw			
1990/12/07	Bylaw			
1990/12/10	Bylaw			
1990/12/12	Declaration			
1990/12/18	Bylaw			
1991/05/13	Plan Ref			
1992/11/03	Bylaw			
1993/08/16	Bylaw			
1993/10/22	Bylaw			
1994/04/11	Bylaw			
1995/09/12	Bylaw			
1998/08/20	No Chng Addr Inst		York Region	
			Condominium	
			Corporation No. 771	
2000/07/31	No Chng Addr Inst		York Region	
			Condominium	
			Corporation No. 771	

2007/11/20	Condo Bylaw/98		York Region	
			Condominium	
			Corporation No. 771	
2009/06/12	Plan Ref			
2009/09/14	Plan Expropriation			The Regional Municipality of
				York
2010/10/21	Apl Court Order		Superior Court of Justice	York Region Condominium
				Corporation No. 771
2011/04/29	Transfer	\$450,000	1656958 Ontario Inc.	Highyon Assets Corp.
2018/06/22	Charge	\$900,000	Highyon Assets Corp.	Royal Bank of Canada
2018/12/03	Charge	\$150,000	Highyon Assets Corp.	Hui, Margaret
2020/01/02	Charge	\$200,000	Highyon Assets Corp.	Lam, Roger
2020/07/10	Charge	\$2,800,000	Highyon Assets Corp.	Liang, Guohui

PIN 29302-0326 LT

DATE	INSTRUMENT	AMOUNT	PARTIES FROM	PARTIES TO
	TYPE			
1988/11/15	Notice			
1989/04/26	Agreement			
1989/06/07	Agreement			
1990/05/17	Agreement			
1990/11/21	Declaration Condo			
1990/12/07	Bylaw			
1990/12/07	Bylaw			
1990/12/07	Bylaw			
1990/12/10	Bylaw			
1990/12/12	Declaration			
1990/12/18	Bylaw			
1991/05/13	Plan Ref			
1992/11/03	Bylaw			
1993/08/16	Bylaw			
1993/10/22	Bylaw			
1994/04/11	Bylaw			
1995/09/12	Bylaw			
1998/08/20	No Chng Addr Inst		York Region	
			Condominium	
			Corporation No. 771	
2000/07/31	No Chng Addr Inst		York Region	
			Condominium	
			Corporation No. 771	
2007/11/20	Condo Bylaw/98		York Region	
			Condominium	
			Corporation No. 771	

2009/06/12	Plan Ref			
2009/09/14	Plan Expropriation			The Regional Municipality of
				York
2010/10/21	Apl Court Order		Superior Court of Justice	York Region Condominium
				Corporation No. 771
2014/02/28	Transfer	\$230,000	735373 Ontario Ltd.	Highyon Assets Corp.
2018/06/22	Charge	\$900,000	Highyon Assets Corp.	Royal Bank of Canada
2018/12/03	Charge	\$150,000	Highyon Assets Corp.	Hui, Margaret
2020/01/02	Charge	\$200,000	Highyon Assets Corp.	Lam, Roger
2020/07/10	Charge	\$2,800,000	Highyon Assets Corp.	Liang, Guohui

PIN 29302-0327 LT

DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
1988/11/15	Notice			
1989/04/26	Agreement			
1989/06/07	Agreement			
1990/05/17	Agreement			
1990/11/21	Declaration Condo			
1990/12/07	Bylaw			
1990/12/07	Bylaw			
1990/12/07	Bylaw			
1990/12/10	Bylaw			
1990/12/12	Declaration			
1990/12/18	Bylaw			
1991/05/13	Plan Ref			
1992/11/03	Bylaw			
1993/08/16	Bylaw			
1993/10/22	Bylaw			
1994/04/11	Bylaw			
1995/09/12	Bylaw			
1998/08/20	No Chng Addr Inst		York Region Condominium Corporation No. 771	
2000/07/31	No Chng Addr Inst		York Region Condominium Corporation No. 771	
2007/11/20	Condo Bylaw/98		York Region Condominium Corporation No. 771	
2009/06/12	Plan Ref			
2009/09/14	Plan Expropriation			The Regional Municipality of York

2010/10/21	Apl Court Order		Superior Court of Justice	York Region Condominium
				Corporation No. 771
2014/02/28	Transfer	\$230,000	735373 Ontario Ltd.	Highyon Assets Corp.
2018/06/22	Charge	\$900,000	Highyon Assets Corp.	Royal Bank of Canada
2018/12/03	Charge	\$150,000	Highyon Assets Corp.	Hui, Margaret
2020/01/02	Charge	\$200,000	Highyon Assets Corp.	Lam, Roger
2020/07/10	Charge	\$2,800,000	Highyon Assets Corp.	Liang, Guohui

On our review of the above summarized sub-search we conclude that the Mortgage is a first in time registered charge as against title to the Real Property in favour of the Bank.

The priority of the Mortgage is further subject to any unregistered interest, deemed trust, statutory created priorities and charges (including realty tax arrears) under the Appointing Order.

E. Summary

In summary, and subject to the foregoing, we can provide the following opinion subject to the below noted Assumptions and Qualifications:

- 1. The GSA's are attached, perfected and enforceable as against the respective Debtors, and create a valid and registered security interest granted by the respective Debtors to the Bank.
- 2. The Mortgage is a first in time registered charge on title to the Real Property, and creates an enforceable first in priority charge as against the Real Property.
- 3. The GSA's, and the Mortgage, are each subject to the charges under the Appointment Order and any statutory deemed trust that may stand in priority to same.

Yours truly,

HARRISON PENSA LLP

Timothy C. Hogan TCH/cc

SCHEDULE "A"

ASSUMPTIONS

A. Authenticity and Accuracy

We have assumed the genuineness of all signatures, the legal capacity at all relevant times of any natural persons signing any documents and the authenticity and completeness of all documents submitted to us as copies thereof. We have also assumed the accuracy and currency of all indices, filing and registration systems maintained at the public offices where we have searched or inquired or have caused searches or inquiries to be conducted, as set forth herein, the reliability of all search results obtained by electronic transmission and the accuracy of the result of any printed or computer search of any office of public record.

B. Capacity

We have assumed that the Debtors (and where applicable third parties executing guarantees and other agreements) had the requisite capacity to enter into and perform their obligations under each of the documents as set out in the report (the "**Documents**") at the time each of the Documents were executed and delivered.

C. Security Documents

We have assumed that:

- (a) none of the Documents have been assigned, released, discharged or otherwise impaired, either in whole or in part by the Bank and there are no agreements (other than the Documents) between the Debtors and the Bank that are relevant to the matters discussed in this letter; and
- (b) none of the assets charged by the security agreements are property for which conflicts rules provide that charges or security interests in such property are governed by the laws of a jurisdiction other than the Province of Ontario.

D. Existence of Debt and Security Matters

We have assumed that:

- (a) value has been given by the Bank to the Debtors and payment and other obligations remain outstanding by the Debtors to the Bank;
- (b) each of the Documents was duly executed and delivered by the Debtors;
- (c) each of the Documents was issued for valuable consideration and that all of the conditions precedent contained in each of the Documents, if any, were satisfied or waived;
- (d) attachment of the security interests constituted by the Documents have occurred within the meaning of the PPSA;
- (e) the Debtors have an interest in the collateral expressed to be subject to each of the Documents;
- (f) insofar as any obligation under any of the Documents is to be performed in any jurisdiction outside the Province of Ontario, its performance will not be illegal or unenforceable by virtue of the laws of that other jurisdiction;
- (g) the Collateral subject to the security agreements does not include consumer goods (as defined in the PPSA); and
- (h) we have relied, without independent verification, upon matters of fact certified by public officials;
- (i) any security assigned was done so with proper and legal notice to the Debtors.

E. Factual Matters

We have assumed that no fact exists, or has existed, which would entitle the Debtors to assert or obtain a remedy at law or in equity (such as, without limitation, rectification, rescission or release from a contract through frustration) affecting the validity, legality, binding effect or enforceability of any of the Documents.

F. Entire Agreement

We have assumed that there is no written or oral agreement or other understanding and there is no trade usage or course of conduct or prior dealing, which would vary the interpretation or application of any term or condition of any of the Documents, and there have been no amendments, restatements, deletions or other modifications to any of the Documents.

G. Choice of Laws

We have assumed that the governing law of each of the Documents is the law of the Province of Ontario. Where the Province of Quebec is the governing law no opinion is provided.

QUALIFICATIONS

A. Title

We express no opinion concerning title to any property that proposes to be subject to any security constituted by the Documents and such title has been assumed to the full extent necessary to express the opinion contained herein.

B. Enforceability

All opinions which expressly or by necessity relate to the enforceability of the Documents (which, as used in this Schedule and as the context may require, includes validity, legality and binding effect) are subject to:

- (a) applicable bankruptcy, insolvency, winding up, arrangement, liquidation, fraudulent preference and conveyance, reorganization, moratorium and realization laws and other similar laws (including, without limitation and notwithstanding any specific references herein, provisions of the PPSA) at the time affecting the rights and remedies of creditors generally;
- (b) equitable limitations on, and defences against, the availability of remedies and equitable principles of application to particular proceedings at law or in equity and no opinion is expressed regarding the availability of any equitable remedy (including those of specific performance and injunction), which remedies are only available in the discretion of a court of competent jurisdiction;
- (c) the power of a court to grant relief from forfeiture;
- (d) applicable laws regarding the limitation of actions;
- (e) the court's powers to stay proceedings and execution of judgments;

- (f) the court's discretion to decline to hear any action or give effect to an obligation if to do so would be contrary to public policy or if it is not the proper forum to hear such action;
- (g) limitations which may be imposed by law or equity on the effectiveness of terms exculpating a party from a liability or limiting the liability of a party;
- (h) limitations upon the right of a creditor to receive immediate payment of amounts stated to be or which may become payable on demand;
- (i) limitations upon the right of a party to enforce a provision based upon a minor or non-substantive default;
- (j) implied obligations requiring good faith, fair-dealing and reasonableness in performance and enforcement of a contract; and
- (k) any requirement that "interest", as defined in section 347 of the *Criminal Code* (Canada), be paid at an effective annual rate in excess of 60% is not enforceable; and
- (I) the fact that a court may require that a debtor be given a reasonable time to repay following a demand for payment and prior to taking any action to enforce any right of repayment or before exercising any of the rights and remedies expressed to be exercisable in any of the Documents.

We express no opinion as to the enforceability of any provision of the Documents:

- (a) which purports to waive all defences which might be available to, or constitute a discharge of the liability of the grantor thereof;
- (b) to the extent it purports to exculpate the holder thereof, its agents or any receiver, manager or receiver-manager appointed by it from liability in respect of acts or omissions which may be illegal or fraudulent or which may involve wilful misconduct;
- (c) which states that amendments or waivers of or with respect to the Documents that are not in writing will not be effective;
- (d) which requires any person to pay, or to indemnify another person of, the costs and expenses of such other person in connection with judicial proceedings, since those provisions may derogate from a court's

discretion to determine by whom and to what extent those costs should be paid; and

(e) provisions contained in the Documents which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of that Document may be enforced only in the discretion of a court.

A receiver or receiver and manager appointed pursuant to the provisions of the Documents may, for certain purposes, be treated by a court as being the agent of the holder thereof and not solely the agent of the grantor thereof, as applicable, and the holder thereof may not be deemed to be acting as the agent and attorney of such grantor in making such appointment, notwithstanding any agreement to the contrary.

The obligations of the parties to the Documents and the enforceability thereof are subject to qualifications which, by law, equity or usage, are incidental thereto by their nature, including, without limitation:

- the parties must have exercised and must continue to exercise good faith in the negotiation, implementation and enforcement of the Documents; and
- (b) the *Currency Act* (Canada) pursuant to which a court in Canada will render judgment only in lawful money of Canada.

B. Limitations

We have made no investigation in respect of the requirements prescribed in Part IV of the *Financial Administration Act* (Canada) relating to the assignment of federal Crown debts. An assignment of federal Crown debts which does not comply with that Act is ineffective as between the assignor and the assignee and as against the Crown. Consequently, the Documents cannot validly charge federal Crown debts unless that Act is complied with.

C. Special Property, Security Interests and Registrations

1. Special Property

We express no opinion as to whether a security interest may be created in:

(a) property consisting of a receivable, licence, approval, privilege, franchise, permit, lease or agreement (collectively, "Special Property") to the extent that the terms of the Special Property

or any applicable law prohibit its assignment or require, as a condition of its assignability, a consent, approval or other authorization or registration which has not been made or given; or

(b) permits, quotas or licences which are held by or issued to the Debtors.

We express no opinion as to any security interest or hypothec created by the Documents with respect to any property of the grantor thereof that is transformed in such a way that it is not identifiable or traceable or any proceeds of property of such grantor that is not identifiable or traceable.

2. Security Interests and Registrations

No searches have been made:

- (a) under the *Patent Act* (Canada), the *Trade-marks Act* (Canada), the *Industrial Designs Act* (Canada), or the *Copyright Act* (Canada),
- (b) under the *Canada Shipping Act, 2001* in respect of any vessel which is registered or recorded under that Act,
- (c) under the Canada Transportation Act or the Railways Act (Ontario) in respect of any rolling stock to which the provisions of either of those Acts may apply.

Where a motor vehicle (as defined in the Regulation under the PPSA), situate in the Province of Ontario, is sold other than in the ordinary course of business by the Debtors, and the motor vehicle is classified as "equipment" of the Debtors, a purchaser may take the motor vehicle free from any security interests created by the Documents in any such motor vehicles unless the Vehicle Identification Numbers of the motor vehicles are set out in the PPSA registrations in favour of the Bank unless the purchaser knew that the sales constituted a breach of the Documents.

None of the Documents have been registered so as to protect and preserve any security interest, hypothec, mortgage or charge thereof against nor have we searched for any encumbrances created by the Debtors on any ship, or as against any coal, mineral, placer, mining or petroleum and natural gas lease, license or claim, owned or which may be acquired by the Debtors. Accordingly, any hypothecs, security interests and mortgages on such

property will be subject to the rights of third parties who at any time acquire and perfect or render opposable to third parties an interest in those assets.

D. Collateral

No opinion is given as to as to the priority of any security interest created by the Documents, as to whether the grantor of any Document has title to or any right in any collateral or property purported to be subject to the Documents, or as to the completeness or accuracy of any description of such collateral. Accordingly, no opinion is given as to the effectiveness of the security as security, where effectiveness depends on title or description of the property purported to be charged or assigned, as the case may be.

E. Searches

We have only searched against the Debtors. We have not conducted any land titles office or other searches with respect to encumbrances against real property or any interests therein or any statutory lien, court registry or other searches.

F. Choice of Law

We have made no investigation of the laws of any jurisdiction other than, and our advice is confined to, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

G. Maintaining Perfection

We express no opinion with respect to maintaining perfection of any security interest created by any of the Security Documents.

H. Priority

1. No opinion is expressed as to the rank or priority, or as to the effect of perfection or opposability to third parties on the rank or priority, of any security interest, mortgage or charge created by any of the Documents.

HIGHYON ASSETS CORP., et al.	Defendants Court File No. CV-20-00648781-00CL	ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST PROCEEDING COMMENCED AT TORONTO	FIRST REPORT OF THE RECEIVER	HARRISON PENSA LLP Barristers & Solicitors 450 Talbot Street London, ON N6A 5J6	Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)	Tel: (519) 661-6725 Fax: (519) 667-3362 Email: <u>thogan@harrisonpensa.com</u> <u>rdanter@harrisonpensa.com</u>
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>						
ROYAL BANK OF CANADA	Plaintiff					

Lawyers for the Receiver, msi Spergel inc. ٧.

Plaintiff

Defendants

Court File No. CV-20-00648781-00CL

ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

MOTION RECORD OF THE RECEIVER

HARRISON PENSA LLP

Barristers & Solicitors 450 Talbot Street London, ON N6A 5J6

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