

**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 Friday, February 18, 2022)**

**SimpsonWigle LAW LLP**  
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Lawyers for the Receiver

TO: Service List attached

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- B Fourth Report of the Receiver dated February 7, 2022

## 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. Order of the Honourable Justice G. Hainey, dated January 6, 2021
  4. Second Report of the Receiver, dated April 15, 2021
  5. Fifth Addendum to the Sale Agreement, dated April 21, 2021
  6. Approval, Vesting, and Interim Distribution Order, dated April 27, 2021
  7. Third Report of the Receiver, dated October 20, 2021
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  9. Stakeholder Shares Delivery (4,500,000 shares) dated November 24, 2021
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  11. Fee Affidavit of Trevor Pringle, sworn February 7, 2022
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  13. Fee Affidavit of Olga Tsesliv, sworn February 1, 2022
  14. Receiver's Statements of Receipts and Disbursements as at February 1, 2022
- C Draft Order

**TAB A**  
**NOTICE OF MOTION**

**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 February 18, 2022)**

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 Friday, February 18, 2022 11:00 a.m. or as soon after that time as the motion can be heard.

**PROPOSED METHOD OF HEARING:** The Motion is to be heard by video conference at the following location:

Zoom Meeting

<https://us02web.zoom.us/j/88908603458?pwd=NUxKNnpEN2pjN2xkNG9SUUswNFVmdz09>

Meeting ID: 889 0860 3458

Passcode: 245639

**THE MOTION IS FOR:**

1. An order, if necessary, abridging the time for and manner of service of this Notice of Motion, the Fourth Report of the Receiver dated February 7, 2022 (the “**Fourth Report**”), and the Motion Record herein and directing any further service of this Notice of Motion, Fourth Report and Motion Record be dispensed with such that this motion is properly returnable on Friday, February 18, 2022.
2. An order approving the Fourth Report of the Receiver and the activities and conduct of the Receiver contained therein.
3. An order that the Receiver’s Statement of Receipts and Disbursements as detailed in the Fourth Report be approved.
4. An order approving the fees and disbursements of the Receiver (the “**Receiver’s Fees**”) as detailed in the Fourth Report and authorizing payment of the same.
5. 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 Fourth Report and authorizing payment of the same.
6. An order that after payment of the Receiver’s Fees and Counsel Fees, herein approved, and subject to the Receiver maintaining sufficient reserves to satisfy all charges as set out in the Order of Justice Hailey dated April 23, 2020 (the “**Appointment Order**”) and as the Receiver deems necessary to complete the administration of the receivership proceedings, the Receiver be authorized to make a distribution of the proceeds of realization from the Real Property of the Debtor as set out in the Fourth Report to the stakeholders of the Debtor, such distribution to be in accordance with the draft Order attached to the Motion Record at Tab C.
7. An order that upon the Receiver filing a certificate certifying that it has completed the other activities described in the Fourth Report, the Receiver shall be

discharged as Receiver of the Property of the Debtor (as defined in the Appointment Order), provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of msi Spergel Inc. in its capacity as Receiver.

8. An order that msi Spergel Inc. be released and discharged from any and all liability that msi Spergel Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of msi Spergel Inc., prior to the date of this Order, while acting in its capacity as Receiver herein save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, msi Spergel Inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings prior to the date of this Order, including any claims made as against the proceeds that have been distributed by msi Spergel Inc. as determined or otherwise approved by the Court, save and except for any gross negligence or wilful misconduct on the Receiver's part.
9. Such further and other relief as counsel may request and this Honourable Court may permit.

## THE GROUNDS FOR THE MOTION ARE:

### **Background**

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 (“New **Tecumseth**” or “**Debtor**”) by Order of the Honourable Justice G. Hainey dated April 23, 2020 effective June 1, 2020 (the “**Appointment Order**”).

2. The Debtor held title to vacant industrial land municipally known as 6485 14<sup>th</sup> 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.
3. The debtor is a single-purpose land development company, which is the registered owner of the Real Property. However, the books and records disclosed that there is a joint venture underlying a proposed development of the Real Property, called New Tecumseth Group Joint Venture (the “**Joint Venture**”), and there are 34 co-tenants involved in the Joint Venture (“**Investors**”). To date, the Receiver has not been able to locate a joint venture or trust agreement with respect to the Joint Venture.
4. Twelve of the thirty-four 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 (the “**Litigant Investors**”).
5. In addition to the aforementioned Investors’ the other stakeholders in the Debtor are: (a) unsecured creditors; (b) investors who advanced funds by way of loans to the Debtor with such loans secured by a second mortgage on the Real Property held by P.D.R. Investments Ltd., as mortgagee (“**PDR**”); and (c) Investors who also advanced funds to the Debtor which are unsecured loans and evidenced by Promissory Notes (“**Promissory Note Holders**”).

#### **Approval, Vesting and Interim Distribution Order dated April 27, 2021**

6. On April 27, 2021, the Court granted an Order approving the sale of the Real Property pursuant to the terms and conditions of the APS as amended and authorized an interim distribution from the proceeds of sale.

7. The Receiver completed the sale of the property in accordance with the above-mentioned Order and made a partial distribution of the net proceeds to Town of New Tecumseth on account of outstanding property taxes and to FirstOntario Credit Union for repayment of its first mortgage on the Real Property and to FirstOntario Credit Union to repay its loan to the Receiver as evidenced by the Receiver's Certificate No.1.
8. On October 20, 2021, the Receiver submitted a report to court (the "Third Report") and sought the approval of the Court for an Order granting, among other things, the following relief:
  - (a) approving the Third Report and the actions of the Receiver as described herein, including, without limitation, the Receiver's statement of receipts and disbursements as at October 18, 2021 (the "SRD");
  - (b) 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, including an estimated accrual of fees and disbursements to be incurred to the completion of these proceedings;
  - (c) authorizing and directing the Receiver to make a distribution from the net proceeds of the estate of the Debtor in accordance with the protocol outlined by the Receiver and contained within the Third Report.
9. The Court granted the requested Distribution Order on October 29, 2021 (the "Distribution Order").

**Actions of the Receiver since the Third Report**

10. The Receiver, following the issuance of the Distribution Order, completed the distribution in accordance with the Distribution Order as follows:

- (a) Firstly the payment of the Receiver's fees and disbursements and that of its Counsel;
- (b) Secondly from the cash sale proceeds, payment to the Second Mortgage Holder, PDR in the amount of \$995,570.11;
- (c) Thirdly, from the cash sale proceeds payments to the unsecured creditors, as follows:
  - i. \$141,250.00 to the law firm of Parente Borean (attention Don Parente);
  - ii. \$39,550.00 to the law firm of Lawrence, Lawrence, Stevenson LLP;
  - iii. \$39,550.00 to the law firm of Teplitsky, Colson LLP;
  - iv. \$60,000.00 to R.D.M. Financial Ltd.;
  - v. \$18,113.58 to SCS Consulting Group Ltd.; and
  - vi. \$3,352.99 to Wildeboer Dellelce LLP

in satisfaction of their indebtedness.

- (d) Fourthly:
  - i. payment to the Promissory Note Holders, on a pro-rated basis, of the remaining cash proceeds from the Sale Agreement, with each Promissory Note Holder receiving that percentage of the remaining cash that the subject Promissory Note Holder's Indebtedness is of the Total Promissory Note Holders Indebtedness. The cash distribution to the Promissory Notes Holders totaled \$89,307.21; and
  - ii. delivery to each respective Promissory Note Holder of the number of shares of Emergia required to fully pay the balance of the subject "Promissory Note Holder's Indebtedness", after crediting the aforesaid cash payment delivered pursuant to paragraph (a) above, with each share having a stipulated deemed value of \$1.00 per share. Accordingly, the Promissory Note Holders received a total of 891,346 shares from the Stakeholder Shares in satisfaction of their



indebtedness (the “Stakeholder Shares Delivery” (4,500,000 shares)).

- (e) Delivery of the remaining Emergia shares to the 34 Investors, on a pro-rated basis, based upon each Investor’s percentage share ownership. Consequently, the 34 Investors received the final 3,908,654 shares delivered from the remaining Stakeholder Shares and the Receiver’s Shares (the “Stakeholder Shares Delivery (4,500,000 shares)”.

### **Fees and Disbursements of the Receiver and its Counsel**

- 11. The Appointment Order requires the Receiver and its legal counsel to pass its accounts from time to time.
- 12. The Receiver has properly incurred fees and disbursements during the period October 16, 2021 to and including February 3, 2022 in the amount of \$20,112.00, exclusive of HST as detailed in the Fourth Report. This represents a total of 67.05 hours at an average rate of \$299.96 per hour.
- 13. The legal expense incurred by the Receiver for services provided by its legal counsel, SimpsonWigle LAW LLP (“SimpsonWigle”) for the period October 14, 2021 to and including February 2, 2022 have been properly incurred in the amount of \$15,196.45, inclusive of disbursements and HST as detailed in the Fourth Report.
- 14. The legal expense incurred by the Receiver for services provided by its legal counsel, Wildeboer Dellelce LLP (“Wildeboer Dellelce”) for the period October 18, 2021 to and including December 14, 2021 have been properly incurred in the amount of \$9,523.64, inclusive of disbursements and HST as detailed in the Fourth Report.

15. 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.
16. The Receiver seeks the approval of the Receiver's Fees and the Counsel Fees and that the Receiver be authorized to pay the same.

#### **Estimated Fees and Disbursements to Complete**

17. Provided that there is no opposition to the relief sought herein and that such relief is granted, the Receiver estimates that the additional fees (not including HST and disbursements) for itself and the Receiver's Counsel necessary to complete the receivership proceedings will be as follows:
  - (a) The Receiver - \$6,500.00 plus HST and disbursements;
  - (b) The Receiver's Counsel, SimpsonWigle LAW LLP - \$3,700.00 for fees and \$320.00 for disbursements plus HST.

The aforesaid additional fees of the Receiver and Receiver's Counsel are herein referred to collectively as the "Fee Accrual".

#### **Receiver's Proposed Distribution**

18. The Fee Accrual is an estimate by the Receiver on account of future services and disbursements plus HST. To the extent that the Receiver holds proceeds of realization that are not exhausted by payment of the additional expense, the Receiver will distribute the same to the Investors respectively, on a pro-rated basis, in accordance with the Investors "percentage ownership" as referenced in paragraph 1.0.19(g) of the Third Report.

**Discharge of the Receiver**

19. The Receiver is not aware of the Debtor having any undertaking, property or assets other than the proceeds of sale from the Real Property.
20. Subsequent to the date of this Fourth Report, and prior to the Receiver's discharge, the Receiver proposes to attend to the following:
  - (a) Make payment, including the distributions as identified above;
  - (b) other residual and/or administrative matters in connection with Spergel's appointment as the Receiver.
21. The Receiver seeks an order discharging and releasing the Receiver effective upon the Receiver filing a Certificate with the Court confirming that the receivership estate of the Debtor had been fully administered.
22. Rules 2.03, 3.02 and 37 of the *Rules of Civil Procedure*.
23. Section 47 of the *Bankruptcy and Insolvency Act*.
24. The grounds as detailed in the Fourth Report.
25. 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 Fourth Report of the Receiver dated February 7, 2022;
3. Such further and other evidence as counsel may advise and this Honourable Court permit.

DATED: February 7, 2022

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**TAB B**

**FOURTH REPORT OF THE RECEIVER**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**BETWEEN:**

**FIRST ONTARIO CREDIT UNION LIMITED**

**Applicant**

**- and -**

**NEW TECUMSETH LAND CORPORATION**

**Respondent**

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

**February 7, 2022**

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## APPENDICES

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13. Fee Affidavit of Olga Tsesliv, sworn February 1, 2022
14. Receiver's Statements of Receipts and Disbursements as at February 1, 2022



## **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 ("**New 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 held title to vacant industrial land municipally known as 6485 14<sup>th</sup> Line, (the "**Real Property**"), located in the Town of Alliston, Ontario (the "**Town**"). The Real Property was 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 is the registered owner of the Real Property. However, the books and records disclosed that there is a joint venture underlying a proposed development of the Real Property, called New Tecumseth Group Joint Venture (the "**Joint Venture**"), and there are 34 co-tenants involved in the Joint Venture ("**Investors**"). 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 Twelve of the thirty-four 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 (the "**Litigant Investors**").
- 1.0.7 In addition to the aforementioned Investors' the other stakeholders in the debtor are: (a) unsecured creditors; (b) investors who advanced funds by way of loans to the Debtor with such loans secured by a second mortgage on the Real Property held by P.D.R. Investments Ltd., as mortgagee ("**PDR**"); and (c) Investors who also advanced funds to the Debtor which are unsecured loans and evidenced by Promissory Notes ("**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 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 the 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 payment of the Purchase Price, as defined in the APS, was contemplated to be made partly by way of a payment in cash and partly by way of shares of Emergia Inc. ("Emergia"), a public entity (the "Emergia Shares").

1.0.10 The Court granted the requested Order on January 6, 2021 (the "Court Order", attached as Appendix "3").

1.0.11 Subsequent to the January 6, 2021 court attendance, the Purchaser raised issues with respect to the transfer of the share component of the Purchase Price to the Receiver. Specifically, the Purchaser indicated that its understanding and intention was that the share component be delivered on the closing of the APS to the Investors, in kind, and not issued and delivered to the Receiver.

1.0.12 As a result of the Receiver's and the Purchaser's on-going negotiations with respect to the transfer of the share component, a second, third, and fourth addendum to the APS were executed which effectively:

- a) increased the deposit to \$1,000,000;
- b) increased the total purchase price to \$13,800,000 by increasing the cash portion by \$100,000; and
- c) extended the closing date to four business days subsequent to an approval order being made by the Court.

1.0.13 To address the concerns of the Purchaser as noted above, the Receiver, the Purchaser and Emergia entered into a fifth addendum to the Sale Agreement on April 1, 2021 (the "Fifth Addendum"). Pursuant to the Fifth Addendum, the parties agreed, *inter alia*, among other things, that:

- a) 300,000 Class A common shares of Emergia at a stipulated value of \$1 per share, having an aggregate value of \$300,000 (determined in accordance with the Fifth Addendum) were to 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, 4,500,000 Class A common shares of Emergia at a stipulated value of \$1 per share, having an aggregate value of \$4,500,000 (determined in accordance with the Fifth Addendum), (the "**Stakeholder Shares**"), would be issued from time to time following the closing date to certain stakeholders of Tecumseth as directed by the Receiver and approved by the Court (the "**Specified Stakeholders**") in satisfaction of the balance of the share component of the purchase price;

1.0.14 The APS, as amended by the Fifth Addendum, fully retained 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 Addendums 2, 3, and 4.

1.0.15 On April 15, 2021, the Receiver submitted a report to court (the "**Second Report**", attached as **Appendix "4"**) and sought the approval of the Court for an Order granting, among other things, the following relief:

- a) approving the Fifth Addendum to the Sale Agreement between the Receiver and the Purchaser, dated April 1, 2021 (the "**Fifth Addendum**" attached as **Appendix "5"**), and authorizing the Receiver to complete the transaction contemplated thereby (the "**Transaction**"); and
- (a) reaffirming the distribution of sale proceeds as ordered by the Court on January 6, 2021.

1.0.16 The Court granted the requested Order on April 27, 2021 (the "**Approval, Vesting, and Interim Distribution Order**", attached as **Appendix "6"**).

1.0.17 The Receiver completed the sale of the property in accordance with the above-mentioned Order and made a partial distribution of the net proceeds to Town of New Tecumseth on

account of outstanding property taxes and to FirstOntario Credit Union for repayment of its first mortgage on the Real Property and to FirstOntario Credit Union to repay its loan to the Receiver as evidenced by the Receiver's Certificate No. 1.

1.0.18 On October 20, 2021, the Receiver submitted a report to court (the **"Third Report"**, attached as **Appendix "7"**) and sought the approval of the Court for an Order granting, among other things, the following relief:

- a) approving the Third Report and the actions of the Receiver as described herein, including, without limitation, the Receiver's statement of receipts and disbursements as at October 18, 2021;
- b) 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, including an estimated accrual of fees and disbursements to be incurred to the completion of these proceedings;
- c) authorizing and directing the Receiver to make a distribution from the net proceeds of the estate of the Debtor in accordance with the protocol outlined by the Receiver and contained within this Third Report; and
- d) such further and other relief as counsel may advise and this Court may permit.

1.0.19 The Court granted the requested Order on October 29, 2021 (the **"Distribution Order"**, attached as **Appendix "8"**).

## **2.0 PURPOSE OF THE FOURTH REPORT AND DISCLAIMER**

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

- a) approving the Fourth Report and the actions of the Receiver as described herein, including, without limitation, the Receiver's statement of receipts and disbursements as at February 1, 2022 (the **"SRD"**);

- b) 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 Olga Tsesliv on behalf of Wildeboer Dellelce LLP, including an estimated accrual of fees and disbursements to be incurred to the completion of these proceedings;
- c) authorizing and directing the Receiver to make a distribution from the net proceeds of the estate of New Tecumseth in accordance with the protocol outlined by the Receiver and contained within this Fourth Report; and
- d) effective upon filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Debtor has been completed to the satisfaction of the Receiver, discharging Spergel as the Receiver and granting certain ancillary relief in relation thereto.

2.0.2 This Fourth 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 the actions and conduct of the Receiver as set out in this Fourth Report, (ii) approve and authorize payment of the Receiver's fees and disbursements and those of its legal counsel, (iii) authorizing and directing the Receiver to make a distribution from the net proceeds of the estate in accordance with the protocol outlined below, and (iv) granting other ancillary relief being sought.

2.0.3 The Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Fourth Report for any other purpose.

2.0.4 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.

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

### **3.0 ACTIONS OF THE RECEIVER SINCE THE THIRD REPORT**

3.0.1 The Receiver, following the issuance of the Distribution Order, completed the distribution in accordance with the Distribution Order as follows:

- a) Firstly, the payment of the Receiver's fees and disbursements and that of its Counsel;
- b) Secondly, from the cash sale proceeds, payment to the Second Mortgage Holder, PDR in the amount of \$995,570.11, (which included a \$65,000 payment to Teplitsky, Colson LLP pursuant to the Endorsement of Justice Pattillo dated October 29, 2021);
- c) Thirdly, from the cash sale proceeds payments to the unsecured creditors, in full and final satisfaction of their claims, as follows:
  - i. \$141,250.00 to the law firm of Parente Borean (attention Don Parente);
  - ii. \$39,550.00 to the law firm of Lawrence, Lawrence, Stevenson LLP;
  - iii. \$39,550.00 to the law firm of Teplitsky, Colson LLP;
  - iv. \$60,000.00 to R.D.M. Financial Ltd.;
  - v. \$18,113.58 to SCS Consulting Group Ltd.; and
  - vi. \$3,352.99 to Wildeboer Dellelce LLP.
- d) Fourthly:
  - a. payment to the Promissory Note Holders, on a pro-rated basis, of the remaining cash proceeds from the Sale Agreement, with each Promissory Note Holder

receiving that percentage of the remaining cash that the subject Promissory Note Holder's Indebtedness is of the Total Promissory Note Holders Indebtedness. The cash distribution to the Promissory Notes Holders totaled \$89,307.21; and

- b. delivery to each respective Promissory Note Holder of the number of shares of Emergia required to fully pay the balance of the subject "Promissory Note Holder's Indebtedness", after crediting the aforesaid cash payment delivered pursuant to paragraph (a) above, with each share having a stipulated deemed value of \$1.00 per share. Accordingly, the Promissory Note Holders received a total of 891,346 shares from the Stakeholder Shares in full and final satisfaction of their indebtedness (the "**Stakeholder Shares Delivery (4,500,000 shares)**", attached as **Appendix "9"**); and,
- e) Delivery of the remaining Emergia shares to the 34 Investors, on a pro-rated basis, based upon each Investor's percentage share ownership. Consequently, the 34 Investors received the final 3,908,654 shares delivered from the remaining Stakeholder Shares and the Receiver's Shares (the "**Receiver's Shares Delivery (300,000 shares)**", attached as **Appendix "10"**).

#### **4.0 FEES AND DISBURSEMENTS OF THE RECEIVER**

- 4.0.1 Attached hereto as **Appendix "11"** is the Fee Affidavit of Trevor Pringle, sworn February 7, 2022, which incorporates, by reference, a copy of the Receiver's time dockets pertaining to the receivership of the Debtor for the period October 16, 2021, to and including February 3, 2022. The Receiver has incurred professional fees in the amount of \$20,112.00, not inclusive of HST. This represents a total of 67.05 hours at an average rate of \$299.96 per hour.



## **5.0 FEES AND DISBURSEMENTS OF THE RECEIVER'S COUNSEL**

- 5.0.1 Attached hereto as **Appendix "12"** is the Fee Affidavit of Timothy Bullock of SimpsonWigle LLP, sworn February 4, 2022, which attaches a copy of the account rendered by SimpsonWigle LLP to the Receiver in the amount of \$15,196.45 inclusive of disbursements and HST, for the period October 14, 2021 to February 2, 2022 along with supporting dockets (Billing Statement).
- 5.0.2 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.
- 5.0.3 Attached hereto as **Appendix "13"** is the Fee Affidavit of Olga Tsesliv of Wildeboer Dellelce LLP, sworn February 1, 2022, which attaches a copy of the account rendered by Wildeboer Dellelce LLP to the Receiver in the amount of \$9,523.64 inclusive of disbursements and HST, for the period October 18, 2021 to December 14, 2021 along with supporting dockets (Statement of Account).
- 5.0.4 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.

## **6.0 RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS**

- 6.0.1 Attached hereto as **Appendix "14"** is a copy of the Receiver's Statement of Receipts and Disbursements as at February 1, 2022.

## **7.0 FEE ACCRUAL**

7.0.1 Provided that there is no opposition to the relief sought in this Fourth Report and that such relief is granted, the Receiver estimates that the additional fees (not including HST and disbursements) for itself and the Receiver's Counsel necessary to complete these proceedings will be as follows:

- a) The Receiver, \$6,500 plus HST and disbursements;
- b) The Receiver's Counsel, SimpsonWigle LAW - \$3,700 plus HST and disbursements.

## **8.0 THE RECEIVER'S PROPOSED DISTRIBUTION**

8.0.1 As detailed in the Receiver's Statement of Receipts and Disbursements as at February 1, 2022 the Receiver holds proceeds from the sale of the Property in the amount of \$59,790.86. Accordingly, after payment of the fees and disbursements of the Receiver and the Receiver's Counsels including the Fee Accrual, the Receiver recommends that it be authorized to distribute the remainder of the proceeds, if any, to the 34 Investors, on a pro-rated basis, based upon each Investor's percentage share ownership.

8.0.2 The Receiver is not aware of the Debtor having any undertaking, property or assets other than the proceeds of sale from the Real Property.

## **9.0 DISCHARGE OF RECEIVER**

9.0.1 Subsequent to the date of this Fourth Report, and prior to the Receiver's discharge, the Receiver proposes to attend to the following:

- a) Payment of distributions as identified above;

b) Other residual and/or administrative matters in connection with Spergel's appointment as Receiver; and

c) Filing of the Receiver's certificate of discharge.

#### **10.0 RECOMMENDATION**

10.0.1 For the reasons discussed in this Fourth Report, the Receiver recommends that the Court grant an Order in accordance with the draft Order attached at Tab C to the Notice of Motion, which includes the relief specified at paragraph 2.0.1 of this Fourth Report.

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



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Trevor B. Pringle, CFE, CIRP, LIT  
Partner

# **APPENDIX 1**

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

THE HONOURABLE MR.

)

THURSDAY THE 23<sup>rd</sup>

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 Spargel 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 14<sup>th</sup> 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**

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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.

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### **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/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.

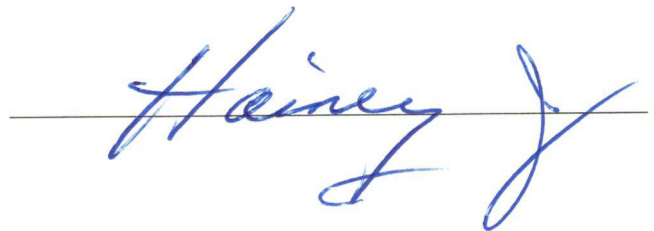
30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized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

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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.



## 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

v.

NEW TECUMSETH LAND CORPORATION

Applicant

Respondent

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

	<p><i>ONTARIO</i></p> <p><b>SUPERIOR COURT OF JUSTICE</b></p> <p>(Commercial List)</p> <p>Proceeding commenced at <b>TORONTO</b></p>
	<p><b>ORDER</b></p> <p><b>(appointing Receiver)</b></p>
<p><b>FLETT BECCARIO</b></p> <p>Barristers &amp; Solicitors</p> <p>190 Division Street</p> <p>P.O. Box 340</p> <p>Welland, ON L3B 5P9</p> <p>Tel: (905) 732-4481</p> <p>Fax: (905) 732-2020</p> <p>Email: jrmacfar@flettbeccario.com</p> <p><b>J. ROSS MACFARLANE</b></p> <p><i>Lawyers for the Applicant</i></p> <p>LSO: 36417N</p> <p>JRM/cb</p>	

## **APPENDIX 2**

**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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## **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 14<sup>th</sup> 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 docket 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, CRP, LIT  
Partner

## **APPENDIX 3**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE  
JUSTICE HAINEY

)  
)  
)

WEDNESDAY, THE 6<sup>TH</sup>  
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).

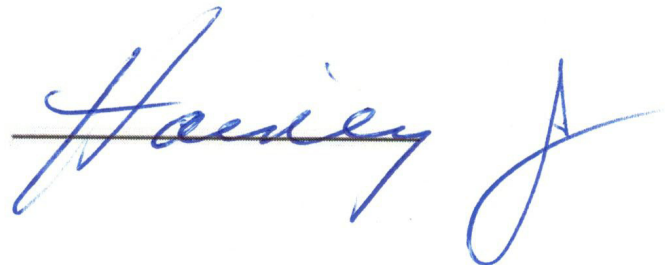
10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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.



**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 Hainey 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 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 -

Count 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  
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Email: [jacksond@simpsonwigle.com](mailto:jacksond@simpsonwigle.com)

Lawyers for the Receiver, msi Spengel Inc.

## **APPENDIX 4**

**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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<b>4.0</b>	<b>SUMMARY OF STAKEHOLDERS</b>	<b>Page 12</b>
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<b>6.0</b>	<b>FEES AND DISBURSEMENTS OF THE RECEIVER'S COUNSEL</b>	<b>Page 14</b>
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## 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
8. Letter agreements extending closing date
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

## 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. Hailey 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 14<sup>th</sup> 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. Teplitzky 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. Teplitzky 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 Teplitzky 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 FEES 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 FEES 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 5**

## 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

### 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.

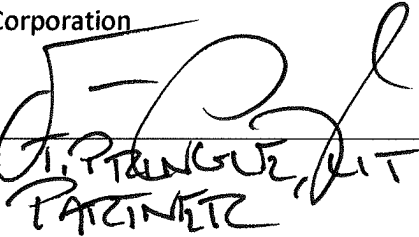
*[Signatures on the next page.]*

A handwritten signature in black ink, consisting of a stylized 'S' followed by a cursive 'e'.

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

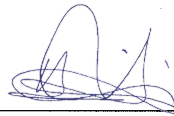
**MSI SPERGEL INC.**, in its capacity as Court-appointed Receiver of New Tecumseth Land Corporation

Name:  
Title:

  
J. P. LANGUE  
PARTNER

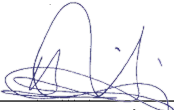
**NTA DEVELOPMENT CORPORATION**

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  
Montreal, 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](mailto:tpringle@spergel.ca) and [ilamy@emergia.com](mailto: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**

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

## **APPENDIX 6**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE	)	TUESDAY, THE 27 <sup>TH</sup>
	)	
JUSTICE MCEWEN	)	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.



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**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 Spargel 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 April 27, 2021, the Court approved the agreement of purchase and sale made as of November 20, 2020 between the Receiver and NTA Development Corporation (the "Purchaser") as amended by Addendum dated January 4, 2021 and as further amended by Addendum No. 3, Addendum No 4 and Addendum No. 5 (collectively, the "Sale Agreement") 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.

**FIRST ONTARIO CREDIT UNION LIMITED**

Applicant

**- AND -**

**NEW TECUMSETH LAND CORPORATION**

Respondent

27 April 21

Order to go as per the draft filed and signed.

The motion is unopposed and supported by the Receiver. The relief sought is fair and reasonable, and follows Justice Hainey's previous, similar Order.

As agreed by the stakeholders at the hearing this Order is made on a without prejudice basis with respect to Mr. Brunswick's clients' outstanding action and the position that any stakeholder might later make concerning distribution.

*McE T.*

**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](mailto:jacksond@simpsonwigle.com)

Lawyers for the Receiver, msi Spergel Inc.

## **APPENDIX 7**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**BETWEEN:**

**FIRSTONTARIO CREDIT UNION LIMITED**

**Applicant**

**- and -**

**NEW TECUMSETH LAND CORPORATION**

**Respondent**

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

**October 20, 2021**

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7.0	FEE ACCRUAL	Page 17
8.0	THE RECEIVER'S PROPOSED DISTRIBUTION	Page 17
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## **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. Order of the Honourable Justice G. Hainey, dated January 6, 2021
4. Second Report of the Receiver, dated April 15, 2021
5. Fifth Addendum to the Sale Agreement dated April 21, 2021
6. Approval, Vesting, and Interim Distribution Order dated April 27, 2021
7. PDR Investments Ltd. 2<sup>nd</sup> Mortgage Payout Statement dated as at May 3, 2021
8. Fee Affidavit of Trevor Pringle, sworn October 19, 2021
9. Fee Affidavit of Timothy Bullock, sworn October 19, 2021
10. Fee Affidavit of Troy Pocaluyko, sworn October 18, 2021
11. Receiver's Statements of Receipts and Disbursements as at October 19, 2021
12. Projected Distribution Schedule

## 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 ("**New 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 held title to vacant industrial land municipally known as 6485 14<sup>th</sup> 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 is the registered owner of the Real Property. However, the books and records disclosed that there is a joint venture underlying a proposed development of the Real Property, called New Tecumseth Group Joint Venture (the "**Joint Venture**"), and there are 34 co-tenants involved in the Joint Venture ("**Investors**"). 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 Twelve of the thirty-four 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 (the “**Litigant Investors**”).
- 1.0.7 In addition to the aforementioned Investors’ the other stakeholders in the debtor are: (a) unsecured creditors; (b) investors who advanced funds by way of loans to the Debtor with such loans secured by a second mortgage on the Real Property held by P.D.R. Investments Ltd., as mortgagee (“**PDR**”); and (c) Investors who also advanced funds to the Debtor which are unsecured loans and evidenced by Promissory Notes (“**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 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 the 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 payment of the Purchase Price, as defined in the APS, was contemplated to be made partly by way of a payment in cash and partly by way of shares of Emergia Inc. ("Emergia"), a public entity (the "Emergia Shares").

1.0.10 The Court granted the requested Order on January 6, 2021 (the "Court Order", attached as Appendix "3").

1.0.11 Subsequent to the January 6, 2021 court attendance, the Purchaser raised issues with respect to the transfer of the share component of the Purchase Price to the Receiver. Specifically, the Purchaser indicated that its understanding and intention was that the share component be delivered on the closing of the APS to the Investors, in kind, and not issued and delivered to the Receiver.

1.0.12 As a result of the Receiver's and the Purchaser's on-going negotiations with respect to the transfer of the share component, a second, third, and fourth addendum to the APS were executed ("Addendums 2, 3, and 4") which effectively:

- a) increased the deposit to \$1,000,000;
- b) increased the total purchase price to \$13,800,000 by increasing the cash portion by \$100,000; and
- c) extended the closing date to four business days subsequent to an approval order being made by the Court.

1.0.13 To address the concerns of the Purchaser as noted above, the Receiver, the Purchaser and Emergia entered into a fifth addendum to the Sale Agreement on April 1, 2021 (the

**"Fifth Addendum"**). Pursuant to the Fifth Addendum, the parties agreed, *inter alia*, among other things, that:

- a) 300,000 Class A common shares of Emergia at a stipulated value of \$1 per share, having an aggregate value of \$300,000 (determined in accordance with the Fifth Addendum) were to 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, 4,500,000 Class A common shares of Emergia at a stipulated value of \$1 per share, having an aggregate value of \$4,500,000 (determined in accordance with the Fifth Addendum), (the **"Stakeholder Shares"**), would be issued from time to time following the closing date to certain stakeholders of Tecumseth as directed by the Receiver and approved by the Court (the **"Specified Stakeholders"**) in satisfaction of the balance of the share component of the purchase price;

1.0.14 The APS, as amended by the Fifth Addendum, fully retained 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 Addendums 2, 3, and 4.

1.0.15 On April 15, 2021, the Receiver submitted a report to court (the **"Second Report"**, attached as **Appendix "4"**) and sought the approval of the Court for an Order granting, among other things, the following relief:

- a) approving the Fifth Addendum to the Sale Agreement between the Receiver and the Purchaser, dated April 1, 2021 (the **"Fifth Addendum"** attached as **Appendix "5"**), and authorizing the Receiver to complete the transaction contemplated thereby (the **"Transaction"**); and
- (a) reaffirming the distribution of sale proceeds as ordered by the Court on January 6, 2021.

1.0.16 The Court granted the requested Order on April 27, 2021 (the **"Approval, Vesting, and Interim Distribution Order"**, attached as **Appendix "6"**).

- 1.0.17 The Receiver completed the sale of the property in accordance with the above-mentioned Order and made a partial distribution of the net proceeds to Town of New Tecumseth on account of outstanding property taxes and to FirstOntario Credit Union for repayment of its first mortgage on the Real Property and to FirstOntario Credit Union to repay its loan to the Receiver as evidenced by the Receiver's Certificate No. 1.
- 1.0.18 The Receiver has been advised by the Debtor's counsel, Mr. Ed Upenieks of Lawrence, Lawrence, Stevenson LLP ("**Lawrences**") that an arrangement (the "**Arrangement**") has been reached between the remaining stakeholders of New Tecumseth, with respect to the distribution of the balance of the net sale proceeds including the shares of Emergia, as herein after particularized.
- 1.0.19 In addition to the creditors outlined in the Approval, Vesting, and Interim Distribution Order mentioned above, the following is a summary of the remaining stakeholders who are eligible for a distribution from the balance of the net sale proceeds from the Sale Agreement including from the remaining cash and shares of Emergia. The summary is based upon information provided by the Debtor and the Receiver's review of the available books and records of the Debtor:

**Second Mortgage Holder**

- a) A second in priority mortgage was registered on January 13, 2015 in the principal amount of \$550,000 in favour of P.D.R. Investments Ltd. ("**PDR**").
- b) The general ledger of New Tecumseth references that the mortgage registered in favour of PDR is held in trust by PDR to secure payment of loan advances made by seven investors ("**PDR Investors**"). 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.
- c) The amounts advanced, and the interest accrued in relation to the second mortgage up to May 3, 2021, as calculated by PDR, total \$995,570.11 (the "**Mortgage Payout Statement**", attached as **Appendix "7"**).

- d) As part of the Arrangement, PDR has agreed to accept the sum of \$995,570.11 in full satisfaction of the aforesaid second in priority mortgage.

**Unsecured Creditors**

- e) The books and records of New Tecumseth (Account Payable Listings) recorded four unsecured trade creditors with total outstanding indebtedness as at June 18, 2020 in the amount of \$244,316.95. During the course of the receivership, three other unsecured creditors were identified as follows: Teplitsky, Colson LLP, R.D.M. Financial Ltd. and Wildeboer Dellelce LLP. Lawrences advises that pursuant to the Arrangement, the unsecured creditors of the Debtor, as determined by the Receiver, agreed to accept the following payment from the sale proceeds in full satisfaction of their interest in the net proceeds of sale from the Sale Agreement:

- i. \$141,250.00 to the law firm of Parente Borean (attention Don Parente);
- ii. \$39,550.00 to the law firm of Lawrence, Lawrence, Stevenson LLP;
- iii. \$39,550.00 to the law firm of Teplitsky, Colson LLP;
- iv. \$60,000.00 to R.D.M. Financial Ltd.;
- v. \$18,113.58 to SCS Consulting Group Ltd.; and
- vi. \$3,352.99 to Wildeboer Dellelce LLP.

Lawrences have advised the Receiver that pursuant to the Arrangement that the unsecured trade creditor, Rady-Pentek Edward Surveying has waived any claim to or interest in the net proceeds of the Sale Agreement.

- f) The general ledger system of New Tecumseth details advances made by Investors to New Tecumseth evidenced by way of promissory notes made by New Tecumseth (the “**Promissory Noteholders**”). The total advanced, including accrued interest to May 31, 2020, as calculated by the Debtor, is \$980,652.53 as detailed below:

<b>Name of Promissory Note Holders</b>	
Italmaal Investments Inc.	\$ 35,020.20
Tanview Investments Ltd.	28,225.10
Johnwood Investments Inc.	14,488.20
Spano Family Holdings Inc.	82,231.00
P.D.R. Investments Ltd.	77,286.90
859055 Ontario Limited	96,788.63
Frank Giambagno in Trust	85,427.37
Villarboit Investment Limited	287,089.60
Villarboit Holdings Ltd.	89,246.93
Andy Vankralingen	25,400.16
Triabacus Capital Corp	52,803.56
497227 Ont Ltd. (Stefanik)	9,272.05
Lino Di Iorio	66,733.67
Jerry Di Iorio	30,639.16
<b>Total Promissory Note Holder Indebtedness</b>	<b>\$980,652.53</b>

Lawrences has advised that each Promissory Note Holder has, pursuant to the Arrangement, agreed to accept the following in full satisfaction of each Promissory Note Holder's Indebtedness:

- i. payment to the Promissory Note Holders, on a pro-rated basis, of the remaining cash proceeds from the Sale Agreement, with each Promissory Note Holder receiving that percentage of the remaining cash that the subject Promissory Note Holder's Indebtedness is of the Total Promissory Note Holders Indebtedness; and
- ii. delivery to each respective Promissory Note Holder of the number of shares of Emergia required to fully pay the balance of the subject "Promissory Note Holder's Indebtedness", after crediting the aforesaid cash payment delivered pursuant to paragraph (i) above, with each share having a stipulated deemed value of \$1.00 per share.



### **Equity holders**

- g) In addition to the second mortgage holders/beneficiaries and Promissory Noteholders, the Debtor advises, which is consistent with New Tecumseth's financial statements, that there are 34 equity holders in the Joint Venture ("Investors") as follows:

NON - LAWSUIT INVESTORS:	Percentage Ownership:
1167948 Ontario Inc.	0.77%
2115307 Ontario Limited	2.91%
859055 Ontario Limited	2.09%
Lino Di Iorio, In Trust	3.07%
Louise Di Iorio	1.53%
Fairgreen Ventures Inc.	1.53%
Ferro DeBiasio	1.61%
S.C.R.A.P.S Investments Ltd.	1.61%
Frank Giambagno, In Trust	10.48%
Italmal Investments Inc.	4.60%
Johnwood Investments Inc.	1.75%
Philip Lanni	1.53%
Michael and David Di Iorio	1.53%
Michael Di Iorio	0.77%
Ottimo Foods Inc., In Trust	3.07%
P.D.R Investments Ltd	10.48%
Philip Stefaniak	1.53%
R & FS Holdings Inc.	3.84%
Tanview Investments Limited	4.19%
A. Vankralingen & R. Borland	4.19%
Villarboit Investments Limited	3.14%
Winstone Investments Inc.	1.94%
Total:	68.19%
LAWSUIT INVESTORS:	
1282291 Ontario Limited	2.30%
Paul and Mary Leva	1.53%
594633 Ontario Ltd	2.30%
Athabasca Holdings Inc.	2.30%
Michael and Heather Mayhew	1.53%
Luvax Holdings Inc.	1.53%
Castelago Holdings Inc.	1.53%
Antonini Family Holdings Inc.	3.84%
Spano Family Holdings Inc.	4.60%
Centreside Contracting Ltd.	4.60%
Salisi Investments Ltd.	1.53%
Frank Marchetti in Trust	4.19%
Total:	31.81%
Total Equity %:	100.00%

1.0.20 A group of Investors filed a lawsuit on August 2, 2013 (amended February 14, 2014) (the "Litigant Investors") which took 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.

1.0.21 The Receiver has determined, including through SimpsonWigle that Teplitsky, Colson LLP (“**Teplitsky**”) acts for 11 of the 12 Litigant Investors (referred to as “Lawsuit Investors” in paragraph 1.0.19 g.), including Frank Marchetti, who is also named as a beneficiary of the hereinbefore-referenced P.D.R. Investments Ltd. second mortgage and excluding Spano Family Holdings Inc.

## **2.0 PURPOSE OF THE THIRD REPORT AND DISCLAIMER**

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

- a) approving the Third Report and the actions of the Receiver as described herein, including, without limitation, the Receiver’s statement of receipts and disbursements as at October 18, 2021 (the “**SRD**”);
- b) 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, including an estimated accrual of fees and disbursements to be incurred to the completion of these proceedings;
- c) authorizing and directing the Receiver to make a distribution from the net proceeds of the estate of the Debtor in keeping with the Arrangement and in accordance with the protocol outlined by the Receiver and contained within this Third Report; and
- d) such further and other relief as counsel may advise and this Court may permit.

2.0.2 This Third 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 the actions and conduct of the Receiver as set out in this Third Report, (ii) approve and authorize payment of the Receiver's fees and disbursements and those of its legal counsel, (iii) authorizing and directing the Receiver to make a distribution from the net proceeds of the estate in accordance with the protocol outlined below, and (iv) granting other ancillary relief being sought.

2.0.3 The Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Second Report for any other purpose.

2.0.4 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.

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

### **3.0 ACTIONS OF THE RECEIVER SINCE THE SECOND REPORT**

3.0.1 The Receiver, following the issuance of the Approval, Vesting and Interim Distribution Order, completed the sale transaction of the Real Property on May 3, 2021, terminated all post appointment services and made an interim distribution in accordance with the Approval, Vesting and Distribution Order. This included payment of the Receiver's

borrowings, Receiver's Fees and that of its Counsels, Town of New Tecumseth, and FirstOntario Credit Union. After making the aforesaid payments, the Receiver continues to hold cash proceeds from the sale agreement in the amount of \$1,488,259.38.

- 3.0.2 Pursuant to the Approval, Vesting and Interim Distribution Order, and the completion of the Sale Agreement, the Receiver received cash proceeds and, *inter alia*, 300,000 Shares of Emergia with a stipulated value of \$1.00 per share with respect to the completion of the Sale Agreement.
- 3.0.3 The Receiver was provided a summary of the advances by PDR Investors in the second mortgage, as well as the calculation of interest accrued to May 3, 2021, which is consistent with the Debtor's books and records.
- 3.0.4 The Receiver was also provided with the summary of the advances made by the Promissory Noteholders, as well as the calculation of interest accrued to May 31, 2020. In order to analyze the advances, the Receiver reviewed the calculation of the non-compounding interest calculations at 7% and proof of advances, including review of bank statements, deposit slips, and cancelled cheques. The Receiver noted no material discrepancies between the summary of the advances of both the PDR Investors and the Promissory Noteholders and the proof of same provided by the Debtor.
- 3.0.5 The Receiver participated in several conference calls with Lawrences on behalf of the Debtor and Teplitsky on behalf of the Litigant Investors to facilitate a settlement for a final distribution to the remaining stakeholders of New Tecumseth.
- 3.0.6 In order to ensure that the Stakeholder Shares may be issued to the Specified Stakeholders in accordance with applicable securities laws, the Receiver understands that each of the Specified Stakeholders has been requested to complete, sign and deliver to Emergia a certificate (an "**Accredited Investor Certificate**") confirming that he, she or it is an accredited investor (as such term is defined under applicable securities laws) and therefore is entitled to be issued Stakeholder Shares without the requirement of Emergia to prepare and deliver a prospectus.

- 3.0.7 As of the date of the Third Report, the Receiver has been advised that a substantial number of the 34 Specified Stakeholders have duly completed and delivered an Accredited Investor Certificate. In the event that some or all of the remaining Specified Stakeholders fail or are unable to complete and deliver an Accredited Investor Certificate, Emergia will first explore with those Specified Stakeholders whether any other exemptions from the prospectus requirements might be available, failing which Emergia has agreed to (i) bring application to a Court, tribunal or agency (such as the Ontario Securities Commission) for a discretionary order exempting Emergia from the prospectus requirements in respect of the remaining Specified Stakeholders; (ii) issue the Stakeholder Shares to the Receiver that would otherwise be issuable to those remaining Specified Stakeholders who in turn, would dispose of such shares and remit the proceeds proportionately to the remaining Specified Stakeholders; or (iii) pay the value of those Stakeholder Shares (determined in accordance with the Fifth Addendum) in cash to the remaining Specified Stakeholders. If it becomes necessary to pursue either of alternatives in clauses (i) or (ii) above, it may not be possible to distribute the Stakeholder Shares or the proceeds of sale of such Shares for several months due to the complexity of the process for obtaining a discretionary order and because there would be a 4 month statutory “hold” period in respect of any shares issued to the Receiver.
- 3.0.8 As of October 8<sup>th</sup>, 2021 the Emergia shares are currently trading on the Canadian Securities Exchange at .90 cents per share; the 52-week high is \$1.25 per share and the 52-week low is .50 cents per share.
- 3.0.9 Subject to the rights of Emergia as detailed in paragraph 2 of the Fifth Addendum, the Receiver intends to distribute the 300,000 Receiver’s Shares to the investors on a pro-rated basis in accordance with the percentage ownership set out in paragraph 1.0.19 (g) of this report, as opposed to selling such shares.

#### **4.0 FEES AND DISBURSEMENTS OF THE RECEIVER**

- 4.0.1 Attached hereto as **Appendix “8”** is the Fee Affidavit of Trevor Pringle, sworn October 19, 2021, which incorporates, by reference, a copy of the Receiver’s time dockets pertaining

to the receivership of the Debtor for the period April 3, 2021, to and including October 15, 2021. The Receiver has incurred professional fees in the amount of \$26,526.75, inclusive of HST. This represents a total of 74.80 hours at an average rate of \$313.84 per hour.

## **5.0 FEES AND DISBURSEMENTS OF RECEIVER'S COUNSEL**

- 5.0.1 Attached hereto as **Appendix "9"** is the Fee Affidavit of Timothy Bullock of SimpsonWigle LLP, sworn October 19, 2021, which attaches a copy of the account rendered by SimpsonWigle LLP to the Receiver in the amount of \$13,502.24 inclusive of disbursements and HST, for the period April 15, 2021 to October 13, 2021 along with supporting dockets (Billing Information Summary).
- 5.0.2 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.
- 5.0.3 Attached hereto as **Appendix "10"** is the Fee Affidavit of Troy Pocaluyko of Wildeboer Dellelce LLP, sworn October 18, 2021, which attaches a copy of the account rendered by Wildeboer Dellelce LLP to the Receiver in the amount of \$6,536.49 inclusive of disbursements and HST, for the period April 13, 2021 to October 15, 2021 along with supporting dockets (Billing Information Summary).
- 5.0.4 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.

## **6.0 RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS**

6.0.1 Attached hereto as **Appendix "11"** is a copy of the Receiver's Statement of Receipts and Disbursements as at October 18, 2021.

6.0.2 Attached hereto as **Appendix "12"** is a copy of the Projected Distribution Schedule.

## **7.0 FEE ACCRUAL**

7.0.1 Provided that there is no opposition to the relief sought in this Third Report and that such relief is granted, the Receiver estimates that the additional fees (not including HST and disbursements) for itself and the Receiver's Counsel necessary to complete these proceedings will be as follows:

- a) The Receiver - \$25,000.00 plus HST and disbursements;
- b) The Receiver's Counsel, SimpsonWigle LAW - \$15,000.00 plus HST and disbursements; and
- c) The Receiver's Counsel, Wildeboer Dellelce LLP - \$4,000.00 plus HST and disbursements.

## **8 THE RECEIVER'S PROPOSED DISTRIBUTION**

8.0.1 The Receiver understands from Lawrences with respect to the claims of the unsecured creditors, Promissory Note Holders and the Investors and from Messrs. Teplitsky, Colson on behalf of its clients, from Eleanor Schmied on behalf of PDR and from certain of the unsecured creditors that the stakeholders of the Debtor have reached an agreement (the "Arrangement") with respect to the distribution of the remaining cash sale proceeds and Emergia shares from the Sale Transaction after consideration of the distributions made pursuant to the Approval, Vesting and Interim Distribution Order as detailed above.

8.0.2 Subject to the Receiving retaining funds to satisfy the estimated accruals on account of its fees and disbursements ("Reserves") in keeping with the Arrangement, the Receiver proposes to distribute the remaining cash sale proceeds and Emergia shares as follows:

- b) Firstly, in payment of the Receiver's fees and disbursements and that of its Counsel;
- c) Secondly, from the cash sale proceeds, payment to the Second Mortgage Holder in the amount of \$995,570.11, which includes interest accrued at 12% up to May 3, 2021, as calculated by PDR;
- d) Thirdly, from the cash sale proceeds to the unsecured creditors, as follows of:
  - i. \$141,250.00 to the law firm of Parente Borean (attention Don Parente);
  - ii. \$39,550.00 to the law firm of Lawrence, Lawrence, Stevenson LLP;
  - iii. \$39,550.00 to the law firm of Teplitsky, Colson LLP;
  - iv. \$60,000.00 to R.D.M. Financial Ltd.;
  - v. \$18,113.58 to SCS Consulting Group Ltd.; and
  - vi. \$3,352.99 to Wildeboer Dellelce LLP.
- e) Fourthly:
  - i. payment to the Promissory Note Holders, on a pro-rated basis, of the remaining cash proceeds from the Sale Agreement, with each Promissory Note Holder receiving that percentage of the remaining cash that the subject Promissory Note Holder's Indebtedness is of the Total Promissory Note Holders Indebtedness; and
  - ii. delivery to each respective Promissory Note Holder of the number of shares of Emergia required to fully pay the balance of the subject "Promissory Note Holder's Indebtedness", after crediting the aforesaid cash payment delivered pursuant to paragraph (i) above, with each share having a stipulated deemed value of \$1.00 per share;
- f) Delivery of the remaining Emergia shares to the 34 Investors, on a pro-rated basis, based upon each Investor's percentage share ownership as particularized in paragraph 3.0.7.



- 8.0.3 The aforesaid proposed distribution is in accordance with the Arrangement. The Receiver notes that the Arrangement includes a compromise of some of the indebtedness or obligations owed by the Debtor stakeholders as identified in the books and records of the Debtor. The Receiver notes that the priority of the payments to be made pursuant to the Arrangement, including delivery of Emergia shares, is consistent with the Receiver's determination of an appropriate or reasonable scheme of distribution to the stakeholders of the Debtor.
- 8.0.4 The Receiver is not aware of the Debtor having any undertaking, property or assets other than the proceeds of sale from the Real Property.
- 8.0.5 The Receiver is aware that complications may arise in the distribution of the Emergia shares and that a further motion to Court may be necessary for directions and with respect to the Receiver's discharge.

## **9.0 RECOMMENDATION**

- 9.0.1 For the reasons discussed in this Third 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 Third 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, LLT  
Partner

## **APPENDIX 8**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE

)

FRIDAY, THE 29<sup>TH</sup>

JUSTICE PATTILLO

)

DAY OF OCTOBER, 2021

)

**FIRST ONTARIO CREDIT UNION LIMITED**

Applicant

- and -

**NEW TECUMSETH LAND CORPORATION**

Respondent

**DISTRIBUTION ORDER**

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

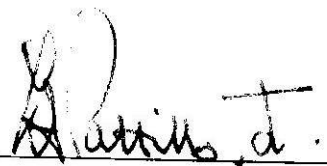
**ON READING** the Notice of Motion, the Third Report and appendices thereto, and on hearing the submissions of counsel or from "representatives" for those parties listed on the counsel slip, and no one appearing for any other person on the service list, although properly served as appears from the affidavit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

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

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

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

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

  
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**FIRSTONTARIO CREDIT UNION LIMITED**  
Applicant

**NEW TECUMSETH LAND CORPORATION**  
Respondent

- AND -

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

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

PROCEEDINGS COMMENCED AT TORONTO

**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](mailto:jacksond@simpsonwigle.com)

Lawyers for the Receiver, msi Spergel Inc.

## **APPENDIX 9**





November 24, 2021

BY E-MAIL

**TSX TRUST COMPANY**  
1800-1190 Avenue des Canadiens-de-Montréal  
Montreal, QC H3B 0G7

Attention : Mr. Julien Lavallière

Re: Issue of class A Common Shares of Emergia Inc.

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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 (the “**Sale Agreement**”) contemplating the purchase by NTA of a land located in Alliston (New Tecumseth), province of Ontario, Canada. In accordance with the Sale Agreement, a portion of the purchase price shall be paid by the issuance by the Corporation of Class “A” common shares of the Corporation in a total amount equal to \$4,800,000. On May 3, 2021, 300,000 Class “A” common shares were issued to the Receiver and 4,500,000 Class “A” common shares were reserved for issuance.

In connection with the aforementioned, the Corporation hereby irrevocably instructs and directs TSX Trust Company (the “**Transfer Agent**”) to issue **DRS Statements** dated November 24, 2021 representing a total of amount of 4,500,000 Class “A” common shares in the Corporation’s capital to be registered as set forth in Schedule A to this letter.

The Class “A” common shares are being issued as fully paid and non-assessable and their issuance is not 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.

As per the securities legislation legend requirements, each statement issued from this treasury order must bear the following legend:

**“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE MARCH 25, 2022.”**



Please deliver the DRS Statements as specified in Schedule A.

Kindly send a copy of the DRS Statements to [ilamy@emergia.com](mailto:ilamy@emergia.com) before releasing the statements for delivery.

Yours truly,

**EMERGIA INC.**

By: \_\_\_\_\_

A handwritten signature in blue ink, appearing to be 'H. Petit', written over a horizontal line.

Henri Petit  
Chief Executive Officer

By: \_\_\_\_\_

A handwritten signature in blue ink, appearing to be 'Isabelle Lamy', written over a horizontal line.

Isabelle Lamy  
VP Legal Affairs

## SCHEDULE A

### Registration and Delivery Instructions

Registered Holder	Delivery Address	Number of Common Shares
<b>Name:</b> Italmal Investments Inc. <b>Name of authorized representative:</b> Marco Gesualdi <b>Address:</b> 1531 Velebit Court Mississauga, Ontario L5N 6S6 <b>Email:</b> gesualdi7@rogers.com <b>Tel:</b> 416-671-0059  <b>VIA DRS</b>	<b>Name:</b> Italmal Investments Inc. <b>Att:</b> Marco Gesualdi <b>Address:</b> 1531 Velebit Court Mississauga, Ontario L5N 6S6 <b>Email:</b> gesualdi7@rogers.com  <b>VIA DRS</b>	<b>197,968</b>
<b>Name:</b> Tanview Investments Ltd. <b>Name of authorized representative:</b> Joe Tanzola <b>Address:</b> 10 Director Court, Suite 101, Woodbridge, Ontario L4L 7E8 <b>Email:</b> JTanzola@tanzola-sorbara.net <b>Tel:</b> 905-265-2252 ext 316  <b>VIA DRS</b>	<b>Name:</b> Tanview Investments Ltd. <b>Att:</b> Joe Tanzola <b>Address:</b> 10 Director Court, Suite 101, Woodbridge, Ontario L4L 7E8 <b>Email:</b> JTanzola@tanzola-sorbara.net  <b>VIA DRS</b>	<b>176,918</b>
<b>Name:</b> Johnwood Investments Inc. <b>Name of authorized representative:</b> John DeBiasio <b>Address:</b> 79 Lakeshore Road W, Oro Medonte, Ontario, L0L 2E0 <b>Email:</b> <a href="mailto:jdebiasio123@gmail.com">jdebiasio123@gmail.com</a> <b>Tel:</b> 647-880-3657  <b>VIA DRS</b>	<b>Name:</b> Johnwood Investments Inc. <b>Att:</b> John DeBiasio <b>Address:</b> 79 Lakeshore Road W, Oro Medonte, Ontario, L0L 2E0 <b>Email:</b> <a href="mailto:jdebiasio123@gmail.com">jdebiasio123@gmail.com</a>  <b>VIA DRS</b>	<b>76,166</b>

Registered Holder	Delivery Address	Number of Common Shares
<b>Name:</b> P.D.R. Investments Ltd. <b>Name of authorized representative:</b> Eleonora Schmied <b>Address:</b> 3895 Lloydtown Aurora Road, King, Ontario L7B 0E7 <b>Email:</b> <a href="mailto:eschmied@rogers.com">eschmied@rogers.com</a> <b>Tel:</b> 905-939-7454  <b>VIA DRS</b>	<b>Name:</b> P.D.R. Investments Ltd. <b>Att:</b> Eleonora Schmied <b>Address:</b> 3895 Lloydtown Aurora Road, King, Ontario L7B 0E7 <b>Email:</b> <a href="mailto:eschmied@rogers.com">eschmied@rogers.com</a>  <b>VIA DRS</b>	<b>448,462</b>
<b>Name:</b> 859055 Ontario Limited <b>Name of authorized representative:</b> Paul Edward <b>Address:</b> 6 Lafayette Place, Thornhill, Ontario L3T 1G5 <b>Email:</b> <a href="mailto:pedward@r-pe.ca">pedward@r-pe.ca</a> <b>TeL:</b> 416-635-5000  <b>VIA DRS</b>	<b>Name:</b> 859055 Ontario Limited <b>Att:</b> Paul Edward <b>Address:</b> 6 Lafayette Place, Thornhill, Ontario L3T 1G5 <b>Email:</b> <a href="mailto:pedward@r-pe.ca">pedward@r-pe.ca</a>  <b>VIA DRS</b>	<b>163,548</b>
<b>Name:</b> Frank Giambagno <b>Address:</b> 80 Bass Pro Mills Drive, Unit 12, Concord, Ontario L4K 5W9 <b>Email:</b> <a href="mailto:frank@medrehabgroup.com">frank@medrehabgroup.com</a> <b>Tel:</b> 416-806-9506  <b>VIA DRS</b>	<b>Name:</b> Frank Giambagno <b>Address:</b> 80 Bass Pro Mills Drive, Unit 12, Concord, Ontario L4K 5W9 <b>Email:</b> <a href="mailto:frank@medrehabgroup.com">frank@medrehabgroup.com</a>  <b>VIA DRS</b>	<b>455,733</b>
<b>Name:</b> Villarboit Investments Limited <b>Name of authorized representative:</b> Guery Goyo <b>Address:</b> 500 Cochrane Drive, Unit 4, Markham, Ontario L3R 8E2 <b>Email:</b> <a href="mailto:geg@villarboit.ca">geg@villarboit.ca</a> <b>Tel:</b> 416-618-5574  <b>VIA DRS</b>	<b>Name:</b> Villarboit Investments Limited <b>Att:</b> Guery Goyo <b>Address:</b> 500 Cochrane Drive, Unit 4, Markham, Ontario L3R 8E2 <b>Email:</b> <a href="mailto:geg@villarboit.ca">geg@villarboit.ca</a>  <b>VIA DRS</b>	<b>374,362</b>

Registered Holder	Delivery Address	Number of Common Shares
<b>Name:</b> Villarboit Holdings Ltd. <b>Name of authorized representative:</b> Mary Goyo <b>Address:</b> 5-151 Spinnaker Way, Concord, Ontario, L4K 4C3 <b>Email:</b> mgoyo@villarboit.com <b>Tel:</b> 416-616-2487  <b>VIA DRS</b>	<b>Name:</b> Villarboit Holdings Ltd. <b>Att:</b> Mary Goyo <b>Address:</b> 5-151 Spinnaker Way, Concord, Ontario, L4K 4C3 <b>Email:</b> mgoyo@villarboit.com  <b>VIA DRS</b>	<b>81,119</b>
<b>Name:</b> Andy Vankralingen <b>Address:</b> 5741 Rainham Road, RR#9, Dunnville, Ontario N1A 2W8 <b>Email:</b> <a href="mailto:a.r.v.k@icloud.com">a.r.v.k@icloud.com</a> <b>Tel:</b> 905-979-3187  <b>VIA DRS</b>	<b>Name:</b> Andy Vankralingen <b>Address:</b> 5741 Rainham Road, RR#9, Dunnville, Ontario N1A 2W8 <b>Email:</b> <a href="mailto:a.r.v.k@icloud.com">a.r.v.k@icloud.com</a>  <b>VIA DRS</b>	<b>87,175</b>
<b>Name:</b> Roberta Borland <b>Address:</b> 5741 Rainham Road, RR#9, Dunnville, Ontario N1A 2W8 <b>Email:</b> <a href="mailto:a.r.v.k@icloud.com">a.r.v.k@icloud.com</a> <b>Tel:</b> 905-701-2264  <b>VIA DRS</b>	<b>Name:</b> Roberta Borland <b>Address:</b> 5741 Rainham Road, RR#9, Dunnville, Ontario N1A 2W8 <b>Email:</b> <a href="mailto:a.r.v.k@icloud.com">a.r.v.k@icloud.com</a>  <b>VIA DRS</b>	<b>87,175</b>
<b>Name:</b> Triabacus Capital Corporation <b>Name of authorized representative:</b> Guery Goyo <b>Address:</b> 500 Cochrane Drive, Unit 4, Markham, Ontario L3R 8E2 <b>Email:</b> <a href="mailto:geg@villarboit.ca">geg@villarboit.ca</a> <b>Tel:</b> 416-618-5574  <b>VIA DRS</b>	<b>Name:</b> Triabacus Capital Corporation <b>Att:</b> Guery Goyo <b>Address:</b> 500 Cochrane Drive, Unit 4, Markham, Ontario L3R 8E2 <b>Email:</b> <a href="mailto:geg@villarboit.ca">geg@villarboit.ca</a>  <b>VIA DRS</b>	<b>47,995</b>

Registered Holder	Delivery Address	Number of Common Shares
<b>Name:</b> 497227 Ontario Limited <b>Name of authorized representative:</b> Paul Kwiatkoski <b>Address:</b> 853 Main Street Hamilton, Ontario L8M 1L8 <b>Email:</b> paul@pfkca.ca <b>Tel:</b> 905-544-5225  <b>VIA DRS</b>	<b>Name:</b> 497227 Ontario Limited <b>Att:</b> Paul Kwiatkoski <b>Address:</b> 853 Main Street Hamilton, Ontario L8M 1L8 <b>Email:</b> paul@pfkca.ca  <b>VIA DRS</b>	<b>8,428</b>
<b>Name:</b> Lino Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:linodiiorio@gmail.com">linodiiorio@gmail.com</a> <b>Tel:</b> 905-833-2698  <b>VIA DRS</b>	<b>Name:</b> Lino Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:linodiiorio@gmail.com">linodiiorio@gmail.com</a>  <b>VIA DRS</b>	<b>171,414</b>
<b>Name:</b> Jerry Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:j.diiorio@rogers.com">j.diiorio@rogers.com</a> <b>Tel:</b> 905-833-2698  <b>VIA DRS</b>	<b>Name:</b> Jerry Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:j.diiorio@rogers.com">j.diiorio@rogers.com</a>  <b>VIA DRS</b>	<b>27,849</b>
<b>Name:</b> Mary Louise Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:j.diiorio@rogers.com">j.diiorio@rogers.com</a> <b>Tel:</b> 905-833-2698  <b>VIA DRS</b>	<b>Name:</b> Mary Louise Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:j.diiorio@rogers.com">j.diiorio@rogers.com</a>  <b>VIA DRS</b>	<b>55,379</b>
<b>Name:</b> Michael Di Iorio <b>Address:</b> <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:michael.r.diiorio@gmail.com">michael.r.diiorio@gmail.com</a> <b>Tel:</b> 905-833-2698  <b>VIA DRS</b>	<b>Name:</b> Michael Di Iorio <b>Address:</b> <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:michael.r.diiorio@gmail.com">michael.r.diiorio@gmail.com</a>  <b>VIA DRS</b>	<b>41,534</b>

Registered Holder	Delivery Address	Number of Common Shares
<b>Name:</b> David Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:dave_diiorio@hotmail.com">dave_diiorio@hotmail.com</a> <b>Tel:</b> 905-833-2698  <b>VIA DRS</b>	<b>Name:</b> David Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:dave_diiorio@hotmail.com">dave_diiorio@hotmail.com</a>  <b>VIA DRS</b>	<b>41,534</b>
<b>Name:</b> 1167948 Ontario Inc. <b>Name of authorized representative:</b> Ara Khajarian <b>Address:</b> 48 Wainwright Avenue, Richmond hill, Ontario L4C 5R5 <b>Email:</b> <a href="mailto:ara@zapplogix.com">ara@zapplogix.com</a> <b>Tel:</b> 416-460-1847  <b>VIA DRS</b>	<b>Name:</b> 1167948 Ontario Inc. <b>Att:</b> Ara Khajarian <b>Address:</b> 48 Wainwright Avenue, Richmond hill, Ontario L4C 5R5 <b>Email:</b> <a href="mailto:ara@zapplogix.com">ara@zapplogix.com</a>  <b>VIA DRS</b>	<b>27,689</b>
<b>Name:</b> 2115307 Ontario Limited <b>Name of authorized representative:</b> Mark DiPoce <b>Address:</b> P.O. Box 740 Kleinburg, Ontario L0J 1C0 <b>Email:</b> <a href="mailto:mark@centralfairbank.com">mark@centralfairbank.com</a> <b>Tel:</b> 416-676-1314  <b>VIA DRS</b>	<b>Name:</b> 2115307 Ontario Limited <b>Att:</b> Mark DiPoce <b>Address:</b> P.O. Box 740 Kleinburg, Ontario L0J 1C0 <b>Email:</b> <a href="mailto:mark@centralfairbank.com">mark@centralfairbank.com</a>  <b>VIA DRS</b>	<b>104,915</b>
<b>Name:</b> Fairgreen Ventures Inc. <b>Name of authorized representative:</b> John Micallef <b>Address:</b> 111 Worsley Street, Suite 508, Barrie, Ontario L4M 0J5 <b>Email:</b> <a href="mailto:mail@johnmicallef.com">mail@johnmicallef.com</a> <b>Tel:</b> 416-518-5646  <b>VIA DRS</b>	<b>Name:</b> Fairgreen Ventures Inc. <b>Att:</b> John Micallef <b>Address:</b> 111 Worsley Street, Suite 508, Barrie, Ontario L4M 0J5 <b>Email:</b> <a href="mailto:mail@johnmicallef.com">mail@johnmicallef.com</a>  <b>VIA DRS</b>	<b>55,379</b>

Registered Holder	Delivery Address	Number of Common Shares
<b>Name:</b> Ferro DeBiasio <b>Address:</b> 200 Greenbrook Drive, Woodbridge, Ontario L4L 1A6 <b>Email:</b> <a href="mailto:jdebiasio123@gmail.com">jdebiasio123@gmail.com</a> <b>Tel:</b> 416-720-9596  <b>VIA DRS</b>	<b>Name:</b> Ferro DeBiasio <b>Address:</b> 200 Greenbrook Drive, Woodbridge, Ontario L4L 1A6 <b>Email:</b> <a href="mailto:jdebiasio123@gmail.com">jdebiasio123@gmail.com</a>  <b>VIA DRS</b>	<b>58,277</b>
<b>Name:</b> S.C.R.A.P.S. Investments Ltd. <b>Name of authorized representative:</b> <b>Albino DeBiasio</b> <b>Address:</b> 245 Willis Drive, Aurora, Ontario L4G 7M2 <b>Email:</b> <a href="mailto:albino.debiasio@gmail.com">albino.debiasio@gmail.com</a> <b>Tel:</b> 647-325-5822  <b>VIA DRS</b>	<b>Name:</b> S.C.R.A.P.S. Investments Ltd. <b>Att:</b> Albino DeBiasio <b>Address:</b> 245 Willis Drive, Aurora, Ontario L4G 7M2 <b>Email:</b> <a href="mailto:albino.debiasio@gmail.com">albino.debiasio@gmail.com</a>  <b>VIA DRS</b>	<b>58,277</b>
<b>Name:</b> Phillip Lanni <b>Address:</b> 161 Pennsylvania Avenue, Suite 5, Woodbridge, Ontario L4K 1C3 <b>Email:</b> <a href="mailto:philiplanni@averton.ca">philiplanni@averton.ca</a> <b>Tel:</b> 416-740-5544  <b>VIA DRS</b>	<b>Name:</b> Phillip Lanni <b>Address:</b> 161 Pennsylvania Avenue, Suite 5, Woodbridge, Ontario L4K 1C3 <b>Email:</b> <a href="mailto:philiplanni@averton.ca">philiplanni@averton.ca</a>  <b>VIA DRS</b>	<b>55,379</b>
<b>Name:</b> Ottimo Foods Inc. <b>Name of authorized representative:</b> Mike Primucci <b>Address:</b> 1260 Creditstone Road, Vaughan, Ontario, L4K 5T7 <b>Email:</b> <a href="mailto:mike@mimifoods.ca">mike@mimifoods.ca</a> <b>Tel:</b> 416-953-9973  <b>VIA DRS</b>	<b>Name:</b> Ottimo Foods Inc. <b>Att.:</b> Mike Primucci <b>Address:</b> 1260 Creditstone Road, Vaughan, Ontario, L4K 5T7 <b>Email:</b> <a href="mailto:mike@mimifoods.ca">mike@mimifoods.ca</a>  <b>VIA DRS</b>	<b>110,758</b>



Registered Holder	Delivery Address	Number of Common Shares
<b>Name:</b> Estate of Phillip Stefaniak <b>Name of authorized representative:</b> Paul Kwiatkoski <b>Address:</b> 853 Main Street Hamilton, Ontario L8M 1L8 <b>Email:</b> paul@pfkca.ca <b>Tel:</b> 905-544-5225  <b>VIA DRS</b>	<b>Name:</b> Estate of Phillip Stefaniak <b>Att:</b> Paul Kwiatkoski <b>Address:</b> 853 Main Street Hamilton, Ontario L8M 1L8 <b>Email:</b> paul@pfkca.ca  <b>VIA DRS</b>	<b>55,379</b>
<b>Name:</b> R & FS Holdings Inc. <b>Name of authorized representative:</b> Raymond Stone <b>Address:</b> 22 Alexandra Wood, Toronto, Ontario M5N 2S1 <b>Email:</b> raymond.stone@bell.net <b>Tel:</b> 905-761-0068  <b>VIA DRS</b>	<b>Name:</b> R & FS Holdings Inc. <b>Att:</b> Raymond Stone <b>Address:</b> 22 Alexandra Wood, Toronto, Ontario M5N 2S1 <b>Email:</b> raymond.stone@bell.net  <b>VIA DRS</b>	<b>138,447</b>
<b>Name:</b> Winstone Investments Inc. <b>Name of authorized representative:</b> Mark DiPoce <b>Address:</b> P.O. Box 740 Kleinburg, Ontario L0J 1C0 <b>Email:</b> mark@centralfairbank.com <b>Tel:</b> 416-676-1314  <b>VIA DRS</b>	<b>Name:</b> Winstone Investments Inc. <b>Att:</b> Mark DiPoce <b>Address:</b> P.O. Box 740 Kleinburg, Ontario L0J 1C0 <b>Email:</b> mark@centralfairbank.com  <b>VIA DRS</b>	<b>69,916</b>
<b>Name:</b> 1282291 Ontario Inc. <b>Name of authorized representative:</b> Attilio Iori and Lorella Santarossa <b>Address:</b> 130 Lepage Court, Unit 10 Toronto, Ontario M3J 3J1 <b>Email:</b> attilio@iori.ca/lorellas@canamould.com <b>Tel:</b> Attilio Iori: 416-258-5336 Lorella Santarossa: 905-264-4436  <b>VIA DRS</b>	<b>Name:</b> 1282291 Ontario Inc. <b>Att. :</b> Attilio Iori and Lorella Santarossa <b>Address:</b> 130 Lepage Court, Unit 10 Toronto, Ontario M3J 3J1 <b>Email:</b> attilio@iori.ca/lorellas@canamould.com  <b>VIA DRS</b>	<b>83,068</b>

<b>Registered Holder</b>	<b>Delivery Address</b>	<b>Number of Common Shares</b>
<b>Name:</b> Paul Leva <b>Address:</b> 219 Butterfield Cres Maple, Ontario L6A 1L1 <b>Email:</b> paul.leva@fbmsales.com <b>Tel:</b> 416-688-4247  <b>VIA DRS</b>	<b>Name:</b> Paul Leva <b>Address:</b> 219 Butterfield Cres Maple, Ontario L6A 1L1 <b>Email:</b> paul.leva@fbmsales.com  <b>VIA DRS</b>	<b>55,379</b>
<b>Name:</b> 594633 Ontario Ltd. <b>Name of authorized representative:</b> Attilio Iori <b>Address:</b> 130 Lepage Court, Unit 10 Toronto, Ontario M3J 3J1 <b>Email:</b> attilio@iori.ca <b>Tel:</b> 416-258-5336  <b>VIA DRS</b>	<b>Name:</b> 594633 Ontario Ltd. <b>Att. :</b> Attilio Iori <b>Address:</b> 130 Lepage Court, Unit 10 Toronto, Ontario M3J 3J1 <b>Email:</b> attilio@iori.ca  <b>VIA DRS</b>	<b>83,068</b>
<b>Name:</b> Athabasca Holdings Inc. <b>Name of authorized representative:</b> Michael Moschitti <b>Address:</b> 60 Talman Court Concord, Ontario L4K 4L5 <b>Email:</b> mmoschitti@barmacdoors.com <b>Tel:</b> 416-717-5531  <b>VIA DRS</b>	<b>Name:</b> Athabasca Holdings Inc. <b>Att. :</b> Michael Moschitti <b>Address:</b> 60 Talman Court Concord, Ontario L4K 4L5 <b>Email:</b> mmoschitti@barmacdoors.com  <b>VIA DRS</b>	<b>83,068</b>
<b>Name:</b> Mic-May Corp. <b>Name of authorized representative:</b> Michael Mayhew <b>Address:</b> 70 Campbell Drive Uxbridge, Ontario L9P 0B2 <b>Email:</b> mmayhew@selectacoustic.com <b>Tel:</b> 416-936-7192  <b>VIA DRS</b>	<b>Name:</b> Mic-May Corp. <b>Att:</b> Michael Mayhew <b>Address:</b> 70 Campbell Drive Uxbridge, Ontario L9P 0B2 <b>Email:</b> mmayhew@selectacoustic.com  <b>VIA DRS</b>	<b>55,379</b>

Registered Holder	Delivery Address	Number of Common Shares
<b>Name:</b> Luvax Holdings Inc. <b>Name of authorized representative:</b> Luigi Vacca <b>Address:</b> 8 Skyline Trail Nobleton, Ontario L7B 0A2 <b>Email:</b> lvacca@divacon.ca <b>Tel:</b> 905-660-6062  <b>VIA DRS</b>	<b>Name:</b> Luvax Holdings Inc. <b>Att.:</b> Luigi Vacca <b>Address:</b> 8 Skyline Trail Nobleton, Ontario L7B 0A2 <b>Email:</b> lvacca@divacon.ca  <b>VIA DRS</b>	<b>55,379</b>
<b>Name:</b> Castelago Holdings Inc. <b>Name of authorized representative:</b> Joe Di Santo <b>Address:</b> 76 Wildhaven Crescent, Maple, Ontario L6A 2G8 <b>Email:</b> jdisanto@divacon.ca <b>Tel:</b> 416-936-2533  <b>VIA DRS</b>	<b>Name:</b> Castelago Holdings Inc. <b>Att.:</b> Joe Di Santo <b>Address:</b> 76 Wildhaven Crescent, Maple, Ontario L6A 2G8 <b>Email:</b> jdisanto@divacon.ca  <b>VIA DRS</b>	<b>55,379</b>
<b>Name:</b> Antonini Family Holdings Inc. <b>Name of authorized representative:</b> Lorenzo Antonini <b>Address:</b> 95 Marwood Place, Maple, ON L6A 1C5 <b>Email:</b> enzo@vaughanpaving.com <b>Tel:</b> (905) 669-9579  <b>VIA DRS</b>	<b>Name:</b> Antonini Family Holdings Inc. <b>Att:</b> Lorenzo Antonini <b>Address:</b> 95 Marwood Place, Maple, ON L6A 1C5 <b>Email:</b> enzo@vaughanpaving.com  <b>VIA DRS</b>	<b>138,447</b>
<b>Name:</b> Spano Family Holdings Inc. <b>Name of authorized representative:</b> Arcangelo Spano <b>Address:</b> 265 Blackburn Blvd., Woorbridge, Ontario L4L 8K4 <b>Email:</b> aspano905@yahoo.ca <b>Tel:</b> 416-806-9543  <b>VIA DRS</b>	<b>Name:</b> Spano Family Holdings Inc. <b>Att. :</b> Arcangelo Spano <b>Address:</b> 265 Blackburn Blvd., Woorbridge, Ontario L4L 8K4 <b>Email:</b> aspano905@yahoo.ca  <b>VIA DRS</b>	<b>240,879</b>

<b>Registered Holder</b>	<b>Delivery Address</b>	<b>Number of Common Shares</b>
<b>Name:</b> Centreside Contracting Ltd. <b>Name of authorized representative:</b> Carmine Forgione <b>Address:</b> 220 Basaltic Rd. Concord, Ontario L4K 1G6 <b>Email:</b> cf@maplecreteinec.com <b>Tel:</b> 416-688-8743  <b>VIA DRS</b>	<b>Name:</b> Centreside Contracting Ltd. <b>Att.:</b> Carmine Forgione <b>Address:</b> 220 Basaltic Rd. Concord, Ontario L4K 1G6 <b>Email:</b> cf@maplecreteinec.com  <b>VIA DRS</b>	<b>166,137</b>
<b>Name:</b> Salisi Investments Ltd. <b>Name of authorized representative:</b> Lorenzo Antonini <b>Address:</b> 95 Marwood Place, Maple, ON L6A 1C5 <b>Email:</b> enzo@vaughanpaving.com <b>Tel:</b> (905) 669-9579  <b>VIA DRS</b>	<b>Name:</b> Salisi Investments Ltd. <b>Name of authorized representative:</b> Lorenzo Antonini <b>Address:</b> 95 Marwood Place, Maple, ON L6A 1C5 <b>Email:</b> enzo@vaughanpaving.com  <b>VIA DRS</b>	<b>55,379</b>
<b>Name:</b> Frank Marchetti <b>Address:</b> 9909 Pine Valley Drive, Suite 101, Woodbridge, Ontario L4H 4M1 <b>Email:</b> michael@traditionaldoor.com <b>Tel:</b> 416-677-7248  <b>VIA DRS</b>	<b>Name:</b> Frank Marchetti <b>Address:</b> 9909 Pine Valley Drive, Suite 101, Woodbridge, Ontario L4H 4M1 <b>Email:</b> michael@traditionaldoor.com  <b>VIA DRS</b>	<b>151,263</b>
<b>TOTAL:</b>		<b>4,500,000</b>

## **APPENDIX 10**



# SPERGEL

msi Spergel Inc., Licensed Insolvency Trustees  
Head Office: 505 Consumers Road, Suite 200  
Toronto, ON M2J 4V8  
T: 416 497 1660 • F: 416 494 7199  
[www.spergel.ca](http://www.spergel.ca)

December 9, 2021

**VIA COURIER**

TSX TRUST COMPANY

1800-1190 Avenue des Canadiens-de-Montréal

Montreal, QC H3B 0G7

Attention: Mr. Julien Lavallière

**Re: In the Matter of the Receivership of New Tecumseth Land Corporation ("New Tecumseth")**

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MSI Spergel Inc., in its capacity as Court-Appointed Receiver of New Tecumseth Land Corporation, (the "Receiver") entered into an Agreement of Purchase and Sale (the "APS") contemplating the purchase of a land located in Alliston, Ontario. In accordance with the APS, a portion of the purchase price was paid via the issuance of Emergia Inc. Class "A" common shares to the Receiver in a total amount equal to \$300,000.

On May 3, 2021, 300,000 Class "A" common shares were issued to the Receiver. Pursuant to a Distribution Order in the Receivership proceedings, the Receiver is authorized to deliver the 300,000 shares to the investors of New Tecumseth. In connection with the aforementioned, the Receiver hereby irrevocably instructs and directs TSX Trust Company (the "Transfer Agent") to issue DRS Statements dated December 14, 2021 representing a total of amount of 300,000 Class "A" common shares to be registered as set forth in the Schedule A to the Securities Transfer Form enclosed with this letter.

As more than four (4) months has elapsed since the 300,000 Class "A" common shares were issued to the Receiver, we understand that the statutory "hold period" under applicable Canadian securities laws has now expired and therefore the legend may be removed from the DRS Statements to be issued in accordance with Schedule A to the Securities Transfer Form.

Please deliver the DRS Statements as specified in Schedule A, and kindly send a copy of the DRS Statements to [tpringle@spergel.ca](mailto:tpringle@spergel.ca) before releasing the statements for delivery.

Regards,

**MSI SPERGEL INC.**

**In its capacity as Court Appointed Receiver of  
New Tecumseth Land Corporation**

Per:

Trevor B. Pringle, CFE, CIRP  
Licensed Insolvency Trustee

*Enclosures*

Barrie 705 722 5090 • Brampton 905 874 4905 • Downsview 416 633 1444 • Hamilton 905 527 2227 • London 519 902 2722 • Mississauga 905 602 4143  
Oshawa 905 721 8251 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Toronto 416 778 8813 • Vaughan 647 288 7636  
Saskatchewan 306 341 1660 • British Columbia 604 365 7434



RECEIVED  
MAY 07 2021

TSX Trust Company  
301 - 100 Adelaide Street West  
Toronto, Ontario M5H 4H1  
Phone: 1-866-600-5869

MSI SPERGER INC.  
21 KING ST W SUITE 1602  
HAMILTON ON L8P 4W7

DATED: MAY 03, 2021

Issuer: **EMERGIA INC.**

(INCORPORATED UNDER THE CANADA BUSINESS CORPORATIONS ACT)

ISIN: **CA29102V1076**

Issue Class: **CLASS A**

Securityholder Account Number: **893**

Registration:

Ticker: **EMER**

**MSI SPERGER INC.**

(Detach and see reverse for more information)

## Direct Registration System (DRS) - Transaction Advice

### Transaction Information:

Batch Number	Restricted DRS	Unrestricted DRS	Total DRS Shares Issued
1464448	300,000	0	300,000

### Transaction(s):

Effective Date	Description	Amount	Restriction
05/03/2021	Deposit	300,000	V1270 - RESTRICTION EXP 9/4/2021

### RESTRICTIONS

V1270 - RESTRICTION EXP 9/4/2021

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE SEPTEMBER 4, 2021.

### IMPORTANT INFORMATION - RETAIN FOR YOUR RECORDS

This advice is your record of the security transaction affecting your account on the books of the Company as part of the Direct Registration System. It is neither a negotiable instrument nor a security, and delivery of this advice does not of itself confer any rights on the recipient. It should be kept with your important documents as a record of your ownership of these securities. No action on your part is required. You can deposit your existing certificates, sell or request a certificate, or transfer your DRS Securities.

Upon request, the Company will furnish to any securityholder, without charge, a full statement of the designations, rights (including rights under any Company's Rights Agreement, if any), preferences and limitations of the securities of each class and series authorized to be issued, and the authority of the Board of Directors to divide the shares/units into series and to determine and change rights, preferences, and limitations of any class or series.

DRS Securities are not deposits of TSX Trust Company and are not insured by the Canada Deposit Insurance Corporation, the Canadian Investor Protection Fund, or any other federal or provincial program or agency.



**Securities Transfer Form**

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

**THE TRANSFEREES SET FORTH IN SCHEDULE 'A' ATTACHED HERETO**

*(Name of Transferee - individual or corporation receiving the shares)*

*(Address)*

**300,000 CLASS A COMMON SHARES**

*[Description of Securities - include number and class of Shares, or amount*

*(par value)] standing in the name of undersigned on the books of*

**EMERGIA INC.**

*(the "Issuer")*

*(Name of issuing corporation, government or municipality, etc.)*

represented by certificate(s) No(s) \_\_\_\_\_

and hereby irrevocably constitutes and appoints \_\_\_\_\_

*Leave blank*

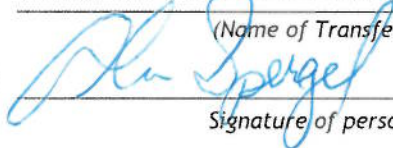
the attorney of the undersigned to transfer the said shares(s) on the books of the Issuer with full power of substitution in the premises

Dated at Thornhill, ONTARIO this 7 day of DECEMBER 2021

**MSI SPERGEL INC.**

*(Name of Transferor - individual or corporation transferring the shares)*

Signed



*Signature of person(s) executing this securities transfer form*

Affix Signature Guarantee or Medallion Guarantee below



NOTE: The signature to this assignment must correspond with the name as recorded on the certificate(s) in every particular without alteration or enlargement or any change whatsoever. The signature of the person executing this power must be guaranteed by a Member of the Medallion Guarantee Program



## **SCHEDULE A**

### **Registration and Delivery Instructions**

<b>Registered Holder</b>	<b>Delivery Address</b>	<b>Number of Common Shares</b>
<b>Name:</b> Italmal Investments Inc. <b>Name of authorized representative:</b> Marco Gesualdi <b>Address:</b> 1531 Velebit Court Mississauga, Ontario L5N 6S6 <b>Email:</b> <a href="mailto:gesualdi7@rogers.com">gesualdi7@rogers.com</a> <b>Tel:</b> 416-671-0059	<b>Name:</b> Italmal Investments Inc. <b>Att:</b> Marco Gesualdi <b>Address:</b> 1531 Velebit Court Mississauga, Ontario L5N 6S6 <b>Email:</b> <a href="mailto:gesualdi7@rogers.com">gesualdi7@rogers.com</a>	<b>13,811</b>
<b>Name:</b> Tanview Investments Ltd. <b>Name of authorized representative:</b> Joe Tanzola <b>Address:</b> 10 Director Court, Suite 101, Woodbridge, Ontario L4L 7E8 <b>Email:</b> <a href="mailto:JTanzola@tanzola-sorbara.net">JTanzola@tanzola-sorbara.net</a> <b>Tel:</b> 905-265-2252 ext 316	<b>Name:</b> Tanview Investments Ltd. <b>Att:</b> Joe Tanzola <b>Address:</b> 10 Director Court, Suite 101, Woodbridge, Ontario L4L 7E8 <b>Email:</b> <a href="mailto:JTanzola@tanzola-sorbara.net">JTanzola@tanzola-sorbara.net</a>	<b>12,575</b>
<b>Name:</b> Johnwood Investments Inc. <b>Name of authorized representative:</b> John DeBiasio <b>Address:</b> 79 Lakeshore Road W, Oro Medonte, Ontario, L0L 2E0 <b>Email:</b> <a href="mailto:jdebiasio123@gmail.com">jdebiasio123@gmail.com</a> <b>Tel:</b> 647-880-3657	<b>Name:</b> Johnwood Investments Inc. <b>Name of authorized representative:</b> John DeBiasio <b>Address:</b> 79 Lakeshore Road W, Oro Medonte, Ontario, L0L 2E0 <b>Email:</b> <a href="mailto:jdebiasio123@gmail.com">jdebiasio123@gmail.com</a>	<b>5,237</b>
<b>Name:</b> P.D.R. Investments Ltd. <b>Name of authorized representative:</b> Eleonora Schmied <b>Address:</b> 3895 Lloydtown Aurora Road, King, Ontario L7B 0E7 <b>Email:</b> <a href="mailto:eschmied@rogers.com">eschmied@rogers.com</a> <b>Tel:</b> 905-939-7454	<b>Name:</b> P.D.R. Investments Ltd. <b>Att:</b> Eleonora Schmied <b>Address:</b> 3895 Lloydtown Aurora Road, King, Ontario L7B 0E7 <b>Email:</b> <a href="mailto:eschmied@rogers.com">eschmied@rogers.com</a>	<b>31,442</b>

<b>Registered Holder</b>	<b>Delivery Address</b>	<b>Number of Common Shares</b>
<b>Name:</b> 859055 Ontario Limited <b>Name of authorized representative:</b> Paul Edward <b>Address:</b> 6 Lafayette Place, Thornhill, Ontario L3T 1G5 <b>Email:</b> pedward@r-pe.ca <b>Tel:</b> 416-635-5000	<b>Name:</b> 859055 Ontario Limited <b>Att:</b> Paul Edward <b>Address:</b> 6 Lafayette Place, Thornhill, Ontario L3T 1G5 <b>Email:</b> pedward@r-pe.ca	<b>6,283</b>
<b>Name:</b> Frank Giambagno <b>Address:</b> 80 Bass Pro Mills Drive, Unit 12, Concord, Ontario L4K 5W9 <b>Email:</b> frank@medrehabgroup.com <b>Tel:</b> 416-806-9506	<b>Name:</b> Frank Giambagno <b>Address:</b> 80 Bass Pro Mills Drive, Unit 12, Concord, Ontario L4K 5W9 <b>Email:</b> frank@medrehabgroup.com	<b>31,431</b>
<b>Name:</b> Villarboit Investments Limited <b>Name of authorized representative:</b> Guery Goyo <b>Address:</b> 500 Cochrane Drive, Unit 4, Markham, Ontario L3R 8E2 <b>Email:</b> geg@villarboit.ca <b>Tel:</b> 416-618-5574	<b>Name:</b> Villarboit Investments Limited <b>Att:</b> Guery Goyo <b>Address:</b> 500 Cochrane Drive, Unit 4, Markham, Ontario L3R 8E2 <b>Email:</b> geg@villarboit.ca	<b>9,429</b>
<b>Name:</b> Andy Vankralingen <b>Address:</b> 5741 Rainham Road, RR#9, Dunnville, Ontario N1A 2W8 <b>Email:</b> <a href="mailto:a.r.v.k@icloud.com">a.r.v.k@icloud.com</a> <b>Tel:</b> 905-979-3187	<b>Name:</b> Andy Vankralingen <b>Address:</b> 5741 Rainham Road, RR#9, Dunnville, Ontario N1A 2W8 <b>Email:</b> <a href="mailto:a.r.v.k@icloud.com">a.r.v.k@icloud.com</a>	<b>6,287</b>
<b>Name:</b> Roberta Borland <b>Address:</b> 5741 Rainham Road, RR#9, Dunnville, Ontario N1A 2W8 <b>Email:</b> <a href="mailto:a.r.v.k@icloud.com">a.r.v.k@icloud.com</a> <b>Tel:</b> 905-701-2264	<b>Name:</b> Roberta Borland <b>Address:</b> 5741 Rainham Road, RR#9, Dunnville, Ontario N1A 2W8 <b>Email:</b> <a href="mailto:a.r.v.k@icloud.com">a.r.v.k@icloud.com</a>	<b>6,288</b>
<b>Name:</b> Lino Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:linodiorio@gmail.com">linodiorio@gmail.com</a> <b>Tel:</b> 905-833-2698	<b>Name:</b> Lino Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:linodiorio@gmail.com">linodiorio@gmail.com</a>	<b>9,208</b>

Registered Holder	Delivery Address	Number of Common Shares
<b>Name:</b> Mary Louise Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:j.diiorio@rogers.com">j.diiorio@rogers.com</a> <b>Tel:</b> 905-833-2698	<b>Name:</b> Mary Louise Di Iorio <b>Address:</b> 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:j.diiorio@rogers.com">j.diiorio@rogers.com</a>	<b>4,604</b>
<b>Name:</b> Michael Di Iorio <b>Address:</b> Address: 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:michael.r.diiorio@gmail.com">michael.r.diiorio@gmail.com</a> <b>Tel:</b> 905-833-2698	<b>Name:</b> Michael Di Iorio <b>Address:</b> Address: 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:michael.r.diiorio@gmail.com">michael.r.diiorio@gmail.com</a>	<b>3,453</b>
<b>Name:</b> David Di Iorio <b>Address:</b> Address: 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:dave_diiorio@hotmail.com">dave_diiorio@hotmail.com</a> <b>Tel:</b> 905-833-2698	<b>Name:</b> David Di Iorio <b>Address:</b> Address: 92 McClure Drive, King City, Ontario L7B 1C3 <b>Email:</b> <a href="mailto:dave_diiorio@hotmail.com">dave_diiorio@hotmail.com</a>	<b>3,453</b>
<b>Name:</b> 1167948 Ontario Inc. <b>Name of authorized representative:</b> Ara Khajerian <b>Address:</b> 48 Wainwright Avenue, Richmond hill, Ontario L4C 5R5 <b>Email:</b> <a href="mailto:ara@zapplogix.com">ara@zapplogix.com</a> <b>Tel:</b> 416-460-1847	<b>Name:</b> 1167948 Ontario Inc. <b>Att:</b> Ara Khajerian <b>Address:</b> 48 Wainwright Avenue, Richmond hill, Ontario L4C 5R5 <b>Email:</b> <a href="mailto:ara@zapplogix.com">ara@zapplogix.com</a>	<b>2,302</b>
<b>Name:</b> 2115307 Ontario Limited <b>Name of authorized representative:</b> Mark DiPoce <b>Address:</b> P.O. Box 740 Kleinburg, Ontario L0J 1C0 <b>Email:</b> <a href="mailto:mark@centralfairbank.com">mark@centralfairbank.com</a> <b>Tel:</b> 416-676-1314	<b>Name:</b> 2115307 Ontario Limited <b>Att:</b> Mark DiPoce <b>Address:</b> P.O. Box 740 Kleinburg, Ontario L0J 1C0 <b>Email:</b> <a href="mailto:mark@centralfairbank.com">mark@centralfairbank.com</a>	<b>8,722</b>

<b>Registered Holder</b>	<b>Delivery Address</b>	<b>Number of Common Shares</b>
<b>Name:</b> Fairgreen Ventures Inc. <b>Name of authorized representative:</b> John Micallef <b>Address:</b> 111 Worsley Street, Suite 508, Barrie, Ontario L4M 0J5 <b>Email:</b> <a href="mailto:mail@johnmicallef.com">mail@johnmicallef.com</a> <b>Tel:</b> 416-518-5646	<b>Name:</b> Fairgreen Ventures Inc. <b>Att.:</b> John Micallef <b>Address:</b> 111 Worsley Street, Suite 508, Barrie, Ontario L4M 0J5 <b>Email:</b> <a href="mailto:mail@johnmicallef.com">mail@johnmicallef.com</a>	<b>4,604</b>
<b>Name:</b> Ferro DeBiasio <b>Address:</b> 200 Greenbrook Drive, Woodbridge, Ontario L4L 1A6 <b>Email:</b> <a href="mailto:jdebiasio123@gmail.com">jdebiasio123@gmail.com</a> <b>Tel:</b> 416-720-9596	<b>Name:</b> Ferro DeBiasio <b>Address:</b> 200 Greenbrook Drive, Woodbridge, Ontario L4L 1A6 <b>Email:</b> <a href="mailto:jdebiasio123@gmail.com">jdebiasio123@gmail.com</a>	<b>4,845</b>
<b>Name:</b> S.C.R.A.P.S. Investments Ltd. <b>Name of authorized representative:</b> Albino DeBiasio <b>Address:</b> 245 Willis Drive, Aurora, Ontario L4G 7M2 <b>Email:</b> <a href="mailto:albino.debiasio@gmail.com">albino.debiasio@gmail.com</a> <b>Tel:</b> 647-325-5822	<b>Name:</b> S.C.R.A.P.S. Investments Ltd. <b>Att:</b> Albino DeBiasio <b>Address:</b> 245 Willis Drive, Aurora, Ontario L4G 7M2 <b>Email:</b> <a href="mailto:albino.debiasio@gmail.com">albino.debiasio@gmail.com</a>	<b>4,845</b>
<b>Name:</b> Phillip Lanni <b>Address:</b> 161 Pennsylvania Avenue, Suite 5, Woodbridge, Ontario L4K 1C3 <b>Email:</b> <a href="mailto:philiplanni@averton.ca">philiplanni@averton.ca</a> <b>Tel:</b> 416-740-5544	<b>Name:</b> Phillip Lanni <b>Address:</b> 161 Pennsylvania Avenue, Suite 5, Woodbridge, Ontario L4K 1C3 <b>Email:</b> <a href="mailto:philiplanni@averton.ca">philiplanni@averton.ca</a>	<b>4,604</b>
<b>Name:</b> Ottimo Foods Inc. <b>Name of authorized representative:</b> Mike Primucci <b>Address:</b> 1260 Creditstone Road, Vaughan, Ontario, L4K 5T7 <b>Email:</b> <a href="mailto:mike@mimifoods.ca">mike@mimifoods.ca</a> <b>Tel:</b> 416-953-9973	<b>Name:</b> Ottimo Foods Inc. <b>Att.:</b> Mike Primucci <b>Address:</b> 1260 Creditstone Road, Vaughan, Ontario, L4K 5T7 <b>Email:</b> <a href="mailto:mike@mimifoods.ca">mike@mimifoods.ca</a>	<b>9,208</b>

<b>Registered Holder</b>	<b>Delivery Address</b>	<b>Number of Common Shares</b>
<b>Name:</b> Estate of Phillip Stefaniak <b>Name of authorized representative:</b> Paul Kwiatkoski <b>Address:</b> 853 Main Street Hamilton, Ontario L8M 1L8 <b>Email:</b> paul@pfkca.ca <b>Tel:</b> 905-544-5225	<b>Name:</b> Estate of Phillip Stefaniak <b>Att:</b> Paul Kwiatkoski <b>Address:</b> 853 Main Street Hamilton, Ontario L8M 1L8 <b>Email:</b> paul@pfkca.ca	4,604
<b>Name:</b> R & FS Holdings Inc. <b>Name of authorized representative:</b> Raymond Stone <b>Address:</b> 22 Alexandra Wood, Toronto, Ontario M5N 2S1 <b>Email:</b> raymond.stone@bell.net <b>Tel:</b> 905-761-0068	<b>Name:</b> R & FS Holdings Inc. <b>Att:</b> Raymond Stone <b>Address:</b> 22 Alexandra Wood, Toronto, Ontario M5N 2S1 <b>Email:</b> raymond.stone@bell.net	11,509
<b>Name:</b> Winstone Investments Inc. <b>Name of authorized representative:</b> Mark DiPoce <b>Address:</b> P.O. Box 740 Kleinburg, Ontario L0J 1C0 <b>Email:</b> mark@centralfairbank.com <b>Tel:</b> 416-676-1314	<b>Name:</b> Winstone Investments Inc. <b>Att:</b> Mark DiPoce <b>Address:</b> P.O. Box 740 Kleinburg, Ontario L0J 1C0 <b>Email:</b> mark@centralfairbank.com	5,812
<b>Name:</b> 1282291 Ontario Inc. <b>Name of authorized representative:</b> Attilio Iori and Lorella Santarossa <b>Address:</b> 130 Lepage Court, Unit 10 Toronto, Ontario M3J 3J1 <b>Email:</b> attilio@iori.ca/lorellas@canamould.com <b>Tel:</b> Attilio Iori: 416-258-5336 Lorella Santarossa: 905-264-4436	<b>Name:</b> 1282291 Ontario Inc. <b>Att. :</b> Attilio Iori and Lorella Santarossa <b>Address:</b> 130 Lepage Court, Unit 10 Toronto, Ontario M3J 3J1 <b>Email:</b> attilio@iori.ca/lorellas@canamould.com	6,906
<b>Name:</b> Paul Leva <b>Address:</b> 219 Butterfield Cres Maple, Ontario L6A 1L1 <b>Email:</b> paul.leva@fbmsales.com <b>Tel:</b> 416-688-4247	<b>Name:</b> Paul Leva <b>Address:</b> 219 Butterfield Cres Maple, Ontario L6A 1L1 <b>Email:</b> paul.leva@fbmsales.com	4,604

<b>Registered Holder</b>	<b>Delivery Address</b>	<b>Number of Common Shares</b>
<b>Name:</b> 594633 Ontario Ltd. <b>Name of authorized representative:</b> Attilio Iori <b>Address:</b> 130 Lepage Court, Unit 10 Toronto, Ontario M3J 3J1 <b>Email:</b> attilio@iori.ca <b>Tel:</b> 416-258-5336	<b>Name:</b> 594633 Ontario Ltd. <b>Att. :</b> Attilio Iori <b>Address:</b> 130 Lepage Court, Unit 10 Toronto, Ontario M3J 3J1 <b>Email:</b> attilio@iori.ca	<b>6,906</b>
<b>Name:</b> Athabasca Holdings Inc. <b>Name of authorized representative:</b> Michael Moschitti <b>Address:</b> 60 Talman Court Concord, Ontario L4K 4L5 <b>Email:</b> mmoschitti@barmacdoors.com <b>Tel:</b> 416-717-5531	<b>Name:</b> Athabasca Holdings Inc. <b>Att. :</b> Michael Moschitti <b>Address:</b> 60 Talman Court Concord, Ontario L4K 4L5 <b>Email:</b> mmoschitti@barmacdoors.com	<b>6,906</b>
<b>Name:</b> Mic-May Corp. <b>Name of authorized representative:</b> Michael Mayhew <b>Address:</b> 70 Campbell Drive Uxbridge, Ontario L9P 0B2 <b>Email:</b> mmayhew@selectacoustic.com <b>Tel:</b> 416-936-7192	<b>Name:</b> Mic-May Corp. <b>Att:</b> Michael Mayhew <b>Address:</b> 70 Campbell Drive Uxbridge, Ontario L9P 0B2 <b>Email:</b> mmayhew@selectacoustic.com	<b>4,604</b>
<b>Name:</b> Luvax Holdings Inc. <b>Name of authorized representative:</b> Luigi Vacca <b>Address:</b> 8 Skyline Trail Nobleton, Ontario L7B 0A2 <b>Email:</b> lvacca@divacon.ca <b>Tel:</b> 905-660-6062	<b>Name:</b> Luvax Holdings Inc. <b>Att.: Luigi Vacca</b> <b>Address:</b> 8 Skyline Trail Nobleton, Ontario L7B 0A2 <b>Email:</b> lvacca@divacon.ca	<b>4,604</b>
<b>Name:</b> Castelago Holdings Inc. <b>Name of authorized representative:</b> Joe Di Santo <b>Address:</b> 76 Wildhaven Crescent, Maple, Ontario L6A 2G8 <b>Email:</b> jdisanto@divacon.ca <b>Tel:</b> 416-936-2533	<b>Name:</b> Castelago Holdings Inc. <b>Att.: Joe Di Santo</b> <b>Address:</b> 76 Wildhaven Crescent, Maple, Ontario L6A 2G8 <b>Email:</b> jdisanto@divacon.ca	<b>4,604</b>

<b>Registered Holder</b>	<b>Delivery Address</b>	<b>Number of Common Shares</b>
<b>Name:</b> Antonini Family Holdings Inc. <b>Name of authorized representative:</b> Lorenzo Antonini <b>Address:</b> 95 Marwood Place, Maple, ON L6A 1C5 <b>Email:</b> enzo@vaughanpaving.com <b>Tel:</b> (905) 669-9579	<b>Name:</b> Antonini Family Holdings Inc. <b>Att:</b> Lorenzo Antonini <b>Address:</b> 95 Marwood Place, Maple, ON L6A 1C5 <b>Email:</b> enzo@vaughanpaving.com	<b>11,509</b>
<b>Name:</b> Spano Family Holdings Inc. <b>Name of authorized representative:</b> Arcangelo Spano <b>Address:</b> 265 Blackburn Blvd., Woorbridge, Ontario L4L 8K4 <b>Email:</b> aspano905@yahoo.ca <b>Tel:</b> 416-806-9543	<b>Name:</b> Spano Family Holdings Inc. <b>Att. :</b> Arcangelo Spano <b>Address:</b> 265 Blackburn Blvd., Woorbridge, Ontario L4L 8K4 <b>Email:</b> aspano905@yahoo.ca	<b>13,811</b>
<b>Name:</b> Centreside Contracting Ltd. <b>Name of authorized representative:</b> Carmine Forgione <b>Address:</b> 220 Basaltic Rd. Concord, Ontario L4K 1G6 <b>Email:</b> cf@maplecreteinec.com <b>Tel:</b> 416-688-8743	<b>Name:</b> Centreside Contracting Ltd. <b>Att.:</b> Carmine Forgione <b>Address:</b> 220 Basaltic Rd. Concord, Ontario L4K 1G6 <b>Email:</b> cf@maplecreteinec.com	<b>13,811</b>
<b>Name:</b> Salisi Investments Ltd. <b>Name of authorized representative:</b> Lorenzo Antonini <b>Address:</b> 95 Marwood Place, Maple, ON L6A 1C5 <b>Email:</b> enzo@vaughanpaving.com <b>Tel:</b> (905) 669-9579	<b>Name:</b> Salisi Investments Ltd. <b>Name of authorized representative:</b> Lorenzo Antonini <b>Address:</b> 95 Marwood Place, Maple, ON L6A 1C5 <b>Email:</b> enzo@vaughanpaving.com	<b>4,604</b>
<b>Name:</b> Frank Marchetti <b>Address:</b> 9909 Pine Valley Drive, Suite 101, Woodbridge, Ontario L4H 4M1 <b>Email:</b> michael@traditionaldoor.com <b>Tel:</b> 416-677-7248	<b>Name:</b> Frank Marchetti <b>Address:</b> 9909 Pine Valley Drive, Suite 101, Woodbridge, Ontario L4H 4M1 <b>Email:</b> michael@traditionaldoor.com	<b>12,575</b>
<b>TOTAL:</b>		<b>300,000</b>

## **APPENDIX 11**



**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

**FIRST ONTARIO CREDIT UNION LIMITED**

Applicant

- and -

**NEW TECUMSETH LAND CORPORATION**

Respondents

**AFFIDAVIT OF TREVOR PRINGLE  
(sworn February 7, 2022)**

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 Hainey 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 October 16, 2021 to February 3, 2022 in the amount of \$20,112.00, not inclusive of HST. This represents a total of 67.05 hours at an average rate of \$299.96 per hour. The accounts and supporting time dockets disclose in detail: the

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 7<sup>th</sup> day of February, 2022.



A Commissioner, etc.

*Tammi Michelle Oddi*  
a Commissioner etc  
Province of Ontario, for MSI Spergel Inc.  
Expires October 24, 2024



TREVOR PRINGLE

**This is Exhibit "A"**  
**To the Affidavit of Trevor Pringle**

**dated February 7, 2022**

A handwritten signature in cursive script, appearing to read 'Tammi', is written over a horizontal line.

*Tammi Michelle Oddi*  
*a Commissioner etc*  
*Produce of Ontario, for msl Spengel Inc.*  
*Expires October 24, 2024*



# SPERGEL

February 04, 2022

Invoice #: 12285

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

Billing Period: Feb 3, 2022

## Invoice

RE: New Tecumseth Land Corp.

FOR PROFESSIONAL SERVICES RENDERED as Court-Appointed Receiver from October 16, 2021 to February 3, 2022.

	Hours	Hourly Rate	Total
Trevor Pringle, CFE, CIRP, LIT	41.90	\$395.00	\$16,550.50
Gillian Goldblatt, CPA, CA, CIRP, LIT	4.60	290.00	1,334.00
Evan McCullagh	17.15	110.00	1,886.50
Others	3.40	100.29	341.00
Total Professional fees	67.05	\$299.96	\$20,112.00
HST			2,614.56
<b>Total</b>			<b>\$22,726.56</b>

HST Registration #R103478103

(AANEWT-R)

## Filters Used:

- Time Entry Date: 10/16/21 to 2/03/22  
 - File Client ID: AANEWT-R to AANEWT-R  
 - Time Entry Bill Status: Un-Billed to Un-Billed  
 - Time Entry Bill Status: Un-Billed to Un-Billed

## 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
<b>Evan McCullagh (EMC)</b>					
Mon	10/18/2021	Continued work on appendices for Third Report to court.	0.30	\$110.00	\$33.00
Tues	10/19/2021	Continued work on appendices for the 3rd report to court.	0.50	\$110.00	\$55.00
Wed	10/20/2021	Finalize appendices for 3rd report to court.	0.50	\$110.00	\$55.00
Mon	11/01/2021	Review endorsement and distribution order; review Simpson Wigle LLP invoice, prep CHQ REQ; review MSI invoice, prep CHQ REQ; review Wildeboer invoice, prep CHQ REQ; prepare CHQ REQ for unsecured distribution of RDM, Parente LLP; correspondence to SCS re EFT details, correspondence to RDM re EFT Details; discussion with TP re same; review Lawrence correspondence re EFT; prep CHQ REQ.	1.75	\$110.00	\$192.50
Tues	11/02/2021	Review correspondence re PDR distribution; prep CHQ REQs for EFT re PDR and Tepitsky; discussion with TP re distributions; discussion with SCS re eft details, review EFT details, prep CHQ REQ for processing.	0.50	\$110.00	\$55.00
Wed	11/03/2021	Correspondence to unsecured creditors re confirmation of wired funds, request response; review GL; review promissory note holder distribution schedule, discussion with GG and TP re same; prepare cheque requisitions for each note holder.	2.50	\$110.00	\$275.00
Fri	11/05/2021	review Emergia share distribution.	0.50	\$110.00	\$55.00
Mon	11/08/2021	Arrange the distribution of the Promissory Note Holder's distribution, prep cover letter, arrange courier.	2.50	\$110.00	\$275.00
Fri	11/12/2021	Final letter for promissory noteholder, arrange courier.	0.20	\$110.00	\$22.00
Tues	11/23/2021	Review GL, prepare 246(2) report and SRD.	0.50	\$110.00	\$55.00
Wed	12/01/2021	review Receiver's share distribution.	0.50	\$110.00	\$55.00
Fri	12/10/2021	review TSX invoice, prep CHQ REQ.	0.10	\$110.00	\$11.00
Mon	12/13/2021	Review and confirm accuracy of TSX statements.	0.50	\$110.00	\$55.00
Mon	01/10/2022	Begin drafting the final report to court, review appendices.	2.00	\$110.00	\$220.00
Tues	01/11/2022	continue drafting report to court.	1.50	\$110.00	\$165.00
Wed	01/12/2022	Continue drafting report to court.	1.00	\$110.00	\$110.00
Thur	01/13/2022	Review GL; prepare SRD for report to court; review and update report to court.	1.00	\$110.00	\$110.00
Tues	01/18/2022	Review GL; update SRD.	0.50	\$110.00	\$55.00
Mon	01/31/2022	review HST CHQ; prep deposit req.	0.10	\$110.00	\$11.00
Tues	02/01/2022	Review GL; update SRD for report to court.	0.20	\$110.00	\$22.00
<b>Evan McCullagh (EMC)</b>			<b>17.15</b>		<b>\$1,886.50</b>

**Gillian Goldblatt (GGO)**

Tues	10/19/2021	Review of final distribution calculation; email to T. Pringle re: same.	0.50	\$290.00	\$145.00
Mon	11/01/2021	review of endorsement; prepare and file Q3 HST return.	0.80	\$290.00	\$232.00
Wed	11/03/2021	multiple i/c's with E. McCullagh re: distribution to Promissory Noteholders.	0.30	\$290.00	\$87.00
Wed	11/10/2021	review of Emergia share distribution.	0.50	\$290.00	\$145.00
Wed	12/01/2021	receipt and review of email from T. Pringle re: securities transfer; i/c with T. Pringle re: securities transfer requirements; email to BMO and BNS regarding Medallion signature options.	0.40	\$290.00	\$116.00
Thur	12/02/2021	receipt and review of correspondence with BMO regarding Medallion Guarantee; emails to BMO regarding same.	0.40	\$290.00	\$116.00
Fri	12/03/2021	i/c with A. Spergel re: Securities Transfer Form signatory; i/c with T. Pringle re: same; email to T. Pringle & A. Spergel re: Transfer Form instructions and appointment; vm from Jim D'Oucette, JCD Realty; email to T. Pringle re: same.	0.60	\$290.00	\$174.00
Mon	12/06/2021	multiple i/c's and emails with BMO to coordinate appointment for Medallion stamp.	0.30	\$290.00	\$87.00

## Filters Used:

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## 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
<b>Gillian Goldblatt (GGO)</b>					
Wed	12/08/2021	advise Y. Golbom as to courier for original Securities Transfer Form; t/c with T. Pringle re:same; t/c with J. Doucette of JCD Realty re:sale; email to T. Pringle and J. Doucette re:purchaser contact information.	0.50	\$290.00	\$145.00
Fri	12/10/2021	approve wire transfer.	0.10	\$290.00	\$29.00
Wed	01/05/2022	review and approve bank reconciliation.	0.10	\$290.00	\$29.00
Thur	02/03/2022	review and approve bank reconciliation.	0.10	\$290.00	\$29.00
<b>Gillian Goldblatt (GGO)</b>			<b>4.60</b>		<b>\$1,334.00</b>
<b>Hinna Shaikh (HSH)</b>					
Wed	10/20/2021	updated site	0.10	\$110.00	\$11.00
<b>Hinna Shaikh (HSH)</b>			<b>0.10</b>		<b>\$11.00</b>
<b>Haran Sivanathan (HSI)</b>					
Mon	11/01/2021	Bank reconciliation/Posting cheques/Deposit	0.90	\$100.00	\$90.00
Tues	11/02/2021	Bank reconciliation/Posting cheques/Deposit	1.10	\$100.00	\$110.00
<b>Haran Sivanathan (HSI)</b>			<b>2.00</b>		<b>\$200.00</b>
<b>Inga Friptuleac (IFR)</b>					
Mon	11/01/2021	Issue cheques	1.30	\$100.00	\$130.00
<b>Inga Friptuleac (IFR)</b>			<b>1.30</b>		<b>\$130.00</b>
<b>Trevor Pringle (TPR)</b>					
Mon	10/18/2021	correspond/tldw David Jackson, lawyer re draft 3rd report to Court; review G/L; correspond with Troy Pocaluyko, lawyer; correspondence re distribution motion; review and make changes to projected cash & share distribution schedule; review and make changes to draft third report to Court; review fee affidavit; review Wildeboer Dellelce fee affidavit; conference call with David Jackson & Troy Pocaluyko, lawyers re draft report to Court; conference call with David Jackson & Ed Upenieks, lawyers re accredited investor certificates; review investor certificates; review Emergia correspondence; review Emergia share value; correspond with Jonah Waxman, lawyer	3.40	\$395.00	\$1,343.00
Tues	10/19/2021	review and make changes to draft 3rd report to Court; review Pocaluyko fee affidavit; correspond/tldw's David Jackson, lawyer re draft 3rd report to Court; correspond with Jonah Waxman, lawyer; correspond with Troy Pocaluyko, lawyer re Emergia shares; review G/L; review and make changes to cash & share distribution schedule; review and execute fee affidavit; review Emergia correspondence; correspond with Ed Upenieks, lawyer; review Emergia share value; review statement of receipts and disbursement; review report appendices; review Bullock fee affidavit; review investor certificates; review Jackson's amendments to draft 3rd report to Court	4.30	\$395.00	\$1,698.50

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

Day	Date	Memo	B-Hrs	B-Rate	Amount
<b>Trevor Pringle (TPR)</b>					
Wed	10/20/2021	correspond/tlw's David Jackson, lawyer re draft 3rd report to Court; correspond with Troy Pocaluyko, lawyer re Emergia shares; correspond with Ed Upenieks, lawyer re trade creditors; review Emergia correspondence; review investor certificates; review and make changes to projected distribution schedule; correspond with Jonah Waxman, lawyer; review SCS Consulting agreement re compromising debt; review Rady-Pentek agreement to waive invoice; review Goyo correspondence; review G/L; review and make changes to draft 3rd report to Court; review appendices to report to Court; execute 3rd report to Court; review and make changes to draft distribution order; review notice of motion; review Motion Record	2.40	\$395.00	\$948.00
Thur	10/28/2021	correspondence re distribution motion; review G/L; correspond/tlw David Jackson, lawyer; review financial records	0.40	\$395.00	\$158.00
Fri	10/29/2021	review G/L; correspondence re distribution motion; review projected distribution schedule; review books and records; review of investor certificates; correspond/tlw's David Jackson, lawyer; review draft distribution order; conference call with David Jackson, Troy Pocaluyko & Isabelle Lamy, lawyers re amendments to distribution order; review fifth addendum to agreement of purchase & sale; correspondence re distribution to Stefaniuk estate; review Motion Record; review Receiver's third report to Court; attend distribution motion in Court remotely before Justice Patillo (via Zoom); correspondence re PDR/Brunswick payment direction	2.50	\$395.00	\$987.50
Mon	11/01/2021	review G/L; review Justice Patillo's Endorsement; review Distribution Order; correspond with Eleonora Schmied, PDR Investments Ltd. re direction; correspond with Don Parente, Parente Boreau Lawyers re distribution; correspond with Stephen Brunswick, Tepilsky Colson LLP re distribution; correspond with Ed Upenieks, Lawrence, Lawrence, Stevenson LLP re distribution; review and approve SCS Consulting distribution; review and approve RDM Financial distribution; correspond/tlw's David Jackson, lawyer; review and approve chq rqs; review and approve payment of legal fees; review and approve distribution to unsecured creditors; tlw Query Goyo Sr.; correspondence re PDR/Villarboit/Tepilsky Colson LLP direction; review Spano investor certificate; correspond with Troy Pocaluyko & Isabelle Lamy, lawyers; correspondence re Stefaniuk estate	2.40	\$395.00	\$948.00
Tues	11/02/2021	correspond with Eleonora Schmied, PDR Investments Ltd.; correspond with David Jackson, lawyer; review G/L; correspondence re Stefaniuk estate; review Distribution Order; review and approve wire transfer to PDR Investments Ltd.; review and approve wire transfer to Tepilsky Colson LLP; review and approve chq rqs; review and update projected distribution schedule; review and approve wire transfer to SCS Consulting; review EFT confirmations	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
<b>Trevor Pringle (TPR)</b>					
Wed	11/03/2021	review G/L; correspond with Troy Pocaluyko, lawyer re investor certificates; prepare updated cash distribution schedule re promissory note holders; correspondence re EFT distributions; discussions/correspondence re distribution process including Spano Family Holdings & Stefaniak estate; review investor certificates; correspond with Guery Goyo Jr.; review and approve chq rqs re cash distribution to promissory note holders including PDR Investments Ltd., Villarboit Holdings Ltd., Triabacus Capital Corporation, Villarboit Investments Limited et al; review third report to court; review Distribution Order	1.60	\$395.00	\$632.00
Thur	11/04/2021	review G/L; correspond with Eleonora Schmied, PDR Investments Ltd. re cash distribution to promissory note holders; review Stefaniak certificate of appointment of estate trustee; review Distribution Order; review books and records re promissory note back-up; review financial statements; review loans payable amendment document; review investor certificates; review fifth addendum to APS re issuance of Emergia shares; correspond with David Jackson, lawyer re Emergia shares; correspond with Guery Goyo Jr. re Emergia share distribution; prepare Emergia share distribution schedules	1.60	\$395.00	\$632.00
Fri	11/05/2021	review G/L; review projected Emergia share distribution schedule; review promissory note holders; review financial statements; review investor certificates; correspond/tlw David Jackson, lawyer re Emergia share distribution, Stefaniak estate; correspond with Troy Pocaluyko, lawyer re investor certificates; review 300,000 Receiver's DRS Shares TSX Trust statement; review Emergia correspondence	1.20	\$395.00	\$474.00
Mon	11/08/2021	discussions/correspondence re promissory note holder cash distribution; review Stefaniak will & secondary will; review projected distribution schedule; review and sign letters to promissory note holders; correspond with Troy Pocaluyko, lawyer; review Emergia correspondence re investor certificates; correspond with David Jackson, lawyer re Stefaniak estate	0.90	\$395.00	\$355.50
Tues	11/09/2021	correspondence re Stefaniak estate investor certificate; review G/L; correspond with Guery Goyo Jr. re distribution process; tlw Guery Goyo Sr. re minute books	0.40	\$395.00	\$158.00
Wed	11/10/2021	discussions/correspondence re Emergia share distribution; review 2019 T2 corporate tax return; correspond with David Jackson, lawyer re Stefaniak estate	0.30	\$395.00	\$118.50
Thur	11/11/2021	tlw David Jackson, lawyer re Stefaniak estate; update projected investor share distribution schedule; correspondence re Stefaniak estate investor certificates	0.30	\$395.00	\$118.50
Fri	11/12/2021	correspondence re Stefaniak estate; review 497 accredited investor certificate; review projected distribution schedule; review and sign distribution letter to 497227 Ontario Ltd.; review G/L	0.50	\$395.00	\$197.50
Mon	11/15/2021	correspond with Troy Pocaluyko, lawyer re Emergia & investor certificates; review G/L; correspondence re Stefaniak estate; review projected Emergia share distribution schedule	0.40	\$395.00	\$158.00
Wed	11/17/2021	review G/L; correspondence re Emergia/investor certificates; call/correspond with Troy Pocaluyko, lawyer re Emergia share distribution list as per addendum no. 5 to APS; review projected Emergia share distribution schedule; review and make changes to Emergia's v.3 Information for Issuance - 4500000 - Alliston Word document; review Emergia shares trading on CSE: EMER-CN at .94cents per share	1.40	\$395.00	\$553.00
Thur	11/18/2021	correspondence re Emergia share distribution	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
<b>Trevor Pringle (TPR)</b>					
Fri	11/19/2021	correspondence re Emergia share distribution to Vankralingen/Borland/Di Iorio's; correspond with Troy Pocaluyko, lawyer	0.20	\$395.00	\$79.00
Mon	11/22/2021	correspondence re Emergia share distribution including joint investors; review G/L; correspondence re share distribution to Di Iorio's; correspond with David Jackson, lawyer; review Emergia share distribution list; correspond with Guery Goyo Jr, Villarboit re Emergia share distribution, joint investors; review projected distribution schedule	0.90	\$395.00	\$355.50
Tues	11/23/2021	correspondence re Emergia share distribution; correspond with Troy Pocaluyko, lawyer; review G/L; review interim statement of receipts & disbursements; review, make changes to and execute 246(2) notice	0.60	\$395.00	\$237.00
Wed	11/24/2021	correspondence re Emergia share distribution, Treasury Order to TSX Trust; review Mic-May Corp; accredited investor certificate; correspond with Troy Pocaluyko, lawyer; correspond with Guery Goyo Jr re Mayhew; review projected distribution of Receiver's shares; review and approve Emergia Schedule A to Delivery Order; review Emergia Delivery Order to TSX Trust Company; correspond with David Jackson, lawyer	1.20	\$395.00	\$474.00
Mon	11/29/2021	correspond with Guery Goyo; review G/L; correspond with Troy Pocaluyko, lawyer; correspondence re Emergia shares: SW correspondence	0.40	\$395.00	\$158.00
Tues	11/30/2021	review projected distribution schedule; correspond/tow Troy Pocaluyko, lawyer re Emergia shares; TSX Trust; review Emergia share value of .90 cents on CSE; review DRS statement for 300,000 Receiver's shares; review TSX Trust correspondence; correspond with David Jackson, lawyer; review Medallion Signature Guarantee website	0.90	\$395.00	\$355.50
Wed	12/01/2021	review TMX Trust securities transfer form; review TSX Trust correspondence; correspondence re transfer of Receiver's shares; review Goyo correspondence; review Di Iorio correspondence; review statement of co-tenant's equity; review projected distribution of Receiver's shares; correspond with Troy Pocaluyko, lawyer; correspond/tow David Jackson, lawyer; review and confirm share numbers in schedule A; review Appointment Order & Distribution Order; discussions/correspondence re Medallion Signature Guarantee	1.40	\$395.00	\$553.00
Fri	12/03/2021	discussions/correspondence re Medallion Signature Guarantee; review G/L	0.20	\$395.00	\$79.00
Mon	12/06/2021	correspondence re Medallion Guarantee; correspond with Troy Pocaluyko, lawyer	0.20	\$395.00	\$79.00
Tues	12/07/2021	correspondence re Medallion Guarantee; review G/L; correspond with Troy Pocaluyko, lawyer	0.30	\$395.00	\$118.50
Wed	12/08/2021	discussions/correspondence re Medallion Guarantee; correspondence re prospective purchaser; draft correspondence to TSX Trust re transfer of 300,000 Emergia shares to investors; review securities transfer form; review Distribution Order; correspond with Troy Pocaluyko, lawyer; correspond with Guery Goyo Jr	0.90	\$395.00	\$355.50
Thur	12/09/2021	review TSX Trust Securities Transfer Form with Medallion Guarantee; review DRS statement re 300,000 Emergia Inc. shares; review schedule A to securities transfer form; review and sign letter to TSX Trust re transfer of 300,000 Emergia shares; correspond with Julien Lavalliere, TSX Trust re courier of original documents	0.80	\$395.00	\$316.00

## Filters Used:

- Time Entry Date: 10/16/21 to 2/03/22  
 - File Client ID: AANEWT-R to AANEWT-R  
 - Time Entry Bill Status: Un-Billed to Un-Billed  
 - Time Entry Bill Status: Un-Billed to Un-Billed

## MSGG - Detailed Time Dockets

Printed on: 2/04/22

Page 6 of 6

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

Day	Date	Memo	B-Hrs	B-Rate	Amount
<b>Trevor Pringle (TPR)</b>					
Fri	12/10/2021	correspond with Bibi Khan; TSX Trust re transfer of 300,000 Emergia shares; review and approve payment of TSX Trust invoice via wire; review G/L; review receipt for securities transfer form w/MG	0.50	\$395.00	\$197.50
Mon	12/13/2021	review EFT details re TSX Trust invoice payment; correspond with Bibi Khan; TSX Trust re transfer of Emergia shares; review G/L; correspond with Guery Goyo Jr.; TSX Trust correspondence re DRS statements; correspond with Troy Pocaluyko, lawyer re DRS statements; review and confirm accuracy of DRS statements re transfer of 300,000 Emergia shares; review schedule A to securities transfer form; correspond with Manuel Espiritu, TSX Trust re DRS statement release; review EMER-CN share value on CSE	1.30	\$395.00	\$513.50
Tues	12/14/2021	correspond with Bibi Khan; TSX Trust; correspond with Guery Goyo Jr. re Emergia shares; correspond with David Jackson, lawyer	0.30	\$395.00	\$118.50
Wed	01/05/2022	correspond with Troy Pocaluyko, lawyer; review G/L	0.10	\$395.00	\$39.50
Mon	01/10/2022	correspond/tfw David Jackson, lawyer re scheduling discharge motion; review G/L; review Wildeboer Dellelce LLP invoice	0.40	\$395.00	\$158.00
Wed	01/12/2022	correspondence re discharge motion date; review HST refund	0.20	\$395.00	\$79.00
Thur	01/13/2022	review and make changes to draft fourth report to Court; review appendices to draft fourth report to Court; review statement of receipts and disbursements; correspond with David Jackson, lawyer	0.50	\$395.00	\$197.50
Mon	01/17/2022	review G/L; review HST return; correspondence re motion date	0.20	\$395.00	\$79.00
Tues	01/18/2022	review and make changes/additions to draft fourth report to Court; review stakeholder shares delivery order; review receiver's shares delivery order; review and make changes/additions to appendices to draft fourth report to Court; correspondence re motion date; review G/L; review draft SRD	0.90	\$395.00	\$355.50
Wed	01/19/2022	review statement of receipts and disbursements; correspondence re motion date; review and make changes/additions to draft fourth report to Court; review books and records; review Emergia share distribution to promissory note-holders and investors	1.10	\$395.00	\$434.50
Thur	01/20/2022	review draft fourth report to Court; review Stakeholders Shares delivery order; review Emergia share distribution schedule; correspond with David Jackson, lawyer; review draft SRD	0.50	\$395.00	\$197.50
Mon	01/24/2022	review G/L; correspond/tfw David Jackson, lawyer; review appendices to draft fourth report to Court	0.30	\$395.00	\$118.50
Wed	01/26/2022	review G/L; draft SRD	0.10	\$395.00	\$39.50
Mon	01/31/2022	correspond/tfw David Jackson, lawyer re draft fourth report to Court; review G/L; correspond with Troy Pocaluyko, lawyer re fee affidavit	0.40	\$395.00	\$158.00
Tues	02/01/2022	review HST refund; review G/L; review draft statement of receipts and disbursements; review appendices to draft fourth report to Court; review and make changes to draft fourth report to Court	0.90	\$395.00	\$355.50
Wed	02/02/2022	review Wildeboer Dellelce fee affidavit	0.10	\$395.00	\$39.50
Thur	02/03/2022	tfw David Jackson, lawyer re motion material; review draft fourth report to Court; review draft final statement of receipts and disbursements; review appendices to draft fourth report to Court; review Simpson Wigle account & draft fee affidavit	0.90	\$395.00	\$355.50
Trevor Pringle (TPR)			41.90		\$16,650.50
Total for File ID AANEWT-R:			67.05		\$20,112.00
Grand Total:			67.05		\$20,112.00

## **APPENDIX 12**

**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**

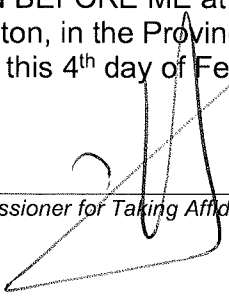
I, TIMOTHY BULLOCK, of the City of Hamilton, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

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 February 3, 2022 which sets out particulars of the services rendered from and including October 14, 2021 to and including February

2, 2022 by SimpsonWigle LAW LLP to the Receiver. The invoice is for fees of \$13,165.00, disbursements of \$320.00 and HST of \$1,711.45, making a total of \$15,196.45. The invoice remains unpaid.

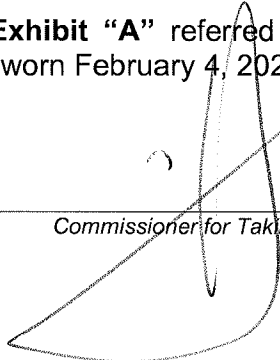
4. Particulars of the hours expended by lawyers David Jackson and Catherine Olsiak, and legal clerk with respect to the above-noted invoice, are particularized in the Billing Information Summaries which is attached as **Exhibit "B"**.
5. The fees of SimpsonWigle LAW LLP as set out in the aforesaid invoice are generally calculated by multiplying the hours expended by SimpsonWigle LAW LLP's aforesaid lawyers' 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. It is estimated that legal costs to complete the administration of the receivership, including the completion of the Notice of Motion, Discharge Order and Motion Record and attendance before the presiding judge to obtain the requisite Order with respect to the discharge motion will be approximately \$3,700.00 plus disbursements of approximately \$320.00 plus HST.
8. This Affidavit is made in support of the Receiver's application for approval of its counsel's fees for services rendered from and including October 14, 2021 to and including February 2, 2022.

SWORN BEFORE ME at the City  
of Hamilton, in the Province of  
Ontario, this 4<sup>th</sup> day of February, 2022.

  
Commissioner for Taking Affidavits (or as may be)

  
Timothy Bullock

This is **Exhibit "A"** referred to in the Affidavit of Timothy Bullock sworn February 4, 2022



*Commissioner for Taking Affidavits (or as may be)*



SimpsonWigle  
LAW LLP

IN ACCOUNT WITH

February 3, 2022

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

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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 October 14, 2021 to and including February 2, 2022 respect to the above-captioned matter, particulars of which include the following:

- To all services with respect to the completion of SimpsonWigle LAW LLP's Fee Affidavit with respect to the Distribution Motion returnable October 29, 2021;
- To communications with lawyers for the various stakeholders with respect to obtaining supporting documentation agreement relative to the settlement proposal with respect to the distribution of the proceeds of realization recovered by the Receiver including cash and shares from the sale of the Real Property, including communication with counsel on October 18, 2021 and follow up email;
- To communications and services specific to distribution to the stakeholders, 2115307 Ontario Inc. and Philip Stefaniak, deceased;
- To communications with counsel for Emergia and the Receiver's securities counsel, Troy Pocaluyko;
- To all services with respect to our recommendations respecting amendments to the Receiver's Third Report and to drafting and preparation of Notice of Motion and draft Order and to finalizing the same;
- To preparation for Motion returnable October 29, 2021, including communication with the Receiver;
- To communications with counsel for Emergia and the Receiver's securities lawyer, and amending the draft Distribution Order and circulating the same to the Service List;
- To attendance before Justice Pattillo on October 29, 2021 to obtain the requisite Order and Endorsement and to circulate the Order to the Service List and to report to the Receiver;
- To all communications with respect to the Receiver proceeding with a distribution and including further communications and receiving relevant documentation from Mr. Kwiatkowski, lawyer for Mr. Stefaniak, deceased and his private company;

- To all services with respect to the Discharge Motion returnable before the Court on February 18, 2022, including questioning a Motion date and having the same approved by the stakeholders, to services with respect to the preparation of the Receiver's Fourth Report, drafting and preparation of Notice of Motion and draft Order and services with respect to the preparation of SimpsonWigle LAW LLP's Fee Affidavit.
- To all miscellaneous services.

## OUR ACCOUNT ALL HEREIN

**FEE**

FEE	\$13,165.00
HST	<u>1,711.45</u>

<b>TOTAL FEE AND HST</b>	<b>\$14,876.45</b>
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**DISBURSEMENTS**

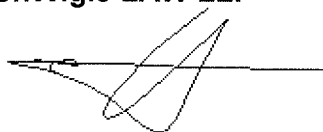
File Motion Record	\$ 320.00
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<b>TOTAL DISBURSEMENTS AND HST</b>	<b><u>320.00</u></b>
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<b>TOTAL FEE, DISBURSEMENTS AND HST</b>	<b><u><u>\$15,196.45</u></u></b>
---	----------------------------------

**E. & O.E.**

This is our Account herein  
**SimpsonWigle LAW LLP**



Per: \_\_\_\_\_  
 David J. H. Jackson

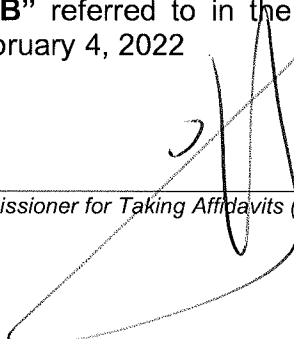
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In accordance with Section 33 of the Solicitors Act, interest will be charged at the rate of 3.0% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

G.S.T Registration Number is R122007156



This is **Exhibit "B"** referred to in the Affidavit of Timothy Bullock sworn February 4, 2022



\_\_\_\_\_  
*Commissioner for Taking Affidavits (or as may be)*

Date: 16 Dec, 2021

**SimpsonWigle LAW LLP**  
**Billing Statement to 16 Dec 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

Email: tpringle@spergel.ca  
 UNBILLED TIME

Date	Narrative	Lawyer	Bill Hours	Bill Value	Entered Hours	Entered Value	Audit	Entered Running Total
18 Oct 21	Engaged in review of draft Third Report; telephone conference with Trevor Pringle; email Ed Upeniek; prepare for telephone conference with Trevor Pringle/Troy Pocaluyko; conclude telephone conference with Ed Upeniek and Jonathan; consider amendments to the draft Third Report	211 DJJ	3.5	1,732.50	3.5	1,732.50	13F85	1,732.50
19 Oct 21	To telephone conference with Trevor Pringle (3); amend draft Third Report; complete Fee Affidavit, draft Notice of Motion, draft Order and report; emails with counsel re status of Certificates and service notification issues	211 DJJ	5.7	2,821.50	5.7	2,821.50	13F86	4,554.00
20 Oct 21	To telephone conference with Trevor (3); emails with counsel re miscellaneous information to complete the Motion Record; emails re agreement of SCS Consulting and Rady-Pentek to compromise; amend and complete Notice of Motion, Order, Receiver's Third Report and directions to clerk	211 DJJ	2.6	1,287.00	2.6	1,287.00	13F87	5,841.00
21 Oct 21	To all services with respect to service of the Motion Record upon the Service List and filing same through the online portal	117 SB	2.5	312.50	2.5	312.50	13F92	6,153.50
28 Oct 21	Prepare for tomorrow's motion including ensuring service; telephone conference with Trevor Pringle; emails with opposing counsel; emails with Troy Pocaluyko re status of Certificates of Accreditation and receipt of reply and response	211 DJJ	1.2	594.00	1.2	594.00	13F89	6,747.50
29 Oct 21	To communications with Troy Pocaluyko and Isabella re status of Certificates of Accreditation and the draft Order; amend draft Distribution Order and circulate response to amendments; prepare for the Motion before Justice Pattallo; attend on Motion before Justice Pattallo; communications re distribution from PDR to Teplitsky Colson; emails re Spano distribution and distribution to Stefaniuk Estate; report to Trevor Pringle	211 DJJ	3.4	1,683.00	3.4	1,683.00	13F90	8,430.50
31 Oct 21	review email from D. Jackson;	65 CAO	.1	50.00	.1	50.00	12T99	8,480.50
01 Nov 21	Communications re contents of the directions; tc with Trevor Pringle	211 DJJ	.2	99.00	.2	99.00	12L97	8,579.50
01 Nov 21	engaged in review of email from D. Jackson;	65 CAO	.1	50.00	.1	50.00	12U00	8,629.50
04 Nov 21	receive and review letter from Kwiatkoski with Certificate of Appointment; email Cathy Olsiak for direction re issuance of shares and report	211 DJJ	.2	99.00	.2	99.00	12M04	8,728.50
04 Nov 21	review email from D. Jackson and respond thereto;	65 CAO	.2	100.00	.2	100.00	12U02	8,828.50
05 Nov 21	Prepare for tc with Trevor Pringle including review of Accredited Investor Status Certificate and Acknowledgement Form; tc with Trevor Pringle; email to Ed Upeniek re process and its status re issuance of shares and transfer of Receiver's shares; email to Kwiatkowski re Appointment re Stefaniuk Estate	211 DJJ	1.3	643.50	1.3	643.50	12M08	9,472.00
08 Nov 21	receipt of certificate of appointment from Mr. Kwiatkoski, review same, communicate with Troy and provide direction relative to furthering the issuance of the shares to the estate of Stefaniuk	211 DJJ	.7	346.50	.7	346.50	12429	9,818.50
08 Nov 21	consider legal issues relative to delivery of cash loan repayment proceeds to Mr. Stefaniuk's private company and dictate memo to Cathy On in that regard for direction	211 DJJ	.4	198.00	.4	198.00	12434	10,016.50
09 Nov 21	telephone conference with D. Jackson;	65 CAO	.2	100.00	.2	100.00	12U01	10,116.50
10 Nov 21	Discussion with Cathy Olsiak respecting corporate authority of Mr. Stefaniuk And report (engage .4)	211 DJJ	.2	99.00	.2	99.00	12814	10,215.50
11 Nov 21	engaged in review of corporate search of 497 Co; email Paul Kwiatkowski and report to Trevor Pringle re requirements re issuance of shares and delivery of cash payment to 497 Co.	211 DJJ	.8	396.00	.8	396.00	12M09	10,611.50
11 Nov 21	receive and review letter from Paul Kwiatkowski - Accredited Investor documents re 497 Co; reply re the Estate and report	211 DJJ	.2	99.00	.2	99.00	12M11	10,710.50
19 Nov 21	review of communications with respect to issuance of the shares including jointly or not and providing direction to Troy in that regard relative to issues of authority from the parties	211 DJJ	.3	148.50	.3	148.50	12M12	10,859.00
Total unbilled time			23.8	10,859.00	23.8	10,859.00		
HST on 10,859.00 @ 13%				1,411.67				

Date: 16 Dec, 2021

**SimpsonWigle LAW LLP**  
**Billing Statement to 16 Dec 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

Total unbilled Time & Taxes

12,270.67

**TIME SUMMARY**

<u>Lawyer</u>	<u>Bill</u> <u>Hours</u>	<u>Rate/Hr</u>	<u>Bill</u> <u>Value</u>	<u>Entered</u> <u>Hours</u>	<u>Entered</u> <u>Value</u>	<u>Last</u> <u>Entry</u>
Catherine Olsiak	.6@	500.00	= 300.00	.6	300.00	7 Dec 2021
Sherine Burke	2.5@	125.00	= 312.50	2.5	312.50	21 Oct 2021
David J. Jackson - Emeritus	20.7@	495.00	= 10,246.50	20.7	10,246.50	14 Dec 2021

**Matter Billing Guide**  
**for SimpsonWigle LAW LLP**  
**as at 02 Feb 2022**



**Filtered by Matter - MAT17508**  
**including Pre-Bill Items**

<b>Matter No.:</b>	MAT17508	<b>Client No.:</b>	CNT876
<b>Matter Name:</b>	FirstOntario Credit Union v. New Tecumseth Development		
<b>Description:</b>	-		
<b>Client:</b>	MSI Spergel Inc.	<b>Department:</b>	Litigation (Non Levy)
<b>Address:</b>	21 King Street West	<b>Owner:</b>	David J. Jackson
	Hamilton, ON	<b>Current Owner:</b>	David J. Jackson
	L8P 4W7, CAN	<b>Legacy Ref:</b>	800255
<b>Att:</b>	-	<b>Date Opened:</b>	17 Apr 20
<b>Client Ref:</b>	-	<b>Fee Schedule:</b>	_Rate 0
<b>Client Tax No.:</b>	N/A	<b>Invoice Template:</b>	1 - FE and Rate Summary without amounts
		<b>Discount:</b>	
<b>A/R:</b>	0.00	<b>Unbilled Fees:</b>	3,841.00
<b>Trust:</b>	0.00	<b>Unbillable Fees:</b>	0.00
<b>Reserve Trust:</b>	0.00	<b>Unbilled Disb:</b>	0.00
<b>Investment:</b>	0.00	<b>Unbilled Time:</b>	13.40
		<b>Unbillable Time:</b>	0.00
<b>Last Invoice Date:</b>	-	<b>Last Billable Date:</b>	02 Feb 22*

**Transfer Notes:**

**Discount Notes:**

\* A more recent entry exists on the file but falls outside the specified end date.

**Fee Earner Summary**

Code	Fee Earner	Time (hh)	Fees	Write U/D	Notes
65	Catherine A. Olsiak	0.60	300.00		
6	David J. Jackson	5.30	2,603.50		
117	Sherine Burke	7.50	937.50		

**Unbilled Fees**

Date	FE	Activity	Description	Unit Type	Expl Code	Rate/Unit	Time (hh)	Amount	Tax	Total Incl
31 Oct 21	65	-	review email from D. Jackson	T	-	500.00	0.10	50.00	6.50	56.50
01 Nov 21	6	-	Communications re contents of the directions tc with Trevor Pringle	T	-	495.00	0.20	99.00	12.87	111.87
01 Nov 21	65	-	engaged in review of email from D. Jackson	T	-	500.00	0.10	50.00	6.50	56.50
04 Nov 21	6	-	receive and review letter from Kwiatkoski with Certificate of Appointment email Cathy Olsiak for direction re issuance of shares and report	T	-	495.00	0.20	99.00	12.87	111.87
04 Nov 21	65	-	review email from D. Jackson and respond thereto	T	-	500.00	0.20	100.00	13.00	113.00

## Unbilled Fees

Date	FE	Activity	Description	Unit Type	Expl Code	Rate/Unit	Time (hh)	Amount	Tax	Total Incl
05 Nov 21	6	-	Prepare for tc with Trevor Pringle including review of Accredited Investor Status Certificate and Acknowledgement Form tc with Trevor Pringle email to Ed Upeniak re process and its status re issuance of shares and transfer of Receivers shares email to Kwiatkowski re Appointment re Stefaniak Estate	T	-	495.00	1.30	643.50	83.66	727.16
08 Nov 21	6	-	receipt of certificate of appointment from Mr. Kwiatkowski review same communicate with Troy and provide direction relative to furthering the issuance of the shares to the estate of Stefaniak	T	-	495.00	0.70	346.50	45.05	391.55
08 Nov 21	6	-	consider legal issues relative to delivery of cash loan repayment proceeds to Mr. Stefaniak's private company and dictate memo to Cathy On in that regard for direction	T	-	495.00	0.40	198.00	25.74	223.74
09 Nov 21	65	-	telephone conference with D. Jackson	T	-	500.00	0.20	100.00	13.00	113.00
10 Nov 21	6	-	Discussion with Cathy Olsiak respecting corporate authority of Mr. Stefaniak And report (engage .4)	T	-	495.00	0.20	99.00	12.87	111.87
11 Nov 21	6	-	engaged in review of corporate search of 497 Co email Paul Kwiatkowski and report to Trevor Pringle re requirements re issuance of shares and delivery of cash payment to 497 Co.	T	-	495.00	0.80	396.00	51.48	447.48
11 Nov 21	6	-	receive and review letter from Paul Kwiatkowski - Accredited Investor documents re 497 Co reply re the Estate and report	T	-	495.00	0.20	99.00	12.87	111.87
19 Nov 21	6	-	review of communications with respect to issuance of the shares including jointly or not and providing direction to Troy in that regard relative to issues of authority from the parties	T	-	495.00	0.30	148.50	19.31	167.81
10 Jan 22	6	BW	To directions to Clerk, including Monday's call to Trevor Pringle re substance of discharge Motion, scheduling, etc	T	-	475.00	0.30	142.50	18.53	161.03
10 Jan 22	117	BW	To all services with respect to obtaining a Motion date from the Commercial Court	T	-	125.00	0.50	62.50	8.13	70.63
11 Jan 22	117	22	email to Commercial Court re available dates in February for the hearing of a motion to discharge Receiver	T	-	125.00	0.20	25.00	3.25	28.25
13 Jan 22	117	22	email to Service List re proposed date of February 17, 2022 for the hearing of a motion to discharge the Receiver	T	-	125.00	0.20	25.00	3.25	28.25
13 Jan 22	117	22	Preparation of Commercial Court Form C and email to Commercial Court re scheduling motion on February 17, 2022	T	-	125.00	0.30	37.50	4.88	42.38
17 Jan 22	117	BW	To communications with the Service List with respect to proposed date for the Receiver's Motion	T	-	125.00	0.20	25.00	3.25	28.25
18 Jan 22	117	BW	To communication to the Commercial Court with Commercial Booking Request Form	T	-	125.00	0.30	37.50	4.88	42.38
19 Jan 22	117	BW	To delivery of Zoom conference invite to the Commercial Court and the Service List for the Motion to be heard on February 18, 2022	T	-	125.00	3.00	375.00	48.75	423.75
30 Jan 22	6	BW	To review the Fourth Report, note proposed amendments and report to Trevor Pringle	T	-	475.00	0.40	190.00	24.70	214.70

Unbilled Fees

Date	FE	Activity	Description	Unit Type	Expl Code	Rate/Unit	Time (hh)	Amount	Tax	Total Incl
31 Jan 22	6	BW	To telephone communication with Trevor Pringle to review his draft Fourth Report	T	-	475.00	0.30	142.50	18.53	161.03
02 Feb 22	117	BW	To all services with respect to drafting Notice of Motion and Fee Affidavit	T	-	125.00	2.80	350.00	45.50	395.50
Total Unbilled Fees							13.40	3,841.00	499.37	4,340.37

## **APPENDIX 13**

**ONTARIO  
SUPERIOR COURT OF JUSTICE COMMERCIAL LIST**

**BETWEEN:**

**FIRSTONTARIO CREDIT UNION LIMITED**

Applicant

- and -

**NEW TECUMSETH LAND CORPORATION**

Respondent

**AFFIDAVIT OF OLGA TSESLIV**

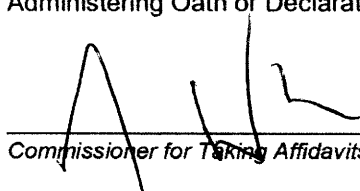
I, OLGA TSESLIV, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am the legal assistant to Troy Pocaluyko, 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 December 31, 2021 which sets out particulars of the services rendered for the period from and including October 18, 2021 and October 31, 2021 by Wildeboer Dellelce LLP. to the Receiver. The invoice is for fees of \$8,428.00 and HST of \$1,095.64 making a total of \$9,523.64. The invoice remains unpaid.
4. Particulars of the hours expended by Troy Pocaluyko 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.



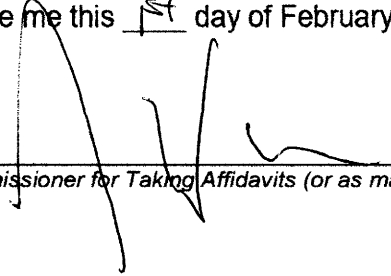
6. The standard billing rates of Wildeboer Dellelce LLP, are to the best of my knowledge, comparable to the rates charged by other law practitioners and their staff having the same or similar experience and expertise as the lawyers and staff of Wildeboer Dellelce LLP with respect to the provision of 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 October 18, 2021 to and including December 31, 2021.

**SWORN** remotely by Olga Tsesliv, of the  
City of Toronto in the Province of Ontario,  
before me at the Town of Smithville in the  
Province of Ontario on this 1<sup>st</sup> day of  
February, 2022 in accordance with O. Reg. 431/20,  
Administering Oath or Declaration Remotely )

  
\_\_\_\_\_  
Commissioner for Taking Affidavits (or as may be)

  
\_\_\_\_\_  
Olga Tsesliv

This is EXHIBIT "A" referred to in the  
affidavit of Olga Tsesliv sworn remotely  
before me this 1<sup>st</sup> day of February, 2022



\_\_\_\_\_  
Commissioner for Taking Affidavits (or as may be)



## STATEMENT OF ACCOUNT

MSI Spergel Inc.  
 21 King Street West  
 Suite 1602  
 Hamilton, ON L8P 4W7  
**Attention: Trevor Pringle**

GST/HST No.: R134403013  
 Matter No.: 2101173  
 Date: December 31, 2021  
 Invoice No.: 71781


**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:

<b>OUR FEE HEREIN</b>	\$	<b>8,428.00</b>
HST on Fees		<u>1,095.64</u>
<b>TOTAL FEES, DISBURSEMENTS AND TAXES</b>	\$	<b><u>9,523.64</u></b>
<b>TOTAL DUE AND PAYABLE</b>	\$	<b>9,523.64</b>

**THIS IS OUR ACCOUNT HEREIN**

**WILDEBOER DELLELCE LLP**

Per:   
**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.



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**SCHEDULE "A"****FEE DETAIL**

<b>Date</b>	<b>Description</b>	<b>Initials</b>
Oct-18-21	conf call with D. Jackson and T. Pringle to discuss third report of the receiver; draft riders for insertion in the receiver's report; review additional accredit investor certificates from I. Lamy; e-mail to I. Lamy	TP
Oct-19-21	e-mails from and to T. Pringle, D. Jackson and I. Lamy re transfer or sale of Closing Shares; review additional accredited investor certificates and list of deficiencies from I. Lamy	TP
Oct-20-21	e-mail to I. Lamy re waiver of notice requirement; e-mails from and to T. Pringle and D. Jackson	TP
Oct-21-21	review and respond to e-mail from I. Lamy	TP
Oct-28-21	e-mails from D. Jackson; e-mail to I. Lamy; telephone conversation with I. Lamy; compare spreadsheet; summary e-mail to D. Jackson and T. Pringle	TP
Oct-29-21	conf call with D. Jackson and I. Lamy; review revised distribution order; participate in motion hearing; e-mail from and to D. Jackson re shares for P. Stefaniuk estate	TP
Nov-01-21	review accredited investor certificate for Spano Family Holdings	TP
Nov-08-21	review list of deficiencies from I. Lamy; e-mail from D. Jackson; draft e-mail to P. Kwiakowski	TP
Nov-09-21	review e-mails from D. Jackson, I. Lamy and S. Lao; e-mail to I. Lamy	TP
Nov-11-21	review of e-mails from D. Jackson, T. Pringle and P. Kwiakowski; review accredited investor certificate; forward to I. Lamy	TP
Nov-15-21	review and respond to e-mails from I. Lamy, T. Pringle and D. Jackson	TP
Nov-16-21	review e-mails and attachments from S. Lao at Teplitsky Colson	TP
Nov-17-21	review additional accredited investor certificates; e-mails to and from I. Lamy and T. Pringle; review list of investors with allocations; e-mail to I. Lamy with spreadsheet	TP

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Nov-19-21	review e-mail and attachment from I. Lamy; draft e-mail to T. Pringle and D. Jackson re confirmation of registration instruction for Vankralinen and Borland and the Di Iorios; draft form of e-mail; further e-mails to and from T. Pringle, D. Jackson and I. Lamy; review investor table from I. Lamy; e-mails re Mayhews and Levas; draft and send e-mails to M. Sokowsky, A. Van Kralingen and the Di Iorios	TP
Nov-22-21	review e-mails from T. Pringle and G. Goyo; review and respond to e-mails from S. Lao and M. Sokolsky	TP
Nov-23-21	review accredited investor certificate for Mic May; e-mails from and to T. Pringle and I. Lamy	TP
Nov-29-21	e-mails to and from I. Lamy and T. Pringle re DRS Statements	TP
Nov-30-21	e-mails from and to M. Sokalsky, T. Pringle, I. Lamy and Julien L. at TSX Trust draft stock power of attorney; populate Schedule "A" for Receive shares	TP
Dec-01-21	check Schedule A; e-mails from and to G. Goyo, M. Di Iorio and T. Pringle and P. Kuno; inquiries re Medallion Signature Guarantee	TP
Dec-07-21	e-mails to and from T. Pringle.	TP
Dec-08-21	review and comment on draft letter to TSX Trust	TP
Dec-13-21	review DRS advices	AK
Dec-14-21	review e-mails from T. Pringle and TSX Trust; review and respond to e-mail from A. Van Kralingen;	TP

**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](mailto: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](mailto:ar@wildlaw.ca).**

## **APPENDIX 14**

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 February 1, 2022

**RECEIPTS**

Land	\$ 8,996,407.89
Advance from secured creditors	40,000.00
HST refund	56,036.56
Interest	<u>4,860.67</u>

<b>TOTAL RECEIPTS</b>	<b><u>\$ 9,097,305.12</u></b>
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**DISBURSEMENTS**

Payment to Secured Creditors	\$ 8,088,453.36
Payment to Unsecured Creditors	301,816.57
Commission	241,500.00
Legal Fees	90,977.12
Payment to Promissory Note Holders	89,307.21
Receivers Fees	82,105.50
HST paid	56,036.56
Repayment of Advance including interest	42,974.89
Insurance	14,515.20
Property Taxes	10,423.28
Appraisal fees	9,105.00
Travel	2,434.23
Security	5,070.00
Repairs and Maintenance	1,176.73
TSX Distribution Fee	1,152.00
License, filing fees, postage and bank charges	<u>466.61</u>

<b>TOTAL DISBURSEMENTS</b>	<b><u>9,037,514.26</u></b>
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<b>Net Receipts over Disbursements</b>	<b><u>\$ 59,790.86</u></b> <i>E&amp;OE</i>
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**TAB C**  
**DISCHARGE ORDER**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE	)	FRIDAY, THE 18 <sup>TH</sup>
	)	
JUSTICE PATTILLO	)	DAY OF FEBRUARY, 2022

**FIRSTONTARIO CREDIT UNION LIMITED**

Applicant

- and -

**NEW TECUMSETH LAND CORPORATION**

Respondent

**DISCHARGE ORDER**

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

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

1. **THIS COURT ORDERS AND DECLARES** that any requirement for service of the Notice of Motion, the Fourth Report and Motion Record be and is hereby abridged, that the Motion is properly returnable today and that all parties requiring notice of this Motion have been duly served and that service on all parties is hereby validated and any further service is hereby dispensed with.
2. **THIS COURT ORDERS AND DIRECTS** that the conduct, activities and actions of the Receiver as set out in the Fourth Report be and are hereby authorized and approved.
3. **THIS COURT ORDERS AND DIRECTS** that the Receiver's Statement of Receipts and Disbursements, as detailed in the Fourth Report, are hereby approved.
4. **THIS COURT ORDERS** that the Receiver's Fees and its Counsel Fees, as detailed in the Fourth Report, are hereby approved and the Receiver is authorised to pay the same.
5. **THIS COURT ORDERS** that after payment of the Receiver's Fees and Counsel Fees, herein approved, and subject to the Receiver maintaining sufficient reserves to satisfy all charges as set out in the Order of Justice Hainey dated April 23, 2020 (the "**Appointment Order**") and as the Receiver deems necessary to complete the administration of the receivership proceedings, the Receiver be authorized to make payment and distribution of the proceeds of realization from the assets and undertaking, including the Real Property of the Debtor as detailed in the Fourth Report.
6. **THIS COURT ORDERS** that upon the Receiver filing a certificate with the Court certifying that it has completed the other activities described in the First Report, such certificate to be in accordance with Schedule A to this Order, the Receiver shall be discharged as Receiver of the Property of the Debtor (as defined in the Appointment Order), provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding,

including all approvals, protections and stays of proceedings in favour of msi Spergel Inc. in its capacity as Receiver.

7. **THIS COURT ORDERS** that msi Spergel Inc. be released and discharged from any and all liability that msi Spergel Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of msi Spergel Inc., prior to the date of this Order, while acting in its capacity as Receiver herein save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, msi Spergel Inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings prior to the date of this Order, including any claims made as against the proceeds that have been distributed by msi Spergel Inc. as determined or otherwise approved by the Court, save and except for any gross negligence or wilful misconduct on the Receiver's part.
-

**Schedule A – Form of Receiver’s Discharge 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 OF COMPLETION**

1. The Receiver hereby certifies that it has completed the activities described in the Fourth Report of the Receiver dated February 7, 2022.

Dated: ....., 2022.

**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

**FIRST ONTARIO 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

**DISCHARGE 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](mailto:jacksond@simpsonwigle.com)

Lawyers for the Receiver, msi Spergel Inc.

**FIRST ONTARIO 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

**MOTION RECORD**  
(returnable Friday, February 18, 2022)

**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](mailto:jacksond@simpsonwigle.com)

Lawyers for the Receiver, msi Spergel Inc.