

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondent

**MOTION RECORD
(returnable April 27, 2021)**

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A Notice of Motion (Motion returnable Tuesday, April 27, 2021)

B Second Report of Receiver dated April 15, 2021

APPENDICES

1. Order of the Honourable Justice G. Hainey, dated April 23, 2020, effective June 1, 2020
2. First Report of the Receiver, dated December 18, 2020
3. Receiver's Agreement of Purchase and Sale, dated November 23, 2020 and First Addendum to the APS, dated January 4, 2021
4. Order of the Honourable Justice G. Hainey, dated January 6, 2021
5. Second Addendum to the Sale Agreement, dated January 18, 2021
6. Third Addendum to the Sale Agreement, dated January 29, 2021
7. Fourth Addendum to the Sale Agreement, dated February 26, 2021
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9. Fifth Addendum to the Sale Agreement, dated April 1, 2021
10. Title Searches, dated March 31, 2020
11. Amended Statement of Claim, dated February 14, 2014
12. Fee Affidavit of Trevor Pringle, sworn April 14, 2021
13. Fee Affidavit of Timothy Bullock, sworn April 15, 2021
14. Fee Affidavit of Troy Pocaluyko, sworn April 9, 2021
15. Receiver's Statements of Receipts and Disbursements as at April 14, 2021

C Draft Order

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondent

**NOTICE OF MOTION
(returnable April 27, 2021)**

msi Spergel Inc. (the “**Receiver**”), in its capacity as Court-appointed Receiver, without security, of all of the assets, undertakings and properties of the Respondent, New Tecumseth Land Corporation, (the “**Debtor**”), acquired for, or used in relation to a business carried on by the Debtor, will make a motion to a Judge presiding over the Commercial List on Tuesday, April 27, 2021 at 9:00 a.m. or as soon after that time as the motion can be heard by judicial teleconference via Zoom at Toronto, Ontario.

PROPOSED METHOD OF HEARING: The Motion is to be heard orally.

THE MOTION IS FOR:

1. An order, if necessary, abridging the time for and manner of service of this Notice of Motion, the Second Report of the Receiver dated April 15, 2021 (the “**Second Report**”), and the Motion Record herein and directing any further service of this

Notice of Motion, Second Report and Motion Record be dispensed with such that this motion is properly returnable on Tuesday, April 27, 2021.

2. An order approving the amendments to an Agreement of Purchase and Sale dated November 20, 2020 entered into by the Receiver as Vendor and NTA Development Corporation (the "Purchaser" or "NTA") as Purchaser with Addendum which was previously approved the Order of Justice Hainey dated January 6, 2021 and which has now been further amended by the parties by Addendum No. 3, Addendum No. 4 and Addendum No. 5 (the "Sale Agreement") which provides for the sale of the lands and premises and rights relating thereto, owned by the Debtor, which lands and premises are:

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

and

PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH

(hereinafter referred to as the "**Property**" or the "**Purchased Assets**" as hereinafter defined.

3. A vesting order in connection with the completion of the Sale Agreement, vesting the Purchased Assets in the Purchaser free of any claims or encumbrances save and except the Permitted Encumbrances as defined in the Sale Agreement.
4. An order approving the Second Report of the Receiver and the activities and conduct of the Receiver contained therein.

5. An order approving the fees and disbursements of the Receiver (the “**Receiver’s Fees**”) as detailed in the Second Report and authorizing payment of the same.
6. An order approving the fees and disbursements of counsel to the Receiver, SimpsonWigle LAW LLP and Wildeboer Dellelce LLP (the “**Counsel Fees**”), as detailed in the Second Report and authorizing payment of the same.
7. An order substantially in the form of the draft order contain at Tab C of the Motion Record.
8. Such further and other relief as counsel may request and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

Background

1. With respect to an application made by FirstOntario Credit Union Limited (the “**Applicant**” or “**FirstOntario**”) pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act* (the “**BIA**”) and section 101 of the *Courts of Justice Act* (the “**CJA**”), msi Spergel Inc. (“**Spergel**”) was appointed receiver (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of the Debtor.
2. The Debtor is a company incorporated pursuant to the laws of the Province of Ontario.
3. The Debtor’s sole asset is the Property which is vacant industrial land municipally known as 6485 14th Line, (the “**Property**”), located in the Town of Alliston, Ontario (the “**Town**”). It is comprised of 99.44 acres gross, inclusive of 74.07 acres for development.

4. The Debtor is a single-purpose land development company which is the registered owner of the Property. The books and records of the Debtor disclose that there is a joint venture underlying the proposed development, called New Tecumseth Group Joint Venture (the “**Joint Venture**”), and there are 34 co-tenants involved in the joint venture. To date, the Receiver has not been able to locate a joint venture or trust agreement with respect to the Joint Venture.
5. The appointment of Spergel was sought when the Debtor defaulted in making payment of interest on the first in priority mortgage held by FirstOntario on the Real Property.
6. Twelve (12) of the Investors have initiated legal action against, *inter alia*, the Debtor and Guery Goyo claiming, *inter alia*, damages with respect to an investment in the Debtor
7. In addition to the Joint Venture/Investors’ other stakeholders or alleged stakes in the Debtor are: (a) trade creditors; (b) investors who advanced funds by way of loans to the Debtor with such loans allegedly secured by a second mortgage on the Real Property held by P.D.R. Investments Ltd. (“PDR”); and (c) Joint Venturer/Investors who advanced funds to the Debtor which are unsecured and evidenced by Promissory Note (“Promissory Note Holders”).

Prior Approval, Vesting and Interim Distribution Order

8. Pursuant to the Motion of the Receiver and further to the First Report of the Receiver dated December 18, 2020, Justice Hainey, by Order dated January 6, 2021, among other things:
 - (a) approve the sale transaction between the Receiver and NTA Development Corporation (the “Purchaser”), as outlined in an agreement of purchase and sale dated November 20, 2020 (the “Sale Transaction”) and amended by Addendum dated January 4, 2021 (the “First Addendum”) (collectively, the “Sale Agreement”), and vesting in the Purchaser, the Debtor’s right, title, and interest in and to the assets described in the Sale Agreement; and

- (b) authorized and directed the Receiver to make an interim distribution from the net proceeds of the estate of Tecumseth (after payment of the fees and disbursements of the Receiver and the Receiver's Counsel outlined in this First Report), which is summarized as follows
- i. To the Town of New Tecumseth in the amount of \$9,422.15 or such other amount accrued at the closing of the Transaction for outstanding reality tax arrears;
 - ii. To FirstOntario for repayment of the Receiver Certificate No 1 in the amount of \$41,750.65 plus interest that accrues on the principal amount thereof from December 14, 2020 at a per diem amount of \$9.04 to the date of payment to FirstOntario and in accordance with the Receiver's Certificate; and
 - iii. To FirstOntario with respect to the First Mortgage in the amount of \$6,902,861.98 plus interest that accrues on the principal amount thereof from December 14, 2020 at a per diem amount of \$1,324.38 to the date of payment to FirstOntario plus FirstOntario's legal enforcement expense.

Actions of the Receiver Since the First Report

- 9. Further to the Order of Justice Hainey dated January 6, 2021, the Sale Transaction has not been completed. The Receiver and the Purchaser have entered into multiple extensions of the closing of the Transaction and amendments to the Sale Agreement: Addendum No. 3, Addendum No. 4 and Addendum No. 5.
- 10. Further to Addendum No. 3 and Addendum No. 4, the Purchase Price with respect to the Transaction was increased from \$13,700,000.00 to \$13,800,000.00 and the cash component of the purchase price was increased from \$8,900,000.00 to \$9,000,000.00.

11. Satisfaction of the Purchase Price, as defined in the Sale Transaction, was to be made partly by way of a payment in cash and partly by way of shares of Emergia Inc. ("Emergia"), a company related to the Purchaser. The cash component equated to 65% of the Purchase Price and the share component equated to 35% of the purchase price.
12. Notwithstanding the expressed terms and conditions of the Sale Transaction, as approved by Justice Hainey, commencing on or about February 6, 2021, Emergia raised issues relative to the fact that its understanding and intention was that the Emergia shares to be delivered on the closing of the Sale Transaction were to be delivered to the Investors, in kind, and not issued and delivered to the Receiver.
13. Emergia was of the position that the issuance of the shares to the Receiver on Closing, particularly given the substantial number of shares that were to be delivered to the Receiver on Closing:
 - (a) would require that within one day of closing, pursuant to securities laws, a press release was required to be issued, as well, an Early Warning Report to the public would be required; and
 - (b) would bring to the attention of existing shareholders and potential future shareholders that more than 10% of the Class A Common Shares of Emergia would be held by a Receiver.
wouldwhich would place very negative pressure on the value of Emergia's Common Shares and would also create the potential for "dumping" of Emergia shares.
14. Emergia also raised that if shares were delivered to the Receiver on Closing that securities "accreditation" issues would need to be addressed and could be potentially problematic relative to shares issued and delivered to the Receiver being distributed in the future to Investors or sold to third parties.

15. It was questionable whether Emergia would issue and deliver shares to the Receiver on the closing of the Sale Transaction, as then structured.
16. To address the concerns of Emergia and the Purchaser, the Receiver, the Purchaser and Emergia entered into Addendum No. 5 on April 1, 2021. Addendum No. 5 amended the terms and conditions relative to the delivery and issuance of the \$4,800,000.00 Class A Common Shares of Emergia as part of the purchase price.
17. The Sale Agreement as amended by Addendum No. 5 will fully retain the consideration to be delivered by the Purchaser to the Receiver for the Real Property as contemplated by the Sale Agreement and as approved by the Order of Justice Hainey dated January 6, 2021.
18. The Receiver is of the view that the Sale Agreement as amended by Addendum No. 5 continues to represent the best offer and Transaction attainable for the sale of the Real Property by the Receiver.

Approval of the Receiver's Accounts

19. The Appointment Order requires the Receiver and its legal counsel to pass its accounts from time to time.
20. The Receiver has properly incurred fees and disbursements during the period December 14, 2020 to and including April 14, 2021 in the amount of \$31,053.50, exclusive of disbursements and HST as detailed in the Second Report. This represents a total of 88.8 hours at an average rate of \$349.70 per hour.
21. The legal expense incurred by the Receiver for services provided by its legal counsel, SimpsonWigle LAW LLP ("SimpsonWigle") for the period December 17, 2020 to and including April 14, 2021 have been properly incurred in the amount of \$48,097.06, inclusive of disbursements and HST as detailed in the Second Report.

22. On February 18, 2021, the Receiver engaged the services of Troy Pocaluyko of Wildeboer Dellelce LLP ("Wildeboer Dellelce") in order to provide securities law advice in connection with the sale of the property and the distribution of the Emergia shares to be delivered on Closing as part of the purchase price.
23. The legal expense incurred by the Receiver for services provided by its legal counsel, Wildeboer Dellelce for the period February 16, 2021 to and including April 1, 2021 have been properly incurred in the amount of \$19,183.73, inclusive of disbursements and HST as detailed in the Second Report.
24. The Receiver is of the view that all the work set out in the accounts of SimpsonWigle and Wildeboer Dellelce were carried out by its lawyers, articling students and clerks and were necessary and reasonable.
25. The Receiver seeks the approval of the Receiver's Fees and the Counsel Fees and that the Receiver be authorized to pay the same from the cash proceeds to be delivered on account of the Purchase Price from the Sale Transaction as amended by Addendums No. 3, 4 and 5.

Interim Distribution

26. As set out in paragraph 8 above, pursuant to the Order of Justice Hainey dated January 6, 2021, the Receiver was authorized to make an interim distribution to the Town of New Tecumseth, FirstOntario (the first in priority mortgagee with respect to the Real Property) and to FirstOntario to repay the Receiver's borrowings from FirstOntario as evidenced by the Receiver's Certificate No. 1.
27. Justice Hainey approved the payment of the Receiver's Fees and those of its counsel as detailed in the First Report and the Receiver intends to make payment of the same from the cash proceeds to be delivered on account of the Purchase Price from the Sale Transaction as amended by Addendums No. 3, 4 and 5.

Receiver's Interim Statement of Receipts and Disbursements

28. The Receiver seeks approval of the Receiver's Interim Statement of Receipts and Disbursements as detailed in the Second Report.

Surplus Proceeds of Sale After the Interim Distribution

29. There will be a surplus from the proceeds of sale from the Property after the distribution particularized above including monies held in cash and shares to be delivered and issued in accordance with Addendum No. 5. As the administration of the receivership is not be completed, the Receiver proposes to retain surplus proceeds to fund its further activities. Further motion(s) to the Court for directions will be required with regard to a future distribution of the surplus proceeds to the various stakeholders of the Debtor and also with respect to the Receiver's discharge.
30. Rules 2.03, 3.02 and 37 of the *Rules of Civil Procedure*.
31. Section 137 of the *Courts of Justice Act*.
32. Sections 47 of the *Bankruptcy and Insolvency Act*.
33. The grounds as detailed in the Second Report.
34. Such further and other grounds as counsel may advise and this Honourable Court permit.

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

1. The Orders of the Honourable Justice Hainey dated April 23, 2020 and January 5, 2021;
2. The Second Report of the Receiver dated April 15, 2021;
3. Such further and other evidence as counsel may advise and this Honourable Court permit.

DATED: April 15, 2021

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TAB B
SECOND REPORT OF THE
RECEIVER

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondent

**SECOND REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
NEW TECUMSETH LAND CORPORATION**

April 15, 2021

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APPENDICES

1. Order of the Honourable Justice G. Hainey, dated April 23, 2020, effective June 1, 2020
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14. Fee Affidavit of Troy Pocaluyko, sworn April 9, 2021
15. Receiver's Statements of Receipts and Disbursements as at April 14, 2021

1.0 APPOINTMENT AND FIRST REPORT

- 1.0.1 On application made by FirstOntario Credit Union Limited ("**FirstOntario**") pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act* (the "**BIA**") and section 101 of the *Courts of Justice Act* (the "**CJA**"), msi Spergel Inc. ("**Spergel**") was appointed receiver (in such capacity, the "**Receiver**"), without security, of the assets, undertakings and properties of New Tecumseth Land Corporation ("**Tecumseth**" or "**Debtor**") by Order of the Honourable Justice G. Hainey dated April 23, 2020 effective June 1, 2020 (the "**Appointment Order**"). Attached hereto as **Appendix "1"** is a copy of the Appointment Order.
- 1.0.2 The Debtor is incorporated pursuant to the laws of the Province of Ontario. The directors and officers of the Debtor are Guery Goyo Sr. (President) and Mary Goyo (Secretary). The Debtor's head office is located at 151 Spinnaker Way, Unit 5, Concord. The sole shareholder of the Debtor is Villarboit Development Corporation ("**Villarboit**") and the Receiver understands that Guery Goyo Sr. is a principal of Villarboit.
- 1.0.3 The Debtor holds title to vacant industrial land municipally known as 6485 14th Line, (the "**Real Property**"), located in the Town of Alliston, Ontario (the "**Town**"). The Real Property is vacant industrial land comprised of 99.44 acres gross, inclusive of 74.07 acres for development.
- 1.0.4 The debtor is a single-purpose land development company which owns the Real Property. However, the books and records disclosed that there is a joint venture underlying the proposed development, called New Tecumseth Group Joint Venture (the "**Joint Venture**"), and there are 34 co-tenants involved in the Joint Venture ("**Joint Venturer**" or "**Investor**"). To date, the Receiver has not been able to locate a joint venture or trust agreement with respect to the Joint Venture.
- 1.0.5 The appointment of Spergel was sought when the Debtor defaulted in making payment of interest on the first in priority mortgage held by FirstOntario on the Real Property.

- 1.0.6 As hereinafter detailed, 12 of the Investors have initiated legal action against, *inter alia*, the Debtor and Guery Goyo claiming, *inter alia*, damages with respect to an investment in the Debtor.
- 1.0.7 As hereinafter detailed, in addition to the Joint Venture/Investors' other stakeholders or alleged stakes in the Debtor are: (a) trade creditors; (b) investors who advanced funds by way of loans to the Debtor with such loans allegedly secured by a second mortgage on the Real Property held by P.D.R. Investments Ltd. ("PDR"); and (c) Joint Venturer/Investors who advanced funds to the Debtor which are unsecured and evidenced by Promissory Note ("**Promissory Note Holders**").
- 1.0.8 On January 4, 2021, the Receiver submitted a report to court dated December 18, 2020 (the "**First Report**", attached as **Appendix "2"**) and sought the approval of the Court for an Order granting, among other things, the following relief:
- a) approval of a sale transaction between the Receiver and NTA Development Corporation (the "**Purchaser**"), as outlined in an agreement of purchase and sale dated November 20, 2020 (the "**APS**") and amended by Addendum dated January 4, 2021 (the "**First Addendum**") (collectively, the "**Sale Agreement**" and attached as **Appendix "3"**), and vesting in the Purchaser, the Debtor's right, title, and interest in and to the assets described in the Sale Agreement; and
 - b) authorizing and directing the Receiver to make an interim distribution from the net proceeds of the estate of Tecumseth (after payment of the fees and disbursements of the Receiver and the Receiver's Counsel outlined in this First Report), which is summarized as follows;
 - i. To the Town of New Tecumseth in the amount of \$9,422.15 or such other amount accrued at the closing of the Transaction for outstanding reality tax arrears;
 - ii. To FirstOntario for repayment of the Receiver Certificate No 1 in the amount of \$41,750.65 plus interest that accrues on the principal amount thereof from December 14, 2020 at a per diem amount of \$9.04 to the date of payment to FirstOntario and in accordance with the Receiver's Certificate; and

- iii. To FirstOntario with respect to the First Mortgage in the amount of \$6,902,861.98 plus interest that accrues on the principal amount thereof from December 14, 2020 at a per diem amount of \$1,324.38 to the date of payment to FirstOntario plus FirstOntario's legal enforcement expense.

1.0.9 The Court granted the requested Order on January 6, 2021 (the "**Court Order**", attached as **Appendix "4"**).

2.0 PURPOSE OF THE SECOND REPORT AND DISCLAIMER

2.0.1 The purpose of this report (the "**Second Report**") is to seek the Order of the Court:

- (a) approving the Second Report and the actions of the Receiver as described herein, including, without limitation, the extensions of the closing of the sale process conducted with respect to the Property as detailed herein;
- (b) approving a fifth addendum to the Sale Agreement between the Receiver and the Purchaser, dated April 1, 2021 (the "**Fifth Addendum**"), and authorizing the Receiver to complete the transaction contemplated thereby (the "**Transaction**");
- (c) reaffirming the distribution of sale proceeds as ordered by the Court on January 6, 2021.
- (d) approving the fees and disbursements of the Receiver and the Receiver's counsel, as detailed respectively in the Fee Affidavits of Trevor Pringle, Timothy Bullock on behalf of SimpsonWigle LAW LLP and Troy Pocaluyko on behalf of Wildeboer Dellelce LLP;
- (e) approving the Receiver's Statement of Receipts and Disbursements as at April 14, 2021;
- (f) such further and other relief as counsel may advise and this Court may permit.

2.0.2 This Second Report is prepared solely for the use of the Court for the purpose of assisting the Court in making a determination whether to: (i) approve and authorize the Fifth

Addendum to the Sale Agreement ii) approve the actions and conduct of the Receiver as set out in this Second Report, (iii) approve and authorize payment of the Receiver's fees and disbursements and those of its legal counsel, and (iv) grant other ancillary relief being sought.

Except as otherwise described in this report:

- (a) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and,
- (b) The Receiver has not conducted an examination or review of any financial forecast and projections in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

Unless otherwise stated, all monetary amounts contained in this Second Report are expressed in Canadian dollars.

3.0 ACTIONS OF THE RECEIVER SINCE THE FIRST REPORT

- 3.0.1 Further to the Receiver's First Report dated December 18, 2020, the Receiver and the Purchaser have entered into multiple extensions of the closing of the Transaction, as outlined below.
- 3.0.2 The Receiver and the Purchaser entered into the Sale Agreement as approved by the Honourable Justice Hainey by Order dated January 6, 2021. The payment of the purchase price, as defined in the APS, is contemplated partly by way of a payment in cash and partly by way of shares of a certain public entity. The cash component equated to 65% of the Purchase Price and the share component equated to 35% of the purchase price.
- 3.0.3 The Receiver received a deposit of \$500,000.00 from the Purchaser on December 11, 2020.

3.0.4 On January 19, 2021, a second addendum to the Sale Agreement (the “**Second Addendum**”), attached as **Appendix “5”**, was executed by the Purchaser and the Receiver. The Second Addendum set out the following terms:

- a) Increased the deposit owing, with the balance owing to be delivered to the Receiver no later than 5:00 p.m. on January 28, 2021; and
- b) Amended the closing date amended to February 5, 2021.

3.0.5 As a result of the Purchaser’s failure to deliver the balance of the deposit as noted above to the Receiver on January 28, 2021, the Receiver and the Purchaser entered into a third addendum to the Sale Agreement on January 29, 2021 (the “**Third Addendum**”), attached as **Appendix “6”**. The Third Addendum set out the following terms:

- a) Waived the Purchaser’s obligation to deliver the balance of the deposit as contemplated by the Second Addendum;
- b) Increased the deposit from \$500,000 already received to \$1,000,000, with the additional \$500,000 deliverable no later than 5:00 p.m. February 3, 2021; and
- c) Amended the closing date to February 26, 2021.

3.0.6 On February 3, 2021, an additional deposit of \$500,000 was delivered to the Receiver from the Purchaser as outlined in the Third Addendum.

3.0.7 Notwithstanding the expressed terms and conditions of the APS, as approved by the Court, commencing on or about February 6, 2021, Emergia raised issued relative to the fact that its understanding and intention was that the Emergia shares to be delivered on the closing of the APS were to be delivered to the Investors, in kind, and not issued and delivered to the Receiver.

3.0.8 Emergia was of the position that the issuance of the shares to the Receiver on closing, particularly given the substantial number of shares that were to be delivered to the Receiver on closing:

- a) would require that within one day of closing, pursuant to securities laws, a press release was required to be issued, as well, an Early Warning Report to the public would be required; and
- b) would bring to the attention of existing shareholders and potential future shareholders that more than 10% of the Class A Common Shares of Emergia would be held by a Receiver

which would place very negative pressure on the value of Emergia's Common Shares and would also create the potential for "dumping" of Emergia shares.

3.0.9 Emergia also raised that if shares were delivered to the Receiver on closing that securities "accreditation" issues would need to be addressed and could be potentially problematic relative to shares issued and delivered to the Receiver being distributed in the future to Investors or sold to third parties.

3.0.10 It was questionable whether Emergia would issue and deliver shares to the Receiver on the closing of the APS, as then structured.

3.0.11 On February 18, 2021, the Receiver engaged the services of Troy Pocaluyko of Wildeboer Dellelce LLP in order to provide securities law advice in connection with sale of the property and the distribution of the Emergia Inc. shares. and the parties entered into negotiations to address the issues raised by Emergia.

3.0.12 In furtherance of the negotiations, the Receiver and the Purchaser entered into a fourth addendum to the Sale Agreement on February 26, 2021 (the "**Fourth Addendum**"), attached as **Appendix "7"**. The Fourth Addendum set out the following terms:

- a) Extended the completion date to March 10, 2021; and
- b) Increased the purchase price from \$13,700,000 to \$13,800,000 by increasing the cash portion of the purchase price by \$100,000.

3.0.13 In the context of the negotiation, on March 10, 2021, the Purchaser's counsel advised the Receiver's counsel of the following:

- a) The remainder of the cash component of the purchase price was being held in trust by Beber professional corporation, lawyers for the Purchaser, to close the Transaction;
- b) A request to extend the closing date of the Transaction to March 24, 2021 to allow the Purchaser and Receiver to work towards a mutually satisfactory resolution with respect to the transfer of the share component of the Transaction; and
- c) Upon approval of a Court order supporting the further addendums to the Sale Agreement, a further deposit of \$500,000 would be delivered to be applied to the purchase price upon closing.

3.0.14 On March 10, 2021, the Receiver's counsel confirmed the above-noted terms to the Purchaser's counsel as well as including the condition that the completion date of the Transaction should be no later than 3 business days after approval by the Court of the Fourth Addendum.

3.0.15 Letter agreements, attached as **Appendix "8"** exchanged between the Receiver's counsel and the Purchaser's counsel on March 10, 2021, March 23, 2021, March 26, 2021 and March 30, 2021 further extending the closing date.

3.0.16 To address the concerns of Emergia and the Purchaser (paragraph 3.0.8), the Receiver, the Purchaser and Emergia Inc. ("**Emergia**") entered into a Fifth Addendum to the Sale Agreement on April 1, 2021 (the "**Fifth Addendum**"), attached as **Appendix "9"**. Pursuant to the Fifth Addendum, the parties have agreed, *inter alia*, that:

- a) Class A common shares of Emergia having an aggregate value of \$300,000 (determined in accordance with the Fifth Addendum) will be issued to the Receiver (the "**Receiver's Shares**") on the closing date in partial satisfaction of share component of the purchase price;
- b) Subject to compliance with applicable securities laws, Class A common shares of Emergia having an aggregate value of \$4,500,000 (determined in accordance with the Fifth Addendum) (the "**Stakeholder Shares**") will be issued from time to time following the closing date to certain stakeholders of Tecumseth (the "**Specified**

Stakeholders”) in satisfaction of the balance of the share component of the purchase price;

- c) The Stakeholder Shares will be issued in accordance with one or more treasury directions to which will be attached a distribution list (each, a “Treasury Direction”) to be provided by the Receiver to Emergia Inc. and its registrar and transfer agent, TSX Trust Company, following the issuance of a distribution order by the Court;
- d) The issuance of the Receiver’s Shares and the Stakeholder Shares will be evidenced by the electronic delivery by TSX Trust Company of DRS Statements to the Receiver and the Specified Stakeholders in accordance with each Treasury Direction;
- e) Subject to Emergia’s right to identify a third party purchaser to purchase the Receiver Shares, the Receiver may from time to time sell or transfer the Receiver’s Shares for the purpose of (i) paying the Receiver’s fees and expenses; (ii) distribution of the proceeds of such Receiver’s Shares in cash to stakeholders of Tecumseth; or (iii) distribution of the Receiver’s Shares in kind to the stakeholders of Tecumseth; and
- f) In the event that Stakeholder Shares are unable to be delivered to any Specified Stakeholders in compliance with applicable securities laws, Emergia will, at its expense and discretion (i) bring application to a Court, tribunal or agency of competent jurisdiction to obtain an order allowing for such sale or transfer to the Specified Stakeholders; (ii) issue such Stakeholder Shares to the Receiver; or (iii) pay the value of such Stakeholder Shares (determined in accordance with the Addendum) in cash to the Receiver.

3.0.17 The APS as amended by Addendum 5 will fully retain the consideration to be delivered by the Purchaser to the Receiver for the Real Property as contemplated by the APS as approved by the Order dated January 6, 2021 and as further amended by Addendum 4.

3.0.18 The Receiver is of the view that the APS as amended by the Fifth Addendum continues to represent the best offer and Transaction attainable for the sale of the Real Property by the Receiver.

4.0 SUMMARY OF STAKEHOLDERS

4.0 In addition to the creditors outlined in the interim distribution from the net proceeds of the estate of Tecumseth as outlined in paragraph 1.0.8 in this Second Report, the following is a summary of the remaining stakeholders who may be entitled to a distribution of the remaining cash and shares of the Transaction.

Second Mortgage Holder

- 4.0.1 A title search conducted on March 31, 2020, of the Real Property is attached as **Appendix "10"**, and it discloses a second in priority mortgage registered on January 13, 2015 in the principal amount of \$550,000 in favour of P.D.R. Investments Ltd. ("PDR").
- 4.0.2 The general ledger system of Tecumseth references that the mortgage registered in favour of PDR is held by it in trust to secure payment of loan advances made by seven "Investors including one, Frank Marchetti". Guery Goyo Sr., on behalf of PDR, confirms the foregoing but also advises that there is no written agreement that the subject mortgage is held in trust by PDR.
- 4.0.3 The amounts advanced, and the interest accrued in relation to the second mortgage up to March 31, 2021 as calculated by the Debtor, total \$987,952.42.

Unsecured Creditors

- 4.0.4 The books and records of Tecumseth (Account Payable Listings) discloses that Tecumseth has four unsecured trade creditors with total outstanding indebtedness as at June 18, 2020 in the amount of \$244,316.95 of which:
- i. \$191,991.72 is owed to the law firm of Parente Borean (attention Don Parente); and
 - ii. \$11,697.29 is owed to the law firm of Lawrence, Lawrence, Stevenson LLP.
- 4.0.5 The general ledger system of Tecumseth details advances made by Investors by way of promissory notes to Tecumseth (the "**Promissory Noteholders**"). The total advanced,

including accrued interest to the date of the Receivership, as calculated by the Debtor, is \$1,115,091.23.

Equity holders

- 4.0.6 In addition to the second mortgage holders/beneficiaries and Promissory Noteholders, as detailed in paragraph 1.04, the Debtor advises that there are 34 equity holders in the Joint Venture ("**Joint Venturer**" or "**Investor**").

Litigant Investors

- 4.0.7 As referenced in paragraph 1.0.6, the books and records of Tecumseth disclose that the parties alleged to be joint venturers are sometimes referred to as "Investors" of which 22 are identified as Limited Partners and of which an additional 12, including one "Frank Marchetti", in trust are identified as "Investors Part of Lawsuit".
- 4.0.8 The Receiver has determined, including through SimpsonWigle that Messrs. Teplitsky Colson acted for and continues to act for some or all of those parties identified as "Investors Part of Lawsuit". SimpsonWigle has been advised by Messrs. Teplitsky Colson that it continues to act for 11 of the 12 "Joint Venturers" (Investors Part of Lawsuit) including Frank Marchetti who is also named as a beneficiary of the hereinbefore referenced P.D.R. Investments Ltd. second mortgage.
- 4.0.9 Attached as **Appendix "11"** is a copy of the Amended Statement of Claim issued by Teplitsky Colson LLP on August 2, 2013 (amended February 14, 2014) on behalf of the Litigant Investors ("**Investors Part of Lawsuit**").
- 4.0.10 The Litigant Investors take issue with:
- a) the quantum of the indebtedness claimed to be owing to certain trade creditors;
 - b) the enforceability of the second mortgage security as it relates to all alleged beneficiaries;
 - c) the rate at which interest accrues on monies advanced by Promissory Noteholders;

d) the alleged percentage interest of various Investors in the equity of the Debtor.

5.0 FEEES AND DISBURSEMENTS OF THE RECEIVER

5.0.1 Attached hereto as **Appendix “12”** is the Fee Affidavit of Trevor Pringle, sworn April 14, 2021, which incorporates, by reference, a copy of the Receiver’s time dockets pertaining to the receivership of the Debtor for the period December 14, 2020 to and including April 2, 2021. The Receiver has incurred professional fees in the amount of \$31,053.50, not inclusive of HST and disbursements. This represents a total of 88.8 hours at an average rate of \$349.70 per hour.

6.0 FEEES AND DISBURSEMENTS OF RECEIVER’S COUNSEL

6.0.1 Attached hereto as **Appendix “13”** is the Fee Affidavit of Timothy Bullock of SimpsonWigle LLP, sworn April 15, 2021, which attaches a copy of the account rendered by SimpsonWigle LLP to the Receiver in the amount of \$48,097.06 inclusive of disbursements and HST, for the period December 17, 2020 to April 14, 2021 along with supporting dockets (Billing Information Summary).

6.0.2 The Receiver has reviewed SimpsonWigle’s accounts and, given the Receiver’s involvement in this matter, the Receiver is of the opinion that all the work set out in SimpsonWigle’s account was carried out and was necessary. The hourly rates of the lawyers and clerks at SimpsonWigle who worked on this matter are reasonable in light of the services required and the services were carried out by lawyers and clerks with the appropriate levels of experience.

6.0.3 Attached hereto as **Appendix “14”** is the Fee Affidavit of Troy Pocaluyko of Wildeboer Dellelce LLP, sworn April 9, 2021, which attaches a copy of the account rendered by Wildeboer Dellelce LLP to the Receiver in the amount of \$19,183.73 inclusive of disbursements and HST, for the period February 16, 2021 to April 1, 2021 along with supporting dockets (Billing Information Summary).

6.0.4 The Receiver has reviewed Wildeboer Dellelce's accounts and, given the Receiver's involvement in this matter, the Receiver is of the opinion that all the work set out in Wildeboer Dellelce's account was carried out and was necessary. The hourly rates of the lawyers and clerks at Wildeboer Dellelce who worked on this matter are reasonable in light of the services required and the services were carried out by lawyers and clerks with the appropriate levels of experience.

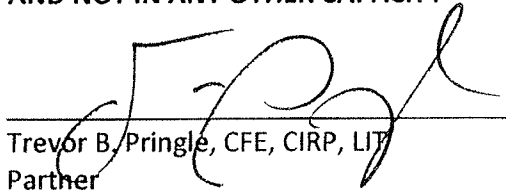
7.0 RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

7.0.1 Attached hereto as **Appendix "15"** is a copy of the Receiver's Statement of Receipts and Disbursements as at April 14, 2021. In accordance with the borrowing powers in its appointment Order, the Receiver has borrowed \$40,000.00 from FirstOntario to fund the receivership.

8.0 RECOMMENDATION

8.0.1 For the reasons discussed in this Second Report, the Receiver recommends that the Court grant an order in accordance with the draft Order attached as Schedule "A" to the Notice of Motion which includes the relief specified at paragraph 2.0.1 of this Second Report.

**MSI SPERGEL INC.,
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
NEW TECUMSETH LAND CORPORATION
AND NOT IN ANY OTHER CAPACITY**



Trevor B. Pringle, CFE, CIRP, LIT
Partner

APPENDIX

/

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)	THURSDAY THE 23 rd
)	
JUSTICE HAINEY)	DAY OF APRIL, 2020
BETWEEN		

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

-AND-

NEW TECUMSETH LAND CORPORATION

Respondent

APPLICATION UNDER Subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and Rule 14.05(3)(g) and (h) of the *Rules of Civil Procedure*

ORDER
(appointing Receiver)

THIS APPLICATION made by the Applicant 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 Spengel Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of New Tecumseth Land Corporation (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including, without limitation, the real

property municipally known as 6485 14th Line, Alliston, Ontario (the "Real Property") and more particularly described as:

Firstly:

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

Secondly:

PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH

was heard this day via videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Virginia Selemidis affirmed April 16, 2020 and the exhibits thereto; the affidavit of Guery Goyo sworn April 22, 2020 and the exhibits thereto; the affidavit of Eleonora Schmied sworn April 22, 2020 and the exhibit thereto; and on hearing the submissions of counsel for the applicant, the respondent, certain persons with an interest in the respondent, and 2187933 Ontario Inc., and Eleonora Schmied personally on behalf of P.D.R. Investments Ltd., one appearing for any other person on the service list in the application record although served as appears from the affidavits of service of Colleen Balint sworn April 17 and April 23, 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 Record 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"), and including but not limited to the Real Property. Subject to any further order of this court, this appointment shall be effective as of 12:00 noon on Monday June 1, 2020. Nothing in this order shall in any way impact the ability of the respondent to transfer title to the Real Property on or before May 29, 2020.

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 \$10,000.00, provided that the aggregate consideration for all such transactions does not exceed \$25,000.00; 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.

- (l) 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;
- (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, 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 \$200,000.00 (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/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further

orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.spergelecorporate.ca/newtecumsethlandcorporation>.

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.

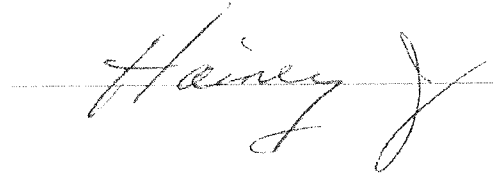
29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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 Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant'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.

A handwritten signature in cursive script, reading "Hainey J.", is written over a horizontal line.

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 New Tecumseth Land Corporation 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 _____, 20__ (the "Order") made in an application having Court file number ____-CL-_____, 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.
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 sum in respect of which it may issue 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:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at TORONTO

(ORDFR
(appointing Receiver)

FLETT BECCARIO
Barristers & Solicitors
190 Division Street
P.O. Box 340
Welland, ON L3B 5P9

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Fax: (905) 732-2020
Email: jmacfar@fletbecario.com

J. ROSS MACFARLANE
Lawyers for the Applicant

ISO: 36417N

JRML/cb

RE First Ontario Credit Union

① This application was heard by video conference (zoom) in accordance with the changes to the operation of the Commercial List in light of the Covid-19 Crisis and the Chief Justice's Notices to the Profession.

② I am satisfied that the appointment of a receiver is just and convenient, provided that the appointment is not effective until 12:00 Noon on Monday June 1, 2020, subject to a further order of this Court. I am

②

prepared to allow New
Temmerle Land Corporation
until May 29, 2020 to close
The pending sale to 2187933
Ontario Inc.

③ Order to go on the Terms
of the attached signed by
me. The Order is effective
today and does not have to be
entered.

④ The parties may arrange a
further attendance with me
through the Commercial List
Office.

Hainey J.

APPENDIX 2

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondent

**FIRST REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
NEW TECUMSETH LAND CORPORATION**

December 18, 2020

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11.0	THE RECEIVER'S PROPOSED DISTRIBUTION	Page 12
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APPENDICES

1. Order of the Honourable Justice G. Hainey, dated April 23, 2020, effective June 1, 2020
2. Title Searches, dated March 31, 2020
3. MLS Listing Agreement dated July 13, 2020
4. Fee Affidavit of Trevor Pringle, sworn December 14, 2020
5. Fee Affidavit of Timothy Bullock, sworn December 17, 2020
6. Receiver's Statements of Receipts and Disbursements as at December 14, 2020
7. The Receiver's Certificate
8. Correspondence from FirstOntario re: mortgage indebtedness and Receiver's line of credit, dated December 14, 2020
9. SimpsonWigle Security Opinion, dated September 4, 2020
10. Town of New Tecumseth Statement of Account, dated June 3, 2020
11. 2020 Final Property Tax Statements dated June 30, 2020

CONFIDENTIAL APPENDICES

1. Metrix Realty Group appraisal report, dated June 18, 2020
2. CBRE Limited appraisal report, dated June 29, 2020
3. Receiver's Agreement of Purchase and Sale, dated November 23, 2020

1.0 APPOINTMENT AND BACKGROUND

- 1.0.1 On application made by FirstOntario Credit Union Limited ("**FirstOntario**") pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act* (the "**BIA**") and section 101 of the *Courts of Justice Act* (the "**CJA**"), msi Spergel Inc. ("**Spergel**") was appointed receiver (in such capacity, the "**Receiver**"), without security, of the assets, undertakings and properties of New Tecumseth Land Corporation ("**Tecumseth**" or "**Debtor**") by Order of the Honourable Justice G. Hainey dated April 23, 2020 effective June 1, 2020 (the "**Appointment Order**"). Attached hereto as **Appendix "1"** is a copy of the Appointment Order.
- 1.0.2 The Debtor is incorporated pursuant to the laws of the Province of Ontario. The directors and officers of the Debtor are Guery Goyo Sr. (President) and Mary Goyo (Secretary). The Debtor's head office is located at 151 Spinnaker Way, Unit 5, Concord. The sole shareholder of the Debtor is Villarboit Development Corporation ("**Villarboit**") and the Receiver understands that Guery Goyo Sr. is a principal of Villarboit.
- 1.0.3 The Debtor holds title to vacant industrial land municipally known as 6485 14th Line, (the "**Real Property**"), located in the Town of Alliston, Ontario (the "**Town**"). The Real Property is vacant industrial land comprised of 99.44 acres gross, inclusive of 74.07 acres for development.
- 1.0.4 The debtor is a single-purpose land development company which owns the Real Property. However, the books and records disclosed that there is a joint venture underlying the proposed development, called New Tecumseth Group Joint Venture (the "**Joint Venture**"), and there are 34 co-tenants involved in the joint venture. To date, the Receiver has not been able to locate a joint venture or trust agreement with respect to the Joint Venture.
- 1.0.5 The appointment of Spergel was ultimately sought when the Debtor defaulted in its obligations to FirstOntario due to the nonpayment of loan interest that had accrued on the Real Property.

2.0 PURPOSE OF THE FIRST REPORT AND DISCLAIMER

2.0.1 The purpose of this report (the “**First Report**”) is to seek the Order of the Court:

- (a) approving the First Report and the actions of the Receiver as described herein, including, without limitation, the sale process conducted with respect to the Real Property as detailed herein;
- (b) approving the agreement of purchase and sale between the Receiver, as vendor, and NTA Development Corporation (the “**Proposed Purchaser**”), as purchaser, dated November 23, 2020 (the “**Sale Agreement**”), and authorizing the Receiver to complete the transaction contemplated thereby (the “**Transaction**”);
- (c) with respect to the completion of the Transaction, vesting in the Proposed Purchaser, Tecumseth’s right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), free and clear of any claims and encumbrances, if any, save and except “Permitted Encumbrances”;
- (d) sealing the Confidential Appendices (as defined herein) until completion of the Transaction or further Order of this Court;
- (e) approving the fees and disbursements of the Receiver and the Receiver’s counsel, as detailed respectively in the Fee Affidavits of Trevor Pringle and Timothy Bullock on behalf of SimpsonWigle LAW LLP;
- (f) approving the Receiver’s Statement of Receipts and Disbursements as at December 14, 2020;
- (g) authorizing and directing the Receiver to make an interim distribution from the net proceeds of the estate of Tecumseth in accordance with the protocol outlined by the Receiver and contained within this First Report; and
- (h) such further and other relief as counsel may advise and this Court may permit.

2.0.2 This First Report is prepared solely for the use of the Court for the purpose of assisting the Court in making a determination whether to: (i) approve and authorize the Proposed

Purchaser's Transaction and a distribution to FirstOntario (ii) approve the actions and conduct of the Receiver as set out in this First Report, (iii) approve and authorize payment of the Receiver's fees and disbursements and those of its legal counsel, and (iv) grant other ancillary relief being sought.

Except as otherwise described in this report:

- (a) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and,
- (b) The Receiver has not conducted an examination or review of any financial forecast and projections in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

Unless otherwise stated, all monetary amounts contained in this First Report are expressed in Canadian dollars.

3.0 ACTIONS OF THE RECEIVER UPON APPOINTMENT

3.0.1 Further to its appointment and commencing on June 1, 2020, the Receiver attended at the Real Property for the purpose of taking possession and securing same. Additionally, the Receiver undertook, *inter alia*, the following activities:

- a) secured the books and records of Tecumseth from Guery Goyo;
- b) prepared and filed all statutory notices in accordance with the BIA;
- c) arranged for insurance coverage and security in respect of the Property; and,
- d) engaged SimpsonWigle LAW LLP ("**SimpsonWigle**") as the Receiver's independent counsel.

3.0.2 Since the date that it took possession of the Property, the Receiver's activities have been focused primarily on the day-to-day management and safeguarding of the Real Property,

including, without limitation, conducting regular inspections of the Real Property, arranging maintenance including addressing any site-specific matters as they arise.

- 3.0.3 The Receiver also terminated the lease of a portion of the Real Property to an individual, effective October 15, 2020.
- 3.0.4 Through discussions with Canada Revenue Agency ("CRA"), the Receiver was able to confirm that Tecumseth did not have any pre-receivership arrears for payroll source deductions.
- 3.0.5 During its review of the books and records of the Debtor, the Receiver noted that the Debtor's corporate tax return for the year-ended July 31, 2019 indicated the Debtor as a trustee entity holding the title of the Real Property. The Receiver had discussions with the Debtor with respect to same, and the Debtor confirmed that the purpose of the Debtor was to hold the Property in trust for the Joint Venture.
- 3.0.6 The Receiver has requested copies of the trust agreement from Guery Goyo Sr. in his capacity as president of the Debtor. Guery Goyo Sr. has advised that there is no trust agreement and each joint venturer reports its income amount on its own tax returns. The Receiver has not yet filed a tax return for the July 31, 2020 year.
- 3.0.7 The books and records of Tecumseth disclose that the parties alleged to be joint venturers are sometimes referred to as "Investors" of which 22 are identified as Limited Partners and of which an additional 12, including one "Frank Marchetti", in trust are identified as "Investors Part of Lawsuit".
- 3.0.8 The Receiver has determined, including through SimpsonWigle that Messrs. Teplitsky Colson acted for and continues to act for some or all of the those parties identified as "Investors Part of Lawsuit". By letter dated November 17, 2020, SimpsonWigle corresponded with Mr. Brunswick to, inter alia, determine the parties for whom Teplitsky Colson continue to act and requesting information with respect to the joint venture including any joint venture agreement or trust agreement relative to the Real Property being held in trust by Tecumseth and also, as hereinafter referenced, any trust agreement with respect to the second mortgage held by P.D.R. Investments Ltd., as mortgagee, being

with respect to the second mortgage held by P.D.R. Investments Ltd., as mortgagee, being held in trust by PDR for certain Investors. SimpsonWigle has been advised by Messrs. Teplitsky Colson that it continues to act for 11 of the 12 “joint venturers” (Investors Part of Lawsuit) including Frank Marchetti who is also named as a beneficiary of the hereinafter referenced P.D.R. Investments Ltd. second mortgage.

3.0.9 The Receiver engaged the services of Metrix Realty Group (“**Metrix**”) and CBRE Limited (“**CBRE**”) to attend at and conduct an appraisal of the Property. The Receiver obtained an appraisal from Metrix on June 18, 2020 and from CBRE on June 29, 2020. Attached hereto as **Confidential Appendices “1” and “2”** are copies of the Metrix and CBRE appraisals.

3.0.10 The Receiver notes that there were no property tax arrears as of the date of the Receivership, but there are now tax instalments due to the Town of New Tecumseth totaling \$9,422.15 for the 2020 year, that the Receiver intends to pay on the completion of the Transaction.

4.0 P.D.R. Investments Ltd.

4.0.1 A title search conducted on March 31, 2020, of the Real Property is attached as **Appendix “2”**, and it discloses a second in priority mortgage registered on January 13, 2015 in the principal amount of \$550,000 in favour of P.D.R. Investments Ltd. (“**PDR**”).

4.0.2 The general ledger system of Tecumseth references that the mortgage registered in favour of PDR is held by it in trust to secure payment of loan advances made by seven “Investors including one, Frank Marchetti”. Guery Goyo Sr., on behalf of PDR, confirms the foregoing but also advises that there is no written agreement that the subject mortgage is held in trust by PDR.

5.0 THE SALES PROCESS WITH RESPECT TO THE PROPERTY

5.0.1 The Receiver requested listing proposals with respect to the marketing and sale of the Real Property from Colliers International (“**Colliers**”), Cushman & Wakefield (**Cushman**), and Avison Young Commercial Real Estate (Ontario) Inc. (“**Avison**”). All proposals

recommended a transparent sales process, modified tender process, and significant marketing exposure. The Avison proposal recommended listing an asking price without a hard bid date, whereas the Colliers & Cushman proposals both recommended a defined bid date and unpriced offering to the market. However, the Cushman proposal offered a more favorable compensation structure. On that basis, on July 13, 2020, the Receiver entered into an MLS Listing Agreement with Cushman for a six-month period ending January 13, 2021. Further to the Receiver entering into the Listing Agreement, the Property was forthwith listed for sale on the Toronto Real Estate Board's multiple listing service ("MLS"). Attached hereto as **Appendix "3"** is a copy of the Listing Agreement.

- 5.0.2 The Receiver's counsel, in consultation with the Receiver, prepared a proposed Agreement of Purchase and Sale ("APS") for use by prospective purchasers and provided information in the Receiver's possession and reports on the Property to Cushman for posting to Cushman's virtual data room. Cushman and the Receiver jointly prepared the confidential information memorandum. All prospective purchasers were vetted by Cushman and were required to sign confidentiality agreements prior to accessing the virtual data room. The sales process had a deadline for the submission of offers on September 17, 2020.
- 5.0.3 Cushman prepared sales and marketing materials that were accessible online to prospective purchasers who had executed confidentiality agreements, via Cushman's virtual data room. Cushman also targeted prospective purchasers that might have an interest in the Property and emailed sales and marketing materials to a comprehensive list of potential buyers. Marketing reports were compiled and provided to the Receiver by Cushman on a bi-weekly basis. There were eight weeks of active marketing by Cushman, including listing the property on its website and sending out bi-weekly marketing emails to over 1,500 local brokers and national developers. In total, 11 confidentiality agreements were executed by potential purchasers of the Real Property and marketing brochures were sent to them.
- 5.0.4 Cushman's marketing efforts resulted in one purchaser submitting an Agreement of Purchase and Sale on September 17, 2020. After a review and discussion of the offer

presented with FirstOntario, the senior secured lender of Tecumseth, the Receiver issued a counter proposal to the potential Purchaser, dated November 11, 2020, which was accepted on November 23, 2020 (the “APS”). The Receiver has received a deposit of \$500,000.00 from the Proposed Purchaser on account of the APS. The APS is a firm agreement and not subject to conditions precedent. Attached hereto as **Confidential Appendix “3”** is a copy of the executed Sale Agreement.

6.0 THE RECEIVER’S ASSESSMENT OF THE SALE PROCESS AND THE SALE AGREEMENT

- 6.0.1 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 Cushman’s marketing efforts detailed above. There was significant interest expressed by potential purchasers as evidenced by the number of executed confidentiality agreements and marketing materials distributed during the initial offering period. Further, the Receiver is of the opinion that the efforts of Cushman through the listing of the Property on MLS and Cushman’s internal network has provided sufficient exposure of the Property to the market.
- 6.0.2 Although the sales process only resulted in one offer, the purchase price was significantly above the appraised market value and the potential buyer has been in negotiations for the property prior to the Receiver’s appointment.
- 6.0.3 The payment of the Purchase Price, as defined in the APS, is contemplated partly by way of a payment in cash and partly by way of shares of a certain public entity. The cash component equates to 65% of the Purchase Price and the share component equates to 35% of the Purchase Price. The cash component of the Purchase Price after payment of the Receiver’s accrued fees and disbursements and those estimated to complete, along with payment of arrears of municipal taxes, is sufficient to pay the FirstOntario, first mortgagee, in full.
- 6.0.4 It is the opinion of the Receiver that the terms and conditions contained within the Sale Agreement are commercially reasonable and after discussions of the Purchaser’s offer with Cushman, the Receiver concluded that acceptance of the Purchaser’s offer was

optimal as the offer price is significantly above the appraised values. Accordingly, the Sale Agreement and the Purchase Price contained therein represents the best offer attainable for the Property and contemplates completion of the Transaction within 10 business days of obtaining a Vesting Order from the Court.

6.0.5 The Receiver consulted with stakeholders in relation to the Sale Agreement prior to accepting it and FirstOntario and P.D.R. Investments Ltd, the second mortgagee, both support the Receiver's recommendation to proceed with the Sale Agreement.

6.0.6 Section 5 of the Sale Agreement "Terms of Purchase" provides that the Purchaser is acquiring the Property on an "as is, where is" basis.

6.0.7 The Receiver notes that the original offer date was September 17, 2020; however, the first offer was received on November 11, 2020, and finalized on November 23, 2020. The delay in finalizing the Sale Agreement was a result of on-going negotiations with the prospective Purchaser in respect of the quantum of the cash component of the Purchase Price being offered.

7.0 THE RECEIVER'S REQUEST FOR A SEALING ORDER

7.0.1 The Receiver seeks a sealing order in respect of the items contained within Confidential Appendices "1, 2, and 3" (the "Confidential Appendices") until the closing of the Transaction or further Order of the Court. Each of the Confidential Appendices contains commercially sensitive information, the release of which would prejudice the Debtor's stakeholders in the event that the Transaction does not close.

8.0 FEES AND DISBURSEMENTS OF THE RECEIVER

8.0.1 Attached hereto as **Appendix "4"** is the Fee Affidavit of Trevor Pringle, sworn December 14, 2020, which incorporates, by reference, a copy of the Receiver's time dockets pertaining to the receivership of the Debtor for the period May 29, 2020 to and including December 13, 2020. The Receiver has incurred professional fees in the amount of

\$27,577.00, not inclusive of HST and disbursements. This represents a total of 103.2 hours at an average rate of \$267.22 per hour.

9.0 FEES AND DISBURSEMENTS OF RECEIVER'S COUNSEL

9.0.1 Attached hereto as **Appendix "5"** is the Fee Affidavit of Timothy Bullock of SimpsonWigle, sworn December 17, 2020, which attaches a copy of the account rendered by SimpsonWigle to the Receiver in the amount of \$15,443.03 inclusive of disbursements and HST, for the period April 15, 2020 to December 16, 2020 along with supporting dockets (Billing Information Summary).

9.0.2 The Receiver has reviewed SimpsonWigle's accounts and, given the Receiver's involvement in this matter, the Receiver is of the opinion that all the work set out in SimpsonWigle's account was carried out and was necessary. The hourly rates of the lawyers and clerks at SimpsonWigle who worked on this matter are reasonable in light of the services required and the services were carried out by lawyers and clerks with the appropriate levels of experience.

10.0 RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

10.0.1 Attached hereto as **Appendix "6"** is a copy of the Receiver's Statement of Receipts and Disbursements as at December 14, 2020. In accordance with the borrowing powers in its appointment Order, the Receiver has borrowed \$40,000.00 from FirstOntario to fund the receivership.

11.0 THE RECEIVER'S PROPOSED DISTRIBUTION

Receiver's Certificates

11.0.1 Pursuant to paragraph 23 of the Appointment Order, the Receiver borrowed monies from FirstOntario in the principal amount of \$40,000 (the "**Borrowings**") to fund its activities in these proceedings. Attached as **Appendix "7"** to this First Report is a copy of the Receivers Certificate representing the Borrowings. Attached hereto as **Appendix "8"** is a copy of correspondence from FirstOntario dated December 14, 2020 confirming the

amount owing in respect of the Receiver's Certificate 1 was \$41,750.65. This amount includes the principal loan balance inclusive of interest.

- 11.0.2 Pursuant to paragraph 23 of the Appointment Order, the issuance of the Receiver's Certificate has the effect of creating a charge on the Property (as defined in the Appointment Order), by way of a fixed and specific charge as security for the repayment of the monies borrowed, together with interest and charges thereon, in priority to all statutory interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (as defined in the Appointment 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.

Registered Mortgages

- 11.0.3 Title and off-title searches conducted in respect of New Tecumseth Land Corporation have indicated the following encumbrances in order of priority:

- a) a first mortgage in the principal amount of \$6,000,000 held by FirstOntario which comprises an initial charge and an assignment of rents registered on May 5, 2016 (the "First Mortgage"). Attached hereto as **Appendix "8"** is a copy of correspondence from FirstOntario dated December 14, 2020 confirming the amount owing in respect of the First Mortgage was \$6,902,861.98. This amount includes the principal loan balance inclusive of interest and legal fees.
- b) a second mortgage in the principal amount of \$550,000 held by PDR registered on January 13, 2015, as previously discussed in this Report.

- 11.0.4 SimpsonWigle's Security Opinion, dated September 4, 2020 and attached as **Appendix "9"**, provides its opinion that the security comprised of the First Mortgage, general security agreement and assignment of rents registered by FirstOntario are good and enforceable in accordance with their terms.

Municipal Property Taxes

11.0.5 The Corporation of the Town of New Tecumseth has a priority charge to the First Mortgage in respect of property tax arrears and any other amounts that have accrued in respect of the Real Property. Attached hereto as **Appendix “10”** is a copy of the Statement of Account for the Real Property dated June 3, 2020. Attached as **Appendix “11”** are copies of property tax statements issued by the City on June 30, 2020, which indicate that there are further instalments totalling \$9,422.15 due in 2020.

PPSA Registrations

11.0.6 The Receiver is not aware of New Tecumseth having any personal property. Pursuant to a search conducted under the *Personal Property and Securities Act* (Ontario) and as provided in the opinion of SimpsonWigle dated September 4, 2020, it would appear that FirstOntario by reason of its General Security Agreement has a first priority interest in the subject fixtures vis-a-vis any registered security interest.

Unsecured Creditors

11.0.7 The books and records of Tecumseth (Account Payable Listings) discloses that Tecumseth has four unsecured trade creditors with total outstanding indebtedness as at June 18, 2020 in the amount of \$244,316.95 of which:

- i. \$191,991.72 is owed to the law firm of Parente Borean (attention Don Parente); and
- ii. \$11,697.29 is owed to the law firm of Lawrence, Lawrence, Stevenson LLP.

Proposed Interim Distribution

11.0.8 Accordingly, the Receiver is proposing to make an interim distribution (after payment of the fees and disbursements of the Receiver and the Receiver’s Counsel outlined in this First Report) as follows:

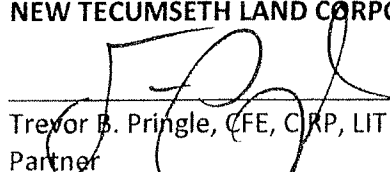
- i. To the Town of New Tecumseth in the amount of \$9,422.15 or such other amount accrued at the closing of the Transaction for outstanding reality tax arrears;
- ii. To FirstOntario for repayment of the Receiver Certificate No 1 in the amount of \$41,750.65 plus interest that accrues on the principal amount thereof from December 14, 2020 at a per diem amount of \$9.04 to the date of payment to FirstOntario and in accordance with the Receiver's Certificate;
- iii. To FirstOntario with respect to the First Mortgage in the amount of \$6,902,861.98 plus interest that accrues on the principal amount thereof from December 14, 2020 at a per diem amount of \$1,324.38 to the date of payment to FirstOntario plus FirstOntario's legal enforcement expense.

11.0.9 The Receiver anticipates a surplus in the estate after the above distribution. As the administration of the receivership is not completed, the Receiver proposes to retain the surplus proceeds to fund its further activities and contemplates the need for a further motion(s) to the Court for directions with regards to a future distribution to the second mortgagee, the unsecured creditors and the Joint Venture investors and also with respect to the Receiver's discharge.

12. RECOMMENDATION

12.0.1 For the reasons discussed in this First Report, the Receiver recommends that the Court grant an order in accordance with the draft Order attached as Schedule "A" to the Notice of Motion which includes the relief specified at paragraph 2.0.1 of this First Report.

**MSI SPERGEL INC.,
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
NEW TECUMSETH LAND CORPORATION AND NOT IN ANY OTHER CAPACITY**


Trevor B. Pringle, CFE, CFP, LIT
Partner

APPENDIX

3

RECEIVER'S AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT dated as of the 11th NOVEMBER 20th day of November, 2020.

BETWEEN:

msi Spergel Inc., in its capacity as Court-appointed Receiver of New Tecumseth Land Corporation including with respect to the real property owned by New Tecumseth Land Corporation and described in Schedule "A" attached, and not in its personal or corporate capacity and without personal or corporate liability.

(the "Vendor")

OF THE FIRST PART

- and -

NTA DEVELOPMENT 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 17 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 14(a) hereof;
- (d) "**Buildings**" means – not applicable
- (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) **"Court"** means the Ontario Superior Court of Justice (Commercial List);
- (i) **"Court Order"** means collectively the order of the Honourable Justice Hainey dated the 23rd day of April, 2020, whereby the Vendor was appointed receiver of all of the assets, undertakings and properties of New Tecumseth Land Corporation, including the real property owned by New Tecumseth Land Corporation and being PIN 58145-0050 (LT), PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH and PIN 58145-0517 (LT), PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH 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 "B";
- (j) **"Damages"** shall have the meaning ascribed to it in Section 15 hereof;
- (k) **"Date of Closing"** shall have the meaning ascribed to it in Section 6 hereof;
- (l) **"Initial Deposit"** shall have the meaning ascribed to it in Section 3(a) hereof;
- (m) ~~**"Second Deposit"** shall have the meaning ascribed to it in Section 3(b) hereof;~~
- (n) **"DRA"** shall have the meaning ascribed to it in Section 7(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 Purchased Assets, 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 17(a) hereof;
- (s) "ICA" shall have the meaning ascribed thereto in Section 10(b) hereof;
- (t) "Lands" means the lands and premises described in Schedule "A" attached;
- (u) "Permitted Encumbrances" means the encumbrances listed in Schedule "C" hereof;
- (v) "Purchase Price" shall have the meaning ascribed thereto in Section 3 hereof;
- (w) "Purchased Assets" means the Lands;
- (x) "Purchaser" means NTA Development Corporation;
- (y) "Purchaser's Solicitor" means Beber Professional Corporation, Jeffrey P. Beber (Telephone No. 416-867-2281, Telecopier No. 416-869-0321);
- (z) "Registry Office" shall have the meaning ascribed to it in Section 7(a) hereof;
- (aa) "TRS" shall have the meaning ascribed to it in Section 7(a) hereof;
- (bb) "Vendor" means msi Spergel Inc., in its capacity as Court-appointed receiver of the real property owned by New Tecumseth Land Corporation described in Schedule "A" attached, and not in its personal or corporate capacity and without personal or corporate liability; and
- (cc) "Vendor's Solicitors" means the firm of SimpsonWigle LAW, LLP;

2. NATURE OF TRANSACTION

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

3. PURCHASE PRICE

The aggregate purchase price (the "Purchase Price") for the Purchased Assets shall be the sum of Thirteen Million Seven Hundred Thousand (\$13,700,000.00) Dollars comprised of Seven Million Two Hundred Thousand (\$7,200,000.00) Dollars in cash with the balance of Six Million Five Hundred Thousand (\$6,500,000.00) Dollars being in Class A Common Shares of Emergia Inc. based on a value of One Dollar and Ninety Five Cents

Handwritten notes and signatures:
 *8,900,000 CASH
 NINE
 EIGHT
 Four
 EIGHT
 \$4,800,000
 (Signatures: SP, SC, etc.)

(\$1.95) per share and subject to a hold for four (4) months from the date of delivery of the shares to the Vendor or its designee, (the "Shares"). The Purchase Price shall be paid, accounted for and satisfied as follows:

(a) **Initial Deposit:** by the Purchaser delivering to the Vendor ~~5~~ ^{NINE} Business Day's after the execution of this Agreement by both parties hereto, the sum of ~~Two~~ ^{NINE} Hundred Thousand (\$200,000.00) Dollars (the "Initial Deposit"), by way of certified cheque, bank draft or wire transfer drawn upon one of Canada's five largest 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 Initial 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 whatsoever other than the default of the Purchaser, the Initial Deposit shall be returned to the Purchaser forthwith, without interest or deduction; and

(b) **Second Deposit:** by the Purchaser delivering to the Vendor ~~5~~ Business Day's after the Vesting Order has been issued, the sum of ~~Two Hundred Thousand~~ (\$200,000.00) Dollars (the "Second Deposit") by way of certified cheque, bank draft or wire transfer drawn upon one of Canada's five largest 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 Second 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 whatsoever other than the default of the Purchaser, the Second Deposit shall be returned to the Purchaser forthwith, without interest or deduction; and

Balance Due at Closing: the balance of the Purchase Price, net of the Deposit and subject to the adjustments contained in this Agreement, by delivering at Closing to the Vendor the Shares.

4. CLOSING AND POST-CLOSING ADJUSTMENTS

The Vendor and the Purchaser shall adjust the Purchase Price on the Closing Date in respect of the following items (the "Adjustments"):

- a) utilities and fuel accounts and/or deposits (if applicable);
- b) water and sewer rates and charges;
- c) realty taxes, local improvement rates and charges;
- d) all items of adjustment contemplated by this Agreement; and
- e) all other items reasonably capable of and subject to the provisions of this Agreement, properly and usually the subject of adjustment in connection with the ownership, operation and management of the Purchased Assets of whatsoever nature, provided that there shall be not adjustment of common expenses of the condominium corporation.

5. TERMS OF PURCHASE

(a) "Purchaser's Acknowledgements": Save as otherwise provided herein, the Purchaser hereby acknowledges and agrees as follows:

1. it is relying entirely upon its own investigations and inspections in entering into this Agreement and has satisfied itself with respect to such investigations and inspections.
2. there is no representation, warranty or condition, express or implied, statutory or otherwise of any kind as to the Purchased Assets including, without limitation and that the present use or future intended use by the Purchaser of the Purchased Assets is or will be lawful or permitted and/or relating in any way to the condition, title, outstanding liens or charges, assignability, amount owing, description, fitness for purpose, collectability, merchantability, quantity, condition, defect (patent or latent), value, quality thereof, any requirement for licenses, permits, approvals, consents for ownership, occupation or use or in respect of any other matter or thing whatsoever;
3. it is purchasing the Purchased Assets on an "as is, where is";
4. the Vendor shall have no liability or obligation with respect to the value, state or condition of the Purchased Assets, whether or not the matter is within the Vendor's knowledge;
5. the Vendor has made no representations or warranties with respect to or in any way related to the Lands including without limitation, the following:
 - 5.1 the environmental state of the Lands, the existence, nature, kind, state or identity of any Hazardous Materials on, under, or about the Lands, the existence, state, nature, kind identity, extent and effect of any administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under any Environmental Laws, or any other statute, regulation, rule or provision of law nor the existence, state, nature, kind, identity, extent and effect of any liability to fulfil any obligation with respect to the environmental state of the Lands including, without limitation, any obligation to deal with any discharge of any Hazardous Materials on, under or about the Lands and any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any Hazardous Materials whether on, under or about the Lands or elsewhere;
 - 5.2 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;

- 5.3 the conformity of the Lands to past, current or future applicable zoning or building code requirements;
- 5.4 the existence of soil instability, past soil repairs, soil additions or conditions of soil fill;
- 5.5 the sufficiency of any drainage;
- 5.6 whether the Lands are located wholly or partially in a flood plain or a flood hazard boundary or similar area;
- 5.7 the existence or non-existence of underground storage tanks;
- 5.8 any other matter affecting the stability or integrity of the Lands;
- 5.9 the availability of public utilities and services for the Lands;
- 5.10 the sufficiency or adequacy of any wells and water supply for irrigation or any other purpose; and/or
- 5.11 the existence of zoning or building entitlements affecting the Lands;
- 6. any information provided by the Vendor describing the Purchased Assets has been prepared solely for the convenience of prospective purchasers and is not warranted to be complete or accurate or correct and none of such information forms a part of this Agreement;
- 7. no adjustment shall be allowed to the Purchaser for changes to the Purchased Assets from the date this Agreement is executed by each of the parties hereto;
- 8. the Vendor shall not be required to furnish or produce any document, record or evidence of title with respect to the Purchased Assets, except those in its possession, which have already been reviewed and accepted by the Purchaser; and
- 9. the description of the Lands is believed by the Vendor to be correct, but if any misstatement, error or omission is found in the particulars thereof, this Agreement shall not be rendered null and void and the Purchaser shall not be entitled to an abatement in the Purchase Price.

The Purchaser further acknowledges that the Vendor is selling the Purchased Assets on an "as is where is" basis as they exist on the Closing Date including the Purchaser accepts any municipal work orders with respect to the Lands or any deficiency notices relating to the physical condition of the Lands and that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets and that the Purchaser will have conducted at least five (5) Business Days prior to the obtaining of the Approval and Vesting Order, such inspections of the condition of and title to the Lands as it deemed appropriate and has satisfied itself with regard to these matters. Without limiting the generality of the foregoing, any and all

conditions, warranties or representations expressed or implied pursuant to the Sale of Goods Act (Ontario) or similar legislation do not apply to this transaction of purchase and sale and have been waived by the Purchaser.

- (b) **Title and Removal of Chattels:** The Purchaser hereby acknowledges and agrees that the Vendor does not warrant or represent that it has the authority to sell or transfer existing chattels on the Lands, if any. The Vendor will not deliver a Bill of Sale or any title documentation and will make no adjustment of the Purchase Price with respect to any chattel. There is no obligation on the Vendor to remove any chattels from the Lands.

6. **DATE OF CLOSING**

Subject to the provisions of Section 12 hereof, the transaction contemplated hereunder shall be completed (the moment of completion shall be referred to as "Closing") on the day which is the later of ten (10) Business Days after the date upon which the Vendor obtains the Approval and Vesting Order ~~on November 30, 2020~~ (the "Date of Closing"), unless the parties hereto otherwise agree to such other date in writing. All documents and monies shall be delivered in accordance with the provisions of Section 7 of this Agreement.

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 at <http://www.lsuc.on.ca> (the "DRA"), establishing the procedures and timing for completing this transaction.
 - (ii) The delivery and exchange of the Closing Documents:
 - (1) shall not occur contemporaneously with the registration of the Approval and Vesting Order and other registerable documentation; and
 - (2) shall be governed by the DRA, pursuant to which the Vendor's Solicitors and Purchaser's Solicitor shall hold all Closing Documents

in escrow, and will not be entitled to release them except in strict accordance with the provisions of the DRA.

- (b) If the Purchaser's Solicitor does not have computer facilities enabling him to complete this transaction via TERS, the Purchaser's Solicitor shall personally attend at the office of the Vendor's Solicitors on the Closing Date in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's Solicitors' office to log on to the Purchaser's Solicitor's Teraview Account.
- (c) The Purchaser expressly acknowledges and agrees that the Vendor will not release the Approval and Vesting Order for registration until the balance of funds due on Closing, in accordance with the Statement of Adjustments, are remitted by personal delivery to the Vendor's Solicitors (or in such other manner as the Vendor or Vendor's Solicitors may direct) prior to the release of the Approval and Vesting Order for registration, which the Vendor's Solicitors will hold in escrow.
- (d) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by the Vendor upon the Purchaser, when the Vendor's Solicitors have:
 - (i) delivered all Closing Documents required to be delivered by the Vendor to the Purchaser pursuant to Section 14 hereof;
 - (ii) advised the Purchaser's Solicitor in writing that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) completed all steps required by TERS to complete this transaction that can be performed or undertaken by the Vendor's Solicitors without the cooperation or participation of the Purchaser's Solicitor, and specifically when the "completeness signatory" for the Approval and Vesting Order has been electronically "signed" by the Vendor's Solicitors,

without the necessity of personally attending upon the Purchaser or the Purchaser's Solicitor with the Closing Documents, and without any requirement to have an independent witness evidencing the foregoing.
- (e) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by the Purchaser upon the Vendor, when the Purchaser's Solicitor has:
 - (i) delivered the balance due at Closing and all the Closing Documents required to be delivered by the Purchaser to the Vendor pursuant to Section 15 hereof;
 - (ii) advised the Vendor's Solicitors in writing that the Purchaser is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and

- (iii) completed all steps required by TERS to complete this transaction that can be performed or undertaken by the Purchaser's Solicitor without the cooperation or participation of the Vendor's Solicitors, and specifically when the "completeness signatory" for the Deed has been electronically "signed" by the Purchaser's Solicitor,

without the necessity of personally attending upon the Vendor or the Vendor's Solicitors with the Closing Documents, and without any requirement to have an independent witness evidencing the foregoing.

- (f) 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 Deed, 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 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 Purchased Assets are and shall remain at the Vendor's risk until Closing. In the event of material damage to the Purchased Assets 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 Purchased Assets. 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 the real property owned by New Tecumseth Land Corporation being PIN 58145-0050 (LT), PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH and PIN 58145-0517 (LT), PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH, by the Court Order and has full right, power and authority to market any or all of the Purchased Assets 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 Purchased Assets 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 Canada 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 judgement 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) **Investment Canada Act (Canada)**: 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.

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. **PURCHASER FURTHER REPRESENTATION**

- (a) **Representations and Warranties**: 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;
- (b) **Covenants/Agreements**: 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;

12. **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) **Approval and Vesting Order**: 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
- (ii) **Restraint or prohibition**: No action or proceeding shall be pending or threatened by any person to restrain or prohibit the Closing nor any Order restraining or prohibiting Closing shall have been made by the Ontario Superior Court of Justice.
- (iii) The Vendor, being in a position, as determined by the Vendor in its sole discretion, to provide the Purchaser with vacant possession of the Purchased Assets on the completion of this Agreement.

For greater certainty, each of the conditions contained in this Section 12(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 12(a)(i).
- (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, liability, cost or compensation whatsoever to the Vendor and each of the Vendor and the Purchaser shall be released from their obligations and liabilities and the Deposit shall be returned to the Purchaser without interest or deduction.

13. CONDITIONS OF CLOSING IN FAVOUR OF THE PURCHASER

- (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) **Representations and Warranties:** each of the Vendor'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;
 - (ii) **Covenants/Agreements:** 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
 - (iii) **Approval and Vesting Order:** the Vendor shall have obtained the Approval and Vesting Order. The Vendor shall not have received notice of appeal in respect to the Approval and Vesting Order and the Approval and Vesting Order and 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 13(a) have been inserted for the benefit of the Purchaser.

- (b) In the event that any of the foregoing conditions shall not be fulfilled at or prior to Closing, the Purchaser may, in its absolute and unfettered discretion, terminate this Agreement by written notice to the Vendor without any penalty, liability, cost or compensation whatsoever to the Purchaser and each of the Vendor and the Purchaser shall be released from all other obligations and the Deposit shall be returned to the Purchaser without interest or deduction.

14. VENDOR'S CLOSING DELIVERIES

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 (if applicable) Approval and Vesting Order authorizing and approving this Agreement of Purchase and Sale and vesting in the Purchaser all right, title and interest of New Tecumseth Land Corporation, if any, in and to the Purchased Assets free and clear of all Claims save and except for the Permitted Encumbrances, in accordance with the provisions of this Agreement (the "**Approval and Vesting Order**");
- (b) **Statement of Adjustments:** 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 shall have annexed to it complete details of the calculations used by the Vendor to arrive at all of the debits and credits thereon. Except as aforesaid, no adjustments shall be allowed to the Purchaser for changes in the Purchased Assets 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) **Direction Regarding Funds:** a direction from the Vendor designating the party or parties to which the balance of the Purchase Price described in Subsection 3 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) **Undertaking to Re-Adjust:** 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 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 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 Authority does not deliver such rebate directly to the Vendor, the Purchaser hereby irrevocably undertakes to deliver same to the Vendor upon either receipt or readjustment of same.

(f) **Property Tax Reduction**

The Purchaser acknowledges that at the Date of Closing there may be in existence an outstanding application by the Vendor to obtain a reduction in the real property taxes with respect to the Property for period(s) prior to Closing. The Purchaser agrees that the Vendor reserves to itself the right to conclude such application. Any proceeds or rebates arising therefrom shall remain and be the property of the Vendor. The Purchaser hereby covenants and agrees that any time and from time to time after the Date of Closing it will, at the request of the Vendor, do, execute, acknowledge, deliver or cause to be done, executed, acknowledged and delivered such further documentation or acts as may be required by the Vendor with respect to the completion of the said application. Such further acts shall include providing the Vendor with access to the Lands upon reasonable notice to the Purchaser. 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 or refund (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 or refund directly to the Vendor, the Purchaser hereby irrevocably undertakes to deliver same to the Vendor upon either receipt or readjustment of same.

(g) **Keys for the Lands and Buildings which are in the possession or control of the Vendor.**(h) **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(i) **General Deliveries:** 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 Purchased Assets as Receiver.

15. **PURCHASER'S CLOSING DELIVERIES**

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

(a) **Direction Regarding Title:** in the event that title to the Purchased Assets is to be vested in a party other than the Purchaser (the "Transferee") then prior to the making of the Approval and Vesting Order the Purchaser shall deliver to the

Vendor a written authorization directing and requesting that the Purchased Assets be vested in the Transferee;

- (b) **Undertaking To Re-Adjust:** 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) **Purchaser's Certificates:** 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 17 hereof;
- (d) **Directors' Resolution:** 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 Subsection 17(c) hereof;
- (f) **Certificate of Incumbency:** a certificate of incumbency setting out the names and specimen signatures of each of the directors and officers of the Purchaser;
- (g) **Purchaser's Agents Commissions:** 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 Purchased Assets, 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 breach by the Purchaser or those for whom it is responsible at law of any Environmental Law applicable to the Lands; or,
 - (ii) 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) **Balance Due at Closing:** the balance of the Purchase Price described in Subsection 3(a) hereof; and

- (j) **Further Documentation:** any other documentation relative to the completion of this Agreement as may reasonably be required by the Vendor or the Vendor's Solicitors.

16. **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.

17. **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) **Self-Assessment:** 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 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 17(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) **HST Indemnity:** The Purchaser shall indemnify and save harmless the Vendor from all 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.

18. **REQUISITION**

- (a) **The Purchaser agrees as follows:**

- (i) to complete at its own expense at least five (5) Business Days prior to the making of the Approval and Vesting Order (the "**Requisition Date**") make an examination of the title of the Lands, to determine that there are no outstanding Claims, save and except the Permitted Encumbrances, affecting the Purchased Assets; and
- (ii) if on or before the Requisition Date any valid written objection is delivered to the Vendor as to the title or Claims, save and except the Permitted Encumbrances which the Vendor is unable or unwilling to remove, remedy, satisfy or have vested out by the Approval and Vesting Order and which the Purchaser will not waive, this Agreement, notwithstanding any intermediate acts or negotiations in respect to these objections, shall be terminated and the deposit together with interest, shall be repaid to the Purchaser without any deduction and neither the Vendor nor the Purchaser shall be liable for any costs or damages or have any further liability hereunder. However, if the Purchaser makes no valid objections in writing by 5:00 p.m. on or before the Requisition Date, the Purchaser shall be deemed to have accepted the Vendor's title to the Purchased Assets, and any Claims except for any valid objections going to the root of title to the Purchased Assets.

19. **NOTICE**

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

in the case of the Purchaser to:

- (a) In the case of the Purchaser:

NTA Development Corporation
640 Orly Avenue, Suite 160
Dorval, Quebec
H9P 1E9

Attention: Henri Petit
Tel.: 514-420-1414, ext. 231
Fax: 1-866-285-4823
Email: hpetit@emergia.com

and with a copy to the Purchaser's Solicitor:

Beber Professional Corporation
390 Bay Street, Suite 2900
Toronto, Ontario
M5H 2Y2

Attention: Jeffrey P. Beber
Tel.: 416-867-2281
Fax: 416-869-0321
Email: jbeber@beber.ca

and in the case of the Vendor to:

msi Spergel Inc., in its Capacity as
Court-Appointed Receiver of the real property owned by New Tecumseth
Land Corporation, described in Schedule "A" attached
21 King Street West
Suite 1602
Hamilton, ON L8P 4W7

Attention: Trevor Pringle
Email: tpringle@spergel.ca
Telecopier: (905) 527-6670

with a copy to the Vendor's Solicitors at:

SimpsonWigle Law LLP
1 Hunter Street East
P.O. Box 990
Hamilton, ON L8N 3R1

Attention: David Jackson
Email: jacksond@simpsonwigle.com
Telecopier: (905) 528-9008

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 and/or telecopier machine number by providing notice in accordance with this Section 18.

20. 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 non-fulfilment 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.

21. 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.

22. 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.

23. ENTIRE AGREEMENT

This Agreement and the schedules attached hereto, constitute the entire agreement between the Vendor and the Purchaser in respect of the Purchased Assets. Each of the parties acknowledges that, except as contained in this Agreement and the said Terms and Conditions of Sale, 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.

24. 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.

25. INTERPRETATION

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

26. **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.

27. **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.

28. **CANADIAN FUNDS**

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

29. **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.

30. **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.

31. **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 Purchased Assets;
- (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.

32. **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.

33. **DOCUMENTATION PREPARATION AND REGISTRATION**

The Purchaser shall prepare or cause to be prepared the land transfer tax affidavit to be attached to the Approval and Vesting Order described in Subsection 14(a) hereof and the documentation described in Subsections 15(a), (d), (f), (g) and (h) and 17 hereof. The Vendor shall prepare or cause to be prepared all other documentation described herein. Each of the parties shall deliver draft documentation to the other not less than two (2) 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.

34. **LAND TRANSFER TAXES AND RETAIL SALES TAXES**

The Purchaser shall pay on or prior to Closing all land transfer taxes (as required pursuant to the *Land Transfer Tax Act* (Ontario)) and, if applicable, all retail sales taxes (as required pursuant to the *Retail Sales Tax Act* (Ontario)) payable in connection with the transfer of the Purchased Assets pursuant to this Agreement.

35. 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.

36. 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 Purchased Assets 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 Purchased Assets 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 Purchased Assets on the Closing Date.

37. COMMISSION

The Vendor agrees that in the event that it does hire an agent that it shall be responsible for paying any commission or other remuneration payable to any agent retained by the Vendor in connection with the sale of the Purchased Assets and the Vendor agrees to indemnify and save harmless the Purchaser from and against any claim for such commission.

38. 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 has an adequate remedy in damages. The Purchaser agrees that it 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.

39. 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 the real property owned by New Tecumseth Land Corporation, described in Schedule "A" attached. 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 the real property owned by New Tecumseth Land Corporation, described in Schedule "A" attached, 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 Purchased Assets.

40. 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.

41. 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 o'clock p.m. on ~~September 26~~, 2020, after which time, if not accepted and notice of such acceptance communicated to the Purchaser, then the said offer to purchase shall be null and void and of no further force and effect.

JP
NOVEMBER 18TH 23rd
[Signature]

42. COUNTERPART AND ELECTRONIC EXECUTION

This Agreement may be executed and transmitted by facsimile or other form of electronic transmission, in several counterparts, each of which shall for all purposes be deemed to be an original.

DATED at Dorval, prov. of Quebec, as of the date first mentioned above.

NTA DEVELOPMENT CORPORATION

By:

[Signature]

Name: Henri Petit

Title: President

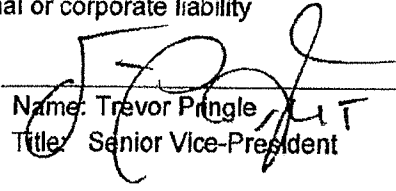
I have authority to bind the Corporation.

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 at Hamilton, Ontario this 11TH day of NOVEMBER, 2020.

msi Spergel Inc., in its capacity as Court-Appointed Receiver of the real property owned by New Tecumseth Land Corporation, described in Schedule "A" attached, and not in its personal or corporate capacity and without personal or corporate liability

By:


Name: Trevor Pringle
Title: Senior Vice-President

I have authority to bind the Corporation.

SCHEDULE "A"

DESCRIPTION

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

and

PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W R0517196; TOWN OF NEW TECUMSETH

SCHEDULE "B"

Order of the Honourable Mr. Justice Hainey dated the 23rd day of April, 2020

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)	THURSDAY THE 23 rd
)	
JUSTICE HATNEY)	DAY OF APRIL, 2020

BETWEEN

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

-AND-

NEW TECUMSETH LAND CORPORATION

Respondent

APPLICATION UNDER Subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and Rule 14.05(3)(g) and (h) of the *Rules of Civil Procedure*

ORDER
(appointing Receiver)

THIS APPLICATION made by the Applicant 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 New Tecumseth Land Corporation (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including, without limitation, the real

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property municipally known as 6485 14th Line, Alliston, Ontario (the "Real Property") and more particularly described as:

Firstly:

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

Secondly:

PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH

was heard this day via videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Virginia Selemidis affirmed April 16, 2020 and the exhibits thereto; the affidavit of Guery Goyo sworn April 22, 2020 and the exhibits thereto; the affidavit of Eleonora Schmied sworn April 22, 2020 and the exhibit thereto; and on hearing the submissions of counsel for the applicant, the respondent, certain persons with an interest in the respondent, and 2187933 Ontario Inc., and Eleonora Schmied personally on behalf of P.D.R. Investments Ltd., one appearing for any other person on the service list in the application record although served as appears from the affidavits of service of Colleen Balint sworn April 17 and April 23, 2020, and on reading the consent of msf Spengel Inc. to act as the Receiver,

SERVICE

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

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"), and including but not limited to the Real Property. Subject to any further order of this court, this appointment shall be effective as of 12:00 noon on Monday June 1, 2020. Nothing in this order shall in any way impact the ability of the respondent to transfer title to the Real Property on or before May 29, 2020.

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

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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

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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 \$10,000.00, provided that the aggregate consideration for all such transactions does not exceed \$25,000.00; 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.

- (l) 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;
- (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;

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- (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

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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 -

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

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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

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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, 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

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consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000.00 (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/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further

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orders that a Case Website shall be established in accordance with the Protocol with the following URL '<https://www.spergelcorporate.ca/newtecunsestblandcorporation>'.

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.

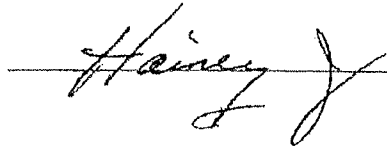
30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within

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proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant'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.

A handwritten signature in cursive script, appearing to read "Hainy J.", is written over a horizontal line.

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 New Tecumseth Land Corporation 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 ____, 20__ (the "Order") made in an application having Court file number ____-CL-____, 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.
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 sum in respect of which it may issue 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:

FIRSTONTARIO CREDIT UNION LIMITED
Applicant

v.

NEW TECUMSETH LAND CORPORATION
Respondent
Court File No.: Court File No. CV-20-639679-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceeding commenced at TORONTO

ORDER
(appointing Receiver)

FLETT BECCARIO
Barristers & Solicitors
190 Division Street
P.O. Box 340
Welland, ON L3B 5P9
Tel: (905) 732-4481
Fax: (905) 732-2020
Email: jrmacfar@flettbeccario.com
J. ROSS MACFARLANE
Lawyers for the Applicant
LSO: 36417N
JRM/cb

SCHEDULE "C"

PERMITTED ENCUMBRANCES

- a. any reservation or unregistered restrictions, rights of way, easements or covenants that run with the land;
- b. any registered or unregistered agreements or easements with a municipality or a supplier of utility services including without limitation, electricity, water, sewage, gas, telephone or cable television or any other telecommunication service;
- c. any laws, by-laws and regulations;
- d. any minor easements for the supply of utility service to the land or adjacent lands;
- e. any encroachments disclosed by any errors or omissions in existing surveys of the Real Property or neighbouring properties and any title defect, encroachment or breach of zoning or building by-law or any other applicable law, by-law or regulation which might be disclosed by a more up-to-date survey or the Real Property and survey matters generally;
- f. any exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
- g. any reservation contained in the original grant from the Crown;
- h. any Land Registrar's registered orders;
- i. any deposited reference plans.

ADDENDUM
TO THE RECEIVER'S AGREEMENT OF PURCHASE AND SALE
DATED NOVEMBER 20, 2020

Between

msi Spergel Inc. in its capacity as Court-appointed Receiver of New
 Tecumseth Land Corporation (the "Vendor")

-and-

NTA Development Corporation (the "Purchaser")

WHEREAS the Agreement of Purchase and Sale dated November 20, 2020 (the "APS") is referred to in the Receiver's First Report to the Court dated December 18, 2020 as being dated November 23, 2020.

- A. The Vendor and the Purchaser agree to amend the APS by deleting the following paragraph:

"3. Purchase Price

The aggregate purchase price (the "**Purchase Price**") for the Purchased Assets shall be the sum of Thirteen Million Seven Hundred Thousand (\$13,700,000.00) Dollars comprised of Eight Million Nine Hundred Thousand (\$8,900,000.00) Dollars in cash with the balance of Four Million Eight Hundred Thousand (\$4,800,000.00) Dollars being in Class A Common shares of Emergia Inc. based on a value of One Dollar and Ninety Five Cents (\$1.95) per share and subject to a hold for four (4) months from the date of delivery of the shares to the Vendor or its designee, (the "Shares"). The Purchase Price shall be paid, accounted for and satisfied as follows:

- (a) **Deposit:** by the Purchaser delivering to the Vendor 5 Business Day's after the execution of this Agreement by both parties hereto, the sum of Five Hundred Thousand (\$500,000.00) Dollars (the "**Initial Deposit**"), by way of certified cheque, bank draft or wire transfer drawn upon one of Canada's five largest 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 Initial 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 whatsoever other than the default of the

Handwritten signature and initials at the bottom right of the page.

Purchaser, the Initial Deposit shall be returned to the Purchaser forthwith, without interest or deduction.

Balance Due at Closing: the balance of the Purchase Price, net of the Deposit and subject to the adjustments contained in this Agreement, by delivering at Closing to the Vendor the Shares."

and substituting therefor:

"3. PURCHASE PRICE

The aggregate purchase price (the "**Purchase Price**") for the Purchased Assets shall be the sum of Thirteen Million Seven Hundred Thousand (\$13,700,000.00) Dollars comprised of Eight Million Nine Hundred Thousand (\$8,900,000.00) Dollars to be paid by the Purchaser to the Vendor in cash with the balance of Four Million Eight Hundred Thousand (\$4,800,000.00) Dollars being satisfied by delivery to the Receiver of Class A Common Shares of Emergia Inc. to be issued by Emergia Inc. with such Shares to have a total value of \$4,800,000.00, with the value of such Class A Common Shares to be calculated at a price which is equal to the higher of:

- (i) \$1.00 per share; and
- (ii) the closing market price of a Class A Common Share of Emergia Inc. on the CNSX:EMER on the day proceeding the Closing of this transaction.

The Purchase Price shall be paid, accounted for and satisfied as follows:

- (a) **Deposit:** by the Purchaser delivering to the Vendor 5 Business Day's after the execution of this Agreement by both parties hereto, the sum of Five Hundred Thousand (\$500,000.00) Dollars (the "**Initial Deposit**"), by way of certified cheque, bank draft or wire transfer drawn upon one of Canada's five largest 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 Initial 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 whatsoever other than the default of the Purchaser, the Initial Deposit shall be returned to the Purchaser forthwith, without interest or deduction.

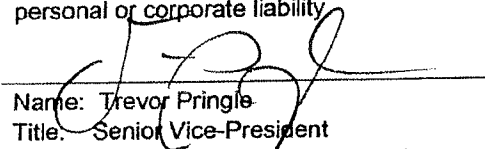
Balance Due at Closing: the balance of the Purchase Price, net of the Deposit and subject to the adjustments contained in this Agreement, is due and payable by the Purchaser to the Vendor on Closing, in accordance with the provisions hereof."



- B. The Vendor and the Purchaser agree that all other terms and conditions of the APS shall remain the same with time of the essence.

Dated this 4th day of January, 2021.

msi Spergel Inc., in its capacity as Court-Appointed Receiver of New Tecumseth Land Corporation and not in its personal or corporate capacity and without personal or corporate liability



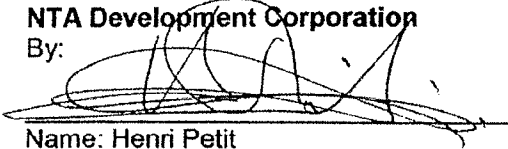
Name: Trevor Pringle

Title: Senior Vice-President

I have authority to bind the Corporation.

NTA Development Corporation

By:



Name: Henri Petit

Title: President

I have authorization to bind the corporation

APPENDIX

4

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	WEDNESDAY, THE 6 TH
)	
JUSTICE HAINEY)	DAY OF JANUARY, 2021

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondent

**APPROVAL, VESTING AND
INTERIM DISTRIBUTION ORDER**

THIS MOTION, made by msi Spergel Inc. in its capacity as the Court-appointed receiver (the "Receiver") without security, of all of the assets, undertakings and properties of New Tecumseth Land Corporation (the "Debtor") for an order:

- (a) approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale between the Receiver and NTA Development Corporation (the "Purchaser") dated November 20, 2020 and appended to the First Report of the Receiver dated December 18, 2020 (the "First Report"), as amended by Addendum dated January 4, 2021, filed with the Court (collectively, the "Sale Agreement") and vesting in the Purchaser, the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"); and

- (b) for a partial distribution of the net proceeds of realization of the Receiver from the Transaction,

was heard this day at Toronto, Ontario, via Zoom videoconference during COVID-19 pandemic.

ON READING the Notice of Motion, the First Report and appendices thereto, the confidential appendices to the First Report ("Confidential Appendices"), the Addendum dated January 4, 2021 to the Agreement of Purchase and Sale dated November 20, 2020, and on hearing the submissions of counsel for those parties listed on the counsel slip, and no one appearing for any other person on the service list, although properly served as appears from the affidavit of service sworn December 21, 2020, filed:

1. **THIS COURT ORDERS AND DECLARES** that any requirement for service of the Notice of Motion, the First Report and Motion Record be and is hereby abridged, that the Motion is properly returnable today and that all parties requiring notice of this Motion have been duly served and that service on all parties is hereby validated and any further service is hereby dispensed with.
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets 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 Hainey dated April 23, 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 hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Registry Division of Simcoe (No. 512) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the 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.
5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.
7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, the Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
8. **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 Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor 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.

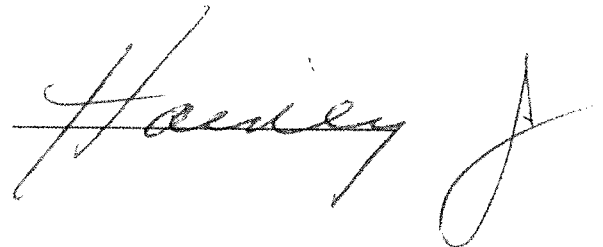
9. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Retail Sales Tax Act* (Ontario).

10. **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.
11. **THIS COURT ORDERS** that the conduct, activities and actions of the Receiver as set out in the First Report be and are hereby authorized and approved.
12. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements, as detailed in the First Report, are hereby approved.
13. **THIS COURT ORDERS** that the Receiver's Fees and its Counsel Fees, as detailed in the First Report, are hereby approved and the Receiver is authorized to pay the same.
14. **THIS COURT ORDERS** that the Confidential Appendices as defined in the First Report are hereby sealed until the filing of the Receiver's Certificate with the Court or until further order of the Court.
15. **THIS COURT ORDERS** that after payment of the Receiver's Fees and its Counsel Fees herein approved and subject to the Receiver maintaining sufficient reserves to satisfy all charges as set out in the Appointment Order and as the Receiver deems necessary to complete the administration of the Receivership proceedings, the Receiver is hereby authorized to make a distribution to:
 - (a) FirstOntario Credit Union Limited for repayment of the Receiver's Borrowings from FirstOntario Credit Union Limited in the amount of

\$40,000.00 plus interest thereon in accordance with the Receiver's Certificate;

- (b) The Town of New Tecumseth on account of outstanding property taxes in the amount of \$9,422.15 plus accrued interest thereon to the date of payment;
- (c) FirstOntario Credit Union Limited in the amount of \$6,902,611.98 plus accrued interest on the principal amount thereof from December 14, 2020 at a per diem rate of \$1,324.38 to the date of payment plus FirstOntario Credit Union Limited additional legal enforcement expense to the conclusion of the Motion in the amount of \$2,000.00 plus disbursements and HST.

In full and final satisfaction of the indebtedness and liabilities owed to them respectively by the Debtor.

A handwritten signature in black ink, appearing to read "Hendry J", is written in a cursive style.

Schedule A – Form of Receiver's Certificate

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondent

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Halney of the Ontario Superior Court of Justice (the "Court") dated April 23, 2020, msi Spergel Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of New Tecumseth Land Corporation (the "Debtor").

B. Pursuant to an Order of the Court dated January 6, 2021, the Court approved the agreement of purchase and sale made as of November 20, 2020 as amended by Addendum dated January 4, 2021 (collectively, the "Sale Agreement") between the Receiver and NTA Development Corporation (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in sections 12 and 13 of the Sale Agreement have been satisfied or

- 2 -

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 Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in sections 12 and 13 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

MSI SPERGEL INC., in its capacity as Court-Appointed Receiver of **New Tecumseth Land Corporation** and not in its personal or corporate capacity and without personal or corporate liability

By: _____

Name: _____

Title: _____

I have authority to bind the Corporation.

Schedule B – Purchased Assets

The lands and premises legally described as:

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

and

PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH

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

Pin #58145-0050 (LT)

Instrument No. SC1187270 is a Charge registered on January 13, 2015 from New Tecumseth Land Corporation in favour of P.D.R. Investments Ltd.

Instrument No. SC1301746 is a Charge registered on May 5, 2016 from New Tecumseth Land Corporation in favour of FirstOntario Credit Union Limited.

Instrument No. SC1301755 is a Notice of Assignment of Rents - General registered on May 5, 2016 from New Tecumseth Land Corporation in favour of FirstOntario Credit Union Limited.

Instrument No. SC1301765 is a Postponement registered on May 5, 2016 from P.D.R. Investments Ltd. in favour of FirstOntario Credit Union Limited.

Instrument No. SC1684599 is an Application General for Court Order registered on June 2, 2020 from the Ontario Superior Court of Justice in favour of MSI Spergel Inc., in its capacity as Court-Appointed Receiver.

Pin #58145-0517 (LT)

Instrument No. SC654190 is a Notice registered on June 12, 2008 from The Corporation of the Town of New Tecumseth in favour of 1406963 Ontario Ltd.

Instrument No. SC1187270 is a Charge registered on January 13, 2015 from New Tecumseth Land Corporation in favour of P.D.R. Investments Ltd.

Instrument No. SC1301746 is a Charge registered on May 5, 2016 from New Tecumseth Land Corporation in favour of FirstOntario Credit Union Limited.

Instrument No. SC1301755 is a Notice of Assignment of Rents - General registered on May 5, 2016 from New Tecumseth Land Corporation in favour of FirstOntario Credit Union Limited.

Instrument No. SC1301765 is a Postponement registered on May 5, 2016 from P.D.R. Investments Ltd. in favour of FirstOntario Credit Union Limited.

Instrument No. SC1684599 is an Application General for Court Order registered on June 2, 2020 from the Ontario Superior Court of Justice in favour of MSI Spergel Inc., in its capacity as Court-Appointed Receiver.

PERSONAL PROPERTY SECURITY REGISTRATIONS AGAINST PERSONAL PROPERTY

File No. 710357067, Registration No. 20150929 1013 1295 7656, renewed by Registration Nos. 20190918 1406 1462 5450 and 20200914 1401 1462 6502 in favour of FirstOntario Credit Union Limited.

File No. 710357121, Registration No. 20150929 1016 1295 7657, renewed by Registration Nos. 20190918 1406 1462 5451 and 20200914 1401 1462 6503 in favour of FirstOntario Credit Union Limited.

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

(unaffected by the Vesting Order)

1. any reservation or unregistered restrictions, rights of way, easements or covenants that run with the land;
2. any registered or unregistered agreements or easements with a municipality or a supplier of utility services including without limitation, electricity, water, sewage, gas, telephone or cable television or any other telecommunication service;
3. any laws, by-laws and regulations;
4. any minor easements for the supply of utility service to the land or adjacent lands;
5. any encroachments disclosed by any errors or omissions in existing surveys of the Real Property or neighbouring properties and any title defect, encroachment or breach of zoning or building by-law or any other applicable law, by-law or regulation which might be disclosed by a more up-to-date survey of the Real Property and survey matters generally;
6. any exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
7. any reservation contained in the original grant from the Crown;
8. any Land Registrar's registered orders;
9. any deposited reference plans.

FIRSTONTARIO CREDIT UNION LIMITED
Applicant

- AND -

Court File No. CV-20-639679-00CL
NEW TECUMSETH LAND CORPORATION
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial Court)

PROCEEDINGS COMMENCED AT TORONTO

**APPROVAL, VESTING AND
INTERIM DISTRIBUTION
ORDER**

SimpsonWigle LAW LLP
1 Hunter Street East
Suite 200
P.O. Box 990
Hamilton, Ontario, L8N 3R1

DAVID J. H. JACKSON
LSUC NO. AO15656-R

Tel: (905) 528-8411
Fax: (905) 528-9008
Email: jacksond@simpsonwigle.com

Lawyers for the Receiver, msi Spengel Inc.

APPENDIX

S

ADDENDUM NO. 2
DATED JANUARY 18, 2021
TO THE RECEIVER'S AGREEMENT OF PURCHASE AND SALE
DATED NOVEMBER 20, 2020

Between

msi Spergel Inc. in its capacity as Court-appointed Receiver of New
Tecumseth Land Corporation (the "Vendor")

-and-

NTA Development Corporation (the "Purchaser")

WHEREAS the parties have entered into an Agreement of Purchase and Sale dated November 20, 2020 (the "APS") as amended by Addendum dated January 4, 2021 (collectively, the "Sale Agreement").

AND WHEREAS the Sale Agreement was approved by the Honourable Justice Hailey by Order dated January 6, 2021.

AND WHEREAS the Purchaser has delivered to the Vendor a Deposit of \$500,000.00.

AND WHEREAS the Sale Agreement provided for the Closing of the Sale Agreement on a day that was ten Business Days after the date of the Order of the Honourable Justice Hailey, as aforesaid.

1. Vendor and the Purchaser agree as follows:
 - (a) The Deposit will be increased from \$500,000.00 to \$5,900,000.00 and in that regard, the Purchaser shall deliver to the Vendor additional deposit monies in the amount of \$5,400,000.00 by no later than 5:00 p.m. on the 28th day of January.
 - (b) "Closing and Date of Closing" with respect to the Sale Agreement shall be amended and shall be February 5, 2021.

- (c) All other terms and conditions of the Sale Agreement shall remain the same and time shall be of the essence.

Dated this 19th day of January, 2021.

msi Spergel Inc., in its capacity as Court-Appointed Receiver of New Tecumseth Land Corporation and not in its personal or corporate capacity and without personal or corporate liability

TP

Name: Trevor Pringle

Title: Senior Vice-President

I have authority to bind the Corporation.

NTA Development Corporation

By:



Name: Henri Petit

Title: President

I have authorization to bind the corporation



Audit Trail

TITLE	New Tecumseth
FILE NAME	ALLISTON - PSA Add. 2_2021.01.19.pdf
DOCUMENT ID	8e72eddb0ad19a6b01d0ce3b25c61814c2c8e1a2
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	☑ Completed

Document History



SENT

01 / 19 / 2021
10:06:08 UTC-5

Sent for signature to Trevor Pringle (tpringle@spergel.ca)
from msispergelinc@gmail.com
IP: 38.99.141.34



VIEWED

01 / 19 / 2021
10:07:07 UTC-5

Viewed by Trevor Pringle (tpringle@spergel.ca)
IP: 38.99.141.34



SIGNED

01 / 19 / 2021
10:07:42 UTC-5

Signed by Trevor Pringle (tpringle@spergel.ca)
IP: 38.99.141.34



COMPLETED

01 / 19 / 2021
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The document has been completed.

APPENDIX

6

ADDENDUM NO. 3
DATED JANUARY 29, 2021
TO THE RECEIVER'S AGREEMENT OF PURCHASE AND SALE
DATED NOVEMBER 20, 2020

Between

msi Spergel Inc. in its capacity as Court-appointed Receiver of New
Tecumseth Land Corporation (the "Vendor")

-and-

NTA Development Corporation (the "Purchaser")

WHEREAS the parties have entered into an Agreement of Purchase and Sale dated November 20, 2020 (the "APS") as amended by Addendum dated January 4, 2021 and by Addendum No. 2 dated January 18, 2021 (collectively, the "Sale Agreement").

AND WHEREAS the Sale Agreement was approved by the Honourable Justice Hainey by Order dated January 6, 2021.

AND WHEREAS the Purchaser has failed to deliver to the Vendor an additional Deposit in the amount of \$5,400,000.00 as required by the terms and conditions of Addendum No. 2.

AND WHEREAS the Sale Agreement provided for the Closing of the Sale Agreement on a day that was ten Business Days after the date of the Order of the Honourable Justice Hainey, as aforesaid.

1. Vendor and the Purchaser agree as follows:

- (a) Vendor hereby waives the Purchaser's obligation to deliver an increased Deposit of \$5,400,000.00 as required by Addendum No. 2.
- (b) The Deposit with respect to the Sale Agreement will be increased from \$500,000.00 to \$1,000,000.00 and in that regard, the Purchaser shall

deliver to the Vendor additional deposit monies in the amount of \$500,000.00 by no later than 5:00 p.m. on the 3rd day of February, 2021.

- (c) "Closing and Date of Closing" with respect to the Sale Agreement shall be amended and shall be February 26, 2021.
- (d) All other terms and conditions of the Sale Agreement, as hereby amended, shall remain the same and time shall be of the essence.

Dated this 29th day of January, 2021.

msi Spergel Inc., in its capacity as Court-Appointed Receiver of New Tecumseth Land Corporation and not in its personal or corporate capacity and without personal or corporate liability

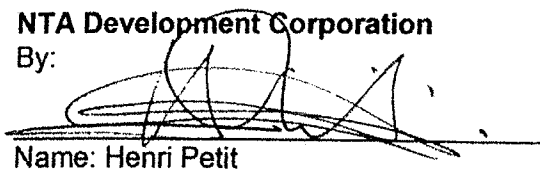

Name: Trevor Pringle

Title: Senior Vice-President

I have authority to bind the Corporation.

NTA Development Corporation

By:


Name: Henri Petit

Title: President

I have authorization to bind the corporation

APPENDIX
7

ADDENDUM NO. 4
DATED FEBRUARY 26, 2021
TO THE RECEIVER'S AGREEMENT OF PURCHASE AND SALE
DATED NOVEMBER 20, 2020

Between

msi Spergel Inc. in its capacity as Court-appointed Receiver of New
Tecumseth Land Corporation (the "Vendor")

-and-

NTA Development Corporation (the "Purchaser")

WHEREAS the parties have entered into an Agreement of Purchase and Sale dated November 20, 2020 (the "APS") as amended by Addendum dated January 4, 2021, by Addendum No. 2 dated January 18, 2021 and by Addendum No. 3 dated January 29, 2021 (collectively, the "Sale Agreement").

AND WHEREAS the Sale Agreement was approved by the Honourable Justice Hainey by Order dated January 6, 2021.

AND WHEREAS the Purchaser has delivered to the Vendor a Deposit in the total amount of \$1,000,000.00 as required by the Sale Agreement.

AND WHEREAS the Sale Agreement provided for the Closing of the Sale Agreement on a day that was ten Business Days after the date of the Order of the Honourable Justice Hainey, as aforesaid.

AND WHEREAS the Purchaser has requested that the Closing of the Sale Agreement be extended to March 10, 2021.

1. Vendor and the Purchaser agree as follows:



- (a) "Closing and Date of Closing" with respect to the Sale Agreement shall be amended and shall be March 10, 2021.
- (b) The Sale Agreement is amended by deleting the following paragraph:

"3. PURCHASE PRICE

The aggregate purchase price (the "**Purchase Price**") for the Purchased Assets shall be the sum of Thirteen Million Seven Hundred Thousand (\$13,700,000.00) Dollars comprised of Eight Million Nine Hundred Thousand (\$8,900,000.00) Dollars to be paid by the Purchaser to the Vendor in cash with the balance of Four Million Eight Hundred Thousand (\$4,800,000.00) Dollars being satisfied by delivery to the Receiver of Class A Common Shares of Emergia Inc. to be issued by Emergia Inc. with such Shares to have a total value of \$4,800,000.00, with the value of such Class A Common Shares to be calculated at a price which is equal to the higher of:

- (i) \$1.00 per share; and
- (ii) the closing market price of a Class A Common Share of Emergia Inc. on the CNSX:EMER on the day proceeding the Closing of this transaction.

The Purchase Price shall be paid, accounted for and satisfied as follows:

- (a) **Deposit**: by the Purchaser delivering to the Vendor 5 Business Day's after the execution of this Agreement by both parties hereto, the sum of One Million (\$1,000,000.00) Dollars (the "**Initial Deposit**"), by way of certified cheque, bank draft or wire transfer drawn upon one of Canada's five largest 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 Initial 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 whatsoever other than the default of the Purchaser, the Initial Deposit shall be returned to the Purchaser forthwith, without interest or deduction.

Balance Due at Closing: the balance of the Purchase Price, net of the Deposit and subject to the adjustments contained in this Agreement, is due and payable by the Purchaser to the Vendor on Closing, in accordance with the provisions hereof."

and substituting therefor:

"3. PURCHASE PRICE

The aggregate purchase price (the "**Purchase Price**") for the Purchased Assets shall be the sum of Thirteen Million Eight Hundred Thousand (\$13,800,000.00) Dollars comprised of Nine Million (\$9,000,000.00) Dollars to be paid by the Purchaser to the Vendor in cash with the balance of Four Million Eight Hundred Thousand (\$4,800,000.00) Dollars being satisfied by delivery to the Receiver of Class A Common Shares of Emergia Inc. to be issued by Emergia Inc. with such Shares to have a total value of \$4,800,000.00, with the value of such Class A Common Shares to be calculated at a price which is equal to the higher of:

- (iii) \$1.00 per share; and
- (iv) the closing market price of a Class A Common Share of Emergia Inc. on the CNSX:EMER on the day proceeding the Closing of this transaction.

The Purchase Price shall be paid, accounted for and satisfied as follows:

- (b) **Deposit**: by the Purchaser delivering to the Vendor 5 Business Day's after the execution of this Agreement by both parties hereto, the sum of One Million (\$1,000,000.00) Dollars (the "**Initial Deposit**"), by way of certified cheque, bank draft or wire transfer drawn upon one of Canada's five largest 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 Initial 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 whatsoever other than the default of the Purchaser, the Initial Deposit shall be returned to the Purchaser forthwith, without interest or deduction.

Balance Due at Closing: the balance of the Purchase Price, net of the Deposit and subject to the adjustments contained in this Agreement, is due and payable by the Purchaser to the Vendor on Closing, in accordance with the provisions hereof."

- (c) All other terms and conditions of the Sale Agreement, as hereby amended, shall remain the same and time shall be of the essence.



Dated this 26th day of February, 2021.

msi Spergel Inc., in its capacity as Court-Appointed
Receiver of New Tecumseth Land Corporation and
not in its personal or corporate capacity and without
personal or corporate liability



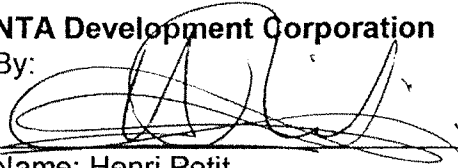
Name: Trevor Pringle

Title: Senior Vice-President

I have authority to bind the Corporation.

NTA Development Corporation

By:



Name: Henri Petit

Title: President

I have authorization to bind the corporation



Audit Trail

TITLE	AANEWT - Alliston addendum #4
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DOCUMENT ID	63ddc8450dbd06ea56d3666cfaece66c832205b
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	☑ Completed

Document History



02 / 26 / 2021
12:11:06 UTC-5

Sent for signature to Trevor Pringle (tpringle@spergel.ca)
from msispergelinc@gmail.com
IP: 38.99.141.34



02 / 26 / 2021
12:13:01 UTC-5

Viewed by Trevor Pringle (tpringle@spergel.ca)
IP: 38.99.141.34



02 / 26 / 2021
12:13:17 UTC-5

Signed by Trevor Pringle (tpringle@spergel.ca)
IP: 38.99.141.34



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02 / 26 / 2021
12:13:17 UTC-5

The document has been completed.

APPENDIX
8



SimpsonWigle
LAW LLP

1006 Skyview Drive, Suite 103
Burlington, Ontario L7P 0V1
Tel: 905-639-1052 Fax: 905-528-9008
www.simpsonwigle.com

March 10, 2021

Beber Professional Corporation
Barristers and Solicitors
390 Bay Street, Suite 2900
Toronto, Ontario M5H 2Y2

Attention: Jeffrey P. Beber

Dear Sir:

Re: Receiver's Agreement of Purchase and Sale dated November 20, 2020 between msi Spergel Inc., in its capacity as Court-appointed Receiver of New Tecumseth Land Corporation and not in its persona or corporate capacity and without personal or corporate liability and NTA Development Corporation (the "Purchase Agreement") and amended by an addendum, addendum no. 2, addendum no. 3 and addendum no. 4 (all referred to as the "Addendums")

We acknowledge receipt of your letter of today's date at 4:19 p.m.

We confirm acceptance of the terms of extension, save and except the following paragraphs are amended as follows:

During the next 14 days it is intended that we will all be working toward a resolution that is mutually satisfactory to our respective clients regarding the distribution of the proceeds of sale specifically with respect to all stakeholders".

Once a mutually satisfactory arrangement has been agreed to, as aforesaid, you will attend as counsel for the Receiver with a view to obtaining an Order of the Court confirming the agreed upon terms. Immediately upon receipt of the Court Order approving the agreement between our respective clients, our client will provide an additional deposit of \$500,000.00 which will be applied to the purchase price due on closing. The completion date of this transaction shall occur no later than 3 business days of the Court Order.

In the event that our respective clients have come to a mutually satisfactory agreement and additional time is required to obtain an appropriate Approval Order

P.D. MILNE (RETIRED)

T. BULLOCK

P.A. RAMACIERI**

G. LIMBERIS*

K.R. MITCHELL

E.J. HARRINGTON

L.W. MATTHEWS (RETIRED)

D.A. SCHMUCK*

R.C. LANGLOTZ

G. NALSOK

A.M. STONE

M.T. CAMPBELL

J.N. ROSENBLATT

J.C. MONACO*

C.A. OLSIAK

M. DURDAN

C.L. DILTS

J.C. BROWN

B.J. FOREMAN

S.R. LEE

B. SARSH*

B.Z. MIRZA

D.J.H. JACKSON

K.I. OSBORNE

H.A. HAMDANI*

S.H. COSTA

D.R. LILKO

J.M. WIGLE

R.A. FISHER*

E. SAVAS**

P.J. DEMARCO

R.M. WALLIK

*Professional Corporation

** Member of the Ontario and New York Bar

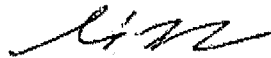
Hamilton Office: 1 Hunter Street East, Suite 200, P.O. Box 990, Hamilton, Ontario L8N 3W1 Tel: 905-528-8411 Fax: 905-528-9008

by the Court, we confirm that the closing of the above noted transaction will be further extended for such period of time necessary to obtain the Order.

The foregoing is without prejudice to the parties rights. Accordingly, if such agreement is not reached by March 23, 2021 then either party is at liberty to proceed to seek all rights and remedies available to them at law with respect to the existing agreement of purchase and sale.

Yours very truly,

SimpsonWigle LAW LLP



Gokcin Nalsok

GN/



390 Bay St., Suite 2900, Toronto, ON M5H 2Y2 tel: 416.867.2280 fax: 416.869.0321 www.beber.ca

Reply to: Jeffrey P. Beber
Direct Dial: 416.867.2281
E-mail: jbeber@beber.ca
File No.: 20/1142

March 10, 2021

VIA EMAIL

SimpsonWigle Law LLP
1 Hunter Street East
Hamilton, Ontario
L8N 3R1

Attention: Gokcin Nalsok

Dear Sirs:

**Re: msi Spergel Inc., in its capacity as Court-Appointed Receiver of New Tecumseth
Land Corporation sale to NTA Development Corporation**

Further to our telephone discussions today, we confirm that our client has provided us with the amount of \$8,000,000.00 to complete the above noted transaction, which we are holding in trust.

As discussed, we hereby request an extension of the closing of the above noted transaction to March 24, 2021, with all other terms and conditions of the Agreement of Purchase and Sale to remain the same and time to continue to remain of the essence, subject to the additional conditions as set out below.

During the next 14 days it is intended that we will all be working toward a resolution that is mutually satisfactory to our respective clients regarding the distribution of the proceeds of sale specifically with respect to the creditors.

Once a mutually satisfactory arrangement has been agreed to, as aforesaid, you will attend as counsel for the Receiver to obtain an Order of the Court confirming the agreed upon terms. Immediately upon receipt of the Court Order supporting the agreement between our respective clients, our client will provide an additional deposit of \$500,000.00 which will be applied to the purchase price due on closing.



In the event that our respective clients have come to a mutually satisfactory arrangement and additional time is required to obtain an appropriate Order by the Court, we confirm that the closing of the above noted transaction will be further extended for such period of time necessary to obtain the Order.

Please confirm your acceptance of the foregoing on behalf of your client by return email or letter.

Yours very truly,

BEBER PROFESSIONAL CORPORATION

Per:

Jeffrey P. Beber

cc: NTA Development Corporation

JPB/ep
Enclosures
M:\2019\01141\Letters\solicitor-sod-1r.doc



SimpsonWigle
LAW LLP

1006 Skyview Drive, Suite 103
Burlington, Ontario L7P 0V1
Tel: 905-639-1052 Fax: 905-528-9008
www.simpsonwigle.com

March 23, 2021

Beber Professional Corporation
Barristers and Solicitors
390 Bay Street, Suite 2900
Toronto, Ontario M5H 2Y2

Attention: Jeffrey P. Beber

Dear Sir:

Re: Receiver's Agreement of Purchase and Sale dated November 20, 2020 between msi Spergel Inc., in its capacity as Court-appointed Receiver of New Tecumseth Land Corporation and not in its persona or corporate capacity and without personal or corporate liability and NTA Development Corporation (the "Purchase Agreement") and amended by an addendum, addendum no. 2, addendum no. 3 and addendum no. 4 (all referred to as the "Addendums")

Extension Term Agreement and Acknowledgement dated March 10, 2021 and accepted as to the specific terms contained therein at 5:23 p.m. on March 10, 2021 (the "Extension Terms")

This letter shall confirm that as agreed between the parties, the above-noted transaction will now be completed on Monday March 29, 2021, with all terms and conditions in the Purchase Agreement, Addendums and Extension Terms, as amended, to remain the same and time to remain of the essence.

Kindly execute a copy of this letter and return same to us.

Yours very truly,
SimpsonWigle LAW LLP

Gokcin Nalsok

On behalf of my client I hereby agree to the above.

DATED at Toronto this 23 day of March, 2021.

Beber Professional Corporation

Per: _____

P.D. MILNE (RETIRED)
T. BULLOCK
P.A. RAMACIERI**
G. HUBERIS*
K.R. MITCHELL
E.J. HARRINGTON

L.W. MATTHEWS (RETIRED)
D.A. SCHMUCK*
B.C. LANGLOIZ
G. NALSOK
A.M. STONE
M.F. CAMPBELL

J.N. ROSENBLATT
J.C. MONACO*
C.A. OLSIAK
M. DURDAN
C.L. DILTS

J.C. BROWN
B.J. FOREMAN
S.R. LEE
B. SARGH*
B.Z. MIRZA

D.J.H. JACKSON
K.J. OSBORNE
T.K. HALIDANI*
S.H. COSTA
D.R. LIKO

J.M. WIGLE
R.A. FISHER*
E. SAVAS**
P.J. DEMARCO
R.M. WALLIK

*Professional Corporation ** Member of the Ontario and New York Bar
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SimpsonWigle
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www.simpsonwigle.com

David Jackson
Ext: 304
Email: jacksond@simpsonwigle.com

March 26, 2021

Beber Professional Corporation
Barristers and Solicitors
390 Bay Street, Suite 2900
Toronto, Ontario M5H 2Y2

Attention: Jeffrey P. Beber

Dear Sir:

Re: Receiver's Agreement of Purchase and Sale dated November 20, 2020 between msi Spergel Inc., in its capacity as Court-appointed Receiver of New Tecumseth Land Corporation and not in its persona or corporate capacity and without personal or corporate liability and NTA Development Corporation (the "Purchase Agreement") and amended by an addendum, addendum no. 2, addendum no. 3 and addendum no. 4 (all referred to as the "Addendums")

Extension Term Agreement and Acknowledgement dated March 10, 2021 and accepted as to the specific terms contained therein at 5:23 p.m. on March 10, 2021 (the "Extension Terms")

Letter Agreement dated March 23, 2021 extending the Closing Date of the Agreement of Purchase and Sale to March 29, 2021

This letter shall confirm that as agreed between the parties, the above-noted transaction will now be completed on Tuesday, March 30, 2021, with all terms and conditions in the Purchase Agreement, Addendums and Extension Terms, as amended, to remain the same and time to remain of the essence.

Kindly execute a copy of this letter and return same to us.

Yours very truly,
SimpsonWigle LAW LLP

David J. Jackson

On behalf of my client I hereby agree to the above.

DATED at Toronto

this 29th day of March, 2021.

Beber Professional Corporation

Per: _____

P.D. MILNE (RETIRED)
T. BULLOCK
P.A. RAMACIERI**
G. LIMBERIS*
K.R. MITCHELL
E.J. HARRINGTON

L.W. MATTHEWS (RETIRED)
D.A. SCHMUCK*
B.C. LANGLOTZ
G. NALSOK
A.M. STONE
M.T. CAMPBELL

J.N. ROSENBLATT
J.C. MONACO*
C.A. DESIAK
M. DURDAN
C.L. DILTS

J.C. SPOONER
B.T. FOREMAN
S.R. LEE
B. SARSH*
B.Z. MIRZA

D.H. JACKSON
K.L. OSBORNE
H.A. HAMDANI*
S.H. COSTA
D.R. LILKO

I.M. WIGLE
R.A. FISHER*
E. SAVAS**
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SimpsonWigle
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Tel: 905-528-8411 Fax: 905-528-9008
www.simpsonwigle.com

David Jackson
Ext: 304
Email: djackson@simpsonwigle.com

March 30, 2021

Beber Professional Corporation
Barristers and Solicitors
390 Bay Street, Suite 2900
Toronto, Ontario M5H 2Y2

Attention: Jeffrey P. Beber

Dear Sir:

Re: Receiver's Agreement of Purchase and Sale dated November 20, 2020 between msi Spergel Inc., in its capacity as Court-appointed Receiver of New Tecumseth Land Corporation and not in its persona or corporate capacity and without personal or corporate liability and NTA Development Corporation (the "Purchase Agreement") and amended by an addendum, addendum no. 2, addendum no. 3 and addendum no. 4 (all referred to as the "Addendums")

Extension Term Agreement and Acknowledgement dated March 10, 2021 and accepted as to the specific terms contained therein at 5:23 p.m. on March 10, 2021 (the "Extension Terms")

Letter Agreements dated March 23, 2021 and March 26, 2021 extending the Closing Date of the Agreement of Purchase and Sale to March 30, 2021

This letter shall confirm that as agreed between the parties, the above-noted transaction will now be completed on Thursday, April 1, 2021 by no later than 5:00 p.m., with all terms and conditions in the Purchase Agreement, Addendums and Extension Terms, as amended, to remain the same and time to remain of the essence.

Kindly execute a copy of this letter and return same to us.

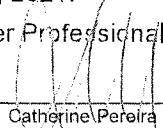
Yours very truly,
SimpsonWigle LAW LLP

David J. Jackson

On behalf of my client, I hereby agree to the above.

DATED at Toronto, this 30th day of March, 2021.

Beber Professional Corporation

Per: 
Catherine Pereira on behalf of Jeffrey Beber

P.D. MILNE (RETIRED)	L.W. MATTHEWS (RETIRED)	J.N. ROSENBLATT	J.C. BROWN	D.J.H. JACKSON	I.M. WIGLE
T. BULLOCK	D.A. SCHMUCK*	L.C. MONACO*	B.J. FOREMAN	K.I. OSBORNE	R.A. FISHER*
P.A. RAMACIER**	B.C. LANGLOTZ	C.A. OLSIAK	S.R. LEE	H.A. HAMDANI*	E. SAVAS**
G. UMBERIS*	G. RALSDK	M. DURDAN	B. SARSH*	S.H. COSTA	P.J. DEMARCO
K.R. MITCHELL	A.M. STONE	C.I. DUTS	B.Z. MIRZA	D.B. UKKO	R.M. WALLIK
E.J. HARRINGTON	M.T. CAMPBELL				

*Professional Corporation **Member of the Ontario and New York Bar
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Trevor Pringle

From: Gokcin Nalsok <NalsokG@simpsonwiggles.com>
Sent: March 10, 2021 5:27 PM
To: Trevor Pringle; David J. H. Jackson
Subject: msi Spergel Inc., in its capacity as Court-Appointed Receiver of New Tecumseth Land Corporation sale to NTA Development Corporation

See below confirmation of acceptance of our amendments.

Regards, Gokcin

From: Jeff Beber <jbeber@beber.ca>
Sent: March 10, 2021 5:23 PM
To: Gokcin Nalsok <NalsokG@simpsonwiggles.com>; Catherine Pereira <cpereira@beber.ca>
Cc: 'Henri Petit' <hpetit@emergia.com>; Isabelle Lamy <ilamy@emergia.com>
Subject: RE: msi Spergel Inc., in its capacity as Court-Appointed Receiver of New Tecumseth Land Corporation sale to NTA Development Corporation

Gokcin, thank you. The amendments to our letter are hereby accepted.

Regards,
 Jeff.

beber

PROFESSIONAL CORPORATION
 BARRISTERS AND SOLICITORS

Jeffrey P. Beber

390 Bay Street, Suite 2900
 Toronto, ON M5H 2Y2
 Tel: 416.867.2281
 Fax: 416.869.0321
 Email: jbeber@beber.ca
www.beber.ca

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From: Gokcin Nalsok [<mailto:NalsokG@simpsonwiggles.com>]
Sent: March-10-21 5:05 PM
To: Catherine Pereira <cpereira@beber.ca>
Cc: 'Henri Petit' <hpetit@emergia.com>; Isabelle Lamy <ilamy@emergia.com>; Jeff Beber <jbeber@beber.ca>

Subject: RE: msi Spergel Inc., in its capacity as Court-Appointed Receiver of New Tecumseth Land Corporation sale to NTA Development Corporation

See attached as discussed.

From: Catherine Pereira <cpereira@beber.ca>

Sent: March 10, 2021 4:18 PM

To: Gokcin Nalsok <NalsokG@simpsonwigle.com>

Cc: 'Henri Petit' <hpetit@emergia.com>; Isabelle Lamy <ilamy@emergia.com>; Jeff Beber <jbeber@beber.ca>

Subject: msi Spergel Inc., in its capacity as Court-Appointed Receiver of New Tecumseth Land Corporation sale to NTA Development Corporation

Please see the attached sent on behalf of Jeff Beber.

Kind regards,

beber
PROFESSIONAL CORPORATION
 BARRISTERS AND SOLICITORS

Catherine Marie Pereira
Law Clerk

390 Bay Street, Suite 2900

Toronto ON M5H 2Y2

Tel: 416.867.2284

Email: Cpereira@beber.ca

www.beber.ca

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APPENDIX
9

ADDENDUM AGREEMENT NO. 5

THIS AMENDMENT AGREEMENT is entered into between:

MSI SPERGEL INC., in its capacity as Court-appointed Receiver of New Tecumseth Land Corporation;

(THE "RECEIVER");

AND

NTA DEVELOPMENT CORPORATION, a corporation incorporated under the laws of Canada;

(THE "CORPORATION");

AND

EMERGIA INC., a corporation incorporated under the laws of Canada;

("EMERGIA");

(collectively, the "Parties")

-
- A. **WHEREAS** the Corporation and the Receiver have entered into an Agreement of Purchase and Sale dated November 20, 2020 as amended by Addendum dated January 4, 2021, by Addendum No. 2 dated January 18, 2021, by Addendum No. 3 dated January 29, 2021 and by Addendum No. 4 dated February 26, 2021 and as further amended by letter agreements between the Receiver and Corporation, executed by their respective lawyers, dated March 10, 2021 and March 23, 2021 (collectively, the "Sale Agreement"), with respect to the purchase by the Corporation of a land located in Alliston (New Tecumseth), Province of Ontario, Canada (the "Land").
- B. **WHEREAS** the Sale Agreement provides for a purchase price of \$13,800,000 (the "Purchase Price") payable as follows: \$9,000,000 to be paid in cash and the balance of the Purchase Price to be satisfied by delivery to the Receiver of Class "A" Common Shares of Emergia (the "Shares") to be issued by Emergia with such Shares having a total value of \$4,800,000 with the number of such Class A Common Shares of Emergia to be delivered to the Receiver by the Corporation on Completion to be calculated at a price which is equal to the higher of:

- (i) \$1.00 per Share; or
- (ii) the closing market price of Class A Common Shares of Emergia on the CSE: EMER on the day preceding the closing of the transaction.

(The aforesaid calculation as to the value of the Shares is referred to as the “**Formula on Closing**” and the aforesaid Shares to be received in partial satisfaction of the Purchase Price are referred to as the “**Closing Shares**”).

- C. **WHEREAS** the Shares are listed on the Canadian Securities Exchange (the “**CSE**”).
- D. **WHEREAS** such Closing Shares are subject to a 4-month hold period from the date of issuance in accordance with securities laws (the “**Hold Period**”).
- E. **WHEREAS** the Sale Agreement was approved by the Honourable Justice Hainey by Order dated January 6, 2021.
- F. **WHEREAS** “**Completion Date**” or “**Closing Date**” means the date that the transaction which is the subject of the Sale Agreement, as hereby amended, shall be completed (the moment of completion is sometimes referred to as “**Completion**” or “**Closing**”).
- G. **WHEREAS** it is the position of the Corporation (the “**Corporation’s Position**”) that the Closing Shares to be delivered on Closing were to be issued solely to the so-called “investors” (the “**Investors**”) of New Tecumseth Land Corporation (“**New Tecumseth**”).
- H. **WHEREAS** the Receiver wholly disputes the Corporation’s Position and states that the Closing Shares to be received by the Receiver from the Corporation on Closing were to have been issued to the Receiver and available to the Receiver for sale or transfer in kind by the Receiver, without limitation and subject only to the Hold Period.
- I. **WHEREAS** the issuance and delivery of the Closing Shares will be made through Emergia’s Transfer Agent, TSX Trust Company (the “**Transfer Agent**”), in accordance with treasury directions substantially in the form appended hereto as Schedule “A” (each, a “**Treasury Direction**”).
- J. **WHEREAS** the Treasury Direction shall include a distribution list (a “**Distribution List**”) to be in accordance with a Distribution Order and to be provided by the Receiver to the Corporation and Emergia following receipt of a Distribution Order (as defined below).
- K. **WHEREAS** it is the duty and obligation of the Receiver, after payment of its fees and disbursements to, inter alia, distribute the proceeds of sale from the Sale Agreement as hereby amended to the stakeholders of New Tecumseth in accordance with their respective legal priority position and commensurate with the quantum of the obligations and liabilities owed by New Tecumseth to the stakeholders and including with respect to any stakeholder’s equity position in New Tecumseth (the “**Scheme of Distribution**”).

- L. **WHEREAS** any distribution of the proceeds of sale of the Sale Agreement as hereby amended to the stakeholders of New Tecumseth is subject to the approval of or determination by a Justice of the Ontario Superior Court of Justice as provided for in one or more orders of such Justice (a **"Distribution Order"**).

NOW THEREFORE in consideration of the premises hereto, the mutual covenants and interests and intents herein set forth and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by each of the Parties hereto), the Parties hereby agree to amend the Sale Agreement as follows and subject to the following terms and conditions:

1. Shares on Closing

The Corporation and Emergia agree to deliver and the Receiver agrees to accept the Closing Shares as follows:

- (a) On the Completion Date, Shares will be issued and delivered to the Receiver having a value of \$300,000 calculated in accordance with the Formula on Closing (**"Receiver's Shares"**); and
- (b) Subject to Section 3 below, the balance of the Closing Shares to be issued and delivered in accordance with the Treasury Direction to such stakeholders of New Tecumseth (collectively, the **"Subscribers"**) as are specified in a Distribution List to be provided to the Corporation and Emergia by the Receiver in accordance with and following issuance of a Distribution Order;

For greater certainty, (i) in no event shall the aggregate number of Closing Shares to be issued pursuant to paragraphs (a) and (b) above exceed the number determined in accordance with the Formula on Closing and (ii) the number of Distribution Lists to be provided by the Receiver shall not exceed five.

2. Disposition of Receiver's Shares

Subject only to the Hold Period, the Receiver is at liberty in its discretion, including from time to time, to sell or transfer the Receiver's Shares for the purpose of paying Receiver's fees and expenses, for the purpose of distribution of the proceeds of such Receiver's Shares in cash to stakeholders of New Tecumseth or for the purpose of distribution of the Receiver's Shares in kind to the stakeholders of New Tecumseth, provided that:

- (a) The Receiver will first provide the Corporation and Emergia with 10 days' prior notice of such sale or transfer (**"Receiver's Sale Notice"**) to provide the Corporation or Emergia with the opportunity to identify a third party to purchase the Receiver's Shares (a **"Third Party Purchaser"**) in accordance with applicable securities laws, such purchase by a Third Party Purchaser to be completed within 20 days of the delivery of the Receiver's Sale Notice to the Corporation and Emergia;
- (b) The Receiver's Sale Notice shall include the price offered by the Receiver for such Receiver's Shares but such price will not be higher than the closing market price of such

Shares on the CSE:EMER on the date that is one business day prior to the date that the aforesaid Receiver's Sale Notice is delivered by the Receiver to the Corporation and Emergia (the "**Offered Price**"); and

- (c) If the Corporation or Emergia fail or are unable to, respectively, identify a Third Party Purchaser for some or all of the Receiver's Shares in the aforesaid ten day timeframe, or the sale or transfer of such Receiver's Shares is not completed in the aforesaid 20 day period, then the Receiver shall be free to sell such Receiver's Shares either through the CSE or by private placement provided that the maximum number of Receiver's Shares that may be sold by or transferred by the Receiver through the CSE in any 30 day period shall be limited to twenty-five (25%) percent of the Receiver's Shares delivered to the Receiver on Completion and the price for the aforesaid sale by the Receiver will not be less than the lower of the Offered Price or the closing market price of such Shares on the CSE: EMER on the date of such sale. Should the Receiver wish to sell such Shares at a lower price, such sale will once again be subject to the paragraphs (a) and (b) above except that Emergia will have 2 business days to identify a Third Party Purchaser. Following such second attempt to sell by the Receiver, the Receiver will be authorized to sell such Shares on the CSE at any price.

3. Issuances of shares and Emergia's Option

- (a) Subject to the paragraphs below, the Corporation and Emergia agree that the Closing Shares will be issued as requested by the Receiver in writing in accordance with the Treasury Directions or as directed by the Ontario Superior Court of Justice.
- (b) The parties acknowledge and agree that the issuance and any sale of Closing Shares or distribution of Shares in kind must be made in accordance with applicable securities laws and that such sale must be made to an accredited investor or to a party that is otherwise exempt from the prospectus requirements of applicable securities laws or alternatively, unless such sale or distribution is fully approved by a Court, tribunal or agency of competent jurisdiction. Accordingly (i) following receipt of the Distribution Order, the Receiver shall deliver or cause to be delivered to Emergia a copy of such Distribution Order and Distribution List, together with "accredited investor certificates" in such form as Emergia may reasonably require which have been duly completed and executed by each Subscriber (each, an "**Accredited Investor Certificate**") or such other evidence of compliance with an exemption from the prospectus requirements of applicable securities laws as Emergia may reasonably require; and (ii) following each issuance of Closing Shares, Emergia shall prepare and file all such forms as may be required under applicable securities laws in connection with such issuance and delivery including, if applicable, a Form 45-106F1.
- (c) In the event that any Subscriber fails or is unable to deliver an Accredited Investor Certificate and the distribution of Closing Shares to such Subscriber cannot otherwise be made in compliance with applicable securities laws, Emergia agrees, at its expense, to either, at its entire discretion (i) bring application to a Court, tribunal or agency of competent jurisdiction with a view to obtaining an order allowing for such sale or

transfer to the subject Subscriber notwithstanding the lack of accreditation or exemption; (ii) issue such Closing Shares to the Receiver or (iii) exercise its option to pay the value of such Closing Shares in cash as indicated in paragraph (d) below.

- (d) Upon receipt of a Distribution Order with respect to an issuance of Closing Shares, the Receiver will first provide the Corporation and Emergia with 10 days' prior notice of such issuance accompanied with the applicable Accredited Investor Certificates or such other evidence of compliance with an exemption from the prospectus requirements of applicable securities laws ("**Receiver's Issuance Notice**") to provide the Corporation or Emergia with the opportunity to confirm the prospectus exemptions, which confirmation will not be unreasonably delayed or withheld. During such 10 day timeframe, the Corporation and Emergia will have the option, in their entire discretion, to pay the Receiver the value of such Closing Shares in cash at their Deemed Issuance Price, being the price equal to the higher of \$1.00 per Share or the closing market price of the Class A Common Shares of Emergia on the CSE on day preceding the Completion Date, as utilized by the parties in the Formula on Closing for the purposes of determining the number of Shares to be issued on the Completion Date. If the Corporation or Emergia do not exercise such option during such aforesaid ten day timeframe, Emergia will proceed with the issuance of the Closing Shares in accordance with the Receiver's Issuance Notice subject to paragraph (c) above.
 - (e) Notwithstanding paragraph (d) above, in the event that the balance of the Closing Shares has not been issued on or prior to December 31, 2021, Emergia or the Corporation will have the option, at their entire discretion, to pay the value of such Closing Shares in cash at their Deemed Issuance Price.
 - (f) On Completion and upon receipt of a Receiver's Issuance Notice and in accordance with this Section 3, Emergia shall deliver to the Receiver and the Transfer Agent, a Treasury Direction, duly executed by Emergia.
4. Emergia and the Corporation covenant and agree that they will be fully responsible for the satisfaction and payment of any expense or cost of TSX Trust Company with respect to its services as contemplated by the Sale Agreement as hereby amended including with respect to the issuance and delivery of the Closing Shares and hereby fully indemnifies and holds the Receiver harmless with respect to the expense of TSX Trust Company.
 5. Emergia covenants and agrees not to remove or replace TSX Trust Company as its registrar and transfer agent without the prior written consent of the Receiver or until all of the Closing Shares have been issued and delivered in accordance with the Treasury Direction.
 6. Emergia acknowledges and agrees that it is not relying upon any representation or warranty of the Receiver with respect to such Scheme of Distribution or the future distribution of the proceeds of sale from the Sale Agreement as hereby amended, including the distribution of the Closing Shares in kind or otherwise.
 7. This Addendum No. 5 is conditional upon its terms and conditions being approved by a Justice of the

Ontario Superior Court of Justice (the “**Approval Order**”) failing which, other than the provisions of paragraph 15, it is of no force or effect.

8. The Receiver covenants to use reasonable efforts to bring application to the Ontario Superior Court of Justice to obtain the Approval Order.
9. This Addendum No. 5 and its terms and conditions is made without prejudice to the rights of the Receiver and Corporation such that if the Approval Order is not made by the Court then either party is at liberty to seek and enforce all rights and remedies available to them at law arising from or with respect to the Sale Agreement as it existed prior to the parties entering into this Addendum No. 5.
10. The parties agree that the Completion Date (Closing Date) of the Sale Agreement, as hereby amended, is the day that is four business days from the Approval Order being made by the Court.
11. The parties agree that in the event that the Approval Order is not made by the Court, then the Completion Date (Closing Date) for the Sale Agreement as it existed prior to the parties entering into this Addendum No. 5 shall be the date that is four business days from the date that the Receiver’s motion to the Court for the Approval Order is dismissed by the Court.

12. Notice

Any demand or notice to be made or given in connection with the Sale Agreement as hereby amended and, the transaction hereby contemplated shall be in writing and shall be personally delivered to an officer or responsible employee of one party to the other or sent by facsimile or other direct electronic means, charges prepaid, at or to the address or facsimile number or email number, as the case may be, set opposite its name or to such other address or addresses or email or facsimile number or numbers as one party may from time to time designate to the other in accordance with this provision. Any demand or notice which is personally delivered as aforesaid shall be deemed to have been validly and effectively given on the date of such delivery if such date is a business day and such delivery was made between 9:00 a.m. and 5:00 p.m.; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of delivery. Any demand or notice which is transmitted by facsimile or other direct written electronic means as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such date is a business day and such transmission was made during the hours of 9:00 a.m. and 5:00 p.m. to the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of transmission.

To the Receiver:

msi Spergel Inc.

Address: 21 King Street West, Suite 1602, Hamilton, L8P 4W7

Email: tpringle@spergel.ca

Facsimile: (905) 527-6670

To the Corporation:

NTA Development Corporation

Address 185 Dorval Avenue, Suite 402, Dorval, Quebec H9S 5J9

Email: hpetit@emergia.com

Facsimile: 1 866 285 4823

To Emergia:	Emergia Inc. Address 185 Dorval Avenue, Suite 402, Dorval, Quebec H9S 5J9 Email: hpetit@emergia.com Facsimile: 1 866 285 4823
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13. Further Assurance

Each of the parties herein will at all times and from time to time and upon reasonable request do, execute and deliver all further assurances, acts and documents for the purpose of evidencing and giving full force and effect to the covenants, agreements, provisions and intent of the Sale Agreement as hereby amended and the transactions hereby contemplated including, without limitation, such amendments or supplements to any Treasury Direction as may be reasonably requested or required by the Transfer Agent or the Receiver or, if the Transfer Agent refuses to issue any of the Closing Shares in accordance with a Treasury Direction, to replace the Transfer Agent to ensure that the Closing Shares are issued in accordance with and as soon as legally practical following receipt of a Distribution Order.

14. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein.

15. Assignment

Neither party hereto may assign any of its rights hereunder without the prior written consent of the other party hereto.

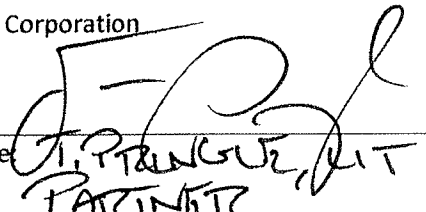

16. Counterpart and Electronic Execution

This Agreement may be executed and transmitted by facsimile or other form of electronic transmission, in several counterparts, each of which shall for all purposes be deemed to be an original.

[Signatures on the next page.]

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

MSI SPERGEL INC., in its capacity as Court-appointed Receiver of New Tecumseth Land Corporation

Name: 
Title: 

NTA DEVELOPMENT CORPORATION

Name: Henri Petit
Title: President

EMERGIA INC.

Name: Henri Petit
Title: President

SCHEDULE 'A'

Form of Treasury Direction

[DATE]

BY E-MAIL

TSX TRUST COMPANY

1800-1190 Avenue des Canadiens-de-Montréal
 Montréal, QC H3B 0G7

Attention : Mr. Julien Lavallière

Re: Issue of Class "A" Common Shares of Emergia Inc.

 Dear Mr. Lavallière:

NTA Development Corporation ("**NTA**"), a subsidiary of Emergia Inc. (the "**Corporation**"), and msi Spergel Inc., in its capacity as Court-appointed Receiver of New Tecumseth Land Corporation (the "**Receiver**") have entered into an Agreement of Purchase and Sale dated November 20, 2020 as amended by Addendum dated January 4, 2021, by Addendum No. 2 dated January 18, 2021, by Addendum No. 3 dated January 29, 2021, by Addendum No. 4 dated February 26, 2021, and as further amended by letter agreements between the Receiver and Corporation, executed by their respective lawyers, dated March 10, 2021 and March 23, 2021 and by Addendum No. 5 dated ●, 2021 (collectively, the "**Sale Agreement**"), contemplating the purchase by NTA of the land located in Alliston (New Tecumseth), Province of Ontario, Canada. The Sale Agreement was initially approved by Order of the Honourable Justice Hainey dated January 6, 2021 and was subsequently approved, as amended, by Order of [name of Justice and date of Court Order to be inserted] (the "**Court Order**"). In accordance with the Sale Agreement, \$4,800,000 of the purchase price shall be paid by the delivery by the Corporation of Class "A" common shares of the Corporation (the "**Class "A" Shares**") to the Receiver and such stakeholders of New Tecumseth Land Corporation (the "**Subscribers**") as may be specified in accordance with the terms of one or more orders of a Court, tribunal or agency, having competent jurisdiction, with respect to the subject matter of the order (each, a "**Distribution Order**").

In connection with the aforementioned and the receipt by the Corporation of a Distribution Order dated ●, the Corporation hereby irrevocably instructs and directs TSX Trust Company to issue a **DRS Statement[s]** dated ●, representing ● Class "A" Shares registered as set forth in Schedule A to this letter.

The Class "A" Shares are being issued as fully paid and non-assessable and their issuance will not be in violation of any legislation or regulation. The undersigned hereby certifies that the class of securities that is referenced in this treasury direction is not registered under the United States Securities Exchange Act of 1934.


Please deliver the DRS Statement[s] as specified in Schedule "A" and include the following legend on such DRS Statement:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE • [4 MONTHS AND ONE DAY FROM THE ISSUANCE DATE]."

Kindly send a copy of the DRS Statement[s] to tpringle@spergel.ca and ilamy@emergia.com before releasing the statement[s] for delivery.

Yours truly,

EMERGIA INC.

By: 
 Henri Petit
 Chief Executive Officer

By: _____
 Isabelle Lamy
 VP Legal Affairs

cc: msi Spergel Inc.

SCHEDULE A TO TREASURY DIRECTION

Registration and Delivery Instructions

Name and Address of Registered Holder	Delivery Address	Number of Common Shares
[NAME] [ADDRESS] [EMAIL] <u>VIA DRS</u>	[NAME] [ADDRESS] [EMAIL] <u>VIA DRS</u>	•
TOTAL		•

APPENDIX

/v



Ontario ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 1 OF 3
PREPARED FOR G.L.
ON 2022/03/31 AT .

LAND
REGISTRY
OFFICE #51

58145-0030 (LT)

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

PROPERTY DESCRIPTION: PT L1 7 CON 13, TECUMSETH PT 1 51R347067 NEW TECUMSETH

PROPERTY REMARKS:

ESTATE/LOCALITIES:
FEE SIMPLE
L1 CONVERSION QUALIFIED

OWNERS' NAMES

NEW TECUMSETH LAND CORPORATION

REGISTRY
FIRST CONVERSION FROM BOOK

CAPACITY SHARE

ROWN

PLAN CREATION DATE:
1998/09/14

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHRD
EFFECTIVE 2000/07/29	THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1998/09/14 ON THIS PIN.					
WAS REPLACED WITH THE "PIN CREATION DATE" OF 1998/09/14						
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1998/09/14 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO						
** SUBSECTION 4(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION TO (2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 1998/09/14 **						
RC336236	1970/08/19	TRANSFER		*** COMPLETELY DELETED ***	RTMAC FARMS LIMITED	
SC426243	2006/04/07	TRANSFER		*** COMPLETELY DELETED ***	RTMAC FARMS LIMITED	
REMARKS: PLANNING ACT STATEMENTS						
SC426244	2006/04/07	CHARGE		*** COMPLETELY DELETED ***	1205785 ALBERTA LTD.	
SC426245	2006/04/07	CHARGE		*** COMPLETELY DELETED ***	CYPRESS MORTGAGE CORP. B2B TRUST	
51334706	2006/07/13	PLAN REFERENCE		*** COMPLETELY DELETED ***	CYPRESS MORTGAGE CORP.	

NOTE: ADDITIONAL PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE CORRECT NUMBER OF PAGES AND THAT YOU HAVE PLOTTED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CERD
SC466118	2006/07/17	CR'S ORDER REMARKS: AVENDS PROPERTY DESCRIPTION TO INCLUDE "EXCEPT PT 2 518470 AND PT 2 51815172"		LAND REGISTRAR		C
SC467595	2006/10/13	TRANSFER REMARKS: PLANNING ACT STATEMENTS	\$7,128,728	1203785 ALBERTA LTD.	NEW TECUMSETH LAND CORPORATION	C
SC467596	2006/10/13	CHARGE		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	FIRM CAPITAL MORTGAGE FUND INC.	
SC467597	2006/10/13	NO ASSIGN RENT GEN REMARKS: SC467596		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	FIRM CAPITAL MORTGAGE FUND INC.	
SC467598	2007/01/03	DISCH OF CHARGE		*** COMPLETELY DELETED *** CYPRESS MORTGAGE CORP. B2B TRUST		
SC467599	2007/01/03	DISCH OF CHARGE REMARKS: RE: SC4626264		*** COMPLETELY DELETED *** CYPRESS MORTGAGE CORP.		
SC467600	2009/11/26	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** SCS CONSULTING GROUP LTD.		
SC467601	2009/12/02	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** EVANS, MURRAY		
SC467602	2010/01/07	CERTIFICATE REMARKS: SC464463		*** COMPLETELY DELETED *** SCS CONSULTING GROUP LTD.	NEW TECUMSETH LAND CORPORATION	
SC467603	2011/05/19	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** EVANS, MURRAY		
SC467604	2011/05/19	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** SCS CONSULTING GROUP LTD.		
SC467605	2011/05/19	CHANGE REMARKS: SC464463		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	VEICOR FINANCIAL SERVICES LIMITED	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



Ontario ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 3 OF 3
PREPARED FOR GMAIL:er11
ON 2020/03/31 AT 12:45:15

LAND
REGISTER:
OFFICE #51

58145-0050 (L1)

* 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/ CHRD
SC902515	2011/05/19	NO ASSIGN RENT GEN REMARKS: SC902414.		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	VECTOR FINANCIAL SERVICES LIMITED	
SC902612	2011/05/19	DISCH OF CHARGE REMARKS: SC187596.		*** COMPLETELY DELETED *** FIRM CAPITAL MORTGAGE FUND INC.		
SC955923	2012/01/05	LR'S ORDER REMARKS: DELETES SC793667		*** COMPLETELY DELETED *** LAND REGISTRAR, SINCE NO. 51		
SC1187270	2015/01/13	CHARGE	\$550,000	NEW TECUMSETH LAND CORPORATION	P.D.R. INVESTMENTS LTD.	C
SC1298390	2016/04/25	CHARGE		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	VECTOR FINANCIAL SERVICES LIMITED	
SC1298391	2016/04/25	POSTFOREMENT REMARKS: SC1187270 TO SC1298390		*** COMPLETELY DELETED *** P.D.R. INVESTMENTS LTD.	VECTOR FINANCIAL SERVICES LIMITED	
SC1301746	2016/05/05	CHARGE	\$6,000,000	NEW TECUMSETH LAND CORPORATION	FIRSTONTARIO CREDIT UNION LIMITED	C
SC1301755	2016/05/05	NO ASSIGN RENT GEN REMARKS: SC1301746.		NEW TECUMSETH LAND CORPORATION	FIRSTONTARIO CREDIT UNION LIMITED	C
SC1301765	2016/05/05	POSTFOREMENT REMARKS: SC1187470 TO SC1301746		P.D.R. INVESTMENTS LTD.	FIRSTONTARIO CREDIT UNION LIMITED	C
SC1303040	2016/05/11	DISCH OF CHARGE REMARKS: SC902514.		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED		
SC1303041	2016/05/11	DISCH OF CHARGE REMARKS: SC1298390.		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED UP ALL PAGES.



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 1 OF 2
PREPARED FOR GRANTOR
ON 2025/03/31 AT 12:45:18

58145-0517 (LT)

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

PROPERTY DESCRIPTION: PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51339710, T/W R551196, TOWN OF NEW TECUMSETH

PROPERTY REMARKS: PLANNING ACT CONSENT IN DOCUMENT S0184636.

ESTATE/QUALIFIER: RECENTLY
REF SINGLE: DIVISION FROM 58145-0440

LT CONVERSION QUALIFIED: CARRIAGE SHARE

OWNERS' NAMES: NEW TECUMSETH LAND CORPORATION
SONN

REGISTRATION DATE:
2015/07/16

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2015/01/16 **						
* SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO						
**		SUBSECTION 4(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *				
**		LAND ESCHENTS/ FORFEITURE TO THE CROWN.				
**		THE RIGHTS OF ANY PERSON WHC WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF				
**		IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY				
**		CONVENTION.				
**		ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.				
**DATE OF CONVERSION TO LAND TITLES: 1998/09/15 **						
S0580945	2007/09/07	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 1406963 ONTARIO LTD.	THE TORONTO-DOMINION BANK	
REMARKS: DELETED 2015/10/07 BY E. MACDONALD BASED ON S01186561						
S0664190	2008/06/12	NOTICE		THE CORPORATION OF THE TOWN OF NEW TECUMSETH	1406963 ONTARIO LTD.	C
51R39710	2014/12/09	PLAN REFERENCE				C
S01181636	2014/12/23	TRANSFER	\$50,000	1406963 ONTARIO LTD.	NEW TECUMSETH LAND CORPORATION	C
REMARKS: PLANNING ACT STATEMENTS.						
S01186561	2015/01/09	DISCH OF CHARGE		*** DELETED AGAINST THIS PROPERTY *** THE TORONTO-DOMINION BANK		
REMARKS: S0580945, DELETED 2015/10/07 BY E. MACDONALD						
S01187270	2015/01/13	CHARGE	\$550,000	NEW TECUMSETH LAND CORPORATION	P.J.R. INVESTMENTS LTD.	
S01198309	2016/04/25	CHARGE		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	VECTOR FINANCIAL SERVICES LIMITED	

NOTE: ADDITIONAL PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE VIEWED THEM ALL.

REG. NO.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHD
SC1298391	2016/04/25	POSTPONEMENT		*** COMPLETELY DELETED *** P.D.R. INVESTMENTS LTD.	VECTOR FINANCIAL SERVICES LIMITED	
REMARKS: SC1298390						
SC1301746	2016/05/05	CHARGE	\$6,000,000	NEW TECUMSETH LAND CORPORATION	FIRSTONTARIO CREDIT UNION LIMITED	C
SC1301753	2016/05/05	NO ASSGN RENT GEN		NEW TECUMSETH LAND CORPORATION	FIRSTONTARIO CREDIT UNION LIMITED	C
REMARKS: SC1301746						
SC1301765	2016/05/05	POSTPONEMENT		P.D.R. INVESTMENTS LTD.	FIRSTONTARIO CREDIT UNION LIMITED	
REMARKS: SC1298390						
SC1303041	2016/05/11	DISCH OF CHARGE		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED		
REMARKS: SC1298390						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

APPENDIX

//

Court File No. CV-13-486183

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

CENTRESIDE CONTRACTING LTD., SPANO FAMILY HOLDINGS INC.,
ANTONINI FAMILY HOLDINGS INC., 1282291 ONTARIO LIMITED, 594633
ONTARIO LTD., SALISI INVESTMENTS LTD., LUVAX HOLDINGS INC.,
CASTELAGO HOLDINGS INC., ATHABASCA HOLDINGS INC., MICHAEL
MAYHEW, HEATHER MAYHEW, PAUL LEVA, MARY LEVA
AND FRANK MARCHETTI

Plaintiffs

- and -

NEW TECUMSETH LAND CORPORATION, VILLARBOIT DEVELOPMENT
CORPORATION, GUERY GOYO AND MARY GOYO

Defendants

AMENDED STATEMENT OF CLAIM

TO THE DEFENDANT(S):

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service, in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO

AMENDED THIS
MODIFIÉ CE
RULE/LA RÉGLE 25.02 ()
Pursuant to
CONFORMEMENT À

THE ORDER OF
L'ORDONNANCE DU

DATED / FAIT LE

REGISTRAR
SUPERIOR COURT OF JUSTICE
GREFFIER
COUR SUPÉRIEURE DE JUSTICE

-2-

YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY
LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL
LEGAL AID OFFICE.

Date

Aug. 2/13

Issued by

M. Godin
Local RegistrarAddress of
court office:393 University Avenue, 10th Floor
Toronto ON M5G 1E6

TO: New Tecumseth Land Corporation
151 Spinnaker Way
Unit 5
Vaughan ON L4K 4C3

AND TO: Villarboit Development Corporation
151 Spinnaker Way
Unit 5
Vaughan ON L4K 4C3

AND TO: Guery Goyo
151 Spinnaker Way
Unit 5
Vaughan ON L4K 4C3

AND TO: Mary Goyo
151 Spinnaker Way
Unit 5
Vaughan ON L4K 4C3

-3-

CLAIM

1. The Plaintiffs claim:
 - (a) Damages in the sum of \$2,125,791.38 for breach of fiduciary duty, breach of contract, misrepresentation, deceit and fraud, together with loss of interest and/or return on investment in an amount to be determined prior to trial;
 - (b) Damages for loss of opportunity and/or consequential damages, in an amount to be determined prior to trial;
 - (c) In the alternative, an order that the Defendants repay to the Plaintiffs the principal sum of \$2,125,791.38 as monies had and received, plus accrued interest;
 - (d) Punitive, aggravated and/or exemplary damages in the sum of \$500,000.00;
 - (e) A Mandatory order that the Defendants provide a full accounting from inception with respect to the development herein and the use of all monies invested by the Plaintiffs;
 - (f) An order granting the Plaintiffs leave to issue and register a certificate of pending litigation against title to the lands described in Schedule "A" attached hereto (the "Lands");
 - (g) An order for partition and sale of the Lands, and such further order and reference and taking of accounts as may be necessary in connection therewith;
 - (h) An interim, interlocutory and permanent injunction restraining the Defendants, their servants, agents, employees and representatives from encumbering,

-4-

mortgaging, pledging, hypothecating, diminishing the value of the Lands until determination of the trial or such further order of the Court;

- (i) An order that the Defendants provide the Plaintiff with 10 business days' notice in writing of all steps taken to market or sell the Lands and an order the proceeds of sale of the Lands be paid into Court to credit of this action;
- (j) An Order restraining the Defendants from giving priority to any others or otherwise treating any further capital as preferred equity;
- (k) A declaration that the Plaintiffs' claim falls within s. 178(1)(e) of the *Bankruptcy and Insolvency Act*, R.S.E. 1985, c. B-3, as amended;
- (l) Pre-judgment and post-judgment interest in accordance with the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (m) Costs of this action on a substantial indemnity basis or on such other scale as determined by this Honourable Court together with applicable HST and transaction levies;
- (n) Such further and other relief as to this Honourable Court may seem just.

THE PARTIES AND PARTICIPANTS

2. The Plaintiffs, Centreside Contracting Ltd. ("Centreside"), Spano Family Holdings Inc. ("Spano"), Antonini Family Holdings Inc. ("Antonini"), 1282291 Ontario Limited ("1282291"), 594633 Ontario Ltd. ("594633"), Salisi Investments Ltd. ("Salisi"), Luvax

-5-

Holdings Inc. (“Luvax”), Castelago Holdings Inc. (“Castelago”), and Athabasca Holdings Inc. (“Athabasca”) are corporations incorporated pursuant to the laws of Ontario.

3. The Plaintiffs, Michael and Heather Mayhew (“Mayhew”) and Paul and Mary Leva (“Leva”) and Frank Marchetti (“Marchetti”) are individuals residing in the Province of Ontario.
4. The corporate Plaintiffs together with the individual Plaintiffs (collectively the “Plaintiffs”) are each investors in varying percentages as set out in Schedule “B” to this Statement of Claim.
5. The Defendant, New Tecumseth Land Corporation (“New Tecumseth”) is a trustee corporation incorporated pursuant to the laws of Ontario. New Tecumseth was incorporated for the sole purpose of owning the Lands and completing this Project (as defined below) and it was not to be in the money lending business. The Defendants Guery Goyo (“Goyo”) and Mary Goyo (“Mary”) are brother and sister and are officers and directors and the directing minds of New Tecumseth. New Tecumseth is the registered owner of the legal title of the Lands. The Lands are held in trust by New Tecumseth on behalf of the investors, including the Plaintiffs.
6. The Defendant, Villarboit Development Corporation (“Villarboit”) is a corporation incorporated pursuant to the laws of Ontario. Goyo and Mary are officers and directors and the directing minds of Villarboit. Villarboit together with Goyo and Mary solicited the Plaintiffs’ investment for the Project as well as for a number of other investment properties, to be referred to below. Not all of the Plaintiffs are investors in the other investment properties. The Defendants held themselves out as experienced developers.

-6-

7. The Defendant, Goyo is an individual residing in the Province of Ontario. Goyo and Mary together with Villarboit were to be hands on with respect to development of the Project.
8. The Defendant, Mary is an individual residing in the Province of Ontario. Mary presents herself as a Chartered Accountant. Both Goyo and Mary were responsible for financial reporting with respect to development of the Project and both directly or indirectly have interest in Villarboit.

THE DEFENDANTS SOLICIT THE PLAINTIFFS' INVESTMENT

9. In 2006 Goyo, Mary and Villarboit¹ solicited the Plaintiffs' investment in a 98.9 acre development of an industrial subdivision in New Tecumseth (Alliston). The Lands are located adjacent to the multi-platform Honda manufacturing plant located in New Tecumseth (Alliston), Ontario. The Defendants represented that the Lands were to be developed and sold after completion of the rezoning process, and approval of draft plan of subdivision and then held for sale or development in 5 and 10 acre parcels (the "Project").
10. At the time that the Defendants approached the Plaintiffs with respect to this investment, the Defendants said that the stated intention was to incorporate a trustee company to hold title to the Lands and Goyo and Villarboit would be hands on managers to oversee the Project.
11. At the time of the Plaintiffs' solicitation, the Defendants represented that it was their expectation that investors would receive profit of \$7,500,000.

¹ For convenience Goyo, Mary and Villarboit are often referred to as the Defendants (unless context requires otherwise).

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THE INVESTMENT

12. The Plaintiffs state and it was known by the Defendants that the Plaintiffs relied upon the Defendants in making their investment and trusted the Defendants to determine the level of financing and borrowings required, to be honest and to proceed diligently with the development of the Project. In reliance upon the representations made by the Defendants, the Plaintiffs invested \$2,000,000.00 in the Project.
13. At the outset the Lands were acquired by New Tecumseth on October 13, 2006 for \$7,128,228.00. \$5,700,000.00² had been contributed by the investors towards the purchase price. The balance of the purchase price, including related closing costs were provided by a first mortgage. While less than \$1,500,000.00 was required in order to complete the transaction, the Defendants obtained a first mortgage in the sum of \$6,000,000.00 which ought to have provided excess cash on hand of at least \$4,000,000.00.
14. Consistent with the representations made, the Plaintiffs received a certificate of investment setting out the following representations and warranties as follows:
 1. **The Corporation (New Tecumseth Land Corporation) is the registered owner of the property located at 6485 Fourteenth Line, New Tecumseth, Ontario containing approximately 99 acres and being described as Part of Lot 7, Concession 13, Town of New Tecumseth, County of Simcoe (Alliston).**
 2. **The Property is being developed as serviced industrial lots.**
 3. **All funds advanced to the Corporation by investors pursuant to an Information Package provided to such investors will be paid into an account maintained by the Corporation to be used solely for the purposes of the Corporation as those purposes relate to the Property.**

² The \$5,700,000 was contributed by all investors. The amounts contributed by the Plaintiffs are set out on Schedule "B" attached to the Statement of Claim.

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4. **The Property will be developed and sold and the net profit will be divided proportionately among the investors in accordance with the Information Package.**

15. It was an express and/or implied term of the investment agreement, that in the event that the Project did not proceed as represented and/or was not completed within a reasonable period of time, that the Plaintiffs would be entitled to the return of their investment together with accrued interest until the date of repayment.

DUTIES AND OBLIGATIONS OWED TO THE PLAINTIFFS

16. The Plaintiffs plead that the Defendants owed them the following duties and obligations:
 - (a) to act towards them honestly and in good faith;
 - (b) to diligently and in in good faith carry out the terms of the investment agreement as represented to them at the time they solicited the Plaintiffs' investment;
 - (c) to refrain from encumbering the Property without the Plaintiffs' consent;
 - (d) to use the funds solely for the purpose of the Project and not for any purpose other than for the Project;
 - (e) to refrain from taking development and/or guarantee fees which they were not entitled to;
 - (f) to honestly and accurately report on financial, planning and development status of the Project in a timely manner; and,

-9-

- (g) to honestly prepare or cause to prepare accurate financial statements, and accounting information as to the status of the Project, as well as to manage the finances and accurately report on them.

BREAKDOWN IN CONFIDENCE

17. Notwithstanding the Defendants' duties and obligations, to date, the development still has not received draft plan approval. Specifically, the Project was inexplicably delayed by the Defendants for reasons not germane to the Project. The first mortgage is in default and the first mortgagee is exercising its remedies, including but not limited to delivery of (July 16, 2013) its formal demand and Notice of Intention to Enforce Security pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada).
18. The Plaintiffs have lost confidence in the Defendants. On December 5, 2012 the Defendants made a \$1,500,000 capital call on the investors. At that time, the Defendants advised that without additional capital to pay down current debt and meet on-going obligations at the Property, there is a likelihood that the existing first mortgage will go into default, resulting in loss of value for the current co-owners.

BREACH OF DUTIES AND OBLIGATIONS

19. Following the receipt of the December 5th, 2012 capital call, the Plaintiffs took steps to obtain information from the Defendants to find out the status of the development as well as an explanation as to what transpired *vis a vis* the financing of the Project. It has been extremely difficult and a time consuming process to obtain information from the Defendants. The Plaintiffs state that, for the reasons set out below, the Defendants have

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refused to act reasonably and diligently, or in good faith, have failed to live up to their representations, have placed themselves in a conflict of interest and have otherwise breached their obligations. Moreover, the statements and representations made by the Defendants, were false, deceptive and misleading in that:

- (a) they did not intend to use funds exclusively for the Project. In that respect, they deliberately planned without disclosing their true intentions to borrow money on the strength of the Plaintiffs' investment in the subject Project and use the money elsewhere. From inception the Defendants mortgaged the Property for extra money than was initially required. Instead of utilizing the money to move the development forward, it appears that the Defendants misappropriated and/or loaned in excess of \$1,000,000.00 to other investment projects³ solicited by the Defendants without the investors' knowledge or consent and contrary to the Defendants express representations that the funds would only be used with respect to the Project, and have thereby put the Project in jeopardy. In addition the Defendants did not repatriate the money they loaned, in order to pursue the development in a timely or reasonable fashion;
- (b) they did not intend to fulfill their duties and obligations to proceed with the Project. They have failed to develop the Property and have failed to act in good faith or to use their best efforts to proceed diligently in completing the development;
- (c) they have misrepresented the status of the project so as to prejudice the Plaintiffs;

³ These investment projects include, Brookdale Centre Inc.; Brookdale Square Inc.; McLeod Square Inc.; Strathroy Land Co.; Penbroke Plaza Inc.; Heritage Centre Inc.; Villamark Inc.

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- (d) they did not report accurately or honestly on the status of the Project and made false and misleading statements and forecasts, or otherwise knowingly disseminated false or alternatively deceptive information with the intention of misleading the Plaintiffs and inducing them into making the investment and/or to refrain from exercising their legal right;
 - (e) they mismanaged finances and have paid excessive financing and renewal fees when not required to do so;
 - (g) they paid themselves monies which they were not entitled to , which included without limitation construction fees and/or guarantee fees of at least \$150,000.00 which was not contemplated or agreed to. In the alternative, particularly when there has been no development;
 - (h) they sought to gain financially (at the Plaintiffs expense);
 - (i) they have failed to pay consultants in a timely manner, which has put the development into jeopardy;
 - (f) they are making unilateral decisions contrary to representations and basis of investment by the Plaintiffs;
 - (g) they concealed material information which was their duty to disclose.
20. The Defendants knew their statements were false or were reckless in that regard, with complete disregard as to whether their statements were true or false and took active steps to prevent the Plaintiffs from learning of their deception. The Defendants' conduct and

-12-

actions amount to an independent tort and exhibit a separate identity of interest from that of New Tecumseth and in doing so conducted themselves outside of the normal and ordinary course of New Tecumseth's business.

21. On or about July 10, 2013, the Defendants made a further request for a capital call, this time in the sum of \$1,750,000.00. Moreover, notwithstanding repeated requests for information, the Defendants:
 - (a) Have refused to provide direct, reliable or credible information, including current information as to the value of the Project, including financial projections;
 - (b) Refuse to explain why funds were taken by them from the Project and used elsewhere;
 - (c) Made unreliable representations with respect to the first mortgagees' willingness to extend the mortgage;
 - (d) Refuse to address issues relating to delay of the Project, including such delay relating to the payment of professionals involved in the planning process, the timing of rezoning and development approval, costly changes to the Project, such as storm water management;
 - (e) Refused to explain the cause of incurring excessive financing charges;
 - (f) Continue to exaggerate third party interest in purchasing the Lands, and obfuscate the state of affairs, in order to create false impression to generate a favourable

-13-

response from the investor group to the capital call and in doing so have deceitfully attempted to create false momentum.

22. All of the foregoing constitute, among other things, an abdication and/or failure of the Defendants' obligations towards the Plaintiffs. The Plaintiffs have suffered loss and damage and will continue to suffer loss and damage as a result of the Defendants breach of their duties and responsibilities and wrongful acts as set out above. Moreover, the Plaintiffs plead that in addition to the loss of the principal sum of their investment, the Plaintiffs have suffered damages as a result of loss of opportunity and/or consequential damages. The full particulars of the Plaintiffs' losses are unknown at this time but will be provided prior to trial.
23. In the circumstances as set out above, the Defendants, have acted with a callous, wanton and reckless disregard for the rights and interests of the Plaintiffs, and such conduct constitutes an independent tort. The Plaintiffs further plead that they are entitled to punitive or in the alternative, aggravated and/or exemplary damages.

THE CERTIFICATE OF PENDING LITIGATION AND ORDER FOR PARTITION AND SALE

24. The Plaintiffs claim an interest in the Lands as investors and beneficial owners.
25. The Plaintiffs claim that they are entitled to a Certificate of Pending Litigation registered over the Lands in their favour in order to protect their interest in the Lands as claimed herein.
26. The Plaintiffs have a *prima facie* right to the sale of the Lands. They wish to separate from the Defendants. There is no reason why the Lands cannot be sold and the proceeds

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distributed. The Lands should be sold on the open market to ensure that all parties are protected and maximum value obtained.

27. The Plaintiffs plead and rely upon section 103 of the *Courts of Justice Act* section 2 of the Partition Act, R.S.O. 1990, c. P.4 and Rules 42 and 55 of the *Rules of Civil Procedure*.
28. The Plaintiffs propose that the trial of this action taken place in Toronto, Ontario.

January 15, 2014

TEPLITSKY, COLSON LLP

Barristers
70 Bond Street, Suite 200
Toronto Ontario
M5B 1X3

Stephen Brunswick (LSUC #19793Q)

Matthew Sokolsky (LSUC #45815A)

Tel: (416) 365-9320

Fax: (416) 365-7702

Lawyers for the Plaintiffs

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SCHEDULE “A”

The lands municipally known as 6485 Fourteenth Line, New Tecumseth, Ontario, containing approximately 99 acres and legally described as Part Lot 7, Concession 13, designated as Part 1 on Reference Plan 51R—34706 LT, PIN 58145-0050, Town of New Tecumseth, County of Simcoe (Alliston) (the “Property”).

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SCHEDULE "B"

Centreside Contracting Ltd.	\$300,000.00	5.27%
Spano Family Holdings Inc.	\$300,000.00	5.27%
Antonini Family Holdings Inc.	\$250,000.00	4.40%
1282291 Ontario Limited	\$150,000.00	2.63%
594633 Ontario Limited	\$150,000.00	2.63%
Athabasca Holdings Inc.	\$150,000.00	2.63%
Salisi Investments Ltd.	\$100,000.00	1.75%
Luvax Holdings Inc.	\$100,000.00	1.75%
Castelago Holdings Inc.	\$100,000.00	1.75%
Michael Mayhew & Heather Mayhew	\$100,000.00	1.75%
Paul Leva & Mary Leva	\$100,000.00	1.75%
Frank Marchetti ⁴	\$200,000.00	3.5%

⁴ In addition to Marchetti's initial investment in the sum of \$200,000, on May2, 2013 and August 22, 2013, Marchetti paid New Tecumseth Land Corporation the further sums of \$52,650.00 and \$73,141.38 in response to capital calls. Accordingly the total amount invested by Marchetti amounts to \$325,791.38.

CENTRESIDE CONTRACTING LTD. ET AL.
Plaintiffs

v.

NEW TECUMSETH LAND CORPORATION ET AL.
Defendants

Court File No. CV-13-486183

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

AMENDED STATEMENT OF CLAIM

TEPLITSKY, COLSON LLP

Barristers
70 Bond Street, Suite 200
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M5B 1X3

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Lawyers for the Plaintiffs

APPENDIX

12

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

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

FIRST ONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondents

**AFFIDAVIT OF TREVOR PRINGLE
(sworn April 14, 2021)**

I, TREVOR PRINGLE, of the City of Hamilton, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Licensed Insolvency Trustee with msi Spergel Inc. ("MSI"), the court-appointed Receiver (the "Receiver") of all the assets, undertakings and properties of the Respondents. As such I have knowledge of the matters hereinafter deposed to.
2. MSI was appointed Receiver pursuant to the Order made by the Honourable Justice Hailey of the Ontario Superior Court of Justice on April 23, 2020 and took effect June 1, 2020 at noon.
3. Attached hereto as **Exhibit "A"** are true copies of the Receiver's accounts with respect to professional fees incurred in respect of the receivership of New Tecumseth Land Corporation for the period of December 14, 2020 to April 2, 2021 in the amount of \$31,053.50, not inclusive of HST. This represents a total of 88.80 hours at an average rate of \$349.70 per hour. The accounts and supporting time dockets disclose in detail: the

- 2 -

nature of the services rendered, the time expended by each person and their hourly rates, disbursements charged and the total charges for the services rendered.

4. The hourly billing rates detailed in this Affidavit are the standard billing and charge out rates of MSI for services rendered in relation to similar proceedings.
5. To the best of my knowledge the rates charged by MSI in connection with acting as Receiver are comparable to the rates charged by other firms in the Hamilton market for the provision of similar services.
6. I make this affidavit in support of the Receiver's motion for; *inter alia*, approval of its fees and disbursements and not for an improper purpose.

SWORN BEFORE ME at the City
of Hamilton, in the Province of
Ontario, this 14th day of April, 2021.



A Commissioner, etc.

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)



TREVOR PRINGLE

Evan Scott McCullagh, a Commissioner, etc.,
Province of Ontario, for msi Spergel inc.
Expires October 6, 2023.

**This is Exhibit “A”
To the Affidavit of Trevor Pringle
dated April 14, 2021**



Evan Scott McCullagh, a Commissioner, etc.,
Province of Ontario, for msi Spergel inc.
Expires October 6, 2023.


SPERGEL

April 08, 2021

Invoice #: 12045

New Tecumseth Land Corp.
 151 Spinnaker Way Unit 5
 Concord, L4K 4C

Invoice

RE: New Tecumseth Land Corp.

	Hours	Hourly Rate	Total
Deborah Hornbostel, CPA, CA, CFE, CIRP, LIT	0.10	\$395.00	\$39.50
Trevor Pringle, CFE, CIRP, LIT	61.90	395.00	24,450.50
Gillian Goldblatt, CPA, CA, CIRP, LIT	19.80	290.00	5,742.00
Mukul Manchanda, CPA, CIRP, LIT	0.30	290.00	87.00
Evan McCullagh	4.00	110.00	440.00
Others	2.70	109.07	294.50
Total Professional fees	88.80	\$349.70	\$31,053.50
HST			4,036.96
Total			\$35,090.46

HST Registration #R103478103

(AANEWT-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

Member **CAIRP** Canadian Association of Insolvency
 and Restructuring Practitioners

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network

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File Name (ID): New Tecumseht Land Corp. (AANEWT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Deborah Hornbostel (DHO)					
Fri	03/19/2021	Review and approve disbursement	0.10	\$395.00	\$39.50
			0.10		\$39.50
Evan McCullagh (EMC)					
Mon	12/14/2020	review and prep appendices; fee affidavit, srd etc. Discussion with TP and GG re same; correspondence with Michael at C&W re marketing.	1.00	\$110.00	\$110.00
Tues	12/15/2020	review and finalize appendices.	0.20	\$110.00	\$22.00
Wed	12/16/2020	review of appendices: review emails of note holders and 2nd mortgagees, verify missing, prepare schedule.	1.00	\$110.00	\$110.00
Fri	12/18/2020	review report to court.	0.10	\$110.00	\$11.00
Mon	12/21/2020	review proposed AVO order.	0.10	\$110.00	\$11.00
Tues	12/22/2020	review motion record; request for website posting.	0.10	\$110.00	\$11.00
Mon	01/04/2021	Review Lockit Invoice, prep CHQ REQ.	0.10	\$110.00	\$11.00
Tues	01/05/2021	review FCA invoice, prep CHQ REQ.	0.10	\$110.00	\$11.00
Fri	01/08/2021	review endorsement and AVO order, arrange to post on website.	0.10	\$110.00	\$11.00
Tues	02/02/2021	Review FCA invoice; prep CHQ REQ.	0.10	\$110.00	\$11.00
Tues	02/09/2021	Review Lock it invoice, prep CHQ REQ.	0.10	\$110.00	\$11.00
Thur	02/18/2021	Review Wildeboer invoice; update ascend and excel list.	0.10	\$110.00	\$11.00
Fri	02/19/2021	review FINTRAC form; prepare for TP; email to Michael Yull, C&W re same.	0.20	\$110.00	\$22.00
Thur	03/04/2021	Review FCA invoice, prep cheque req.	0.10	\$110.00	\$11.00
Thur	03/11/2021	Review investor approval, create schedule; discussion with TP re same.	0.50	\$110.00	\$55.00
Fri	03/12/2021	review lockit invoice, prep CHQ REQ.	0.10	\$110.00	\$11.00
			4.00		\$440.00
Gillian Goldblatt (GGO)					
Mon	12/14/2020	Finalize Report, send to T. Pringle for review; amend Report based on comments from T. Pringle.	0.70	\$290.00	\$203.00
Fri	12/18/2020	Review and	1.00	\$290.00	\$290.00
Tues	12/22/2020	t/c with T. Pringle re:share exchange; email to T. Pringle re:same; review memo from counsel re:same.	0.50	\$290.00	\$145.00
Tues	02/09/2021	File quarterly HST return (Oct 2020-Dec 2020).	0.20	\$290.00	\$58.00
Thur	02/11/2021	review and approve disbursement	0.10	\$290.00	\$29.00
Mon	03/15/2021	Review of books and records for promissory noteholder details.	0.50	\$290.00	\$145.00
Wed	03/17/2021	review and approve disbursements.	0.10	\$290.00	\$29.00
Fri	03/19/2021	discussion with T. Pringle re:promissory noteholder reconciliation.	0.50	\$290.00	\$145.00
Thur	03/25/2021	Review of second mortgage documentation, backup provided to date, and interest calculation; review of promissory noteholder schedules, note back provided to date; draft and send email to G. Goyo re:outstanding promissory notes, interest calculation, and mortgage documents; t/c with T. Pringle re:same.	4.20	\$290.00	\$1,218.00
Fri	03/26/2021	Begin review of bank statements and deposit slips provided from 2015-2019 for second mortgage holders and promissory noteholders; begin to draft email to G. Goyo re-outstanding and non-reconciling items;	2.20	\$290.00	\$638.00
Sun	03/28/2021	Finish tracing promissory noteholder advances to bank statements and deposit slips; draft outstanding item list and send to T. Pringle for review; draft memo to file re:review of promissory noteholders and second mortgage advances.	2.00	\$290.00	\$580.00
Mon	03/29/2021	review of additional bank statements and deposit slips provided in relation to the second mortgageholders and discrepancies in advances in review of promissory noteholders; update memo to file with additional analysis.	2.50	\$290.00	\$725.00

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File Name (ID): New Tecumseth Land Corp. (AANEWT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Gillian Goldblatt (GGO)					
Wed	03/31/2021	Begin review of additional documentation provided by G. Goyo with respect to second mortgage and promissory notes.	0.80	\$290.00	\$232.00
Thur	04/01/2021	Continue review of additional documentation provided by G. Goyo with respect to second mortgage and promissory notes, as well as review and trace additional cancelled cheques provided by Management; t/c with T. Pringle re: timing and content of report to court.	3.70	\$290.00	\$1,073.00
Fri	04/02/2021	Complete review of additional documentation provided by G. Goyo with respect to second mortgage and promissory notes, as well as review and trace additional cancelled cheques provided by Management; email to G. Goyo re: review of additional documents;	0.80	\$290.00	\$232.00
Gillian Goldblatt (GGO)			19.80		\$5,742.00
Hinna Shaikh (HSH)					
Tues	12/22/2020	Updated site	0.10	\$110.00	\$11.00
Fri	01/08/2021	Updated site	0.10	\$110.00	\$11.00
Hinna Shaikh (HSH)			0.20		\$22.00
Haran Sivanathan (HSI)					
Thur	12/31/2020	General	0.30	\$100.00	\$30.00
Wed	01/06/2021	General	0.50	\$100.00	\$50.00
Thur	01/07/2021	General	0.60	\$100.00	\$60.00
Haran Sivanathan (HSI)			1.40		\$140.00
Inga Friptuleac (IFR)					
Mon	02/01/2021	Issue cheque	0.20	\$100.00	\$20.00
Wed	02/10/2021	Issue cheque	0.20	\$100.00	\$20.00
Wed	02/24/2021	Deposit	0.20	\$100.00	\$20.00
Mon	03/01/2021	Issue cheque	0.20	\$100.00	\$20.00
Mon	03/15/2021	Issue cheque	0.20	\$100.00	\$20.00
Inga Friptuleac (IFR)			1.00		\$100.00
Jeff Adiken (JAD)					
Sun	02/28/2021	Feb 5, 2021 - sign cheques	0.10	\$325.00	\$32.50
Jeff Adiken (JAD)			0.10		\$32.50
Mukul Manchanda (MMA)					
Mon	12/14/2020	Receipt, review and approve payables.	0.10	\$290.00	\$29.00
Mon	02/08/2021	Receipt, review and approve payable.	0.10	\$290.00	\$29.00
Fri	03/05/2021	Receipt, review and approve payables.	0.10	\$290.00	\$29.00
Mukul Manchanda (MMA)			0.30		\$87.00
Trevor Pringle (TPR)					
Mon	12/14/2020	review site photos; review EFT confirmation for Emergia deposit; review G/L; correspond/tow Virginia Selemidis, FirstOntario; discussions/correspondence re draft report to Court; review and sign fee affidavit; review FirstOntario pay-out statements; review and make changes to draft report to Court; correspond with David Jackson, lawyer	1.40	\$395.00	\$553.00
Tues	12/15/2020	correspond/tow's David Jackson, lawyer re draft report to Court, service list; review G/L; review books and records; review and make changes to draft report to Court; correspond with Guery Goyo Sr. re service list; correspondence re Cushman & Wakefield marketing efforts	1.10	\$395.00	\$434.50

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File Name (ID): New Tecumseth Land Corp. (AANEWT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (IPR)					
Wed	12/16/2020	review site photos; correspond with Guery Goyo re service list info, PDR Investments; correspond/tdw David Jackson, lawyer re draft report to Court, service list; review amendments to draft report to Court; review draft statement of adjustments; discussions/correspondence re service list; correspondence re Brunswick clients	1.30	\$395.00	\$513.50
Thur	12/17/2020	review draft report to Court; tdw David Jackson, lawyer; discussions/correspondence re draft report, appendices, service list; correspond/tdw Mike Yull, Cushman & Wakefield re Emergia share value	0.50	\$395.00	\$197.50
Fri	12/18/2020	review Simpson Wigle fee affidavit; discussions/correspondence re draft report to Court; review appendices to report; correspond with David Jackson, lawyer; review draft notice of motion; review and execute report to Court; correspondence re Cushman data room	1.20	\$395.00	\$474.00
Mon	12/21/2020	review site photos; review G/L; correspond/tdw David Jackson, lawyer re motion material; review draft approval, vesting & distribution order; review draft notice of motion; review books and records; review A/P listing; review bank statements	0.90	\$395.00	\$355.50
Tues	12/22/2020	review Motion Record; correspond/tdw Mike Yull, Cushman & Wakefield re Emergia shares; review Emergia correspondence re share value; correspond/tdw's David Jackson, lawyer re addendum to APS for Emergia share value; discussions/correspondence re Emergia shares; correspondence re FirstOntario pay-out statement; correspond with Ross Macfarlane, lawyer; review FirstOntario breakdown of delinquency schedule; review site photos	1.40	\$395.00	\$553.00
Wed	12/23/2020	correspond with David Jackson, lawyer	0.10	\$395.00	\$39.50
Mon	01/04/2021	review site photos; review and approve chq rq; review G/L; correspond/tdw's David Jackson, lawyer; conference call with Ross Macfarlane, lawyer & David Jackson, lawyer; review FirstOntario pay-out statements; review report to Court; review motion record; review authorizations to pay Parent Borean LLP; correspondence re bare trustee; review and amend addendum to APS; correspond with Mike Yull, Cushman & Wakefield re addendum to APS	1.40	\$395.00	\$553.00
Tues	01/05/2021	correspondence re FirstOntario pay-out; correspond/tdw's David Jackson, lawyer re various issues including redacting APS, Emergia shares, unsecured creditors; review creditor correspondence; correspond with Mike Yull, Cushman & Wakefield re addendum to APS; review and approve payment of insurance invoice; review Emergia current share value; review and execute addendum to APS; review redacted agreement of purchase & sale; review and approve draft letter to service list; review draft approval, vesting & distribution order; correspond with Nancy Mousseau, Simpson Wigle LLP re closing; review letter to J.Hainey; review PDR 2nd mortgage	1.80	\$395.00	\$711.00
Wed	01/06/2021	review site photos; creditor correspondence; review SCS Consulting Group Ltd. statements; review G/L; attend Court re approval, vesting & distribution motion (via Zoom); conference call with David Jackson & Gokcin Nalsok, lawyers re closing; correspondence re closing date; correspond/tdw David Jackson, lawyer; review counsel slip; review draft endorsement; correspondence re Emergia share value; review Approval, Vesting & Distribution Order; correspondence re amendments to endorsement; review draft closing agenda; correspond with Mike Yull, Cushman & Wakefield	1.90	\$395.00	\$750.50
Thur	01/07/2021	correspond with David Jackson, lawyer; review G/L	0.10	\$395.00	\$39.50

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File Name (ID): New Tecumseth Land Corp. (AANEWT-R)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Fri	01/08/2021	review site photos; review J.Hailey Endorsement & AVO	0.10	\$395.00	\$39.50
Tues	01/12/2021	correspond with Gokcin Nalsok, lawyer re closing; review G/L; review site photos; review closing documents including sec 116 stat dec, purchaser's HST indemnity, direction to municipality, direction re funds, receipt for purchase price, receivers certificate; correspondence re AVO	0.80	\$395.00	\$316.00
Wed	01/13/2021	review FirstOntario pay-out statement; correspond with David Jackson, lawyer; correspond with Ross Macfarlane, lawyer	0.20	\$395.00	\$79.00
Thur	01/14/2021	correspond with Gokcin Nalsok, lawyer re closing documents	0.10	\$395.00	\$39.50
Fri	01/15/2021	correspond/tdw Mike Yull, Cushman & Wakefield re extension of closing date to Feb. 5th; review correspondence from Henri Petit, Emergia re closing date extension request; correspond/tdw David Jackson, lawyer re closing date extension; tdw Ross Macfarlane, lawyer; correspond with Frank Mancuso, FirstOntario re closing date extension; review G/L	0.90	\$395.00	\$355.50
Mon	01/18/2021	review site photos; review G/L; correspond with Mike Yull, Cushman & Wakefield re deposit increase/closing date extension; correspond/tdw Virginia Selemidis, FirstOntario re further deposit of \$5.4M; correspond/tdw David Jackson, lawyer re drafting amendment to APS; review and make changes to addendum #2 to agreement of purchase & sale	1.10	\$395.00	\$434.50
Tues	01/19/2021	correspond with Mike Yull, Cushman & Wakefield; review and execute addendum #2 to agreement of purchase and sale; correspond with David Jackson, lawyer	0.40	\$395.00	\$158.00
Wed	01/20/2021	correspond with Ross Macfarlane, lawyer re addendum #2 to APS	0.10	\$395.00	\$39.50
Fri	01/22/2021	correspond with Mike Yull, Cushman & Wakefield; review creditor correspondence; correspond with David Jackson, lawyer re additional deposit; review site photos	0.40	\$395.00	\$158.00
Mon	01/25/2021	review G/L; correspond with David Jackson, lawyer	0.10	\$395.00	\$39.50
Tues	01/26/2021	review site photos; review Emergia share value	0.10	\$395.00	\$39.50
Wed	01/27/2021	tdw Virginia Selemidis, FirstOntario re Emergia deposit	0.10	\$395.00	\$39.50
Thur	01/28/2021	correspond/tdw's Mike Yull, Cushman & Wakefield re Emergia deposit, delay in closing; review correspondence from Henri Petit, Emergia re First Source Mortgage Corporation; review agreement of purchase & sale including addendum; review correspondence from Kunj Patel, First Source Corporation re LOI, due diligence; review Emergia information; correspond with Nancy Mousseau, Simpson Wigle LLP; conference call with Mike Yull & Fraser Plant, Cushman & Wakefield re Emergia delay in closing; correspond/tdw Virginia Selemidis, FirstOntario re closing date extension; correspond with Mark Perkins, FirstOntario; correspond/tdw David Jackson, lawyer	1.80	\$395.00	\$711.00
Fri	01/29/2021	review site photos; correspond with Mike Yull, Cushman & Wakefield re additional \$500K deposit & closing extension to February 26th; correspond with Virginia Selemidis, Mark Perkins & Frank Mancuso, FirstOntario; correspond/tdw's David Jackson, lawyer re breach of APS; tdw Virginia Selemidis, FirstOntario; review addendum #3 to agreement of purchase & sale	1.10	\$395.00	\$434.50
Mon	02/01/2021	correspond with Mike Yull, Cushman & Wakefield; review and execute addendum #3 to APS; correspond with David Jackson, lawyer; review G/L; review site photos	0.50	\$395.00	\$197.50
Tues	02/02/2021	review and approve payment of insurance invoice	0.10	\$395.00	\$39.50

Filters Used:

- Time Entry Date: 12/14/20 to 4/02/21
 - File Client ID: AANEWT-R to AANEWT-R

MSGG - Detailed Time Dockets

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File Name (ID): New Tecumseth Land Corp. (AANEWT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Wed	02/03/2021	correspond with Mike Yull, Cushman & Wakefield re Emergia additional \$500K deposit; tdw David Jackson, lawyer; review EFT deposit confirmation; correspond/tdw Virginia Selemidis, FirstOntario	0.40	\$395.00	\$158.00
Thur	02/04/2021	review G/L; correspond with David Jackson, lawyer; correspondence re additional Emergia deposit of \$500,000	0.30	\$395.00	\$118.50
Fri	02/05/2021	review site photos; correspond with Virginia Selemidis, FirstOntario	0.20	\$395.00	\$79.00
Mon	02/08/2021	review G/L; correspond with Gokcin Nalsok, lawyer re closing	0.20	\$395.00	\$79.00
Tues	02/09/2021	review site photos; review and approve chq rq	0.10	\$395.00	\$39.50
Thur	02/11/2021	correspond with Henri Petit, Emergia re closing; review draft statement of adjustments; discussions/correspondence re Emergia closing & shares; correspond with David Jackson & Gokcin Nalsok, lawyers; review Schedule 1 re shares; review addendum to APS; review site photos	0.90	\$395.00	\$355.50
Tues	02/16/2021	correspondence re Emergia shares; review site photos; review G/L; conference call with David Jackson & Gokcin Nalsok, lawyers re Emergia shares; tdw Gokcin Nalsok, lawyer	0.50	\$395.00	\$197.50
Wed	02/17/2021	conference call with David Jackson & Gokcin Nalsok, lawyers re Emergia shares; correspond with Gokcin Nalsok, lawyer; review NTA Development Corporation agreement of purchase & sale and addendum re Emergia shares; review Order (appointing Receiver); conference call with David Jackson & Gokcin Nalsok, Simpson Wigle with Troy Pocaluyko, lawyer re transfer of Emergia shares	1.40	\$395.00	\$553.00
Thur	02/18/2021	discussions/correspondence re Emergia shares; review correspondence from Troy Pocaluyko, securities lawyer re Emergia shares; review draft statement of adjustments; correspond with Nancy Mousseau, Simpson Wigle; review Wildeboer Dellelce LLP invoice; review Wildeboer Dellelce LLP retainer agreement; correspond with Troy Pocaluyko, lawyer re broker; correspond/tdw's David Jackson, lawyer re transfer of Emergia shares, Wildeboer retainer agreement; correspond with Gokcin Nalsok, lawyer; correspondence re closing documents; review Emergia shares traded on the Canadian Securities Exchange; review Emergia news release; correspond with Mike Yull, Cushman & Wakefield	2.50	\$395.00	\$987.50
Fri	02/19/2021	correspondence re Emergia shares; review site photos; review Wildeboer memo re Reporting Obligations for Holders of 10% or more of the Shares of a Public Company; review Form 62-103F1; correspond with Troy Pocaluyko, lawyer; correspond/tdw David Jackson, lawyer re Emergia shares; conference call with Troy Pocaluyko, lawyer & Fred McCutcheon, broker re transfer of Emergia shares; review and execute FINTRAC Form	1.50	\$395.00	\$592.50
Mon	02/22/2021	review site photos; correspond with Mike Yull, Cushman & Wakefield; correspondence re Emergia shares; correspond with Troy Pocaluyko, lawyer; correspond with Nancy Mousseau, Simpson Wigle Law LLP re closing documents; review and execute closing documents including s.116 stat declaration, direction re funds, receipt for purchase price, receivers certificate, acknowledgement and direction; correspondence re EFT	1.10	\$395.00	\$434.50
Tues	02/23/2021	correspondence re Emergia shares; correspond with Troy Pocaluyko, lawyer; correspond with Gokcin Nalsok, lawyer	0.30	\$395.00	\$118.50

Filters Used:

- Time Entry Date: 12/14/20 to 4/02/21
- File Client ID: AANEWT-R to AANEWT-R

MSGG - Detailed Time Dockets

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File Name (ID): New Tecumseth Land Corp. (AANEWT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Wed	02/24/2021	correspondence re issuance of Emergia shares on closing; review G/L; correspond/tdw's David Jackson, lawyer re issuance of Emergia shares; Medallion Signature Guarantee; review preliminary draft of Early Warning Report/Form 62; correspond/tdw Troy Pocaluyko, lawyer re issuance of Emergia shares; review Medallion Signature Guarantee process; tdw Ross Macfarlane, lawyer	2.10	\$395.00	\$829.50
Thur	02/25/2021	correspondence re transfer of Emergia shares; correspond/tdw David Jackson, lawyer; discussions/correspondence re closing extension to March 10th; correspond with Mike Yull, Cushman & Wakefield re extension request; conference calls with David Jackson & Gokcin Nalsok, lawyers re transfer of Emergia shares, extension request; review site photos; tdw's Mike Yull, Cushman & Wakefield re extension request; review FirstOntario pay-out statement; review 2nd mortgage; review books and records; correspond with Troy Pocaluyko, lawyer; review NTLC list of investors; tdw's Virginia Selemidis, FirstOntario	2.50	\$395.00	\$987.50
Fri	02/26/2021	correspondence re closing extension to March 10th; review CBRE appraisal; review 2019 financial statements; correspond/tdw David Jackson, lawyer re Addendum No. 4 to APS; review and execute Addendum No. 4 to agreement of purchase and sale; correspond/tdw Mike Yull, Cushman & Wakefield re Addendum No. 4; correspond/tdw Virginia Selemidis, FirstOntario re Addendum No. 4	1.30	\$395.00	\$513.50
Mon	03/01/2021	review G/L; correspondence re addendum no 4; review site photos	0.30	\$395.00	\$118.50
Wed	03/03/2021	correspond with David Jackson, lawyer re service list	0.10	\$395.00	\$39.50
Thur	03/04/2021	review and approve payment of FCA insurance invoice; review G/L; review site photos	0.20	\$395.00	\$79.00
Fri	03/05/2021	conference call with David Jackson & Gokcin Nalsok, lawyers re potential distribution of Emergia shares through escrow agreement; correspondence re Emergia shares; review projected distribution figures; review FirstOntario pay-out statement; review 2nd mortgage; review A/P listing; review promissory note balance sheet account	0.90	\$395.00	\$355.50
Mon	03/08/2021	correspondence re Emergia shares/escrow agreement; conference call with David Jackson & Gokcin Nalsok, lawyers re Emergia shares/escrow agreement; review 2nd mortgage funds and promissory notes; review G/L; review trial balance; review statement of co-tenants equity; review and execute closing documents including s.116 statutory declaration, direction re funds, receipt for purchase price, receivers certificate & acknowledgement and direction re vesting order	1.30	\$395.00	\$513.50
Tues	03/09/2021	correspond/tdw's Mike Yull, Cushman & Wakefield re closing extension; review amended statement of adjustments; correspond/tdw Virginia Selemidis, FirstOntario re closing extension; correspondence re Emergia shares & closing extension; review Emergia shares trading on Canadian Securities Exchange; review correspondence from Henri Pefit, Emergia; correspond/tdw's David Jackson, lawyer re closing extension; conference call with David Jackson & Gokcin Nalsok, lawyers re closing; review and approve correspondence to Beber re closing extension	2.40	\$395.00	\$948.00

Filters Used:

- Time Entry Date: 12/14/20 to 4/02/21
- File Client ID: AANEWT-R to AANEWT-R

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File Name (ID): New Tecumseth Land Corp. (AANEWT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Wed	03/10/2021	review site photos; correspondence re closing extension; correspond/tdw's Gokcin Nalsok, lawyer re closing extension; review investors statement of claim; correspond/tdw's Mike Yull, Cushman & Wakefield re closing extension; tdw's David Jackson, lawyer; conference calls with David Jackson & Gokcin Nalsok, lawyers re closing extension/tendering; review investor summary; correspond/tdw's Virginia Selemidis, FirstOntario re closing extension; review Beber correspondence	2.50	\$395.00	\$987.50
Thur	03/11/2021	discussions/correspondence re closing extension; correspond/tdw David Jackson, lawyer; review summary of mortgage funds & promissory notes; review accounts payable listing; review statement of co-tenants equity; review Beber proposed distribution schedule; review financial statements; review balance sheet; correspond/tdw Guery Goyo Sr & Guery Goyo Jr.; discussions/correspondence re investors authorization to sell document; review signatures to authorization to sell documents; prepare projected cash distribution schedule; review Court Order	2.20	\$395.00	\$869.00
Fri	03/12/2021	tdw Mike Yull, Cushman & Wakefield; correspond with David Jackson, lawyer; review and approve chq rq; review financial statements; conference call with David Jackson, lawyer re distribution of shares to investors; tdw Gokcin Nalsok, lawyer re Emergia shares; correspondence re process to close transaction	1.20	\$395.00	\$474.00
Mon	03/15/2021	review G/L; review site photos; correspondence re minute book; correspond with Guery Goyo Sr. re promissory notes; tdw David Jackson, lawyer; review projected distribution; correspondence re Emergia shares; conference call with lawyers (Jackson, Brunswick, Sokolsky & Upenieks) re distribution of shares to investors	1.90	\$395.00	\$750.50
Tues	03/16/2021	correspond/tdw's David Jackson, lawyers re transfer of Emergia shares on closing through escrow agreement; review creditor correspondence; correspondence re Emergia shares	0.40	\$395.00	\$158.00
Wed	03/17/2021	review Spano Family Holdings promissory notes; tdw Virginia Selemidis, FirstOntario	0.20	\$395.00	\$79.00
Thur	03/18/2021	correspond/tdw's David Jackson, lawyer; review site photos; review promissory notes; review correspondence to stakeholders re proposed closing process	0.50	\$395.00	\$197.50
Fri	03/19/2021	review Goyo correspondence; review bank statements; review 2nd mortgage backup; discussions/correspondence re investors	0.50	\$395.00	\$197.50
Mon	03/22/2021	review G/L; correspondence re escrow agreement	0.20	\$395.00	\$79.00
Tues	03/23/2021	review site photos; review property tax statement; review investor correspondence; correspond with Mike Yull, Cushman & Wakefield re closing extension; review proposed amendments to APS re shares/escrow agreement; correspond with Virginia Selemidis, FirstOntario re closing extension; correspond/tdw's David Jackson, lawyer re escrow agreement; correspondence re extension to March 29th; conference call with David Jackson & Troy Pocaluyko, lawyers re escrow agreement	2.10	\$395.00	\$829.50
Wed	03/24/2021	conference call with Henri Petit & Isabelle Lamy - Emergia, David Jackson, Troy Pocaluyko, Jeff Beber & Bastien Gauthier, lawyers re distribution of shares/escrow agreement; conference call with David Jackson & Troy Pocaluyko, lawyer; review Emergia financial statements, share price	1.40	\$395.00	\$553.00
Thur	03/25/2021	review amendments to irrevocable delivery order; tdw David Jackson, lawyer; discussions/correspondence re 2nd mortgage, unsecured creditors, promissory notes	0.40	\$395.00	\$158.00

Filters Used:

- Time Entry Date: 12/14/20 to 4/02/21
 - File Client ID: AANEWT-R to AANEWT-R

MSGG - Detailed Time Dockets

Printed on: 4/08/21

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File Name (ID): New Tecumseth Land Corp. (AANEWT-R:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Fri	03/26/2021	review Goyo correspondence; review site photos; review quote re garbage removal; review amending agreement/addendum No. 5 to the agreement of purchase & sale; conference calls with David Jackson & Troy Pocaluyko, lawyers re amending agreement/addendum No. 5 to APS; review amendments to irrevocable delivery letter; discussions re drafting report to court; review books and records, deposit slips; review PDR Trust Agreement; correspond/tdw David Jackson, lawyer	1.90	\$395.00	\$750.50
Mon	03/29/2021	correspond/tdw David Jackson, lawyer re amendment to APS; review Goyo correspondence; discussions/correspondence re 2nd mortgage, promissory notes supporting documentation; correspond with Mike Yull, Cushman & Wakefield re closing extension; review G/L; conference call with David Jackson & Gokcin Nalsok, lawyers re closing extension; review closing extension document; review site photos; review addendum no. 5 to APS	1.10	\$395.00	\$434.50
Tues	03/30/2021	correspondence re site cleanup; correspondence re closing extension to April 1st; correspond with David Jackson, lawyer; review Emergia amendments to treasury direction and amendment no. 5 to APS; correspond with Mike Yull, Cushman & Wakefield re further extension; correspond with Virginia Selemidis & Frank Mancuso, FirstOntario re further extension; conference call with David Jackson, lawyer re treasury direction & amendment no. 5 to APS	1.30	\$395.00	\$513.50
Wed	03/31/2021	review amendment no.5 to agreement of purchase and sale; correspondence re closing extension; correspond/tdw's David Jackson, lawyer re amendment agreement no.5 to APS; review Goyo correspondence; review bank statements; conference call with Henri Petit & Isabelle Lamy, Emergia and David Jackson/Jeff Beber/Troy Pocaluyko, lawyers re amendment agreement no.5 to APS	1.20	\$395.00	\$474.00
Thur	04/01/2021	review Goyo correspondence; review PDR 2nd mortgage documents; review and approve payment of FCA insurance invoice; correspond/tdw's David Jackson, lawyer; correspondence re treasury direction; correspond with Troy Pocaluyko, lawyer; review and execute Amendment Agreement No. 5 to NTA agreement of purchase and sale; correspond with Henri Petit, Emergia re Addendum No. 5 to APS; correspondence re court approval; correspond with FirstOntario re addendum no 5	1.40	\$395.00	\$553.00
Trevor Pringle (TPR)			61.90		\$24,450.50
Total for File ID AANEWT-R:			88.80		\$31,053.50
Grand Total:			88.80		\$31,053.50

APPENDIX

B

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondent

**AFFIDAVIT OF
TIMOTHY BULLOCK**

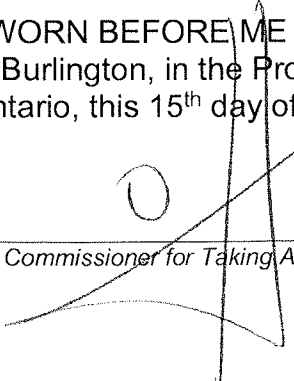
I, TIMOTHY BULLOCK, of the City of Hamilton, in the Province of Ontario, MAKE OATH
AND SAY AS FOLLOWS:

1. I am a partner at the law firm of SimpsonWigle LAW LLP, lawyers for the Receiver, msi Spergel Inc. (the "Receiver"), and as such, have knowledge of the matters to which I hereinafter depose.
2. SimpsonWigle LAW LLP was retained by the Receiver to act on its behalf to provide it with legal advice and services arising from and relating to its appointment as Receiver, without security, of all of the assets, undertakings and properties of New Tecumseth Land Corporation, acquired for or used in relation to a business carried on by New Tecumseth Land Corporation.
3. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a copy of our invoice to the Receiver dated April 14, 2021 which sets out particulars of the

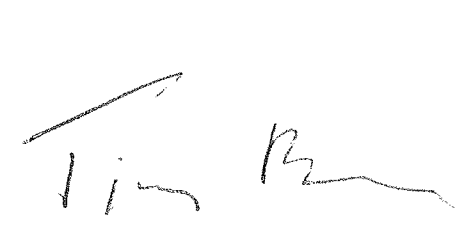
services rendered for the period from and including December 17, 2020 to and including April 14, 2021 by SimpsonWigle LAW LLP to the Receiver. The invoice is for fees of \$41,450.00, disbursements of \$1,113.77 and HST of \$5,388.50, making a total of \$48,097.06. The invoice remains unpaid.

4. Particulars of the hours expended by lawyers James Brown, David Jackson, Gokcin Nalsok, articling student and legal clerk with respect to the above-noted invoice, are particularized in the Billing Information Summaries which is attached as **Exhibit "B"**.
5. The fees of SimpsonWigle LAW LLP as set out in the aforesaid invoice are generally calculated by multiplying the hours expended by SimpsonWigle LAW LLP's aforesaid lawyers', articling student's and legal clerk's standard billing and charge out rates.
6. The standard billing and charge out rates of SimpsonWigle LAW LLP, are to the best of my knowledge, comparable to the rates charged by other law practitioners and their staff having the same or similar experience and expertise as the lawyers and staff of SimpsonWigle LAW LLP with respect to the provision of similar services to those provided by SimpsonWigle LAW LLP in this matter.
7. This Affidavit is made in support of the Receiver's application for approval of its counsel's fees for the period from and including December 17, 2020 to and including April 14, 2021.

SWORN BEFORE ME at the City
of Burlington, in the Province of
Ontario, this 15th day of April, 2021.



Commissioner for Taking Affidavits (or as may be)



Timothy Bullock

This is Exhibit 1A referred to in the
affidavit of Timothy Bullock
sworn before me, this 15th
day of April 2021.

.....
A COMMISSIONER FOR TAKING AFFIDAVITS



1 Hunter Street East, Suite 200
Hamilton, Ontario L8N 3W1
P.O. Box 990, Hamilton, Ontario L8N 3R1
Tel: 905-528-8411 Fax: 905-528-9008
www.simpsonwigle.com

msi Spergel Inc.
510 – 21 King Street West
Hamilton, ON L8P 4W7

Attention: Trevor Pringle

PLEASE RETURN ONE COPY OF OUR ACCOUNT WITH YOUR PAYMENT

Re: msi Spergel Inc., Court appointed Receiver of New Tecumseth Land Corporation
File No: 800255

TO ALL SERVICES RENDERED from and including December 16, 2020 to and including April 14, 2021 with respect to the above-captioned matter, particulars of which include the following:

- To all services rendered with respect to concluding the Notice of Motion and draft Order with respect to the Approval, Vesting and Interim Distribution Motion returnable before the Court on January 6, 2021, preparation of Motion Record and service of the same on the Service List including communications with counsel for the stakeholders and communications directly with certain stakeholders and with the Receiver and concluding and filing the Motion Record through the Civil Portal;
- To communications with the Receiver in advance of the January 6, 2021 Motion relative to amendments to the APS and drafting and preparation of the Addendum to the APS and in conjunction with the Addendum (change in calculation of share price), amending the proposed Approval, Vesting and Interim Distribution Order and to delivering the same to the Service List on January 5, 2021 and to delivery of the same to His Honour Justice Glenn Hainey with explanatory covering letter;
- To preparation and attendance before Justice Hainey on January 6, 2021 and to subsequent discussions with counsel and with respect to the same, negotiating and completing an Endorsement for consideration by Justice Hainey and amending proposed draft Order and obtaining approval from counsel for the stakeholders with respect to the foregoing; completing updated Counsel Slip and to finalizing the same and delivering the aforesaid documentation to Justice Hainey by letter dated January 6, 2021;
- To communications with lawyer Ross Mcfarlane relative to amending FirstOntario's payout statement;
- To all services with respect to the negotiations and the drafting, finalizing and execution of Addendum 2 dated January 18, 2021, Addendum 3 dated January 29, 2021, Addendum 4 dated February 26, 2021, Addendum 5 and letter agreements dated March 10, 2021 and March 23, 2021 with respect to the extension of the completion of the APS transaction and amending substantive terms and conditions; to communications from time to time with the stakeholders as to the status of the APS and its completion;
- To telephone communication with lawyers Stephen Brunswick and Ed Upenieks on March 15, 2021 relative to amendments to the APS as requested by the Purchaser and

requesting information relative to the same; to lengthy confirming letter to Messrs. Brunswick and Upenieks dated March 18, 2021 (4 pages) and to letter dated March 18, 2021 to stakeholders to provide an update as to the status of the APS, the concerns of the Purchaser and Emergia, proposed Escrow Agent, requirement of Court approval for any amendments to the APS, the need for the Receiver to conclude due diligence with respect to the quantum and priority of claims of various stakeholders;

- To communications with stakeholders, from time to time, as to the status of the APS and with respect to substantive amendments;
- To reviewing documentation received from you relative to the alleged outstanding claims of stakeholders including Investors, considering issues arising from the fact that the subject property was held by the Debtor as bare trustee for the Investors and that the second mortgage was held by P.D.R. Investments as bare trustee for various lenders to the Debtor and to considering priority issues between unsecured creditors and the aforesaid parties, and reviewing relevant case law as it relates to the specific facts and priority issues and receiving information from the Receiver from time to time with respect to the foregoing;
- To communications with the Receiver and securities legal expert, Troy Pocaluyko relative to various issues relating to the delivery of Class A Common Shares of Emergia on closing including their issuance, Investors accreditation issues/exemptions, obligations respecting press releases and early warning notices, consideration of the relevance of the same to maintaining Share value, escrow agent and obligations, maintaining the Receiver's control over the Shares depending upon timing of issues and all relative issues with respect to providing advice and recommendations to you relative to the Purchaser's and Emergia's request for amendments to the APS;
- To communications with the Receiver relative to anticipatory breach, tender with respect to the completion of the APS and the Receiver's rights and obligations arising therefrom;
- To various communications with the Purchaser's lawyer, Jeff Beber and with Emergia's lawyer, Isabel Lamy and including the Receiver and the principal of Emergia with respect to negotiating terms and conditions of Addendum No. 5;
- To all services with respect to obtaining a Motion date for the approval Motion with respect to the amendment of the APS (Addendum No 5) and to communications with the Service List with respect to the same and to obtaining and confirming the Court date;
- To all services rendered with respect to reviewing and providing the Receiver with input with respect to the Receiver's draft Second Report and providing recommendations with respect to amendments to the Report;
- To preliminary services with respect to the drafting and preparation of Notice of Motion, draft Fee Affidavit and draft Order for the approval Motion scheduled for April 27, 2021;

- To attending to numerous discussion with Beber concerning the closing documents (in particular, the s.116 statutory declaration, directions, Application for vesting order, statement of adjustments, buyer's HST indemnity and certificate), numerous revisions to the statement of adjustments, how title is to be taken, attending to the finalization of the closing documents and obtaining advanced signatures; anticipatory preparation of tender letters (2, discussions with Beber concerning mutual waiver of tender and the conditions relating thereto, confirmation no DRA will be required hereto and drafting and finalization of numerous extensions and addendums pertaining to the closing date and the conditions relating thereto;
- To attending to numerous discussions with the Beber, Buyer's securities lawyer, H. Petit, Troy Pocaluyko and the Receiver concerning the shares, the disclosure requirements relating thereto relating to 45-106 prospectus exemptions, discuss various was shares can be issued and the reporting requirements relating thereto; numerous emails between the parties pertaining to the shares and the terms set out in the agreement of purchase and sale, the proposed tri-party agreement and escrow type of arrangement, and assist with the resolution of the shares issuances for court approval.
- To all miscellaneous services.

OUR ACCOUNT ALL HEREIN

FEE

FEE	\$41,450.00	
HST	<u>5,388.50</u>	
TOTAL FEE AND HST		\$46,838.50

DISBURSEMENTS

Photocopies	\$ 27.34	
Search Teraview	93.43	
Legal Researcher Fee	975.00	
PPSA Searches	<u>18.00</u>	
Total disbursements	\$1,113.77	
HST	<u>144.79</u>	
TOTAL DISBURSEMENTS AND HST		<u>1,258.56</u>

TOTAL FEE, DISBURSEMENTS AND HST		<u>\$48,097.06</u>
---	--	---------------------------

E. & O.E.

This is our Account herein

SimpsonWigle LAW LLP

Per: _____
David J. H. Jackson

In accordance with Section 33 of the Solicitors Act, interest will be charged at the rate of 3.0% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

G.S.T Registration Number is R122007156

This is Exhibit B referred to in the
 affidavit of Timothy Bullock
 sworn before me, this 15th
 day of April 2021.

.....
 A COMMISSIONER FOR TAKING AFFIDAVITS

Date: 15 Apr, 2021

Billing Statement to 14 Apr 21 requested by DJJ

Page: 1

Bill #: _____

Client
 MANSP MSI Spergel Inc.
 21 King Street West
 Hamilton ON L8P 4W7
 CAN
 Client Lawyer: D. J. Jackson

File
 800255 FirstOntario Credit Union v. New Tecumseth Development
 Receivership of New Tecumseth Development Corporation (141 Litigation (Non Levy))
 TAXABLE -
 Responsible: David J. Jackson - Emeritus
 Assigned: David J. Jackson - Emeritus

Date opened: 17 April 2020

Email: tpringle@spergel.ca

UNBILLED TIME

<u>Date</u>	<u>Narrative</u>	<u>Lawyer</u>	<u>Bill Hours</u>	<u>Bill Value</u>
21 Dec 20	To completing Motion Record, service of Motion Record upon the Service List and delivery of same to Justice Hainey and filing same through the Civil Court Portal	117 SB	1.0	125.00
21 Dec 20	engaged in review of PPSA re permitted encumbrances for the Order, tc with Trevor re amendment to the Report re 2nd mortgagee, directions to Sherine	211 DJJ	.3	142.50
21 Dec 20	engaged in review of and amend draft A&V order, notice of motion as amended, directions to Sherine	211 DJJ	.4	190.00
22 Dec 20	email exchange with sam Rappos and report	211 DJJ	.2	95.00
22 Dec 20	telephone conference with Trevor re share value, addendum, email Rappos	211 DJJ	.3	142.50
23 Dec 20	telephone conference with Lawson, Stephenson, overview disclosure and exchnage with Trevor and Ed	211 DJJ	.5	237.50
23 Dec 20	telephone conference with James B re A&V order, confirm by email on the 3rd	211 DJJ	.1	47.50
30 Dec 20	telephone call with Sam re motion background	211 DJJ	.4	190.00
31 Dec 20	to reeview of Approval, Vesting & Interim Distribution Order	95 JCB	.5	262.50
31 Dec 20	to review of Pin	95 JCB	.3	157.50
31 Dec 20	to review of Notice	95 JCB	.4	210.00
31 Dec 20	to discussions with David Jackson	95 JCB	.3	157.50
03 Jan 21	correspond re FOCU payout	211 DJJ	.1	49.50
03 Jan 21	receive and review letter from Trevor re mending the share component	211 DJJ	.1	49.50
04 Jan 21	locate email address and email buyer's lawyer re draft order and question title matter	115 GN	.2	83.00
04 Jan 21	call with buyer's lawyer re order and insertion of PPSA expunges in Schedule B; email Nancy wordingh to be inserted in Schedule B; email D. Jackson et al re response from buyer's lawyer	115 GN	.7	290.50
04 Jan 21	review parcel searches; registered notice; review APS and review amended draft vesting order and confirm all in order.	115 GN	1.3	539.50
04 Jan 21	receipt and review of amended vesting order and confirm all in order to be emailed out to D. Jackson et al	115 GN	.3	124.50
04 Jan 21	engaged in review of law re bare Trustee, email Rappas respecting same, tc with Trevor re Addendum, APS disclosure, tc with Ross including FOCU discharge statement, draft Addendum, correpond with Rppas re closing et, directions to Sherine re further filings with the Court, exchange with Same re adjournment including tc with Trevor	211 DJJ	2.3	1,138.50
04 Jan 21	engaged in review of and finalize Addendum,directions to Sherine	211 DJJ	.3	148.50
04 Jan 21	receive and review letter from Ross, update discharge statement, reply (3)	211 DJJ	.3	148.50
05 Jan 21	call w D. Jackson re Vesting Order; review and amend closing agenda	115 GN	.8	332.00
05 Jan 21	telephone conference with Steve Schaefer, SCS Consulting	211 DJJ	.2	99.00
05 Jan 21	telephone conference with Trevor including redrafted copy of the APS, email from Schaefer and reply re future distribution, directions to Sherine	211 DJJ	.3	148.50

Date: 15 Apr, 2021

SimpsonWigle LAW LLP
Billing Statement to 14 Apr 21 requested by DJJ

Page: 2

Bill #: _____

Client
 MANSP MSI Spergel Inc.
 21 King Street West
 Hamilton ON L8P 4W7
 CAN
 Client Lawyer: D. J. Jackson

File
 800255 FirstOntario Credit Union v. New Tecumseth Development
 Receivership of New Tecumseth Development Corporation (141 Litigation (Non Levy))
 TAXABLE -
 Responsible: David J. Jackson - Emeritus
 Assigned: David J. Jackson - Emeritus

Date opened: 17 April 2020

Email: tpringle@spergel.ca

UNBILLED TIME

<u>Date</u>	<u>Narrative</u>	<u>Lawyer</u>	<u>Bill Hours</u>	<u>Bill Value</u>
05 Jan 21	amend draft order, investigate share price, letter to SL re Addendum, share price, draft email to Justice Hainey	211 DJJ	.8	396.00
06 Jan 21	engaged drafting counsel slip, amend service list	117 SB	1.0	125.00
06 Jan 21	call with D. Jackson and T. Pringle; amend closing agenda and email to buyer's solicitor closing agenda and closing date	115 GN	1.0	415.00
06 Jan 21	prepare for and attend on motion before Justice Hainey, subsequent discussion with counsel, preparation of proposed endorsement, amend counsel slip ad covering letter to Justice Hainey and circulate; emails from counsel re amendments to the draft order, tc with Trevor, correspond with Finkelstein re 1.95 vs market value, amend documents	211 DJJ	3.0	1,485.00
08 Jan 21	review signed Order;	115 GN	.3	124.50
12 Jan 21	review and amend draft closing documents; email Beber re closing documents	115 GN	1.5	622.50
14 Jan 21	receipt and reply email to T. Pringle; email Beber re closing documents and ETA on documents	115 GN	.3	124.50
14 Jan 21	to review of draft closing documents	218 JCB	.9	472.50
15 Jan 21	receipt and review of correspondence relating to extension; email from buyer's solicitor re extension request	115 GN	.4	166.00
15 Jan 21	telephone conference with Trevor, email re extending the closing	211 DJJ	.1	49.50
18 Jan 21	telephone conference with Trevor	211 DJJ	.1	49.50
18 Jan 21	telephone conference with Trevor, amend APS and report, includes review of APS	211 DJJ	.4	198.00
18 Jan 21	receipt and review of addendum relating to extension of closing date and further deposit required	115 GN	.2	83.00
21 Jan 21	receive and review letter from Rappos and reply re completion date	211 DJJ	.1	49.50
22 Jan 21	receive and review letter from Sam R, report to client, reply to Roppas re increased deposit	211 DJJ	.2	99.00
25 Jan 21	receive and review letter from Eleanor (2nd mortgagee) re status, reply and report	211 DJJ	.1	49.50
29 Jan 21	telephone conference with Trevor, prepare Addendum #3 and report, finalize Addendum #3 and report	211 DJJ	.4	198.00
29 Jan 21	telephone conference with Brunswick (1), email Brunswick et al re extension to the APS	211 DJJ	.2	99.00
04 Feb 21	prepare and forward letter to service list re status of APS - deposit received	211 DJJ	.1	49.50
08 Feb 21	email T. Pringle re deposit; confirm receipt and email J. Beber re closing date, tax information and comments	115 GN	.3	124.50
09 Feb 21	receipt of email from J. Beber re closing date	115 GN	.1	41.50
09 Feb 21	receipt and review of tax certificate	115 GN	.2	83.00
10 Feb 21	review and revised statement of adjustments to account for interim tax adjustment	115 GN	.6	249.00
11 Feb 21	review various emails concerning shares and the issuance thereof and requirements	115 GN	.6	249.00
11 Feb 21	call w D. Jackson re share issuances	115 GN	.1	41.50
11 Feb 21	review of accredited investor definition and exemptions; email to all parties involved in Emergia regarding subscriber information	115 GN	.9	373.50
11 Feb 21	emails re shares delivery, tc with Gokcin	211 DJJ	.2	99.00
15 Feb 21	email from H. Petit re share issuances;	115 GN	.2	83.00

Date: 15 Apr, 2021

SimpsonWigle LAW LLP
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Page: 3

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 Receivership of New Tecumseth Development Corporation (141 Litigation (Non Levy))
 TAXABLE -
 Responsible: David J. Jackson - Emeritus
 Assigned: David J. Jackson - Emeritus

Date opened: 17 April 2020

Email: tpringle@spergel.ca

UNBILLED TIME

<u>Date</u>	<u>Narrative</u>	<u>Lawyer</u>	<u>Bill Hours</u>	<u>Bill Value</u>
16 Feb 21	call w T. Pringle and D. Jackson re Emergia shares	115 GN	.3	124.50
16 Feb 21	call with Canadian Securities Exchange re share issuance	115 GN	.2	83.00
16 Feb 21	review 45-106 prospectus exemptions; email T. Pocaluyko re exemption	115 GN	1.0	415.00
16 Feb 21	discussions with security lawyer re exemptions; call w T. Pringle re issuance; call w D. Jackson re issuance	115 GN	.8	332.00
16 Feb 21	email to and between H. Petit re shares	115 GN	.5	207.50
16 Feb 21	telephone conference with Trevor and Gokcin re stock proceeds, email to Brunswick re investor share issue	211 DJJ	.4	198.00
16 Feb 21	telephone conference with Gokcin and Trevor re shares on closing	211 DJJ	.2	99.00
17 Feb 21	call with H. Petit and counsel re share issuances	115 GN	.4	166.00
17 Feb 21	call w T. Pringle and D. Jackson re share issuances; email T. Pocaluyko	115 GN	.3	124.50
17 Feb 21	call w T. Pocaluyko, T. Pringle, D. Jackson re shares and options	115 GN	1.1	456.50
17 Feb 21	telephone conference with David re: MSI Spergel (FOCU v. New Tecumseth) matter and research question.	214 SS	.5	55.00
17 Feb 21	telephone conference with Gokcin, Trevor and Troy re delivery of shares	211 DJJ	1.1	544.50
18 Feb 21	call w T. Pocaluyko re next steps; email all parties and introduce T. Pocaluyko as our securities lawyer	115 GN	.6	249.00
18 Feb 21	emails to and between T. Pringle, D. Jackson and T. Pocaluyko re shares, total issuances, broker, review reporting requirements memorandum	115 GN	1.2	498.00
18 Feb 21	telephone conference with Trevor, email from Troy re shares on closing, review retainer agreement, email to Troy re retainer and memorandum	211 DJJ	.9	445.50
18 Feb 21	prepare and forward letter to Troy re invoice, unsecured, email from Troy re retainer and reply, follow up with Trevor	211 DJJ	.4	198.00
19 Feb 21	review emails to and b/w T. Pocaluyko, D. Jackson, T. Pringle re broker and share issuance	115 GN	.4	166.00
19 Feb 21	engaged in review of Troy's memo and correspond with Trevor re uncertified form of shares etc (engaged .3)	211 DJJ	.2	99.00
19 Feb 21	receive and review letter from Trevor re shares on closing	211 DJJ	.1	49.50
19 Feb 21	telephone conference with Trevor, review memo of Troy re direct registration system	211 DJJ	.2	99.00
22 Feb 21	review draft vendor closing documents; revise documents and review teraview application amendments	115 GN	1.0	415.00
22 Feb 21	preparation of memorandum to David MSI Spergel (FOCU v. New Tecumseth). Outline of legal precedent findings with respect to identifying legal cases (Bare Trustee)	214 SS	2.1	231.00
23 Feb 21	telephone conference with Trevor re locating title to the shares s.... and McDallion (Ed and then Vick) and report, includes review of prior emails from Troy	211 DJJ	1.2	594.00
24 Feb 21	telephone conference with Garth Laurer (RBC Dominion), Trust Agent issues, speak to Trevor, email Troy re Madellion guarantee	211 DJJ	.5	247.50
25 Feb 21	call w D. Jackson and T. Pringle re shares and closing date	115 GN	.6	249.00
25 Feb 21	review emails re shares from all parties and securities lawyer	115 GN	.5	207.50
25 Feb 21	call w D. Jackson and J. Beber; Call with D. Jackson and	115 GN	.5	207.50

Date: 15 Apr, 2021

SimpsonWigle LAW LLP
Billing Statement to 14 Apr 21 requested by DJJ

Page: 4

Bill #: _____

Client
 MANSP MSI Spergel Inc.
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 Client Lawyer: D. J. Jackson

File
 800255 FirstOntario Credit Union v. New Tecumseth Development
 Receivership of New Tecumseth Development Corporation (141 Litigation (Non Levy))
 TAXABLE -
 Responsible: David J. Jackson - Emeritus
 Assigned: David J. Jackson - Emeritus

Date opened: 17 April 2020

Email: tpringle@spergel.ca

UNBILLED TIME

<u>Date</u>	<u>Narrative</u>	<u>Lawyer</u>	<u>Bill Hours</u>	<u>Bill Value</u>
25 Feb 21	T. Pringle re update and next steps receive and review letter from Lamy re sharesto investors, tc with Trevor, email from Trevor re financing issues of purchase inspite of Troy and respond	211 DJJ	.5	247.50
25 Feb 21	telephone conference with Trevor and Gokcin re extension	211 DJJ	.2	99.00
25 Feb 21	telephone conference with Gokcin/Baber; tc with Gokcin and Trevor, all re extending the APS and terms and conditions; email S. Brunswick	211 DJJ	.9	445.50
26 Feb 21	email to lawyer Beber (Purchaser's lawyer) providing him with a copy of draft Addendum No. 4	117 SB	.1	12.50
26 Feb 21	call w. J. Beber and D. Jackson re Addendum 4	115 GN	.1	41.50
26 Feb 21	receive and review letter from Trevor Pringle, speak with Trevor, complete Addendum #4, email from Stephen Brunswick and report and then finalize communication with Gokcin	211 DJJ	.9	445.50
26 Feb 21	receive and review letter from Trevor - executed Addendum, diretions to Sherine	211 DJJ	.1	49.50
26 Feb 21	prepare and forward letter to Service List re Addendum to the APS	211 DJJ	.1	49.50
03 Mar 21	voice message to J. Beber re sahes	115 GN	.2	83.00
03 Mar 21	telephone conference with Gokcin re ... position to shares being issued to it	211 DJJ	.1	49.50
04 Mar 21	telephone conference with Edith, issues re does not have a deal	211 DJJ	.4	198.00
05 Mar 21	call w. J. Beber re shares and status and proposal on the shares	115 GN	.8	332.00
05 Mar 21	call w D. Jackson to update on call with Beber re shares	115 GN	.1	41.50
05 Mar 21	call with D. Jackson and T. Pringle re shares and proposal re shares	115 GN	.5	207.50
05 Mar 21	call and email Beber to organize call	115 GN	.1	41.50
05 Mar 21	email J. Beber re shares and questions needing to be addressed to settle the shares issue	115 GN	.5	207.50
05 Mar 21	call with Beber re email and shares	115 GN	.2	83.00
05 Mar 21	telephone conference with Gokcin, then Gokcin/Trevor re share issues	211 DJJ	.6	297.00
08 Mar 21	call w D. Jackson and T. Pringle re shares issue	115 GN	.3	124.50
08 Mar 21	call w. T. Pocaluko re shares, early warning and press release notice requirements	115 GN	.5	207.50
08 Mar 21	draft and email Beber re Receiver's position on share issuance	115 GN	.5	207.50
08 Mar 21	revise statement of adjustments;	115 GN	.3	124.50
08 Mar 21	email statement of adjustments to Receiver and Beber; amend application re consideration price	115 GN	.1	41.50
08 Mar 21	receive and review letter from Gokcin re position, email Trevor, tc with Gokcin/Trevor re firm Receiver's position	211 DJJ	.5	247.50
08 Mar 21	receive and review letter from Gokcin, proposal to Bal...	211 DJJ	.1	49.50
09 Mar 21	review email of H. Petit and forward to D. Jackson and T. Pringle	115 GN	.2	83.00
09 Mar 21	call with D. Jackson and T. Pringle re H. Petit letter and our position; draft and forward finalized letter response to Beber	115 GN	1.4	581.00
09 Mar 21	telephone conference with Trevor, email from Emergia and	211 DJJ	.2	99.00

SimpsonWigle LAW LLP

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Page: 5

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 TAXABLE -
 Responsible: David J. Jackson - Emeritus
 Assigned: David J. Jackson - Emeritus

Date opened: 17 April 2020

Email: tpringle@spergel.ca

UNBILLED TIME

Date	Narrative	Lawyer	Bill Hours	Bill Value
	email brunswick			
09 Mar 21	receive and review letter from Henri of Emergia, tc with Gokcin and Trevor, tc with Trevor (2), tc with brunswick	211 DJJ	1.2	594.00
10 Mar 21	email from T. Pringle re status; draft and email Beber re status	115 GN	.2	83.00
10 Mar 21	call with D. Jackson and T. Pringle re plan of action	115 GN	.2	83.00
10 Mar 21	call w Beber re closing, tendering, DRA, fund status; email D. Jackson & T. Pringle w update	115 GN	.4	166.00
10 Mar 21	review DRA and confirm will not enter into DRA agreement; adopt DRA as adopted by Law Society and confirm same with Beber	115 GN	.2	83.00
10 Mar 21	call w D. Jackson and T. Pringle and review overall status of file	115 GN	.5	207.50
10 Mar 21	call w Beber and D. Jackson re extension terms; ability to confirm agreement to waive tender	115 GN	.4	166.00
10 Mar 21	call with Beber re requested extension; no deposit and terms of process	115 GN	.3	124.50
10 Mar 21	speak with T. Pringle re call with Beber	115 GN	.4	166.00
10 Mar 21	receipt, review and amend terms of extension after discussion w D. Jackson; call w Beber re same; call w T. Pringle re same; confirm extension	115 GN	.8	332.00
10 Mar 21	finalize tender letter as required.	115 GN	.6	249.00
10 Mar 21	telephone conference with Trevor/Gokcin (2), Gokcin/Baber (1), DJJ/Trevor, consider indemnity	211 DJJ	1.1	544.50
10 Mar 21	receive and review letter from Gokcin, tc and then tc with Trevor re update, position	211 DJJ	.4	198.00
10 Mar 21	receive and review letter from Beber, tc with Gokcin, amend terms and conditions of extension, tc with Trevor	211 DJJ	.6	297.00
11 Mar 21	telephone conference with Trevor re preparation for Friday's meeting	211 DJJ	.1	49.50
12 Mar 21	call with T. Pringle re 3 items to speak with Beber about	115 GN	.1	41.50
12 Mar 21	call with Beber and discuss 3 clarification items	115 GN	.5	207.50
12 Mar 21	email responses received from Beber to D. Jackson and T. Pringle addressing 3 items raised	115 GN	.4	166.00
12 Mar 21	receipt and review of scheduling emails (numerous)	211 DJJ	.2	99.00
12 Mar 21	engaged in review of documents in preparation for call with Trevor	211 DJJ	.4	198.00
12 Mar 21	telephone conference with Trevor, prepare for Monday's tc with Brunswick et al	211 DJJ	.3	148.50
12 Mar 21	receive and review letter from Gokcin, email for clarification in preparation for Monday's meeting	211 DJJ	.1	49.50
12 Mar 21	prepare and forward letter to counsel re Goyo spread sheet, tc with Trevor	211 DJJ	.1	49.50
15 Mar 21	prepare for 4:30 call, including review of statement of claim, summary with steps, consider deficiency issues re 2nd meeting of investors, ... of debt, tc with Trevor, email Baber	211 DJJ	1.7	841.50
15 Mar 21	preparation for telephone conference with Jeff Baber	211 DJJ	.5	247.50
15 Mar 21	engaged in meeting with Trevor, Brunswick, Edu re review of APL completion	211 DJJ	1.0	495.00
16 Mar 21	receipt and review of update re escrow and tri-party agreement	115 GN	.1	41.50
16 Mar 21	receive and review letter from Schaffer and reply re	211 DJJ	.1	49.50

SimpsonWigle LAW LLP

Date: 15 Apr, 2021

Billing Statement to 14 Apr 21 requested by DJJ

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Page: 6

Bill #: _____

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MANSP MSI Spergel Inc.
21 King Street West
Hamilton ON L8P 4W7
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Client Lawyer: D. J. Jackson

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800255 FirstOntario Credit Union v. New Tecumseth Development
Receivership of New Tecumseth Development Corporation (141 Litigation (Non Levy))
TAXABLE -
Responsible: David J. Jackson - Emeritus
Assigned: David J. Jackson - Emeritus

Date opened: 17 April 2020

Email: tpringle@spergel.ca

UNBILLED TIME

Bill

<u>Date</u>	<u>Narrative</u>	<u>Lawyer</u>	<u>Bill Hours</u>	<u>Bill Value</u>
16 Mar 21	extension to March 24 telephone conference with Trevor, then Trevor/Beber, then Trevor re Escrow Agreement, email Troy	211 DJJ	.6	297.00
17 Mar 21	prepare and forward letter to Brunswick/Ed re informal report and request for informaiton	211 DJJ	.8	396.00
18 Mar 21	engaged in review of and amend status letters, request for info from Brunswick/Ed, then to Rappos etc, tc with Trevor	211 DJJ	.8	396.00
22 Mar 21	receive and review letter from Beber - request re status of agreements	211 DJJ	.1	49.50
23 Mar 21	engaged drafting extension letter; finalize and send to Beber	115 GN	.4	166.00
23 Mar 21	engaged in review of draft amending agreement, escrow letter agreement, speak to Gokcin	211 DJJ	.3	148.50
23 Mar 21	telephone conference with Trevor re amendment, communications re requested meeting, prepare for tc meeting	211 DJJ	.9	445.50
23 Mar 21	communications and review documentation re extension to the 29th	211 DJJ	.2	99.00
23 Mar 21	prepare for and attend on priority call Trevor/Troy	211 DJJ	1.0	495.00
23 Mar 21	preparation for tc conference with Emergia et al	211 DJJ	.5	247.50
24 Mar 21	telephone conference with Trevor/troy and representatives of Emergia re amending agreement	211 DJJ	1.5	742.50
24 Mar 21	telephone conference with Trevor re further assurances clause etc	211 DJJ	.1	49.50
25 Mar 21	engaged in review of and consider amendments to TSX letter, tc with Troy, prepare Addendum 5 (engaged 4.9, sherine off site)	211 DJJ	4.2	2,079.00
25 Mar 21	further consider the draft, email Trevor and Troy	211 DJJ	.4	198.00
25 Mar 21	preliminary review of draft amending agreement, email trevor and troy	211 DJJ	.3	148.50
26 Mar 21	receive and review letter from Troy with amendments, tc Troy and Trevor re finalizing "Treasury Direction" and Addendum 5	211 DJJ	.7	346.50
26 Mar 21	receive and review letter from Troy with further draft, review, tc with Troy and Trevor, further amend, letter to Beber, report, t with Troy re condition precedent	211 DJJ	1.8	891.00
28 Mar 21	amend paragraphs 6 and 7, email Beber	211 DJJ	.5	247.50
28 Mar 21	tc with Trevor, amend addendum 5 by way of correspondence to Beber, includes consideration of subsequent and precedent condition law, includes later Friday call with Trevor	211 DJJ	.5	247.50
29 Mar 21	receive and review letter from Beber with extension, tc with Trevor and Gokcin	211 DJJ	.1	49.50
30 Mar 21	communicaitons re extension	211 DJJ	.3	148.50
30 Mar 21	engaged in review of amended documents, tc with Trevor to review	211 DJJ	1.1	544.50
30 Mar 21	telephone conference with Troy and letter	211 DJJ	.6	297.00
30 Mar 21	prepare and forward letter to Isabelle re amendments, tc includes review of doc	211 DJJ	.5	247.50
31 Mar 21	amend the Addendum and correspond to Isabelle, includes review of relevant provisions (engaged 1.0)	211 DJJ	.7	346.50
31 Mar 21	telephone conference with Beber (1), Isabelle (2), Trevor (2), Troy (1), emails re status etc, directions to Troy re Fee Affidavit	211 DJJ	1.4	693.00

Date: 15 Apr, 2021

SimpsonWigle LAW LLP
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Page: 7

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Responsible: David J. Jackson - Emeritus
Assigned: David J. Jackson - Emeritus

Date opened: 17 April 2020

Email: tpringle@spergel.ca
UNBILLED TIME

<u>Date</u>	<u>Narrative</u>	<u>Lawyer</u>	<u>Bill Hours</u>	<u>Bill Value</u>
01 Apr 21	<otion, directions to clerk re obtaining Court date and time receive and review letter from Isabelle with further draft, email from Troy and tc with Troy re review, finalize agreement including tc with Trevor, emails re execution, email re Court date, directions to clerk, communications with Troy and directions to clerk re Fee Affidavit	211 DJJ	1.1	544.50
01 Apr 21	receive and review letter from Henri etc rre redacting	211 DJJ	.1	49.50
05 Apr 21	receive and review letter from Troy, review Fee Affidavitg, earlier related emails	211 DJJ	.2	99.00
05 Apr 21	telephone conference with clerk re directions re Court date, follow up re Court requisition etc, deliver Addendum 5 to the Service List	211 DJJ	.3	148.50
06 Apr 21	review emails to and between David, et al regarding court date	115 GN	.4	166.00
06 Apr 21	receive and review letter from Service List re date, update Troy	211 DJJ	.1	49.50
07 Apr 21	conclude Court requisition, direction to clerk	211 DJJ	.1	49.50
07 Apr 21	receive and review email from Court and directions re Zoom meeting	211 DJJ	.1	49.50
09 Apr 21	preliminary review of Second Report	211 DJJ	.7	346.50
12 Apr 21	preparation of Report re amendment, iincludes review of relevant correspondence	211 DJJ	.7	346.50
12 Apr 21	engaged in review of Report in preparation of tc with Trevor, commenced drafting re rational for amendment, tc with Trevor	211 DJJ	.4	198.00
14 Apr 21	Preparation of Fee Affidavit and supporing documents	211 DJJ	.8	396.00
Total unbilled time			92.3	41,450.50
HST on 41,450.50 @ 13%				5,388.57
Total unbilled Time & Taxes				46,839.07

TIME SUMMARY

<u>Lawyer</u>	<u>Bill Hours</u>	<u>Rate/Hr</u>	<u>Bill Value</u>
JAMES C. BROWN	1.5	@ 525.00	= 787.50
Gokcin Nalsok	31.1	@ 415.00	= 12,906.50
Sherine Burke	2.1	@ 125.00	= 262.50
David J. Jackson - Emeritus	2.2	@ 475.00	= 1,045.00
David J. Jackson - Emeritus	51.9	@ 495.00	= 25,690.50
Sadaf Saljooki	2.6	@ 110.00	= 286.00
James C. Brown - Emeritus	.9	@ 525.00	= 472.50

APPENDIX

14

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

ONTARIO
SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

BETWEEN:

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION
Respondent

AFFIDAVIT OF TROY POCALUYKO

I, TROY POCALUYKO, of the City of Burlington, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am a partner at the law firm of Wildeboer Dellelce LLP., counsel for the Receiver, msi Spergel Inc. (the "Receiver"), and as such, have knowledge of the matters to which I hereinafter depose.
2. Wildeboer Dellelce LLP was retained by the Receiver to act on its behalf to provide it with legal advice and services with respect to various securities law compliance and related matters arising from and relating to its appointment as Receiver, without security, of all of the assets, undertakings and properties of New Tecumseth Land Corporation, acquired for or used in relation to a business carried on by New Tecumseth Land Corporation.
3. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a copy of our invoice to the Receiver dated April 5, 2021 which sets out particulars of the services rendered for the period from and including February 16, 2021 to and including April 1, 2021 by Wildeboer Dellelce LLP. to the Receiver. The invoice is for fees of \$16,976.75 and HST of \$2,206.98, making a total of \$19,183.73. The invoice remains unpaid.
4. Particulars of the hours expended by lawyers Troy Pocaluyko and Robert Wortzman with respect to the above-noted invoice, are particularized in Schedule "A" to our invoice.
5. The fees of Wildeboer Dellelce LLP as set out in the aforesaid invoice are generally calculated by multiplying the hours expended by Wildeboer Dellelce LLP's aforesaid lawyer's standard billing rates.

A.V.

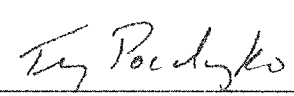
TP.

6. The standard billing rates of Wildeboer Dellelce LLP, are to the best of my knowledge, comparable to the rates charged by other law practitioners and their staff having the same or similar experience and expertise as the lawyers and staff of Wildeboer Dellelce LLP with respect to the provision of similar services to those provided by Wildeboer Dellelce LLP in this matter.
7. This Affidavit is made in support of the Receiver's application for approval of its counsel's fees for the period from and including February 16, 2021 to and including April 1, 2021.

SWORN remotely by Troy Pocaluyko of the
City of Burlington in the Province of Ontario,
before me at the Town of Smithville in the
Province of Ontario on this 9th day of
April, 2021 in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely



Commissioner for Taking Affidavits (or as may be)

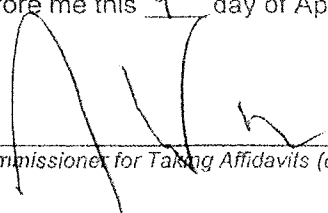


Troy Pocaluyko

AW

TP.

This is EXHIBIT "A" referred to in the
affidavit of Troy Pocaluyko sworn remotely
before me this 9th day of April, 2021



Commissioner for Taking Affidavits (or as may be)

A.W.

TR

**WILDEBOER
DELLELCE LLP**

STATEMENT OF ACCOUNT

MSI Spergel Inc.
21 King Street West
Suite 1602
Hamilton, ON L8P 4W7

GST/HST No.: R134403013
Matter No.: 2101173
Date: April 5, 2021
Invoice No.: 71655

Attention: Trevor Pringle

Re: Securities Law Advice

TO PROFESSIONAL SERVICES RENDERED to the date hereof with respect to the above-noted matter as set out in Schedule "A" attached hereto; and to all advice, consultations, correspondence and attendances necessary and incidental to the foregoing:

OUR FEE HEREIN	\$	16,976.75
HST on Fees		2,206.98
TOTAL FEES, DISBURSEMENTS AND TAXES	\$	19,183.73
TOTAL DUE AND PAYABLE	\$	19,183.73
THIS IS OUR ACCOUNT HEREIN		
WILDEBOER DELLELCE LLP		

Per: "signed" Troy Pocaluyko
Troy Pocaluyko

E. & O. E.

ACCOUNTS ARE DUE WHEN RENDERED. IN ACCORDANCE WITH THE SOLICITORS ACT, INTEREST AT THE RATE OF 0.5% PER ANNUM WILL BE CHARGED ON ALL AMOUNTS DUE ONE MONTH AFTER THE DATE OF DELIVERY OF THIS ACCOUNT. ALL AMOUNTS REFLECTED HEREIN ARE IN CANADIAN DOLLARS UNLESS SPECIFIED OTHERWISE.

AW

TP

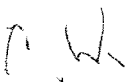
WILDEBOER DELLELCE LLP

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SCHEDULE "A"

FEE DETAIL

Date	Description	Hours	Amount	Initials
Feb-16-21	initial call with G. Nalson to discuss issue	0.40	306.00	TP
Feb-17-21	telephone conversation with T. Pocaluyko re early warning report requirements and prospectus exemptions	0.25	191.25	RW
	follow up call with G. Nalson; review NI 45-106 to confirm available exemptions; review public filings by Emergia; conf call with T. Pringle, D. Jackson and G. Nalson; review purchase agreement, addendum and e-mails from Emergia; numerous follow up e-mails	2.50	1,912.50	TP
Feb-18-21	telephone conversation with T. Pocaluyko re securities law issues	0.30	229.50	RW
	various e-mails to and from D. Jackson and T. Pringle; telephone conversation with G. Nalson; research re early warning and insider reports; e-mails to and from H. Petit; draft, revise and send memo to client; e-mail to F. McCutcheon	3.60	2,754.00	TP
Feb-19-21	conf call with F. McCutcheon and T. Pringle to discuss re-sale process; draft and send e-mail update to D. Jackson and G. Nalson; e-mail to TMX Trust	0.70	535.50	TP
Feb-22-21	follow up with TMX Trust; e-mails from and to T. Pringle	0.10	76.50	TP
Feb-23-21	attempted calls to TMX Trust; e-mails from and to T. Pringle and G. Nalson; telephone conversation with L. Winchester at TMX Trust; draft and send summary e-mail; draft and circulate early warning report	1.40	1,071.00	TP
Feb-24-21	telephone conversation with T. Pringle; draft and send e-mail to Emergia; e-mails from and to D. Jackson re Medallion Guarantee	0.70	535.50	TP
Feb-25-21	review and respond e-mails from Emergia, G. Nalson, D. Jackson and T. Pringle	0.40	306.00	TP
Feb-26-21	review e-mail from D. Jackson	0.10	76.50	TP
Mar-08-21	review and respond to e-mail from G. Nalson re maximum number of shares; review Jan 29 press release	0.80	612.00	TP




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	filed by Emergia; telephone conversation with G. Nalson re shares to be issued			
Mar-09-21	review and respond to e-mails from G. Nalson	0.30	229.50	TP
Mar-16-21	review and respond to e-mail from D. Jackson re escrow agent and escrow agreement	0.20	153.00	TP
Mar-22-21	review draft amendment to asset purchase agreement and treasury direction to TSX Trust; e-mails from and to D. Jackson	0.60	459.00	TP
Mar-23-21	telephone conversation with D. Jackson and T. Pringle re amendment to APS and treasury direction	0.80	612.00	TP
Mar-24-21	conf call with Emergia, D. Jackson, T. Pringle and others to discuss agreements; review and revise treasury order; draft and send cover e-mail	1.70	1,300.50	TP
Mar-25-21	telephone conversation with D. Jackson; further revisions to Delivery Order; circulate	0.50	250.00	TP
Mar-26-21	review and comment on draft amendment to APS; conf call with D. Jackson and T. Pringles (x2); revise draft amendment and treasury direction; review comments from D. Jackson; review cover letter to J. Beber; follow up call with D. Jackson	3.20	2,448.00	TP
Mar-29-21	review of e-mails from C. Perreira and D. Jackson	0.30	229.50	TP
Mar-30-21	review revisions to Amendment and Treasury Direction from I. Lamy; draft e-mail with comments; telephone conversation with D. Jackson re same; review e-mail from D. Jackson	1.40	700.00	TP
Mar-31-21	telephone conversation with D. Jackson; telephone conversation with I. Lamy; review revised amendment and treasury direction; e-mail to D. Jackson and T. Pringle; telephone conversation with D. Jackson; conf call with working group; review e-mail from D. Jackson	1.30	994.50	TP
Apr-01-21	telephone conversation with I. Lamy and D. Jackson; review revised amendment and treasury direction; draft comments on documents; telephone conversation with D. Jackson re same; revise amendment and circulate same for execution; review and respond to follow up e-mail from D. Jackson	1.30	994.50	TP

A.W.

TP.

WILDEBOER DELLELCE LLP

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REMITTANCE ADVICE

For ease of payment, we accept cheques (payable to Wildeboer Dellelce LLP), credit cards (for invoices under \$10,000), email transfers (email ar@wildlaw.ca), and wire/electronic funds transfers.

Wire/Electronic Funds Transfer Payment Instructions:

Name of Account: Wildeboer Dellelce LLP
Account Number: 1346998
Bank: Royal Bank of Canada
Main Branch Royal Bank Plaza, 200 Bay Street
Toronto, ON M5J 2J5
SWIFT Code: ROYCCAT2
Transit: 00002
Bank Code: 003
Routing (ABA) No.: 021000021

For payment inquiries or to make a payment by credit card, please email ar@wildlaw.ca.

A. Y.

TP

APPENDIX

15

District of Ontario
 Division No. 09 - Toronto
 Estate No. 31-459004

New Tecumseth Land Corporation
 Receiver's Interim Statement of Receipts and Disbursements
 As at April 14, 2021

RECEIPTS

Land - Deposit	\$ 1,000,000.00
Advance from secured creditor	40,000.00
HST refunds	1,552.20
Interest	<u>698.18</u>

TOTAL RECEIPTS

\$ 1,042,250.38

DISBURSEMENTS

Insurance	\$ 13,305.60
Appraisals	9,105.00
Travel	2,434.23
Security	4,485.00
HST paid	1,879.80
Maintenance	870.00
License, filing fees and bank charges	<u>425.75</u>

TOTAL DISBURSEMENTS

\$ 32,505.38

Net Receipts over Disbursements

\$ 1,009,745.00 E&EO

TAB C
DRAFT ORDER

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

TUESDAY, THE 27TH

JUSTICE HAINEY

)

DAY OF APRIL, 2021

)

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondent

**APPROVAL, VESTING AND
INTERIM DISTRIBUTION ORDER**

THIS MOTION, made by msi Spergel Inc. in its capacity as the Court-appointed receiver (the "Receiver") without security, of all of the assets, undertakings and properties of New Tecumseth Land Corporation (the "Debtor") for an order:

- (a) approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale between the Receiver and NTA Development Corporation (the "Purchaser") dated November 20, 2020 as amended by Addendum dated January 4, 2021, filed with the Court and appended to the Second Report of the Receiver dated April 15, 2021 (the "Second Report"), which was approved by the Court by Order dated January 6, 2021 and as further amended by:
 - i. Addendum No. 3, appended to the Second Report, by which the "Deposit" was increased to \$1,000,000.00;

- ii. Addendum No. 4, appended to the Second Report, by which the “Purchase Price” was increased to \$13,800,000.00 and the cash to be delivered by the Purchaser on Closing was increased, inclusive of the Deposit, to \$9,000,000.00;
- iii. Addendum No. 5, appended to the Second Report, by which:
 - 1. terms and conditions relative to the delivery and issuance of \$4,800,000.00 of Emergia Shares as part of the satisfaction of the Purchase Price were amended; and
 - 2. the “Closing” Date was amended to the date that is four (4) days after the Court approval of the Transaction.

(The aforesaid Agreement of Purchase and Sale, Addendum dated January 4, 2021, Addendum No 3, Addendum No. 4 and Addendum No. 5 are collectively, the “Sale Agreement”); and

- (b) vesting in the Purchaser, the Debtor’s right, title and interest in and to the assets described in the Sale Agreement (the “Purchased Assets”);
- (c) authorizing a partial distribution of the net proceeds of realization of the Receiver from the Transaction,

was heard this day at Toronto, Ontario, via Zoom videoconference during COVID-19 pandemic.

ON READING the Notice of Motion, the Second Report and appendices thereto, including the Agreement of Purchase and Sale dated November 20, 2020, the Addendum, Addendum No. 3, Addendum No. 4 and Addendum No. 5 and on hearing the submissions of counsel for those parties listed on the counsel slip, and no one appearing for any other person on the service list, although properly served as appears from the affidavit of service sworn April 16, 2021, filed:

- 1. **THIS COURT ORDERS AND DECLARES** that any requirement for service of the Notice of Motion, the Second Report and Motion Record be and is hereby

abridged, that the Motion is properly returnable today and that all parties requiring notice of this Motion have been duly served and that service on all parties is hereby validated and any further service is hereby dispensed with.

2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets 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 Hainey dated April 23, 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 hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Registry Division of Simcoe (No. 512) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the 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.
5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.
7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, the Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
8. **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 Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor 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.

9. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Retail Sales Tax Act* (Ontario).
10. **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.
11. **THIS COURT ORDERS** that the conduct, activities and actions of the Receiver as set out in the Second Report be and are hereby authorized and approved.
12. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements, as detailed in the Second Report, are hereby approved.
13. **THIS COURT ORDERS** that the Receiver's Fees and that of its counsel SimpsonWigle LAW LLP and of its counsel Wildeboer Dellelce LLP as detailed in

the Second Report, are hereby approved and the Receiver is authorized to pay the same as well as the Receiver's fees and those of its Counsel as approved by the Order of Justice Hainey dated January 6, 2021.

14. **THIS COURT ORDERS** that after payment of the Receiver's Fees as approved by the Order of Justice Hainey dated January 6, 2021 and those of the Receiver and its Counsel as hereby approved and subject to the Receiver maintaining sufficient reserves to satisfy all charges as set out in the Appointment Order and as the Receiver deems necessary to complete the administration of the Receivership proceedings, the Receiver is hereby authorized to make a distribution to:

- (a) FirstOntario Credit Union Limited for repayment of the Receiver's Borrowings from FirstOntario Credit Union Limited in the amount of \$40,000.00 plus interest thereon in accordance with the Receiver's Certificate;
- (b) The Town of New Tecumseth on account of outstanding property taxes in the amount of \$9,422.15 plus accrued interest thereon to the date of payment;
- (c) FirstOntario Credit Union Limited in the amount of \$6,902,611.98 plus accrued interest on the principal amount thereof from December 14, 2020 at a per diem rate of \$1,324.38 to the date of payment plus FirstOntario Credit Union Limited additional legal enforcement expense to the conclusion of the Motion in the amount of \$2,000.00 plus disbursements and HST.

in full and final satisfaction of the indebtedness and liabilities owed to them respectively by the Debtor.

Schedule A – Form of Receiver's Certificate

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

- and -

NEW TECUMSETH LAND CORPORATION

Respondent

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Hailey of the Ontario Superior Court of Justice (the "Court") dated April 23, 2020, MSI Spergel Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of New Tecumseth Land Corporation (the "Debtor").

B. Pursuant to an Order of the Court dated January 6, 2021, the Court approved the agreement of purchase and sale made as of November 20, 2020 as amended by Addendum dated January 4, 2021 (collectively, the "Sale Agreement") between the Receiver and NTA Development Corporation (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in sections 12 and 13 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 Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in sections 12 and 13 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

MSI SPERGEL INC., in its capacity as Court-Appointed Receiver of **New Tecumseth Land Corporation** and not in its personal or corporate capacity and without personal or corporate liability

By: _____

Name:

Title:

I have authority to bind the Corporation.

Schedule B – Purchased Assets

The lands and premises legally described as:

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1. 51R34706; NEW TECUMSETH

and

PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH

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

Pin #58145-0050 (LT)

Instrument No. SC1187270 is a Charge registered on January 13, 2015 from New Tecumseth Land Corporation in favour of P.D.R. Investments Ltd.

Instrument No, SC1301746 is a Charge registered on May 5, 2016 from New Tecumseth Land Corporation in favour of FirstOntario Credit Union Limited.

Instrument No. SC1301755 is a Notice of Assignment of Rents - General registered on May 5, 2016 from New Tecumseth Land Corporation in favour of FirstOntario Credit Union Limited.

Instrument No. SC1301765 is a Postponement registered on May 5, 2016 from P.D.R. Investments Ltd. in favour of FirstOntario Credit Union Limited.

Instrument No. SC1684599 is an Application General for Court Order registered on June 2, 2020 from the Ontario Superior Court of Justice in favour of MSI Spergel Inc., in its capacity as Court-Appointed Receiver.

Pin #58145-0517 (LT)

Instrument No. SC654190 is a Notice registered on June 12, 2008 from The Corporation of the Town of New Tecumseth in favour of 1406963 Ontario Ltd.

Instrument No. SC1187270 is a Charge registered on January 13, 2015 from New Tecumseth Land Corporation in favour of P.D.R. Investments Ltd.

Instrument No, SC1301746 is a Charge registered on May 5, 2016 from New Tecumseth Land Corporation in favour of FirstOntario Credit Union Limited.

Instrument No. SC1301755 is a Notice of Assignment of Rents - General registered on May 5, 2016 from New Tecumseth Land Corporation in favour of FirstOntario Credit Union Limited.

Instrument No. SC1301765 is a Postponement registered on May 5, 2016 from P.D.R. Investments Ltd. in favour of FirstOntario Credit Union Limited.

Instrument No. SC1684599 is an Application General for Court Order registered on June 2, 2020 from the Ontario Superior Court of Justice in favour of MSI Spergel Inc., in its capacity as Court-Appointed Receiver.

PERSONAL PROPERTY SECURITY REGISTRATIONS AGAINST PERSONAL PROPERTY

File No. 710357067, Registration No. 20150929 1013 1295 7656, renewed by Registration Nos. 20190918 1406 1462 5450 and 20200914 1401 1462 6502 in favour of FirstOntario Credit Union Limited.

File No. 710357121, Registration No. 20150929 1016 1295 7657, renewed by Registration Nos. 20190918 1406 1462 5451 and 20200914 1401 1462 6503 in favour of FirstOntario Credit Union Limited.

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

(unaffected by the Vesting Order)

1. any reservation or unregistered restrictions, rights of way, easements or covenants that run with the land;
2. any registered or unregistered agreements or easements with a municipality or a supplier of utility services including without limitation, electricity, water, sewage, gas, telephone or cable television or any other telecommunication service;
3. any laws, by-laws and regulations;
4. any minor easements for the supply of utility service to the land or adjacent lands;
5. any encroachments disclosed by any errors or omissions in existing surveys of the Real Property or neighbouring properties and any title defect, encroachment or breach of zoning or building by-law or any other applicable law, by-law or regulation which might be disclosed by a more up-to-date survey or the Real Property and survey matters generally;
6. any exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
7. any reservation contained in the original grant from the Crown;
8. any Land Registrar's registered orders;
9. any deposited reference plans.

FIRSTONTARIO CREDIT UNION LIMITED
Applicant

- AND -

NEW TECUMSETH LAND CORPORATION
Respondent

ONTARIO

SUPERIOR COURT OF JUSTICE
(Commercial Court)

PROCEEDINGS COMMENCED AT TORONTO

**APPROVAL, VESTING AND
INTERIM DISTRIBUTION
ORDER**

SimpsonWigle LAW LLP
1 Hunter Street East
Suite 200
P.O. Box 990
Hamilton, Ontario, L8N 3R1

DAVID J. H. JACKSON
LSUC NO. AO15656-R

Tel: (905) 528-8411

Fax: (905) 528-9008

Email: jacksond@simpsonwigle.com

Lawyers for the Receiver, msi Spergel Inc.