

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

1434399 ONTARIO INC.

Respondent

**MOTION RECORD OF THE RECEIVER,
MSI SPERGEL INC.**
(Returnable April 24, 2025)

April 10, 2025

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| AND TO: | <p>CANADA REVENUE AGENCY c/o Department of Justice Ontario Regional Office 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1</p> <p>Attention: Rakhee Bhandari rakhee.bhandari@justice.gc.ca Tel: 416-952-8563</p> |

| | |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
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| AND TO: | TOYOTA CREDIT CANADA INC. 80 Micro Court Markham, ON L3R 9Z5 |
| AND TO: | CITY OF ST. CATHARINES 50 Church St., P.O. Box 3012 St. Catharines, ON L2R 7C2 Philip Riley priley@stcatharines.ca Tel: 905-688-5601 ext. 1527 City Solicitor |

**ONTARIO
SUPERIOR COURT OF JUSTICE**

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TAB 1

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

1434399 ONTARIO INC.

Respondent

NOTICE OF MOTION
(Returnable April 24, 2025)

msi Spergel inc. ("**Spergel**"), in its capacity as the Court-appointed receiver ("**Receiver**") of the assets, undertakings, and properties of the Respondent, 1434399 Ontario Inc. (the "**Debtor**"), will make a motion to the Court on Thursday, April 24, 2025 at 10:00 a.m., or as soon after that time as the motion can be heard.

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

☐ In writing under subrule 37.12.1(1) because it is
[insert on consent, unopposed or made without notice];

☐ In writing as an opposed motion under subrule 37.12.1(4);

☐ In person;

☐ By telephone conference;

☒ By video conference.

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at the following location:

Zoom video conference details to be provided by the Court.

THE MOTION IS FOR:

1. An Approval and Vesting Order, an Ancillary and Sealing Order and a Discharge Order, in the forms attached hereto:

- (a) approving the Sale Agreement as it relates to the Real Property (defined below);
- (b) approving the Report of the Receiver dated April 1, 2025 (the "**Report**") and the actions, activities and conduct of the Receiver described therein;
- (c) sealing the Confidential Appendices to the Report until the sale of the Real Property is completed, or upon further order of the Court;
- (d) approving the Receiver's interim statement of receipts and disbursements as at March 31, 2025;
- (e) approving the fees and disbursements of the Receiver to and including February 28, 2025; and approving the fees and disbursements of the Receiver's counsel to and including April 1, 2025;
- (f) approving the Proposed Distribution (as defined in the Report);
- (g) discharging msi Spergel inc. as the Receiver of the Debtor and releasing msi Spergel inc. from any and all liability from any claims which have been

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raised or which could have been raised in these proceedings against the Receiver.

2. Such further and other relief as counsel may advise and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

Background

- (a) By Order of the Honourable Justice A.J. Goodman made September 28, 2023 (the "**Appointment Order**"), Spergel was appointed as Receiver, without security of the assets, undertakings and properties (the "**Property**") of the Debtor pursuant to an application made by the Royal Bank of Canada ("**RBC**").
- (b) The Debtor is the registered owner of the real property municipally known as 14 James Street, St. Catharines, Ontario (the "**Real Property**").
- (c) The Real Property is subject to a mortgage granted in favour of RBC, without any other charges or liens registered on title.
- (d) The Appointment Order permits the Receiver to market the Real Property.

Approval of Sale of Real Property

- (e) The Receiver has entered into an Agreement of Purchase and Sale dated January 8, 2025 between Straight Line Investments Inc. (the "**Purchaser**") and the Receiver (the "**Sale Agreement**").

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- (f) The Receiver seeks approval of the Sale Agreement and the sale of the Real Property to the Purchaser.
- (g) The Real Property is encumbered by the charge registered in favour of RBC. The Receiver seeks an approval and vesting order to extinguish encumbrances on the Real Property.
- (h) There are also outstanding property tax arrears on the Real Property. The Receiver intends to pay the outstanding property tax arrears as part of the closing.
- (i) Upon the Receiver's inquiry, Canada Revenue Agency (the "**CRA**") advised the Receiver that there is no outstanding debt to CRA owing by the Debtor.

Sealing Order

- (j) The Receiver also seeks a sealing order with respect to the Confidential Appendices attached to the Report. This Confidential Appendices contains confidential information of a highly sensitive commercial nature, which would likely jeopardize the value that could be generated from the Real Property, should the Purchaser fail to close.
- (k) The Receiver therefore requests that the Confidential Appendices be sealed, until such time as the Receiver is discharged, or by further Order of the Court.

Receiver's Activities and Fees

- (l) The Appointment Order also provides that the Receiver and its counsel shall be paid their reasonable fees and disbursements. The Receiver seeks the approval of its professional fees and disbursements and the fees and disbursements of its legal counsel.
- (m) The Receiver also seeks approval of its activities as described in the Report.

Proposed Distribution and Discharge

- (n) The Receiver proposes to make a distribution (after payment of the fees and disbursements of the Receiver and the Receiver's Counsel outlined in this First Report, including the Fee Accrual) as follows (the "**Proposed Distribution**"):
 - (i) to RBC for repayment of the Receiver's Borrowings in the amount of \$100,000 plus interest thereon in accordance with the Receiver's Certificate;
 - (ii) balance of any and all funds available in Debtor's estate to RBC, on account of the Debtor's secured indebtedness to RBC. It is anticipated that RBC will suffer a shortfall, and accordingly there will be no funds available for distribution for any other stakeholders.

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- (o) Subject to the successful completion of the Transaction and all other outstanding matters in connection with the receivership of the Debtor, the Receiver seeks to be discharged.

Other Grounds

- (p) The equitable and inherent jurisdiction of the Court;
- (q) The *Rules of Civil Procedure* (Ontario), including but not limited to, Rules 1.04, 1.05, 2.01, 2.03, 16.04, 37, 60.03 and 60.10;
- (r) The *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, including but not limited to section 243;
- (s) Sections 96 and 137(2) of the *Courts of Justice Act*, R.S.O. 1990., c. C-43;
- (t) The grounds as detailed in the Report; and
- (u) Such further and other grounds as the lawyers may advise and this Honourable Court may permit.

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

- (a) The Report of the Receiver dated April 9, 2025;
- (b) The Fee Affidavit of sworn April 1, 2025.
- (c) The Fee Affidavit of Carol Liu sworn April 9, 2025.

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- (d) All other pleadings and materials previously filed in these proceedings.
- (e) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

April 10, 2025

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inc.

TO: **THE SERVICE LIST**

ROYAL BANK OF CANADA
Applicant

-and- **1434399 ONTARIO INC.**
Respondent

Court File No. CV-23-00082432-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

NOTICE OF MOTION

FOGLER, RUBINOFF LLP

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TAB 2

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

1434399 ONTARIO INC.

Respondent

**FIRST REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
1434399 ONTARIO INC.**

April 9 , 2025

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5. Amendment to Listing Agreement
6. Redacted Sale Agreement with Straight Line Investments Inc.
7. Parcel Register
8. PPSA Search
9. Security Opinion
10. Receiver's Fee Affidavit sworn April 1, 2025
11. Receiver's Counsel Fee Affidavit sworn April 9, 2025
12. Receiver's Interim Statement of Receipts and Disbursements as of March 31, 2025
13. CRA Email
14. Receiver's Borrowing Certificates
15. Payout statement with respect to RBC's first mortgage

CONFIDENTIAL APPENDICES

1. Colliers Appraisal
2. Wagner Kovacs Appraisal
3. Final Progress Report of Listing Broker
4. Summary of Offers Received
5. Unredacted copy of the Amended Sale Agreement with Straight Line Investments Inc.

I. APPOINTMENT AND BACKGROUND

1. This report (the “**First Report**”) is filed by msi Spergel inc. (“**Spergel**”), in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of 1434399 Ontario Inc. (“**1434**” or the “**Debtor**”).
2. 1434 is incorporated pursuant to the laws of the Province of Ontario having its registered office at 14 James Street, St. Catharines, Ontario. 1434 carried on the business of a gym and fitness centre from the real property located at 14 James Street, St. Catharines, Ontario (as defined herein). The director of 1434 is John Fulton (“**Mr. Fulton**”).
3. 1434 is also the owner of the real property legally described as Lot 450, 464 CP PL 2 Grantham; St. Catharines (PIN:46219-0114 LT) and municipally known as 14 James Street, St. Catharines, Ontario (the “**Real Property**”).
4. On August 2, 2023, Royal Bank of Canada (“**RBC**” or the “**Bank**”), a secured creditor of the Debtor, moved by way of an application in the Ontario Superior Court of Justice (the “**Court**”) for a Court order appointing Spergel as the Receiver of all of the assets, undertakings, and properties, including the Real Property (collectively, the “**Property**”) of the Debtor.
5. The hearing of the Bank’s application was adjourned on three occasions until it was heard on September 28, 2023. At the hearing of the Bank’s application on September 28, 2023, the Honourable Justice Goodman issued an endorsement (the “**September 28th Endorsement**”) noting that there was no opposition to the relief being sought by the Bank. On the same day, the Court granted an Order appointing Spergel as Receiver of the Property of the Debtor (the “**Receivership Order**”). Attached to this First Report as **Appendices “1” and “2”**, respectively, are copies of the September 28th Endorsement and the Receivership Order.

6. The Receivership Order together with other publicly available information have been posted to the Receiver's website (the "**Case Website**"), which can be found at: <https://www.spergelcorporate.ca/engagements/1434399-ontario-inc/>.
7. The Receiver initially retained Minden Gross LLP ("**Minden**") as its independent Counsel. In January 2024, the Receiver retained Fogler, Rubinoff LLP ("**Fogler**" together with Minden, the "**Receiver's Counsel**") as the counsel in charge of the file at Minden moved her practice to Fogler.

II. PURPOSE OF THIS FIRST REPORT AND DISCLAIMER

8. The purpose of this First Report is to advise the Court as to the steps taken by the Receiver in these proceedings since its appointment and to seek Orders from this Court:
 - a) approving this First Report and the actions and activities of the Receiver described herein and that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of this First Report;
 - b) approving the Receiver's Interim Statement of Receipts and Disbursements as at March 14, 2025;
 - c) approving an agreement of purchase and sale between the Receiver, as vendor and Straight Line Investments Inc., as purchaser (the "**Purchaser**") dated January 8, 2025 (the "**Original Sale Agreement**") as amended by an Agreement dated February 11, 2025 (the "**Amending Agreement**", collectively, the "**Sale Agreement**") with respect to the Real Property, and authorizing the Receiver to complete the transaction contemplated thereby

(the “**Transaction**”);

- d) vesting in the Purchaser all of the Debtor’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 (other than permitted encumbrances identified in the Sale Agreement).
- e) sealing the Confidential Appendices (as defined herein) to this First Report until the earlier of the completion of the Transaction or further Order of this Court;
- f) approving the fees and disbursements of the Receiver for the period from September 28, 2023 to and including February 28, 2025 and the Receiver’s Counsel for the period from August 14, 2023 to and including April 1, 2025 and payment of same;
- g) approving the fee accrual (as defined herein);
- h) approving the Proposed Distributions (as defined herein);
- i) effective upon the filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver, discharging Spergel as Receiver and releasing Spergel from any and all liability that Spergel has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Spergel while acting in its capacity as Receiver; and
- j) such further and other relief as counsel may request and this Honourable Court may permit.

Disclaimer

9. The Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction, or use of this First Report for any other purpose than intended.
10. In preparing this First Report, the Receiver has relied upon certain information found on site and/or provided to it by the management of the Debtor including, without limitation, past financial performance, and other financial information. The Receiver has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other forms of assurance with respect to such information. Future oriented financial information relied upon in this First Report is based on assumptions regarding future events, actual results achieved may vary from this information and these variations may be material.
11. All references to dollars in this First Report are in Canadian currency unless otherwise noted.

III. ACTIONS OF THE RECEIVER

12. A copy of the Receivership Order was provided to the Debtor by the Receiver. In addition, the Receiver prepared its statutory Notice and Statement of the Receiver in accordance with subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act* (“**BIA**”) and mailed same to all creditors known to the Receiver. The gym and fitness centre were not in operation as of the granting of the Receivership Order and the Receiver did not operate the gym since its appointment.

13. Since the date of its appointment, the Receiver directly or through the Receiver's Counsel attended to the following:
- a) attended the Real Property and took possession of same and dealt with the day-to-day upkeep of the Real Property;
 - b) communicated with the Debtor in relation to, amongst other things, obtaining books and records and other information regarding Property;
 - c) arranged for the registration of the Receiver's interest on the title to the Real Property;
 - d) froze the bank accounts maintained by the Debtor that were known to the Receiver and arranged to transfer funds from those accounts to the Receiver;
 - e) arranged for continuation of all utilities servicing the Real Property;
 - f) arranged for insurance on the Real Property and other assets;
 - g) communicated with Canada Revenue Agency ("**CRA**") in an effort to ascertain the existence of priority claims;
 - h) communicated with the City of St. Catharines to enquire into the status of the realty tax account;
 - i) engaged two appraisers to provide a fair market valuation of the Real Property;

- j) engaged an environmental consultant to conduct a Phase II environmental assessment of the Real Property;
- k) arranged for an appraisal of the fitness equipment located at the Real Property;
- l) obtained sales and marketing proposals with respect to the Real Property from two licensed real estate brokers;
- m) marketed the Real Property through a real estate broker;
- n) negotiated the Sale Agreement; and
- o) sold the fitness equipment as described in greater detail below;

Sale of the Fitness Equipment

14. Pursuant to paragraph 3 (k) of the Receivership Order, the Receiver is empowered to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
- a) without approval of this Court in respect of any transaction not exceeding \$10,000, provided that the aggregate consideration for all such transactions does not exceed \$50,000; and
 - b) 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

15. Upon taking possession of the Real Property, the Receiver located fitness equipment (the “**Fitness Equipment**”) on site. The Receiver obtained a liquidation appraisal of the equipment from Canam-Appraiz Inc. (the “**Liquidator**”) which appraisal is attached to this First Report as **Appendix “3”**. In discussions with the Liquidator, it was determined firstly, that the Real Property was not conducive for purposes of a sale on site and the cost of moving, when coupled with the sales commission applicable would result in nominal recovery at best.
16. In or around June 2024, the Receiver received an offer from Mr. Fulton to purchase the Fitness Equipment. After negotiations, the Receiver, in accordance with the Receivership Order, sold the Fitness Equipment to Mr. Fulton for \$4,500 plus HST. The sale proceeds from this transaction are reflected on the Receiver’s Interim Statement of Receipts and Disbursements appended to this First Report.

IV. THE TRANSACTION

17. Pursuant to Paragraph 3(j) of the Receivership Order, the Receiver is empowered and authorized to market any or all of the Property of the Debtor, including advertising and soliciting offers in respect of the Real Property and negotiating such terms and conditions of sale as the Receiver, in its discretion, deemed appropriate.
18. The Receiver engaged the services of Colliers International Reality Advisors Inc. (“**Colliers**”) and Wagner, Andrews & Kovacs Ltd. (“**Wagner**”) to attend and conduct full narrative market value appraisals of the Real Property. The Receiver obtained appraisals in relation to the Real Property from Colliers on December 20, 2023 and from Wagner on February 1, 2024. Attached to this First Report as **Confidential Appendices “1” and “2”**, respectively, are copies of the appraisals obtained by the Receiver.

19. In addition to the above, the Receiver requested sales and marketing proposals from two Greater Toronto Area Commercial real estate brokers, CBRE Limited (“**CBRE**”) and Avison Young Commercial Real Estate Services LP (“**Avison**”).
20. The Receiver concluded that the Avison proposal was most beneficial to the estate and entered into an MLS Listing Agreement with Avison dated April 4, 2024 at a list price of \$2,600,000 (the “**Listing Agreement**”). The listing price was reduced on October 4, 2024 to \$1,850,000. Attached to this First Report as **Appendices “4” and “5”**, respectively, are copies of the Listing Agreement and the Amendment to the Listing Agreement.
21. Avison established a data room which contained all available information with respect to the Real Property.
22. The Real Property was advertised for approximately 7 months and was widely exposed to the market. It was posted for sale in both the Greater Toronto Real Estate Board as well as the Niagara Real Estate Board.
23. Avison conducted a broad marketing campaign which consisted of a number of email blasts to several thousand prospective purchasers as well as many real estate agents. For sale signage was also prominently displayed on the Real Property.
24. Six (6) interested groups executed a non-disclosure agreement (“**NDA**”) and were provided access to the virtual data room. Four (4) of the six (6) conducted a physical inspection of the Real Property.
25. Attached to this First Report as **Confidential Appendix “3”** is a copy of the final progress report dated March 5, 2025 prepared by Avison.

26. Two offers were received as a result of the sales process conducted by Avison. Attached to this First Report as **Confidential Appendix “4”** is a copy of an offer summary prepared by Avison.
27. The Receiver chose to negotiate with the Purchaser and ultimately entered into the Sale Agreement with the Purchaser conditional upon an Approval and Vesting Order being issued by the Court. The Sale Agreement is the subject matter, inter alia, of the motion brought by the Receiver. Attached to this First Report as **Appendix “6”** is a redacted copy of the Sale Agreement. Attached to this First Report as **Confidential Appendix “5”** (together with **Confidential Appendices “1”, “2”, “3” and “4”** the “**Confidential Appendices**”) is an unredacted copy of the Sale Agreement.
28. The Receiver is of the view that the sale process was conducted in a commercially reasonable manner and the market was extensively canvassed pursuant to Avison’s marketing efforts outlined herein and in the progress report provided by Avison. Further the Receiver is of the opinion that the efforts of Avison through the listing of the Real Property on MLS and Avison’s internal and external network have provided sufficient exposure of the Real Property to the market.
29. It is the opinion of the Receiver that the terms and conditions contained within the Sale Agreement are commercially reasonable in all respects and that the purchase price in the Sale Agreement is at market value for the Real Property and is the best outcome to the estate in the circumstances.
30. The salient terms of the Sale Agreement are as follows (all capitalized terms in this section not defined in the Sale Agreement are as otherwise defined in the First Report):
 - a) the Purchased Assets include the Real Property;

- b) the deposit to be provided under the Sale Agreement has been received from the Purchaser;
 - c) the offer is firm and unconditional, other than usual closing conditions that are customary for transactions of this nature;
 - d) the Purchaser is buying the Purchased Assets on an “as is, where is basis”;
 - e) the Sale Agreement is subject to Court approval and the issuance of an order vesting title to the Purchased Assets in the Purchaser free and clear of all claims and encumbrances, other than permitted encumbrances itemized in the Sale Agreement;
 - f) The Purchaser has the obligation to do all due diligence in relation to all Potential Tenancies and the responsibility in relation to same;
31. RBC has been consulted with respect to the Transaction and supports the completion of same and the relief sought by the Receiver in the within motion.
 32. The Receiver recommends that the Court approve the Transaction.
 33. All parties with an interest in the Real Property have been served with this motion.
 34. If the closing of the Transaction is approved, same will close on ten business days after the date that the Approval and Vesting Order is granted by this Court.

V. SECURED AND PRIORITY CREDITORS

35. Attached to this First Report as **Appendix “7”** is a copy of the parcel register for the Real Property. There are no instruments and encumbrances to be vested out.

36. Attached to this First Report as **Appendix “8”** is a copy of a search of registrations against the Debtor under the Personal Property Security Act (“**PPSA**”) as of March 6, 2025. RBC is the only secured party registered.
37. As of March 10, 2025, there were outstanding realty taxes on the Real Property in the approximate amount of \$84,538.32. If the Transaction is approved and completed, the outstanding realty taxes are anticipated to be paid from the sale proceeds as part of closing.
38. The Receiver has obtained from the Receiver’s Counsel, an independent legal opinion confirming the validity and enforceability and priority of RBC’s security including the charge/mortgage registered on title to the Real Property, subject to the usual assumptions and qualifications of opinions of such nature (the “**Security Opinion**”). A copy of the Security Opinion is attached to this First Report as **Appendix “9”**.

VI. REQUEST FOR A SEALING ORDER

39. The Receiver is also seeking a sealing order in respect of the Confidential Appendices to this First Report as they each contain commercially sensitive information, the release of which prior to completion of the Transaction would be prejudicial to the stakeholders of the Debtor’s estate in the event the Transaction does not close. The requested sealing of the Confidential Appendices is for a temporary period, until the earlier of the completion of the Transaction or further Order of this Court.

VII. PROFESSIONAL FEES AND DISBURSEMENTS

40. Attached to this First Report as **Appendix “10”** is the Affidavit of Philip Gennis sworn April 1, 2025, (the “Receiver’s Fee Affidavit”) which incorporates by reference a copy of the Receiver’s time dockets pertaining to the receivership of

1434 for the period from September 28, 2023 to and including February 28, 2025 in the amount of \$81,213.12 (inclusive of disbursements and HST. This represents a total of 188.36 hours at an average hourly rate of \$381.43 excluding HST.

41. Attached hereto as **Appendix “11”** to this First Report is the Affidavit of Carol Lu sworn April 9 2025, (the “**Receiver’s Counsel Fee Affidavit**”) which incorporates by reference a copy of the time dockets of the Receiver’s Counsel for the period from August 14, 2023 to and including April 1, 2025 in the amount of \$19,250.28 inclusive of disbursements and HST.
42. The Receiver has reviewed the accounts of the Receiver’s Counsel and is of the view that all the work set out in these accounts was carried out and was necessary, that the hourly rates of the lawyers who worked on this matter were reasonable in light of the services required and that the services were carried out by lawyers with the appropriate level of experience.

VIII. FEE ACCRUAL

43. Provided there is no opposition to the relief sought in this First Report and that such relief is granted, the Receiver estimates that the costs to conclude the Transaction, if approved, and complete the administration of the estate should not exceed \$100,000, and as such is seeking approval to hold this sum pending completion of all matters and the Receiver’s discharge (the “**Fee Accrual**”).

IX. RECEIVER’S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

44. Attached hereto as **Appendix “12”** is a copy of the Interim Statement of Receipts and Disbursements of the Receiver as of March 31, 2025 (the “**Interim R&D**”).

X. CANADA REVENUE AGENCY

45. On or about March 19, 2025 the Receiver made enquiries of the insolvency unit of the Canada Revenue Agency and was advised that there is no outstanding debt to CRA. Attached to this First Report as **Appendix “13”** is a copy of an email from CRA confirming this.

XI. RECEIVER’S PROPOSED DISTRIBUTION

Receiver’s Borrowing

46. Pursuant to Paragraph 22 of the Receivership Order, the Receiver borrowed funds from RBC in the amount of \$100,000 to fund its disbursements during the receivership (the “**Receiver’s Borrowings**”). Attached hereto as **Appendix “14”** are copies of the Receiver’s Borrowings Certificates.
47. Further pursuant to Paragraph 22 of the Receivership Order, the issuance of the Receiver’s Certificate has the effect of creating a charge on the Real Property, by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the repayment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (as defined in the Receivership Order), but subordinate to the Receiver’s Charge, and the charges set out in subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
48. A title search conducted on March 7, 2025 with respect to the Real Property indicated the following registrations on title in order of priority:
- a) A first mortgage registered on December 12, 2020 in the principal amount of \$1,200,000 held by RBC. Attached to this First Report as **Appendix “15”** is a copy of the correspondence from RBC dated February 14, 2025 confirming the

amount owing in respect of the first mortgage registered against the Real Property as at February 21, 2025 was \$1,214,799.32 with a per diem thereafter in the amount of \$107.40.

49. The Receiver has concluded that the first mortgage held by RBC is a senior charge over the Real Property, subject to the claims under the Receivership Order.
50. On the basis of the foregoing, the Receiver is proposing to make a distribution (after payment of the fees and disbursements of the Receiver and the Receiver's Counsel outlined in this First Report, including the Fee Accrual) as follows (the **"Proposed Distribution"**):
 - a) to RBC for repayment of the Receiver's Borrowings in the amount of \$100,000 plus interest thereon in accordance with the Receiver's Certificate;
 - b) balance of any and all funds available in Debtor's estate to RBC, on account of the Debtor's secured indebtedness to RBC. It is anticipated that RBC will suffer a shortfall, and accordingly there will be no funds available for distribution for any other stakeholders.

XII. DISCHARGE OF THE RECEIVER

51. In the event that the Order approving the sale of the Real Property is granted by the Court, the Receiver proposes to attend to the matters listed below:
 - a) closing the Transaction;
 - b) payment of reality tax arrears;
 - c) payment of real estate commission;
 - d) preparing and filing of the Receiver's closing certificate provided for in the Sale Approval and Vesting Order sought from this Honourable Court;

- e) preparing and filing of final BIA notices; and
- f) preparing and filing of the Receiver's discharge certificate provided for in Ancillary Order sought from this Honourable Court.

XIII. **RECOMMENDATIONS**

52. Based on the foregoing, the Receiver respectfully recommends that the Court make Orders granting the relief sought in this First Report.

All of which is respectfully submitted.

Dated at Toronto, this 9th day of April 2025.

msi Spergel inc.,

solely in its capacity as Court-appointed
Receiver of 1434399 Ontario Inc. and not
in any corporate or personal capacities.



Per: _____

Mukul Manchanda, CPA, CIRP, LIT
Managing Partner

Appendix 1

SUPERIOR COURT OF JUSTICE
HAMILTON, ONTARIO

29 CIVIL FILE NO: Cv-23-82432 (JURY / NON-JURY)

ENDORSEMENT

Royal Bank of Canada
30 (Plaintiff) Applicant

1434399 Ontario Inc
30 (Defendant) Respondent

Counsel for the Plaintiffs: Thomas Masterson (appears by video)

Counsel for the Defendants: John Fulton (appears by video)

| DATE | |
|-------------|------------------------------------------------------------------------------------|
| SEP 28 2023 | Application granted based on terms put on the record No costs ordered for today |

Registrar Z. Gerhaelder on behalf of Justice A.J. Goodman
ZJHLL

Appendix 2



Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

)

THURSDAY, THE 28TH

JUSTICE A. J. GOODMAN

)

DAY OF SEPTEMBER, 2023

)

ROYAL BANK OF CANADA

Applicant

- and -

1434399 ONTARIO INC.

Respondent

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing msi Spergel inc. as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 1434399 Ontario Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including the real property described at Schedule "A" hereto and owned by the Debtor (the "Real Property") was heard this day by judicial videoconference via Zoom, at 45 Main St. E., Hamilton, Ontario.

ON READING the affidavit of Jason Gagnon sworn July 31, 2023 and the Exhibits thereto, the supplementary affidavit of Jason Gagnon sworn September 13, 2023 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant, no one else appearing, although duly served as appears from the affidavit of service of Isabelle Stacey sworn 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 the Real Property, and also including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

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

- - -

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$10,000.00, provided that the aggregate consideration for all such transactions does not exceed \$50,000.00; 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.

4. 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

5. 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.

6. 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.

7. 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.

8. 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

9. 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

10. 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

11. 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

12. 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

13. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers,

facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

14. 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

15. 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

16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and

limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

19. 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.

20. 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.

21. 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

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

favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. 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.

24. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

25. 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

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

27. 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

28. 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.

29. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

30. 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.

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

32. 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.

33. 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.

34. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. on October 13, 2023 and is enforceable without the need for entry or filing.

Entered at Hamilton ON
on September 29, 2023

M. Akalirai Digitally signed by M. Akalirai
Date: 2023.09.29 14:33:22 -0400

Local Registrar



Justice, Ontario Superior Court of Justice

SCHEDULE "A"

REAL PROPERTY

LT 450, 464 CP PL 2 GRANTHAM; ST. CATHARINES (PIN 46219-0114 LT)

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

35. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties of 1434399 Ontario Inc. acquired for, or used in relation to a business carried on by the Debtor, including the Real Property (as defined in the Order), and including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an action 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.

36. 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.

37. 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.

38. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

39. 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.

40. 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.

41. 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:

ROYAL BANK OF CANADA

and

1434399 ONTARIO INC.

Applicant

Respondent

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON, ONTARIO

ORDER

HARRISON PENZA ^{LLP}
Barristers and Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

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

Tel: (519) 679-9660
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rdanter@harrisonpensa.com

Solicitors for the Applicant,
Royal Bank of Canada

Appendix 3



APPRAISAL REPORT

1434399 ONTARIO INC.

Prepared for:

msi Spergel Inc.
200 Yorkland Blvd.
Suite 1100
Toronto, Ontario
M2J 5C1

Attention: Ms. Paula Amaral

Prepared by:

Sia Mizrahi - CPPA

April 24, 2024



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April 24, 2024

msi Spergel Inc.
200 Yorkland Blvd.
Suite 1100
Toronto, Ontario
M2J 5C1

Attention: Ms. Paula Amaral

Re.: 1434399 Ontario Inc.

Dear Ms. Amaral:

Further to your instructions we attended the premises of the above captioned company to appraise the assets based on Forced Liquidation Values.

Enclosed please find our detailed appraisal of the assets.

Thank you for retaining our services in this matter, which we trust you have found satisfactory. Please do not hesitate to contact the undersigned if we could be of further service to you. We remain,

Yours very truly,

Sia Mizrahi

Sia Mizrahi



Summary

On April 18th, 2024, at the request of Ms. Paula Amaral of msi Spergel Inc., Sia Mizrahi personally inspected the assets of **1434399 Ontario Inc.** located at 14 James Street in St. Catharines, Ontario.

Values

Liquidation Value is approximately: \$ 12.930.00

***Please note that the liquidation value is the estimated gross selling price and cost of sale has to be deducted. Please refer to the 'Recommendations and Cost of Sale' section, if required.**

Method of Valuation

The definition of Liquidation Value is:

The price at which the property changes hands when there is a financial situation or other circumstances existing at the time of the sale so as to require a sacrifice, where the assets are sold on an "AS IS, WHERE IS" basis by means of a professionally arranged and conducted on-site auction sale. The purchasers would be responsible for the dismantling and removal of all assets at their sole expense and risk while being closely monitored by auction staff to ensure no damage occurs during the removal process.

The definition of Fair Market Value is:

The opinion of the price that a given property or asset would fetch in the marketplace, in a fair exchange between a willing buyer and a willing seller with equity to both parties, neither being under the compulsion to buy or sell, both parties having reasonable knowledge about the asset and its value and both parties fully aware of all relevant facts. Lastly, a reasonable time period is given for the transaction to be completed.



Conditions of Appraisal

The value stated in this appraisal Report is based on the judgment of the appraisers given the facts and conditions available at the date of the valuation and does not represent a guarantee of the sale results. Our appraisal fee is in no way contingent upon the values at which our appraiser has arrived.

The use of this report is limited to the purpose of determining the value of the assets of **1434399 Ontario Inc.**, in **St. Catharine's, Ontario** for msi Spergel Inc. This report is to be used in its entirety only. The cost to purchase repair parts has not been taken into consideration.

The values in this appraisal are based on asset values only. They do not rely on any financial information from the company.

The questions of titles, liens, encumbrances, rental, or lease agreements that may pertain to any or all the subject assets in question have not been investigated in this report unless otherwise specifically outlined.

Certification of Report

The values stated are valid for 45 days from the date of the appraisal. Values beyond the time frame indicated should be reviewed & updated.

Neither Sia Mizrahi, Canam-Appraiz Inc. nor any of its employees have any present or future interest in the subject property. At such time as any of this property is available for liquidation, Canam-Appraiz Inc. would like to be considered.

We personally examined the subject property. The statements of facts contained in this report are true and correct to the best knowledge and belief of the appraisers.

Sia Mizrahi

Canam-Appraiz Inc.
Per: Sia Mizrahi



Description

Fitness assets and equipment. For a complete listing of the fixed assets please refer to Schedule 'A'.

Equipment Analysis & Comments

The assets are in well used condition.

Regarding the items on Schedule "A" marked with an Asterix (*): Some are claimed as belonging to BioNiagara, but without more details, we cannot be sure exactly which assets they are.

Our values are based on comparative sales of similar or same equipment in the past year, at various auctions, and dealers in North America. General market conditions and trends were discussed with various equipment suppliers in this field. I have considered the age, visual physical condition, quality, and useful life of the assets in arriving at the appraised values. The following values are subject to operative conditions, hidden or otherwise, which could cause a decrease in the value of the assets. The information obtained, whether through documentation or other means, is deemed to be correct and reliable and Canam-Appraiz Inc. will not be held liable in any way whatsoever for any errors and/or omissions.

Recommendations & Cost of Sale

- Available on request

The best results are achieved if sold en bloc.

Please Note: Removal costs do not include leaving the premises in broom-swept condition. Additional costs may be incurred for that service which would include dumping fees, labour, and any hazardous material handling. At time of removal, equipment assessed to be not very nomically viable to remove or in unremovable condition i.e.: rust at the back of machines or a very large buildup of grease and dirt etc., may be left on the premises.



Appraisers C.V.

SIAVASH (SIA) MIZRAHI

CANAM-APPRAIZ INC. 30 MILLWICK DRIVE, TORONTO, ONTARIO, M9L 1Y3

OFFICE - 416-741-0228 XT 222

CELL: 416-418-0300

1982-1986 - YORK UNIVERSITY ECONOMICS & BUSINESS ADMINISTRATION

1987-1989 - CONNERS BREWERY GENERAL MANAGER, VICE PRESIDENT OF OPERATIONS

1990 – PRESENT - PRESIDENT & PARTNER

- CANAM APPRAIZ INC. PARTNER TILL 2000 AND PRESIDENT SINCE
- PROFESSIONAL INVENTORY & EQUIPMENT APPRAISALS, AUCTIONS
- COMPLETED CANADIAN PERSONAL PROPERTY APPRAISERS GROUP'S APPRAISAL COURSE 1998. MEMBER IN GOOD STANDING TO DATE.
- MEMBER IN GOOD STANDING OF THE CERTIFIED APPRAISERS' GUILD OF AMERICA (CAGA)
- MEMBER IN GOOD STANDING OF ONTARIO MOTOR VEHICLE INDUSTRY COUNCIL (OMVIC)
- MEMBER IN GOOD STANDING OF USED CAR DEALERS' ASSOCIATION. (UCDA)



Schedule 'A'

| <u>Item #</u> | <u>Description</u> | <u>Model/Serial #</u> | <u>Qty</u> | <u>Liq. Value</u> |
|---------------|-----------------------------------------------------|-----------------------|------------|-------------------|
| 1 | Various Dumbbells and Weights | | lot | \$ 100.00 |
| 2 | Various Ladders | | lot | \$ 200.00 |
| 3 | Various Bosu Balls and Step Pads | | lot | \$ 200.00 |
| 4 | Rack with Various Weight Bars | | lot | \$ 200.00 |
| 5 | Various Rubber Weights | | lot | \$ 250.00 |
| 6 | S/S Liquid Tank 500L | | 1 | \$ 375.00 |
| 7 | Yardworks Snow Removal Blower | | 1 | \$ 250.00 |
| 8 | Shop Vac | | 1 | \$ 35.00 |
| 9 | Unimanix Pressure Washer | (*) | 1 | \$ 200.00 |
| 10 | Simoniz Pressure Washer | (*) | 1 | \$ 50.00 |
| 11 | Table and Chairs with Weight Motif | | 1 | \$ 50.00 |
| 12 | Various Cybex Machines in Parts | | lot | \$ 200.00 |
| 13 | Various Weighted Balls | | lot | \$ 100.00 |
| 14 | Cybex Rack with Weights and Bars | | 1 | \$ 750.00 |
| 15 | Lot of Fighter/Kick/Boxing Pads | | lot | \$ 120.00 |
| 16 | Various Bars and White Boards | | lot | \$ 100.00 |
| 17 | Assorted Punching Bags | | lot | \$ 500.00 |
| 18 | Various Slide Bars and Dumbbells | | lot | \$ 120.00 |
| 19 | Ab Coaster Ab Machine | | 1 | \$ 120.00 |
| 20 | Precor Ab Machine | | 1 | \$ 100.00 |
| 21 | Various Weighted Balls and Rack | | 1 | \$ 100.00 |
| 22 | Elkay E2H20 Water Dispenser | | 2 | \$ 650.00 |
| 23 | Defibrillator | | 1 | \$ 100.00 |
| 24 | PC and Accessories | | 1 | \$ 100.00 |
| 25 | Various Electronic Wires, Attachments, Speakers, IT | | lot | \$ 50.00 |
| 26 | Various Size TV's | | 4 | \$ 150.00 |
| 27 | Hangups Power VI Table | | 1 | \$ 100.00 |
| 28 | Precor Pull Up and 2 Benches | | 1 | \$ 100.00 |
| 29 | Various Cable Attachments | | 1 | \$ 30.00 |
| 30 | Hangups Back Revolution | | 1 | \$ 50.00 |
| 31 | 8 Boxes of Sock | | 8 | \$ 80.00 |
| 32 | Metal Weights | | lot | \$ 300.00 |
| 33 | Life Fitness Treadmills | | 5 | \$ 750.00 |
| 34 | Life Fitness Cross Trainer Elliptical | | 2 | \$ 750.00 |
| 35 | Life Fitness StairMaster | | 1 | \$ 250.00 |
| 36 | Life Fitness Curl Machine | | 2 | \$ 400.00 |
| 37 | Cybex The Arc Elliptical | | 3 | \$ 1,000.00 |
| 38 | Precor Triceps Curl | | 1 | \$ 250.00 |
| 39 | Life Cycle Reclining Bike | | 1 | \$ 300.00 |
| 40 | Life Fitness Chest Press | | 1 | \$ 250.00 |
| 41 | Life Fitness Lat Press | | 1 | \$ 250.00 |

| | | | | | |
|----|------------------------------------------------------------------------------------------------------|-------------------|-----|-----------|------------------|
| 42 | Life Fitness Seated Row | | 1 | \$ | 250.00 |
| 43 | Life Fitness Leg Extension | | 1 | \$ | 250.00 |
| 44 | Life Fitness Triceps Curl | | 1 | \$ | 250.00 |
| 45 | Piano; 4-Wheel kids Cart (2); Bench | | lot | \$ | 30.00 |
| 46 | Icarian Bar Frame | | 1 | \$ | 10.00 |
| 47 | Coin-Op Vending Machine | | 1 | \$ | 50.00 |
| 48 | Zero Cable Machine | | 1 | \$ | 25.00 |
| 49 | Mastercraft Compressor | | 1 | \$ | 50.00 |
| 50 | Various Air/Power Tools | (*) | 14 | \$ | 200.00 |
| 51 | Power Generator | | 1 | \$ | 200.00 |
| 52 | Super Fan Air Mover | | 4 | \$ | 100.00 |
| 53 | Lot of Signs and Toasters | | lot | \$ | 40.00 |
| 54 | Antique Sewing Machine | | 1 | \$ | 25.00 |
| 55 | Tile Cutter; Trap | | lot | \$ | 200.00 |
| 56 | Bench; Air Conditioner; Misc. Décor | | lot | \$ | 70.00 |
| 57 | Various Furniture Items | | lot | \$ | - |
| 58 | Sofa; Chair; Tables | | lot | \$ | 60.00 |
| 59 | Coke Crates; Tables; Coffee Machine; Chest Cabinet | | lot | \$ | 40.00 |
| 60 | Bar Fridge; 2-Door Metal Cabinet; Benches | | lot | \$ | 60.00 |
| 61 | Dining Room Tables and Chairs; Cabinets | | lot | \$ | 250.00 |
| 62 | Various Chairs and Desk | | lot | \$ | 30.00 |
| 63 | Various Assorted Furnishings | | lot | \$ | - |
| 64 | Bar Fridge; Welder | | lot | \$ | 60.00 |
| 65 | Floor Sander | | 1 | \$ | 100.00 |
| 66 | Champion Portable Generator | | 1 | \$ | 300.00 |
| 67 | Miscellaneous Small Items | | lot | \$ | 250.00 |
| | | | | | |
| | Equipment belonging to BioNiagara: | | | | |
| 1 | Bredel Hose Pump | SP/25. S/N: 15592 | 1 | | |
| 2 | Greenlee Job Box | | 1 | | |
| 3 | Various Tools | | lot | | |
| 4 | Pressure Washer | | 1 | | |
| 5 | Julabo Presto Temperature Control System - Chiller | | 1 | | |
| | | | | | |
| | Personal Equipment belonging to Debtor: | | | | |
| 1 | The Artwork of Trevor Blewett | | 35 | | |
| 2 | Sport Related Prints | | 9 | | |
| 3 | Gym Photos | | 3 | | |
| 4 | Various Framed Photos | | 10 | | |
| 5 | Movie Posters | | 3 | | |
| | | | | | |
| | Please Note: Please refer to comment section on page 6 regarding the items market with an (*) | | | | |
| | | | | | |
| | | | | \$ | 12,930.00 |



Pictures

(please refer to the link below)

[14 JAMES STREET - ST CATHARINES](#)

Appendix 4

Listing Agreement - Commercial

Seller Representation Agreement

Authority to Offer for Sale

This is a Multiple Listing Service® Agreement



~~OR Exclusive Listing Agreement~~ **EXCLUSIVE**
(Seller's Initials)

BETWEEN:

BROKERAGE: Avison Young Commercial Real Estate Services, LP

(the "Listing Brokerage") Tel. No. **416-955-0000**

SELLER: msi Spergel Inc., solely in its capacity as Receiver and manager, without security, of all assets and undertakings and properties of 1434399 Ontario Inc. (the "Seller")

DESIGNATED REPRESENTATIVE(S): Kelly Avison Graeme White
(Name of Salesperson/Broker/Broker of Record)

This Listing Agreement is a designated representation agreement where the Brokerage has designated Salesperson/Broker/Broker of Record as the Designated Representative(s) and all parties understand it is the Designated Representative(s) who will be providing services and representation to the Seller, and the Brokerage provides services but not representation.

In consideration of the Listing Brokerage listing the real property for sale known as **14 James Street, St. Catharines, Ontario**

(P.I.N. # 462190114; Legal Description: Lt 450, 464, CP PL 2 GRANTHAM, ST. CATHARINES) (the "Property")

the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent,

commencing at **9:00 AM** on the **26TH** day of **APRIL**, 20**24**
(a.m./p.m.)

and expiring at **11:59 p.m.** on the **31ST** day of **SEPTEMBER**, 20**24** (the "Listing Period"),

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Trust in Real Estate Services Act, 2002 (TRESA), the Listing Brokerage must obtain the Seller's initials.

(MDM)
(Seller's Initials)

to offer the Property for sale at a price of:

Dollars (CDN\$) **2,600,000.00**

TWO MILLION SIX HUNDRED THOUSAND

Dollars

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the Property.

(MDM)
(Seller's Initials)

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"):

"Seller" includes vendor and a "buyer" includes a purchaser or a prospective purchaser. "Self-represented assistance" shall mean assistance provided to a self-represented party. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, or the causing of a First Right of Refusal to be exercised, or an agreement to sell or transfer shares or assets. "Real property" includes real estate as defined in the Trust in Real Estate Services Act (2002). The "Property" shall be deemed to include any part thereof or interest therein. A "real estate board" includes a real estate association. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property. "Public Marketing" shall have the same meaning as set out in REALTOR® Cooperation Policy as published by the Canadian Real Estate Association.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property, the Seller agrees to pay the Listing Brokerage a commission of

3.50 % of the sale price of the Property or (See Schedule "A")

for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period, as may be acceptable to the Seller. The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage) and to offer to pay the co-operating brokerage a commission of **1.50** % of the sale price of the Property or

out of the commission the Seller pays the Listing Brokerage.

The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone

on the Seller's behalf within **90** days after the expiration of the Listing Period (**Holdover Period**), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

~~The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase is not accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, and no commission is payable on the holdover or completion of the purchase of the Property.~~

INITIALS OF LISTING BROKERAGE:

INITIALS OF SELLER(S):

(MDM)

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

~~In the event the buyer fails to complete the purchase and the deposit or any portion thereof becomes forfeited, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit (forfeited, awarded, directed or released to the Seller) but not to exceed the commission payable had a sale been consummated, and to pay the balance of the deposit to the Seller. All amounts set out as commission are to be paid plus applicable taxes on such commission.~~

- 3. REPRESENTATION:** The Seller acknowledges that the Listing Brokerage has provided the Seller with written information explaining relationships, including information on Seller Representation, Client Limited Service, Sub-agency, Buyer Representation, Multiple Representation and Self-Represented Party assistance. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage listing other properties that may be similar to the Seller's Property without any claim by the Seller of conflict of interest. The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage, said commission to be disbursed in accordance with the Commission Trust Agreement.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will require the Seller's written consent to represent both the Seller and the buyer for the transaction. The Seller understands and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer.

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

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

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

The Brokerage shall not be appointed or authorized to be agent for either the Seller or the buyer for the purpose of giving and receiving notices where the Brokerage represents both the Seller and the buyer (multiple representation) or where the buyer or the seller is a self-represented party.

MULTIPLE REPRESENTATION AND LIMITED SERVICES REPRESENTATION: The Seller understands and agrees that the Listing Brokerage may provide client limited services and representation to other sellers and buyers. The Seller understands and acknowledges that when representing both the Seller and the buyer, where one or both the Seller and buyer are receiving limited services and representation the Listing Brokerage shall have a duty of services and representation and disclosure to one or both the Seller and the buyer, as more particularly set out in the agreement with the respective Seller or buyer. If the Listing Brokerage provides client limited services and representation to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer, and will require consent in writing for such multiple representation.

MULTIPLE REPRESENTATION AND DESIGNATED REPRESENTATION: The Seller understands and acknowledges where both the Seller and buyer are represented by a designated representative of the Listing Brokerage, multiple representation will not result, unless that designated representative represents more than one client in the same trade, and will require consent in writing for such multiple representation. In the event of multiple representation and designated representation, the Brokerage duty of disclosure to both the seller and the buyer client, is as more particularly set out in the agreement with the respective seller or buyer.

- ~~**4. FINANCIALS:** The Seller acknowledges the Brokerage's acknowledgment under the provided information, where the Seller acknowledges in writing that the Seller has received and reviewed the Brokerage's disclosure of the Commission set out above.~~

- 5. REFERRAL OF ENQUIRIES:** The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage by the Seller before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period described above, the Seller agrees to pay the Listing Brokerage the amount of Commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.

- 6. MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property for sale during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or willful act. The Seller acknowledges the Brokerage in accordance with MLS® Rules and Regulations, and the Canadian Real Estate Association REALTOR® Code of Ethics, this Listing shall be, within three (3) days of Public Marketing, placed on an MLS® System for cooperation with other REALTORS®.

- 7. WARRANTY:** The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.

8. INDEMNIFICATION AND INSURANCE:

damage to the Property or contents occurring

~~The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.~~

The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.

- ~~**9. ENVIRONMENTAL INDEMNIFICATION:** The Seller agrees to indemnify and to hold the Listing Brokerage and its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) harmless from and against any claims, damages, losses, costs, expenses, fees, interest, penalties, fines, or other amounts payable by or for the Listing Brokerage or co-operating brokerage in connection with the Listing Brokerage's or co-operating brokerage's investigation of, or remediation of, any environmental problems.~~

- ~~**10. FAMILY LAW ACT:** The Seller hereby irrevocably and exclusively authorizes the Listing Brokerage to execute the Seller's name on the Family Law Act (FLA) form in connection with the sale of the Property.~~

INITIALS OF LISTING BROKERAGE:

INITIALS OF SELLER(S):

MDM

- 11. VERIFICATION OF INFORMATION:** The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
- 12. USE AND DISTRIBUTION OF INFORMATION:** The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS® System of the appropriate Board. The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid. The Seller acknowledges that the database, within the board's MLS® System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may, during the term of the listing and thereafter, distribute the information in the database, within the board's MLS® System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling:

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.

☐ Does

☒ Does Not

- 13. SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.
- 14. CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Authority from the Seller to the Listing Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.
- 15. ELECTRONIC COMMUNICATION:** This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.
- 16. ELECTRONIC SIGNATURES:** If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act, 2000*, S.O. 2000, c17 as amended from time to time.
- 17. SCHEDULE(S):** A and data form attached hereto form(s) part of this Agreement.

THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.

(Authorized to bind the Listing Brokerage)

(Date)

(Name of Person Signing)

THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME, I ACCEPT THE TERMS OF THIS AGREEMENT AND I ACKNOWLEDGE ON THIS DATE I HAVE SIGNED UNDER SEAL Any representations contained herein or as shown on any accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

msi Spergel Inc., solely in its capacity as Receiver and manager, without security, of all the assets, undertakings, and properties of 1434399 Ontario Inc.

(Name of Seller)

(Signature of Seller/Authorized Signing Officer)

(Seal)

April 4th, 2024

(Date)

(Tel. No.)

(Signature of Seller/Authorized Signing Officer)

(Seal)

(Date)

(Tel. No.)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

(Spouse)

(Seal)

(Date)

(Tel. No.)

DECLARATION OF INSURANCE

The Salesperson/Broker/Broker of Record KELLY AVISON GRAEME WHITE

(Name of Salesperson/Broker/Broker of Record)

hereby declares that he/she is insured as required by TRESA.

(Signature(s) of Salesperson/Broker/Broker of Record)

ACKNOWLEDGEMENT


The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a copy of this Agreement on the 4th day of APRIL, 20 24.

(Signature of Seller)

(Date)

(Signature of Seller)

(Date)

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SCHEDULE "A"

TO A LISTING AGREEMENT BETWEEN Avison Young Commercial Real Estate Services, LP ("**Listing Brokerage**") AND msi Spergel Inc. (the "**Seller**"), solely in its capacity as Receiver and manager, without security, of all assets, undertakings and properties of 1434399 Ontario Inc (the "Debtor/owner").

1. Commission/Fees:

a. Notwithstanding sub-clause 2 of the pre-printed Listing Agreement, in the event that:

- i. the registered first place charge to Royal Bank of Canada ("**RBC**") is transferred or sold to another party, and the Receiver's appointment is terminated; or
- ii. in the event existing owner or Debtor successfully refinances the Property on or before the completion date for any potential sale or transfer, and the Receiver's appointment is terminated.

then the full Listing Fee (applied to the outstanding balance owed to RBC) shall, subject to Court approval be due and payable on the earlier of the date the Receiver's appointment is terminated by the Court, or funds paid to RBC by the Debtor.

2. Subject to the provision in Paragraph 1 above, the Seller shall only be liable to pay the commission provided for in the Listing Agreement if the purchase is completed. **AVISON YOUNG COMMERCIAL REAL ESTATE (ONTARIO) INC. BROKERAGE** (hereinafter, the "Broker") acknowledges that the sale is taking place pursuant to the court order of The Honourable Justice Goodman dated September 28, 2023, and that further court approval of the sale ("Court Approval") is a pre-condition to completion of the transaction. The Seller cannot guarantee that Court Approval will be obtained. The Brokerage also acknowledges that the purchaser of the Property may include in the agreement of purchase and sale certain conditions which the Seller is required to fulfil prior to closing (collectively, "Conditions") including, without limitation, the delivery of vacant possession. The fulfilment of such Conditions by the Seller cannot be guaranteed. The parties agree that no commission shall be payable if the transaction is not completed because Court Approval is not obtained or if the Conditions are not met or are impracticable to meet.

3. It is further understood and agreed that the Broker shall offer the Property for sale on an "as is, where is" basis and that the Broker shall make no representations, warranties, promises or agreements with respect to or in any way connected with the Property, including, without limitation, the title, description, fitness, state, condition, environmental status nor the existence of any work orders or deficiency notices affecting the Property.

| <u>Seller's Initials</u> | <u>Listing Brokerage's Initials</u> |
|--------------------------|-------------------------------------|
| <i>MM</i> | |

4. Notwithstanding any other provision of this Agreement, the Vendor makes no representations or warranties regarding the Property, the condition of the Property, the existence of any insurance or its ability to enter into this listing agreement nor does the Vendor provide the Broker with any indemnification regarding any such matters.
5. In the event of any conflict between the provisions of this Schedule "A" and the provisions of the pre-printed portions of the Listing Agreement, the provisions of this Schedule "B" shall override and shall govern and prevail for all purposes.
6. The Listing Brokerage assumes no responsibility and the Seller will not hold the Listing Brokerage, representatives of the Listing Brokerage nor any cooperating brokerage liable for, any claim, loss, cost, damage, or injury in connection with or attributable to the Property or its condition, except to the extent caused by the gross negligence or wilful misconduct of the Listing Brokerage or its representatives. The Seller shall acquire and maintain during the term of this Agreement, insurance coverage on such terms and in such amounts as the Seller deems appropriate in respect of the Property, including personal liability insurance against any claims resulting from bodily injury or property damage occurring on or at the Property.
7. Any prospective purchaser agrees to use the Vendors Form of Offer which will be provided by the Broker to such prospective purchaser.
8. In the event of any conflict between the provisions of this Schedule "A" and the provisions of the pre-printed portions of the Listing Agreement, the provisions of this Schedule "A" shall override and shall govern and prevail for all purposes.

| Seller's Initials | Listing Brokerage's Initials |
|-------------------|------------------------------|
| MM | |

Appendix 5

Form 521

for use in the Province of Ontario

Amendment to Listing Agreement - Commercial

Authority to Offer for Sale

RE: LISTING AGREEMENT - COMMERCIAL AUTHORITY TO OFFER FOR SALE (Agreement) FOR:
PROPERTY ADDRESS: 14 James St. St. Catharines ON L2R 5B8

BETWEEN:
SELLER: msi Spergel Inc., solely in its capacity as Receiver




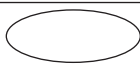

AND
BROKERAGE: Avison Young Commercial Real Estate Services, LP

MLS® NUMBER(S): X8279166 **L/BR ID. #**

INTERBOARD MLS® NUMBER: **BOARD:**

LISTING EXPIRY DATE: Feb. 15, 2025

The Seller and the Brokerage hereby agree that the above described Agreement is amended as stated below:

| | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. LISTING PRICE: Current Listing Price..... 2,600,000 New Listing Price..... 1,850,000 | |  (Seller's Initials) |
| 2. EXPIRY DATE: Current Expiry Date..... New Expiry Date..... Seller acknowledges that the length of time period for the Agreement is negotiable between the Seller and the Brokerage, however, in accordance with the Trust in Real Estate Services Act, 2002 (TRESA), the Brokerage must obtain the Seller's initials. | |  (Seller's Initials)  (Seller's Initials) |
| 3. OTHER AMENDMENTS: a) b) | |  (Seller's Initials)  (Seller's Initials) |

All other terms and provisions of the Agreement remain in full force and effect.

An extension of the expiry date must be signed and dated prior to expiration of the Agreement. The Brokerage agrees to immediately notify the Real Estate Board(s) of the amendment(s) in accordance with the MLS® Rules and Regulations, provided that this is an MLS® listing.


This Amendment to Listing Agreement - Commercial shall not take effect unless signed by all parties set out below, and initialed where applicable.

For the purposes of this Amendment to Listing Agreement - Commercial: "Seller" includes vendor and Real Estate Board(s) includes Real Estate Association(s).

The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

All of the undersigned, hereby acknowledge receipt of a copy of this Amendment to Listing Agreement - Commercial.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:


 (Seller)

 Oct 4, 2024
 (Date)

 Mukul Manchanda
 (Print Name of Person Signing)

(Seller)



(Date)

(Print Name of Person Signing)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the amendment to the Agreement for the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

(Spouse)



(Date)

(Print Name of Person Signing)

 (Name of Brokerage)

 (Authorized to bind the Brokerage)

(Date)

 (Print Name of Person Signing)

Appendix 6

WAIVER & AMENDING AGREEMENT

This waiver and amending agreement is made effective February 11, 2025 (the "**Agreement**").

BETWEEN:

MSI SPERGEL INC., solely in its capacity as Court-appointed receiver of **1434399 Ontario Inc.**, and not in its personal or corporate capacity and without personal or corporate liability.

(the "**Vendor**" or "**Receiver**")

- and –

Straight Line Investments Inc.

(the "**Purchaser**")

WHEREAS the Vendor and the Purchaser entered into an Agreement of Purchase and Sale for the real property known as 14 James Street, St. Catharines, Ontario [legally described as: Lot 450, 464 CP PL 2, Grantham, St. Catharines PIN 46219-0114 (LT)] (collectively the "**Property**") dated January 8th, 2025 (the "**Purchase Agreement**");

AND WHEREAS the parties have agreed to amend the Purchase Agreement on the terms hereinafter set forth.

NOW THEREFORE THE PARTIES HERETO, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of them, the parties agree to the following amendments and additions with respect to the Purchase Agreement:

1) The Purchase Price noted in Section 3 of the Purchase Agreement is hereby amended to:

[REDACTED]

2) As per Section 34 of the Purchase Agreement, the Purchaser hereby advises the Vendor that it has assigned the Purchase Agreement, and will close on the transaction under the following newly formed corporation, which has the original Purchaser as its majority shareholder :

14 James Street Inc. (the "Assignee")

The Purchaser shall provide the Vendor with copies of the Articles of Incorporation, and list of Directors, for the above mentioned new corporation/Assignee within two (2) business days following mutual acceptance of this Agreement.

3) The Purchaser hereby waives its conditions set out in Schedule "E" of the Purchase Agreement.

4) The Purchase Agreement, as amended by this Agreement, is hereby ratified, and confirmed and is binding upon the parties hereto in accordance with its terms and, except as expressly provided in this Agreement, remains unamended and in full force and effect and time shall continue to be of the essence. The Purchase Agreement and this Agreement shall be read together and shall have effect as if the provisions of the Purchase Agreement and the provisions of this Agreement were contained in one agreement.

5) This Agreement may be executed by DocuSign or otherwise, and delivered originally, by facsimile, or by portable document format ("PDF") and each such original, facsimile copy of PDF copy when so executed and delivered shall be deemed to be an original.

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

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the day and year first above written.

msi Spergel Inc., solely in its capacity as Court-appointed receiver of **1434399 Ontario Inc.**, and not in its personal or corporate capacity and without personal or corporate liability.

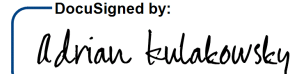
Per: 
box SIGN 17KKJJ56-1VQPKLZP

Name: Mukul Manchanda

Title: Managing Partner

I have authority to bind the Corporation

Straight Line Investments Inc.

Per: 
DocuSigned by:
C1C99FFE02464DC...

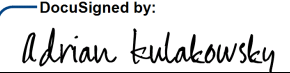
Name: Adrian Kulakowsky

Title: President

I have authority to bind the Corporation

- and -

14 James Street Inc. ("Assignee")

Per: 
DocuSigned by:
C1C99FFE02464DC...

Name: Adrian Kulakowsky

Title: Director

I have authority to bind the Corporation

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT dated as of the 8th day of January, 2025.

BETWEEN:

MSI SPERGEL INC., solely in its capacity as Court-appointed receiver of **1434399 Ontario Inc.**, and not in its personal or corporate capacity and without personal or corporate liability.

(the “**Vendor**” or “**Receiver**”)

OF THE FIRST PART

- and -

Straight Line Investments Inc.

(the “**Purchaser**”)

OF THE SECOND PART

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

1. **DEFINITIONS**

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

- (a) “**Act**” means, for purposes of Section 16 hereof only, the *Excise Tax Act* (Canada);
- (b) “**Agent**” shall have the meaning ascribed thereto in Section 14 (g) hereof;
- (c) “**Agreement**” means this agreement of purchase and sale executed by the Purchaser and accepted by the Vendor, together with the attached schedules;
- (d) “**Applicable Laws**” means, with respect to the Purchased Assets and any Person, transaction, or event, all laws, by-laws, rules, regulations, orders, judgments, decrees, decisions or other requirements having the force of law relating to or applicable to such Purchased Assets, Person, transaction or event;
- (e) “**Approval and Vesting Order**” shall have the meaning ascribed thereto in Section 13(a) hereof and shall be substantially in the form attached as Schedule “D”;
- (f) “**Approval Condition Date**” shall have the meaning ascribed to it in Section 11 hereof;

- (g) **"Building(s)"** means the buildings, improvements, installations and fixtures of every nature and kind situate in, on and/or over the Lands;
- (h) **"Business Day"** means any day on which banks are open for business in the City of Toronto, other than a Saturday or a Sunday or a statutory holiday in the Province of Ontario or a day on which the Registry Office is closed for business;;
- (i) **"Claims"** means security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, writs of seizure and sale, levies, charges, or other financial or monetary claims, including without limitation, any demand, action, cause of action, damage, loss, cost, liability or expense, including reasonable professional and legal fees on a substantial indemnity basis and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise;
- (j) **"Closing"** shall have the meaning ascribed to it in Section 6 hereof;
- (k) **"Court"** means the Ontario Superior Court of Justice (Commercial List);
- (l) **"Court Order"** means collectively the order of the Honourable Justice Goodman dated the 28th day of September, 2023, whereby the Vendor was appointed receiver of 1434399 Ontario Inc., and was given authority to sell, convey, transfer, lease or assign the Lands or any part or parts thereof, a copy of which order is attached as Schedule "A";
- (m) **"Damages"** shall have the meaning ascribed to it in Section 8 hereof;
- (n) **"Data"** shall have the meaning ascribed to it in Section 5 (a) hereof;
- (o) **"Date of Closing"** shall have the meaning ascribed to it in Section 6 hereof;
- (p) **"Deposit"** shall have the meaning ascribed to it in Section 3(a) hereof;
- (q) **"DRA"** shall have the meaning ascribed to it in Section 7(a)(i) hereof;
- (r) **"Encumbrance"** means in respect of the Assets any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), claim, title retention agreement or arrangement, restrictive covenant, rights of way, easements, encroachments, execution, reserves, or similar interests or instruments, or other encumbrance of any nature or any other arrangement or condition which, in substance, secures payment or performance of an obligation and any instrument charging or creating a security interest in, or against title to, such Assets, whether created by agreement, statute or otherwise at law, attaching to the Lands
- (s) **"Environmental Law"** means any and all applicable international, federal, provincial, state, municipal or local laws, by-laws, statutes, regulations, treaties, orders, judgements, decrees, ordinances, official directives and all authorizations

relating to the environment, occupational health and safety, health protection or any Hazardous Materials;

- (t) **"Government Authority"** means any Person, body, department, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial or municipal government or any quasi-governmental or private body exercising any regulatory authority having or claiming to have jurisdiction over part or all of the Purchased Assets, the transaction contemplated in this Agreement and/or one or both of the Parties hereto and shall include a board or association of insurance underwriters;
- (u) **"Hazardous Materials"** means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any "contaminants", "dangerous substances", "hazardous materials", "hazardous substances", "hazardous wastes", "industrial wastes", "liquid wastes", "pollutants" and "toxic substances", all as defined in, referred to or contemplated in any Environmental Laws, any federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health and/or safety matters and, not to limit the generality of the foregoing, includes asbestos, urea formaldehyde foam insulation and mono- or poly-chlorinated biphenyl wastes;
- (v) **"HST"** shall have the meaning ascribed thereto in Section 16(a) hereof;
- (w) **"ICA"** shall have the meaning ascribed thereto in Section 10(b) hereof;
- (x) **"Inaccuracies"** shall have the meaning ascribed thereto in Section 5 (b) hereof;
- (y) **"Lands"** means the lands and premises legally described on Schedule "B" hereto, of which the Vendor intends to sell to the Purchaser together with all easements, rights-of-way, privileges and appurtenances attaching thereto and enuring to the benefit thereof;
- (z) **"Material Damage"** shall have the meaning ascribed thereto in Section 8 hereof;
- (aa) **"Parties"** means the Vendor, the Purchaser and any other Person who may become a party to this Agreement, and **"Party"** means any one of the foregoing;
- (bb) **"Permitted Encumbrances"** means the encumbrances listed in Schedule "C" hereof;
- (cc) **"Person"** means an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;
- (dd) **"Purchase Price"** shall have the meaning ascribed thereto in Section 3 hereof;

- (ee) **"Purchased Assets"** means the Lands, the Buildings and the Rights and excludes any personal property located or situate on or about the Lands and/or the Buildings;
- (ff) **"Purchaser"** means **Straight Line Investments Inc.**
- (gg) **"Purchaser's Solicitor"** means **John Ikola, Flett Beccario** (Telephone No. (905) 732-4481, Fax No.(905) 732-2020 email address: jikola@flettbeccario.com
- (hh) **"Registry Office"** shall have the meaning ascribed to it in Section 7(a) hereof;
- (ii) **"Rights"** means the right, title and interest, if any, of 1434399 Ontario Inc. in all benefits, advantages, licences, guarantees, warranties, indemnities, income, rents and options relating to the Lands and the Buildings, to the extent that they are assignable;
- (jj) **"TERS"** shall have the meaning ascribed to it in Section 7(a) hereof;
- (kk) **"Vendor"** means msi Spergel Inc., solely in its capacity as Court-appointed receiver of 1434399 Ontario Inc., and not in its personal or corporate capacity and without personal or corporate liability;
- (ll) **"Vendor's Deliveries"** shall have the meaning ascribed thereto in Section 5 hereof;
- (mm) **"Vendor's Solicitors"** means the firm of Fogler Rubinoff LLP, 77 King Street West, Suite 3000, Toronto, Ontario, M5K 1G8, Attention: Rachel Moses, (416) 865-7627 email address rmoses@foglers.com & Joseph Fried 416-941-8836 email address: jfried@foglers.com; and
- (nn) **"Work Order"** means (i) a work order, deficiency notice, order to comply, inspector's order, notice of violation or non-compliance with any Applicable Law or similar directive or an outstanding permit in each case issued in written or electronic form by a Governmental Authority having jurisdiction with respect to the Lands; or (ii) any default or non-compliance under any subdivision, site plan, development or other similar regional or municipal agreement affecting the Purchased Assets.

2. **NATURE OF TRANSACTION**

The Purchaser shall purchase, and the Vendor shall sell the Purchased Assets, upon and subject to the terms of this Agreement. The Purchaser acknowledges that it is not purchasing any other property or assets of 1434399 Ontario Inc. other than the Purchased Assets.

3. **PURCHASE PRICE**

The aggregate purchase price (the “**Purchase Price**”) for the Purchased Assets shall be the sum of [REDACTED] 0). The Purchase Price shall be paid, accounted for and satisfied as follows:

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

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

4. **CLOSING AND POST-CLOSING ADJUSTMENTS**

- (a) **Closing Adjustments**: Adjustment shall be made, as of 12:01 a.m. on the Date of Closing, for realty taxes, local improvement rates, water and assessment rates, utilities, that form a lien on title and which are not vested out but by the Approval and Vesting Order, fuel costs, and any other items which are usually adjusted in purchase transactions involving commercial properties provided there shall be no credit by the Vendor for any rents, deposits or prepaid items not actually received by the Vendor. The Date of Closing shall be for the account of the Purchaser, both as to income and expense.

5. **TERMS OF PURCHASE**

- (a) **“As Is, Where Is”**: The Purchaser acknowledges that the Vendor is selling and the Purchaser is purchasing the Purchased Assets on an “as is, where is” basis subject to whatever defects, conditions, impediments, Hazardous Materials or deficiencies which may exist on the Date of Closing, including, without limiting the generality of the foregoing, any latent or patent defects in the Purchased Assets and such defects as may be revealed in the Vendor’s Deliveries. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets and that the Purchaser shall have conducted such inspections of the condition and title to the Purchased Assets and its lawful use, as it deems appropriate and shall have satisfied itself with regard to these matters. No representation, warranty or condition is

expressed or can be implied as to title, Encumbrance, description, fitness for purpose or use, the existence or non-existence of Hazardous Materials, compliance with any or all Environmental Laws, legality of rents, income, merchantability, physical condition, quality, quantity, value or lawful use or in respect of any other matter or thing whatsoever concerning the Purchased Assets, or the right of the Vendor to sell same save and except as expressly provided for in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* of Ontario or pursuant to any other applicable law do not apply hereto and have been waived by the Purchaser. All material, documentation, information, data and descriptions, including without limitation the Vendor's Deliveries (collectively the "**Data**"), of, and/or in regard to the Purchased Assets contained in this Agreement and/or supplied by the Vendor, its employees, agents, contractors and/or representatives, are for the purposes of reference and/or identification only and no representation, warranty or condition has or will be given by the Vendor concerning the completeness or accuracy thereof and the Purchaser acknowledges and agrees that it has not placed any reliance thereon but rather has assumed all risk in regard thereto. If the Closing occurs, the Purchaser shall assume any and all risks relating to the physical condition of the Purchased Assets which existed on or prior to the Closing Date. Neither the Purchaser nor any permitted occupant of the Lands shall have any recourse to the Vendor as a result of the nature or condition of the Purchased Assets. The Purchaser acknowledges that it has relied entirely upon its own inspections and investigations with respect to the Data, the purchase of the Purchased Assets including the quantity, quality and value thereof.

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

- (viii) the availability of public utilities and services for the Lands;
- (ix) the existence of any outstanding Work Orders which the Purchaser agrees to assume, or any other non-compliance of the Purchased Assets with Applicable Laws, including Environmental Laws;
- (x) the fitness or suitability of the Lands for occupancy or any intended use (including matters relating to health and safety);
- (xi) the sufficiency or adequacy of any wells and water supply for irrigation or any other purpose; and/or
- (xii) the existence of zoning or building entitlements affecting the Lands.

The Data and the description of the Purchased Assets in any marketing material, listing information, the Vendor's Deliveries and any like material delivered or made available by the Vendor, its agents or any other party on its behalf to the Purchaser or its representatives are believed to be correct, but if any misstatement, error, inaccuracy or omission (collectively the "**Inaccuracies**") is found in the particulars thereof, the Purchaser shall not be entitled to any abatement, damages, reimbursement, costs or to termination of this Agreement as a result thereof and the Purchaser hereby releases the Vendor from any Claims the Purchaser had, has or may have as a result of such Inaccuracies.

- (c) **Existing Leases**: The Purchaser agrees to assume all existing leases and occupancy agreements, if any, affecting the Lands on closing.

6. **DATE OF CLOSING**

Subject to the provisions of Sections 11 and 12 hereof, the transaction contemplated hereunder shall be completed (the moment of completion shall be referred to as "**Closing**") the later of: a) **March 31, 2025**, and b) the day which is the tenth (10th) Business Days after the date upon which the Vendor obtains the Approval and Vesting Order (the "**Date of Closing**" or the "**Closing Date**").

7. **ELECTRONIC REGISTRATION**

- (a) In the event that the electronic registration system ("**TERS**") is operative in the relevant land registry office (the "**Registry Office**"), the following provisions shall apply:
 - (i) The Purchaser shall be obliged to retain a solicitor who is both an authorized TERS user and is in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the transaction and shall authorize such solicitor to enter into a document registration agreement with the Vendor's Solicitors in the form prepared by The Law Society of Upper Canada, which document version was adopted by the joint LSO-CBAO Committee on Electronic Registration of Title Documents and which can be viewed at <http://rc.lsuc.on.ca/pdf/membershipServices/dramarch04.pdf> (the "**DRA**"), subject to revisions thereto as agreed to by the Parties solicitors both acting

reasonably establishing the procedures and timing for completing this transaction.

- (ii) The delivery and exchange of the Closing Documents:
 - (1) shall not occur contemporaneously with the registration of the Transfer and other registerable documentation; and
 - (2) shall be governed by the DRA, pursuant to which the Vendor's Solicitors, Purchaser's Solicitor and any solicitor for a lender to the Purchaser shall hold all Closing Documents in escrow and will not be entitled to release them except in strict accordance with the provisions of the DRA.
- (b) If the Purchaser's Solicitor does not have computer facilities enabling him to complete this transaction via TERS, the Purchaser's Solicitor shall personally attend at the office of the Vendor's Solicitors on the Closing Date in order to complete this transaction via TERS utilizing the computer facilities in the Vendor's Solicitors' office to log on to the Purchaser's Solicitor's Teraview Account.
- (c) The Purchaser expressly acknowledges and agrees that the Vendor will not release the Approval and Vesting Order to the Purchaser's solicitor for registration until the balance of funds due on Closing, in accordance with the Statement of Adjustments, and the Purchaser's closing deliveries pursuant to Section 14 hereof are remitted to the Vendor's Solicitors.
- (d) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the Parties hereto that an effective tender shall be deemed to have been made by the Vendor upon the Purchaser, or the Vendor's Solicitors have:
 - (i) delivered all Closing Documents required to be delivered by the Vendor to the Purchaser pursuant to Section 13 hereof;
 - (ii) advised the Purchaser's Solicitor in writing that the Vendor is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) completed all steps required by TERS to complete this transaction that can be performed or undertaken by the Vendor's Solicitors without the cooperation or participation of the Purchaser's Solicitor,without the necessity of personally attending upon the Purchaser or the Purchaser's Solicitor with the Closing Documents, and without any requirement to have an independent witness evidencing the foregoing.
- (e) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the Parties hereto that an effective tender shall be deemed to have been made by the Purchaser upon the Vendor, when the Purchaser's Solicitor has:

- (i) delivered the balance due at Closing and all the Closing Documents required to be delivered by the Purchaser to the Vendor pursuant to Section 14 hereof;
 - (ii) advised the Vendor's Solicitors in writing that the Purchaser is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) completed all steps required by TERS to complete this transaction that can be performed or undertaken by the Purchaser's Solicitor without the cooperation or participation of the Vendor's Solicitors, and specifically when the "completeness signatory" for the Deed has been electronically "signed" by the Purchaser's Solicitor,
- (f) If through no fault of the Purchaser's Solicitor or the Vendor's Solicitors TERS is unavailable on the Closing Date, such that the Purchaser's Solicitor is unable to register the Application for registration of the Approval and Vesting Order, then the transaction contemplated by this Agreement shall be completed in escrow in accordance with the terms of the DRA which shall apply until such time as TERS becomes available. Upon TERS becoming available, the Vendor's Solicitors shall advise the Purchaser's Solicitor forthwith and the Parties shall arrange to complete the registration of the Application for registration of the Approval and Vesting Order as expeditiously as possible, whereupon the escrow shall be released.

In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the DRA, the terms of this Agreement shall prevail to the extent of such conflict or inconsistency.

8. **PRE-CLOSING RISK AND POST-DAMAGE ENTITLEMENTS**

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

9. **VENDOR'S REPRESENTATIONS AND WARRANTIES**

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

- (a) **Non-Residency**: the Vendor is not now and does not intend to become, prior to Closing, a non-resident of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada); the Vendor is not now and does not intend to become, prior to Closing, an agent or a trustee of such non-resident;
- (b) **Authority to Sell**: MSI SPERGEL INC. has been duly appointed as Receiver of 1434399 Ontario Inc. by the Court Order and has the right, power and authority to market the Purchased Assets for sale and, subject to obtaining the Approval and Vesting Order prior to Closing, on Closing MSI SPERGEL INC., shall have the power and authority to sell, convey, transfer, lease or assign the Purchased Assets as a result of the Court Order, in accordance with and subject to the terms and conditions of this Agreement and the Approval and Vesting Order.

10. **PURCHASER'S REPRESENTATIONS AND WARRANTIES**

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

- (a) **Corporate Matters Regarding Purchaser**: the Purchaser is a corporation duly incorporated, organized and validly subsisting under the laws of Ontario and has all requisite corporate power, authority and capacity to execute and deliver and to perform each of its obligations pursuant to this Agreement; neither the execution of this Agreement nor the performance (such performance shall include, without limitation, the exercise of any of the Purchaser's rights and compliance with each of the Purchaser's obligations hereunder) by the Purchaser of the transaction contemplated hereunder will violate:
 - (i) the Purchaser's articles of incorporation and by-laws;
 - (ii) any agreement to which the Purchaser is bound or is a party;
 - (iii) any judgement or order of a court of competent authority or any Government Authority; or
 - (iv) any applicable law;

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

- (b) **Investment Canada Act (Canada)**: either (i) the Purchaser is not a "non-Canadian", as defined in the *Investment Canada Act* (Canada) ("**ICA**"); or (ii) if the Purchaser is a "non-Canadian", this transaction is not a reviewable transaction under the ICA, or, if applicable, the Purchaser is a non-Canadian for the purpose of the ICA and will within three (3) Business Days of the execution of this Agreement submit to Investment Canada a fully completed Application for Review with respect to the transaction contemplated in this Agreement and will use its best efforts to obtain Investment Canada Approval within ten (10) days thereafter.

- (c) the Purchaser is not a non-Canadian within the meaning of the *Prohibition on the Purchase of Residential Property by Non-Canadians Act* (Canada);
- (d) the Purchaser is registered or will be registered on Closing under Part IX of the ETA;
- (e) Each of the Purchaser's representations and warranties contained in this Agreement shall be true at and as of the date hereof and each of such representations and warranties shall continue to be true as at Closing.
- (f) The Purchaser shall have complied with each and every covenant/agreement made by it herein and required to be completed at or prior to Closing.

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

11. **CONDITIONS OF CLOSING IN FAVOUR OF THE VENDOR**

- (a) The Vendor's obligations contained in this Agreement shall be subject to the fulfilment at or prior to Closing, of each of the following conditions:
 - (i) **Representations and Warranties:** each of the Purchaser's representations and warranties contained in this Agreement shall be true in all material respects at and as of the date hereof and each of such representations and warranties shall continue to be true in all material respects as at Closing;
 - (ii) **Covenants/Agreements:** the Purchaser shall have complied with each and every covenant/agreement made by it herein and required to be completed at or prior to Closing;
 - (iii) **Approval and Vesting Order:** the Vendor shall have obtained the Approval and Vesting Order. The Vendor shall not have received notice of appeal in respect to of the Approval and Vesting Order and the Approval and Vesting Order shall not have been stayed, varied or vacated and shall be in full force and effect and no Order restraining or prohibiting Closing shall have been made by the Court; and
 - (iv) **Corporate Steps and Proceedings:** all necessary corporate steps and proceedings shall have been taken by the Purchaser to permit the Purchaser's execution of this Agreement and performance of each of the Purchaser's obligations hereunder.

For greater certainty, each of the conditions contained in this Section 11(a) have been inserted for the benefit of the Vendor and save for Section 11 (a) (iii) may be unilaterally waived by the Vendor.

- (b) The Vendor covenants to use reasonable commercial efforts to fulfil or cause to be fulfilled the condition contained in Section 11 (a) (iii) and the Purchaser

covenants to use its reasonable commercial efforts to fulfil or cause to be fulfilled the conditions contained in Section 12 hereof prior to Closing.

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

12. **CONDITIONS OF CLOSING IN FAVOUR OF THE PURCHASER**

- (a) The Purchaser's obligations contained in this Agreement shall be subject to the fulfilment, at or prior to Closing, of each of the following conditions:
- (i) **Representations and Warranties:** each of the Vendor's representations and warranties contained in this Agreement shall be true in all material respects at and as of the date hereof and each of such representations and warranties shall continue to be true in all material respects as at Closing;
 - (ii) **Covenants/Agreements:** the Vendor shall have complied with each and every covenant/agreement made by it herein and required to be completed at or prior to Closing.
 - (iii) **Approval and Vesting Order:** the Vendor shall have obtained the Approval and Vesting Order. The Vendor shall not have received notice of appeal in respect to of the Approval and Vesting Order and the Approval and Vesting Order shall not have been stayed, varied or vacated and shall be in full force and effect and no Order restraining or prohibiting Closing shall have been made by the Court; and
 - (iv) The Purchaser has waived and/or satisfied its Purchaser's due diligence conditions outlined in Schedule "E" ("Purchaser's Due Diligence Conditions").

For greater certainty, each of the conditions contained in this Section 12(a) have been inserted for the benefit of the Purchaser and save for Section 12 (a) (iii) may be unilaterally waived by the.

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

13. **VENDOR'S CLOSING DELIVERIES**

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

- (a) **Approval and Vesting Order**: A copy of the issued and entered Approval and Vesting Order vesting in the Purchaser all right, title and interest of 1434399 Ontario Inc., if any, in and to the Purchased Assets free and clear of all Claims, save and except for the Permitted Encumbrances, in accordance with the provisions of this Agreement, substantially in the form attached hereto as Schedule "D".
- (b) **Statement of Adjustments**: a statement of adjustments prepared in accordance with Section 4 hereof, to be delivered not less than two (2) Business Days prior to Closing. Except as aforesaid, no adjustments shall be allowed to the Purchaser for changes in the Purchased Assets from the time of acceptance of this Agreement up to and including the Closing Date. If the final cost or amount of any item which is to be adjusted cannot be determined at Closing, then the adjustment for such items shall be made at Closing on the basis of the cost or amount as estimated by the Vendor, acting reasonably, as of the Closing Date on the basis of the best evidence available at Closing as to what the final adjustment should be. The estimated adjustments as herein set for shall, for all purposes, be a final adjustment or final adjustments. The Closing Date will be for the Purchaser's account both as to revenue and expense;
- (c) **Direction Regarding Funds**: a direction from the Vendor designating the party or parties to which the balance of the Purchase Price described in Subsection 3(b) hereof shall be paid; in the event that the Vendor designates more than one party then it shall also designate amounts payable to each of the Parties;
- (d) **Undertaking to Re-Adjust**: the Vendor shall not be obliged to re-adjust any item on or omitted from the statement of adjustments;
- (e) **Readjustments**: The Purchaser hereby acknowledges that there may be outstanding arrears with respect to the real property taxes and utilities and agrees that the Vendor, at its option, shall be entitled to make adjustment on the Statement of Adjustments for such matters or, in the alternative, direct that a portion of the proceeds due on Closing be used to pay out such arrears. The Purchaser further covenants and agrees to deliver an irrevocable direction to the applicable Governmental Authority authorizing it to pay to the Vendor any realty tax rebate (together with interest thereon) obtained by the Vendor for the period prior to Closing. Provided that in the event the Authority does not deliver such rebate directly to the Vendor, the Purchaser hereby irrevocably undertakes to deliver realty tax rebate to the Vendor upon either receipt or readjustment of same, until delivery of the rebate as aforesaid to the Vendor, the rebate funds shall be held by the Purchaser in trust for the Vendor.
- (f) **Non-Residence Certificate**: the Vendor's certificate setting out that the Vendor is not a "non-resident" of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada); and
- (g) **General Deliveries**: such further documentation relating to the completion of the transaction contemplated hereunder as shall be:
 - (i) otherwise referred to herein; or

- (ii) required by law and/or any Government Authority;

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

14. **PURCHASER'S CLOSING DELIVERIES**

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

- (a) **Waiver of Conditions**: an acknowledgement dated as of the Date of Closing, that each of the conditions precedent in Section 12 herein have been fulfilled, performed or waived as of the Closing Date;
- (b) **Undertaking To Re-Adjust**: the Purchaser's undertaking to re-adjust any item on or omitted from the statement of adjustments;
- (c) **Purchaser's Certificates**: the Purchaser's certificate setting out that each of the Purchaser's representations and warranties contained in this Agreement are true as at Closing and, if applicable, the Purchaser's certificate described in Section 12 hereof;
- (d) **Directors' Resolution**: a certified copy of a resolution of the board of directors of the Purchaser authorizing the execution of this Agreement and performance of each of the Purchaser's obligations hereunder;
- (e) **HST Indemnity**: the indemnity provided for under Section 16 hereof;
- (f) **Certificate of Incumbency**: a certificate of incumbency setting out the names and specimen signatures of each of the directors and officers of the Purchaser;
- (g) **Purchaser's Agents Commissions**: evidence of payment by the Purchaser of any commission or other remuneration payable to the Purchaser's agent, if any, in connection with the purchase of the Purchased Assets, or a certificate from the Purchaser certifying that it has not retained any such agent and that no such commission or other remuneration is payable, or if agent has been retained it has entered into a co-operating agreement with the Vendor's Agent Avison Young Commercial Real Estate Services, LP (the "**Agent**");
- (h) **Environmental Indemnity**: an environmental indemnity indemnifying and holding the Vendor harmless from any and all damages, claims, actions, losses, costs, liabilities or expenses (collectively "**Damages**") suffered or incurred by the Vendor, directly or indirectly, as a result of or in connection with any of the following, whether arising as a result of the actions of Vendor and/or its predecessors, or of any party claiming through the Vendor, or otherwise, and without restricting the generality of the foregoing, which include Damages incurred in addressing an administrative order by a Government Authority or in addressing a notice, investigation or other process which could reasonably be anticipated to result in such an order;

- (i) the presence or release of any Hazardous Materials in, on or under the Lands or the threat of a release;
 - (ii) the presence of any Hazardous Materials in, on or under properties adjoining or proximate to the Lands;
 - (iii) any other environmental matters relating to the Lands;
 - (iv) the breach by the Purchaser or those for whom it is responsible at law of any Environmental Law applicable to the Lands; or,
 - (v) the release or threatened release of any Hazardous Materials owned, managed, generated, disposed of, controlled or transported by or on behalf of the Purchaser.
- (i) **Balance Due at Closing**: the balance of the Purchase Price described in Subsection 3(b) hereof;
 - (j) **Direction Regarding Title**: provided the Vendor has consented to an assignment of this Agreement in accordance with Section 34 hereof a direction from the Purchaser designating the transferee(s) in the Approval and Vesting Order (required only in the event that the Approval and Vesting Order is to be inscribed in favour of a person/entity other than the Purchaser;
 - (k) **Assignment and Assumption of this Agreement**: provided the Vendor has consented to an assignment of this Agreement in accordance with Section 34 hereof, an assignment and assumption of this Agreement whereby the assignee agrees to assume all of the Purchaser's obligations and liabilities hereunder as if it were the original purchaser party to this Agreement
 - (l) **Non -Canadian**: a certificate of a senior officer of the Purchaser that the Purchaser is not a non-Canadian within the meaning of the *Prohibition on the Purchase of Residential Property by Non Canadians Act* (Canada); and
 - (m) **Further Documentation**: any other documentation relative to the completion of this Agreement as may reasonably be required by the Vendor or the Vendor's Solicitors.

15. **PLANNING ACT (ONTARIO)**

This Agreement shall be effective to create an interest in the Lands for the Purchaser only if Part VI of the *Planning Act* (Ontario) is complied with prior to Closing.

16. **HARMONIZED GOODS AND SERVICES TAX**

- (a) **Application of HST to this Agreement**: If the transaction contemplated hereunder shall be subject to the goods and services tax ("HST") levied pursuant to the Act, then HST shall be in addition to and not included in the Purchase Price and shall be collected and remitted in accordance with the Act.
- (b) **Self-Assessment**: If part or all of the said transaction is subject to HST and:

- (i) the Vendor is a non-resident of Canada or the Vendor would be a non-resident of Canada but for Subsection 132(2) of the Act; and/or
- (ii) the Purchaser is a "prescribed recipient" under the Act and/or is registered under the Act,

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

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

17. **NOTICE**

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

in the case of the Purchaser to:

Straight Line Investments Inc.

Attention: **Adrian Kulakowsky**

Email: _____adrian@advisorsrealty.ca_____

with a copy to the Purchaser's Solicitor at;

Flett Beccario

Attention: **John Ikola**

Email: _____jikota@flettbeccario.com_____

and in the case of the Vendor to:

Msi Spergel Inc., in its Capacity as
Court-Appointed Receiver of
1434399 Ontario Inc.
1100-200 Yorkland Blvd.,
Toronto, ON M2J 5C1

Attention: Philip H. Gennis
Email: pgennis@spergel.ca
Fax: 416-498-4325

with a copy to the Vendor's Solicitors:

Fogler Rubinoff LLP
77 King Street West, Suite 3000
Toronto, Ontario, M5K 1G8
Attention: Rachel Moses
Email: rmoses@foglers.com & jfried@foglers.com

Such notice shall be deemed to have been delivered upon delivery or communicated upon transmission unless such notice is delivered or transmitted 5 P.M. EST, in which event the notice shall be deemed to have been delivered or transmitted on the next Business Day. A party may change its address, email address and/or fax number by providing notice in accordance with this Section 17.

18. **WAIVER OF CONDITIONS**

Except as otherwise provided in this Agreement, all conditions contained herein have been inserted for the benefit of either the Vendor or the Purchaser, as indicated, and are conditions of the obligations of such party to complete the transaction contemplated hereunder at Closing and are not conditions precedent of this Agreement, save for the conditions in Sections 11 (a) (iii) and 12 (a) (iii) (collectively the "CP"). Any one or more of the said conditions, other than the CP, may be waived, in writing, in whole or in part, by the benefiting party without prejudice to the benefiting party's right of termination in the event of the non-fulfilment of any other condition, and, if so waived, this Agreement shall be read exclusive of the said condition or conditions so waived. For greater certainty, the closing of the transaction contemplated hereunder by a party hereof shall be deemed to be a waiver by such party of compliance with any condition inserted for its benefit and not satisfied at Closing.

19. **SEVERABILITY**

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

20. **DIVISION/HEADINGS**

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

21. **ENTIRE AGREEMENT**

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

22. **CUMULATIVE REMEDIES**

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

23. **INTERPRETATION**

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

24. **REFERENCES TO STATUTES**

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

25. **TIME OF ESSENCE**

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

26. **CANADIAN FUNDS**

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

27. TENDER

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

28. FURTHER ASSURANCES

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

29. CONFIDENTIALITY

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

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

The Purchaser agrees that it will only disclose to Persons as aforesaid on a "need to know" basis in connection with this transaction and then only on the basis that such Persons also keep such terms confidential as aforesaid.

In the event that the transaction contemplated in this Agreement is, for any reason whatsoever, not completed, then the Purchaser shall, upon request from the Vendor, promptly return to the Vendor all materials delivered hereunder and deliver to the Vendor all copies of materials made available hereunder.

30. NON-BUSINESS DAYS

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

31. DOCUMENTATION PREPARATION AND REGISTRATION

The Purchaser shall prepare or cause to be prepared the land transfer tax affidavit to be attached to the Approval and Vesting Order described in Subsection 13(a) hereof and the documentation described in Subsections 14 , (d), (f) (g) and (j) hereof. The Vendor shall prepare or cause to be prepared all other documentation described in Sections 13 and 14 hereof. Each of the Parties shall deliver draft documentation to the other not less than five (5) Business Days prior to Closing. Except as otherwise expressly provided in this Agreement, all such documentation shall be in form and have substance satisfactory to

the Vendor and the Purchaser, acting reasonably. The Purchaser shall be responsible for and pay all registration costs incurred in connection with the transaction contemplated in this Agreement. Except as otherwise expressly provided in this Agreement, each of the Vendor and the Purchaser shall be responsible for and pay all legal and other professional/consultant fees and disbursements incurred by it, directly or indirectly, in connection with this Agreement.

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

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

33. **GOVERNING LAWS**

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

34. **ASSIGNMENT**

The Purchaser shall not assign, or direct title to a third party of, part or all of its interest under this Agreement without the prior written consent of the Vendor, which consent may be arbitrarily and subjectively withheld. The Vendor shall have the unilateral right in its sole and unfettered discretion to assign this Agreement to any other party at any time prior to Closing provided that such party is the registered owner of the Purchased Assets as of Closing, who, from the time of such assignment, shall be entitled to all of the benefits and shall assume and be subject to all of the obligations and liabilities of the Vendor hereunder and, upon such assignment and written notice thereof given by the Vendor to the Purchaser, the Vendor shall be fully and forever released from all obligations and liability under this Agreement. In this regard, the Purchaser hereby acknowledges and agrees that it shall accept title from the registered owner of the Purchased Assets and will accept such owner's title covenants in lieu of those of the Vendor, in the event that the Vendor is not the registered owner of the Purchased Assets on the Closing Date.

35. **COMMISSION**

The Vendor agrees that it shall be responsible for paying any commission or other remuneration payable to the Agent retained by the Vendor in connection with the sale of the Purchased Assets and the Vendor agrees to indemnify and save harmless the Purchaser from and against any claim for such commission or other remuneration. The Purchaser agrees to indemnify the Vendor against any claim for compensation or commission by any third party or agent retained by the Purchaser in connection with, or in contemplation of, the Transaction save if the Purchaser's agent has entered into a co-operating agreement with the Agent.

36. **NON-REGISTRATION OF AGREEMENT**

The Purchaser acknowledges that this Agreement is personal to the Purchaser and that this Agreement or any monies paid hereunder do not create an interest in the Lands. The

Purchaser agrees that it will not register or cause or permit to be registered this Agreement and that no reference to or notice of it or any caution, certificate of pending litigation or other similar court process in respect thereof shall be registered on title to the Lands, and the Purchaser shall be deemed to be in default under this Agreement if it makes any registration or causes or permits any registration to be made on title to the Lands prior to the Date of Closing.

37. **TITLE**

The Purchaser acknowledges and agrees that notwithstanding any law whether statutory or otherwise to the contrary, the Purchaser has satisfied itself as to title and agrees that it has no right to submit requisitions: (i) in respect of the title and accepts same subject to the Permitted Encumbrances and the Encumbrances to be extinguished pursuant to the Approval and Vesting Order; nor (ii) in respect of any zoning matter, land use, Work Orders and the Purchaser shall accept title to the Property subject to the foregoing and shall satisfy itself as to compliance therewith.

38. **VENDOR'S CAPACITY**

It is acknowledged by the Purchaser that msi Spergel Inc. is entering into this Agreement solely in its capacity as Court-appointed receiver of 1434399 Ontario Inc. msi Spergel Inc. shall have no personal or corporate liability under or as a result of this Agreement. Any claim against msi Spergel Inc. shall be limited to and only enforceable against the property and assets then held by or available to it in its capacity as receiver of 1434399 Ontario Inc. and shall not apply to its personal property and other assets held by it in any other capacity. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Purchased Assets.

39. **SUCCESSORS AND ASSIGNS**

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

40. **NON-MERGER**

The Parties agree that all provisions of this Agreement, and all provisions of any and all documents and security delivered in connection herewith, shall not merge and shall, except where otherwise expressly stipulated herein, survive the closing of the transaction contemplated by this Agreement.

41. **COUNTERPARTS & ELECTRONIC TRANSMISSION**

This Agreement may be executed electronically and in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or electronic mail of an executed counterpart of this Agreement, and amendment, waiver and any other document

contemplated herein shall be deemed to constitute due and sufficient delivery of such document.

42. **TIME FOR ACCEPTANCE**

The offer to purchase comprising this Agreement shall be irrevocable by the Vendor and open for acceptance by the Purchaser until 5:00 o'clock p.m. on the 14th day of January, 2025, after which time, if not accepted and notice of such acceptance communicated to the Purchaser, then the said offer to purchase shall be null and void and of no further force and effect.

DATED this 13th day of January, 2025.

DocuSigned by:
Adrian Kulakowsky
C1C99FFE02404DC...

By: Straight Line Investments Inc.

Name: Adrian Kulakowsky
Title: President

I have authority to bind the Corporation.

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

DATED this 7th day of January, 2025.

MSI SPERGEL INC., in its capacity as Court-Appointed Receiver of **1434399 Ontario Inc.** and not in its personal or corporate capacity and without personal or corporate liability

By: *Mukul Manchanda*
boxSIGN 17KKJJ56-13XW75XK

Name: Mukul Manchanda
Title: Managing Partner

I have authority to bind the Corporation.

**Schedule "A" – COURT ORDER
OF THE HONOURABLE JUSTICE GOODMAN
Dated September 28, 2023**

Schedule "B" – LEGAL DESCRIPTION OF PROPERTY

Lot 450, 464 CP PL 2, Grantham, St. Catharines

PIN 46219-0114 (LT)

Schedule “C” – PERMITTED ENCUMBRANCES

GENERAL

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 Governmental Authority or a supplier of utility services including without limitation, electricity, water, sewage, gas, telephone or cable television or any other telecommunication service;
3. any Applicable Laws and non-compliance therewith;
4. any minor easements for the supply of utility service to the land or adjacent lands;
5. any encroachments, defects or irregularities disclosed by any existing surveys of the Lands 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 Lands and survey matters generally;
6. any exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
7. any reservation limitations, provisos and conditions contained in the original grant from the Crown;
8. any Land Registrar's registered orders;
9. any deposited reference plans;
10. any Work Orders;
11. any subdivision agreements, site plan agreements, development agreements, and any other agreements with the City of St. Catherines, publicly regulated utilities or any other Governmental Authority having jurisdiction in respect of the Lands;
12. zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations; and
13. minor title defects.

PIN NO. 46219-0114 (LT)

Registration No. Date

Instrument Type

RO493091 1985/03/04

Notice of Zoning Regulations

Schedule “D” FORM OF VESTING ORDER

Schedule “E” – Additional Purchaser Conditions

This Offer is conditional upon the Purchaser being satisfied in its sole and absolute discretion, that the Property is suitable for the Purchaser's intended use following the Purchaser carrying out due diligence investigations on the overall viability of the Property and including but not limited to the inspection of building & systems, and finalizing any required financing,. The Purchaser agrees to incur any and all expenses with respect to conducting this due diligence. Unless the Purchaser gives notice in writing delivered to the Vendor personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 6:00 pm on February 12th 2025, that this condition is fulfilled, this Offer shall be null and void and all Parties to this Agreement acknowledge and consent that the deposit shall be immediately returned to the Purchaser in full without deduction.

The Vendors agrees to co-operate in providing access to the Property for the purpose of up to Six (6) Purchaser inspections/walk-throughs, with prior notice and upon mutually agreeable dates/times and for a duration of no more than one hour for each visit.

The Purchaser shall have the right to assign this Agreement to any one or more persons and or Corporations prior to closing (and prior to the Court issuing its Approval and Vesting Order), with the Vendor's written consent, and further subject to the provisions of clause 34 of the Agreement. The Vendor shall not delay or unreasonably withhold consent provided notice shall be delivered to the Vendor of the acceptance of such assignment, with agreement by the Assignee(s) to be bound by all of the terms and conditions in the within Agreement, and provided the Purchaser herein named shall remain liable to close this transaction and in no event shall the Purchaser be released from any of its obligations hereunder.

Appendix 7

LAND
REGISTRY
OFFICE #30

46219-0114 (LT)

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

PROPERTY DESCRIPTION: LT 450, 464 CP PL 2 GRANTHAM; ST. CATHARINES

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

RE-ENTRY FROM 46219-0275

PIN CREATION DATE:

2003/08/25

OWNERS' NAMES

1434399 ONTARIO INC.

CAPACITY SHARE

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|---------------------------------------------------------------------------------------------------------------|------------|--------------------|-----------|---------------------------------------------------------------|---------------------------------|---------------|
| ** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2003/08/22 ** | | | | | | |
| **SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO: | | | | | | |
| ** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * | | | | | | |
| ** AND ESCHEATS OR FORFEITURE TO THE CROWN. | | | | | | |
| ** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF | | | | | | |
| ** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY | | | | | | |
| ** CONVENTION. | | | | | | |
| ** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES. | | | | | | |
| **DATE OF CONVERSION TO LAND TITLES: 2003/08/25 ** | | | | | | |
| RO440642 | 1981/12/30 | TRANSFER | | *** DELETED AGAINST THIS PROPERTY *** | COY BROS. (ST. CATHARINES) INC. | C |
| RO493091 | 1985/03/04 | NOTICE | | | | |
| REMARKS: ZONING REGULATIONS | | | | | | |
| RO654967 | 1992/09/24 | CHARGE | | *** COMPLETELY DELETED *** | NIAGARA CREDIT UNION LTD. | |
| RO654968 | 1992/09/24 | ASSIGNMENT GENERAL | | *** COMPLETELY DELETED *** | | |
| REMARKS: RO654967 | | | | | | |
| NR6460 | 2003/10/03 | APL CH NAME OWNER | | *** COMPLETELY DELETED *** COY BROS. (ST. CATHARINES) INC. | COY BROS. ST. CATHARINES INC. | |
| NR6461 | 2003/10/03 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** NIAGARA CREDIT UNION LTD. | | |
| REMARKS: RE: RO654967 | | | | | | |
| NR6462 | 2003/10/03 | TRANSFER | \$250,000 | COY BROS. ST. CATHARINES INC. | 1434399 ONTARIO INC. | |

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

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|---------------------|--------|------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------|
| NR6463 | 2003/10/03 | CHARGE | | *** COMPLETELY DELETED *** 1434399 ONTARIO INC. | COY BROS. ST. CATHARINES INC. | |
| NR215904 | 2009/08/06 | CHARGE | | *** COMPLETELY DELETED *** 1434399 ONTARIO INC. | ROYAL BANK OF CANADA | |
| NR215905 | 2009/08/06 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** 1434399 ONTARIO INC. | ROYAL BANK OF CANADA | |
| | | REMARKS: NR215904 | | | | |
| NR215929 | 2009/08/06 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** COY BROS. ST. CATHARINES INC. | | |
| | | REMARKS: RE: NR6463 | | | | |
| NR404745 | 2016/02/05 | LIEN | | *** COMPLETELY DELETED *** HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE | | |
| | | REMARKS: TAX LIEN | | | | |
| NR428287 | 2016/10/21 | LIEN | | *** COMPLETELY DELETED *** HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE | | |
| NR436847 | 2017/01/20 | CHARGE | | *** COMPLETELY DELETED *** 1434399 ONTARIO INC. | HOME TRUST COMPANY | |
| NR438837 | 2017/02/10 | NOTICE | | *** COMPLETELY DELETED *** HOME TRUST COMPANY | 1434399 ONTARIO INC. | |
| | | REMARKS: NR436847 | | | | |
| NR441950 | 2017/03/21 | DISCHARGE INTEREST | | *** COMPLETELY DELETED *** HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE | | |
| | | REMARKS: NR404745. | | | | |
| NR441951 | 2017/03/21 | DISCHARGE INTEREST | | *** COMPLETELY DELETED *** HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE | | |
| | | REMARKS: NR428287. | | | | |
| NR506702 | 2019/03/25 | CHARGE | | *** COMPLETELY DELETED *** 1434399 ONTARIO INC. | THE TORONTO-DOMINION BANK | |
| NR506703 | 2019/03/25 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** 1434399 ONTARIO INC. | THE TORONTO-DOMINION BANK | |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|-----------------|-------------|---------------------------------------------------------|----------------------|---------------|
| NR507560 | 2019/04/04 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** HOME TRUST COMPANY | | |
| NR507711 | 2019/04/05 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** ROYAL BANK OF CANADA | | |
| NR534531 | 2020/02/12 | CHARGE | \$1,200,000 | 1434399 ONTARIO INC. | ROYAL BANK OF CANADA | C |
| NR541094 | 2020/04/30 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK | | |
| NR653454 | 2023/10/16 | APL COURT ORDER | | ONTARIO SUPERIOR COURT OF JUSTICE | MSI SPERGEL INC. | C |

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

Appendix 8

Enquiry Result

File Currency: 15OCT 2023



Show All Pages

Note: All pages have been returned.

| | | | | | | | | | |
|-----------------------------------------------------|------------------------------------|------------------|-------------|------------------------|-------------------------|----------------------------|---------------------|---------------------|------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | 1434399 ONTARIO INC. | | | | | | | | |
| File Currency | 15OCT 2023 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 759388113 | 1 | 2 | 1 | 3 | 12OCT 2023 | D DISCHARGED | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 759388113 | | 001 | 1 | | 20200117 1046 1532 8112 | P PPSA | 04 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | 1434399 ONTARIO INC. | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 14 JAMES ST | | | | ST CATHARINES | ON | L2R 5B8 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | TOYOTA CREDIT CANADA INC. | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 80 MICRO COURT | | | | MARKHAM | ON | L3R 9Z5 | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | X | | X | | X | X | | 16JAN2024 | |
| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
| | 2020 | TOYOTA | | | TUNDRA 4X4 | | 5TFAY5F1XLX902399 | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | D + H LIMITED PARTNERSHIP | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 2 ROBERT SPECK PARKWAY, 15TH FLOOR | | | | MISSISSAUGA | ON | L4Z 1H8 | | |

CONTINUED

| | | | | | | | | | | |
|-------------------------------------------------------|---------------------------------------------------|------------------|--------------------------|---------------------------------|-------------------------|------------------------|----------------------------|---------------------|------------------------|--|
| Type of Search | Business Debtor | | | | | | | | | |
| Search Conducted On | 1434399 ONTARIO INC. | | | | | | | | | |
| File Currency | 15OCT 2023 | | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | | | | | |
| | 759388113 | 1 | 2 | 2 | 3 | | | | | |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT | | | | | | | | | | |
| | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule Attached | Registration Number | | | Registered Under | | |
| | | 001 | 1 | | 20231012 0838 1532 5414 | | | | | |
| Record Referenced | File Number | Page Amended | No Specific Page Amended | Change Required | | | Renewal Years | Correct Period | | |
| | 759388113 | | | C DISCHRG | | | | | | |
| Reference Debtor/ Transferor | First Given Name | | | Initial | Surname | | | | | |
| | | | | | | | | | | |
| | Business Debtor Name | | | | | | | | | |
| | 1434399 ONTARIO INC. | | | | | | | | | |
| Other Change | Other Change | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Reason / Description | Reason / Description | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Debtor/ Transferee | Date of Birth | First Given Name | | | Initial | Surname | | | | |
| | | | | | | | | | | |
| | Business Debtor Name | | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | | |
| | Address | | | | City | | Province | Postal Code | | |
| | | | | | | | | | | |
| Assignor Name | Assignor Name | | | | | | | | | |
| | | | | | | | | | | |
| Secured Party | Secured party, lien claimant, assignee | | | | | | | | | |
| | | | | | | | | | | |
| | Address | | | | City | | Province | Postal Code | | |
| | | | | | | | | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date | |
| | | | | | | | | | | |
| Motor Vehicle Description | Year | Make | | | Model | | | V.I.N. | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Registering Agent | Registering Agent or Secured Party/ Lien Claimant | | | | | | | | | |
| | D + H LIMITED PARTNERSHIP | | | | | | | | | |
| | Address | | | | City | | Province | Postal Code | | |
| | 2 ROBERT SPECK PARKWAY, 15TH FLOOR | | | | MISSISSAUGA | | ON | L4Z 1H8 | | |

END OF FAMILY

| | |
|----------------|-----------------|
| Type of Search | Business Debtor |
|----------------|-----------------|

| | | | | | | | | | |
|----------------------------------------------|------------------------------------------|------------------|-------------|------------------------|-------------------------|----------------------------|---------------------|---------------------|------------------------|
| Search Conducted On | 1434399 ONTARIO INC. | | | | | | | | |
| File Currency | 15OCT 2023 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 759578661 | 2 | 2 | 3 | 3 | 24JAN 2025 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 759578661 | | 01 | 001 | | 20200124 1937 1531 9920 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | 1434399 ONTARIO INC. | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 14 JAMES STREET | | | | L2R5B8 | ON | L2R 5B8 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | ROYAL BANK OF CANADA | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 36 YORK MILLS ROAD, 4TH FLOOR | | | | TORONTO | ON | M2P 0A4 | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | X | X | X | X | X | | | |
| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
| | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | CANADIAN SECURITIES REGISTRATION SYSTEMS | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 4126 NORLAND AVENUE | | | | BURNABY | BC | V5G 3S8 | | |

This service is tested daily with McAfee SECURE™ to ensure the security of the transaction and information.

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[ServiceOntario Contact Centre](#)

Appendix 9



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40 King Street West, Suite 2400
P.O. Box #215
Toronto, ON M5H 3Y2
t: 416.864.9700 | f: 416.941.8852
foglers.com

March 10, 2025

Our File No. 236308

VIA EMAIL (PGENNIS@SPERGEL.CA)

msi Spergel inc.
200 Yorkland Blvd., Suite 1100
Toronto, ON M2J 5C1

Attention: Philip Gennis

Dear Sir:

Re: Review of Security Granted by 1434399 Ontario Inc. ("Debtor") to Royal Bank of Canada ("Secured Party")

In accordance with your instructions, we have now completed our review of the Security (as hereinafter defined) delivered to the Secured Party by the Debtor pursuant to and under the terms of:

- i. a Credit Agreement between the Debtor, as borrower, and the Secured Party, as lender, dated January 24, 2020, comprising of a Fixed Rate Term Loan in the principal amount of \$1,200,000 (the "**Term Loan**"), Revolving Demand Facility in the principal amount of \$10,000 (the "**Overdraft**"), and Credit Card Facility to a maximum principal amount of \$20,000 (the "**Visa**") ("**Agreement #1**");
- ii. a letter agreement between the Debtor, as borrower, and the Secured Party, as lender, dated December 14, 2021, comprising of a Non-Revolving Term Facility in the principal amount of \$100,000 (the "**HASCAP Loan**") ("**Agreement #2**"); and
- iii. a Canada Emergency Business Account Credit Agreement or loan in the principal amount of \$60,000 ("**CEBA**"),

which together with Agreement #1 and Agreement #2 comprise the "**Credit Agreement**".

By this letter, we wish to provide to you our opinion as to the validity and enforceability of the security interests granted by the Debtor to and in favour of the Secured Party pursuant to the Security (collectively, the "**Security Interests**" and individually, the "**Security Interest**") to secure the indebtedness owing by the Debtor to the Secured Party.

This opinion is provided to you in your capacity as Court-Appointed Receiver and our opinions, findings and conclusions are based upon and subject to the assumptions and specific qualifications as hereinafter expressed, including, but not limited to, those expressed in Section D of this letter.

A. SECURITY

In connection with this opinion, we have reviewed the security documents including the GSA and Mortgage over the Real Property as identified and defined in Schedule “A” hereto (collectively, the “Security”)

B. SEARCHES

We have performed the usual searches, particulars of which are detailed below:

1. Corporate and Other Searches

Attached as Schedule “B” is a summary of the corporate and other searches conducted by our firm against the Debtor as at the dates set out therein. The said schedule indicates, among other things: (i) the proper legal name; (ii) the corporate status; (iii) the directors and officers; and (iv) the registered office address.

2. Searches Pursuant to the Personal Property Security Act (Ontario) (the “PPSA”)

We obtained a certified print-out pursuant to the provisions of the PPSA against the Debtor effective as at March 6, 2025. Attached as Schedule “C” is a summary of the print-out. The summary describes, among other things, the file currency date of the search, particulars of each registration and, in the columns marked “**Collateral Description**” and “**Miscellaneous**”, we have noted any other information apparent from the financing statements and financing change statements registered.

Our PPSA search against the Debtor indicates, among other things, that:

- (a) one registration under the PPSA was made by the Secured Party against the Debtor in respect of the Security on January 24, 2020, which was subsequently renewed for a five-year period to January 24, 2030 (the “**RBC Registration**”). The RBC Registration is in respect of the collateral classification noted as “Inventory”, “Equipment”, “Accounts”, “Motor Vehicles”, and “Other” in connection with File Number 759578661. The Secured Party left blank the general collateral description section. There are no other PPSA registrations against the Debtor.

3. Title Search

We have obtained a copy of the Parcel Register for the Real Property as at March 7, 2025 (the “**Parcel Register**”). The Parcel Register indicates that the Debtor is the registered owner of the Real Property and that the Mortgage was registered on February 12, 2020

against title to the Real Property in favour of the Secured Party in the principal amount of \$1,200,000. A subsequent registration on October 16, 2023 against title to the Real Property was made in favour of msi Spergel inc., in its capacity as Court-Appointed Receiver of the assets, properties and undertakings of the Debtor. Attached as **Schedule “D”** is a copy of the Parcel Register.

C. OPINIONS

Based solely on the foregoing, and subject to the limitations and qualifications as set out in this letter, we are of the opinion that the Security Interests created by the Security constitute legal, valid and binding obligations of the Debtor in favour of the Secured Party, enforceable by the Secured Party in accordance with its terms.

D. LIMITATIONS AND QUALIFICATIONS OF OPINION

The foregoing opinion is subject to the following limitations, qualifications, reservations and assumptions:

1. The foregoing opinion is confined to statements of fact or matters set forth herein as existing as of the date of this opinion letter.
2. In examining and reviewing the Security, we have assumed the genuineness of the signatures and the conformity to the original of the document submitted to us as a photocopy or electronic copy and that all documents were fully completed prior to signature. To the extent that any of the Security does not require signatures, we assume that the electronic registration of such documents against title to the Real Property was affected in accordance with the instructions and to the knowledge of each of the parties affected by each such registration.
3. We have relied upon certificates of public officers as to matters of fact not stated herein to have been assumed or independently verified or established by us.
4. We have assumed the completeness, accuracy and currency of the indexes and filing systems maintained at the public offices where we have searched or enquired or have caused such searches or enquiries to be conducted and that the results of our searches and enquiries continue to be complete, accurate and current as of the date hereof.
5. We have not been provided with the Minute Book, Records, or By-laws of the Debtor nor any documentation with respect thereto. Accordingly, we have assumed that the Debtor was duly incorporated and organized and valid and subsisting under the laws of the Province of Ontario at the time that the Security was executed and that the Debtor had all necessary corporate power and authority to execute and deliver the Security.
6. We have assumed that the Security was executed and delivered in accordance with corporate authorizations current at the time of execution of same and the execution and

delivery of the Security on behalf of the Debtor was authorized by all necessary resolutions and other corporate actions.

7. We have assumed that the Security was executed on the dates indicated therein.
8. We have assumed that monies or other valuable consideration was advanced or given by the Secured Party to the Debtor and that monies are, in fact, still owing by the Debtor to the Secured Party with respect to such advances.
9. We have assumed that the Security Interests were intended by the Debtor and the Secured Party to attach and have attached in accordance with the provisions of the PPSA.
10. We have assumed that the Security was unconditionally delivered by the Debtor to the Secured Party.
11. We have assumed that the Security has not been assigned, released, discharged or otherwise impaired, either in whole or in part.
12. We have assumed that any financing statements and financing change statements registered respecting the Security were completed in compliance with the PPSA and the Regulations with respect thereto and copies thereof were delivered to the Debtor in accordance with the provisions of the PPSA.
13. We express no opinion as to the right, title or interest of the Debtor in any real or personal property including the Real Property.
14. We have assumed that the Debtor does not have a legal defence for, without limitation, absence of legal capacity, fraud by or to the knowledge of the Secured Party, misrepresentation, undue influence or duress.
15. To the extent that the *Bankruptcy and Insolvency Act* (Canada) (“BIA”) applies to the Security, and notwithstanding any other federal and/or provincial law, the rights of unpaid suppliers and their interest in certain goods supplied by them to a person prior to bankruptcy may rank ahead of the Security Interest in the goods supplied.
16. The binding effect and the enforceability of the Security Interest or any judgment arising out of or in connection therewith (and the priority of any rights arising thereunder) may be limited by any applicable bankruptcy, re-organization, winding up, insolvency, moratorium or other laws of general application affecting the enforcement of creditors’ rights generally (including, without limitation, the *Assignments and Preferences Act* (Ontario), the *Fraudulent Conveyances Act* (Ontario) and the BIA), and is subject to general principles of equity, including the equitable or statutory powers of the Courts of Ontario and Canada to stay proceedings before them, to stay the execution of judgments and to grant relief against forfeiture.

17. No opinion is expressed with respect to the priority of the Security Interests as against any other security interests granted by the Debtor to other secured parties (including, without limitation, purchase money security interests), liens (including, without limitation, tax liens, and construction liens and any holdbacks required to be maintained pursuant to the *Construction Lien Act* (Ontario)) or trust claims of any other creditors of the Debtor and, in particular, to the existence or priority of any interest not registered or not required to be registered under any applicable legislation, whether or not referred to herein (e.g. Crown claims).
18. We express no opinion as to zoning, nor as to any title defects, irregularities, easements, encroachments, rights of way and the like as would be revealed by an up-to-date plan of survey of the Real Property.
19. Title of the Debtor to the Real Property is subject to, among other things:
 - (a) all reservations, limitations, provisos and conditions expressed in any original grant from the Crown;
 - (b) any rights of expropriation, access or use, or any other similar right, conferred to or reserved by any statute of Canada or Ontario;
 - (c) the right of any person to possession of any part of the Real Property;
 - (d) any statutory liens or levies;
 - (e) any governmental, provincial or municipal by-laws, laws, regulations or ordinances;
 - (f) any undetermined or inchoate liens and charges incidental to current construction or current operations which have not been filed or registered in accordance with applicable law or of which written notice has not at the time been duly given in accordance with applicable law or which relate to obligations not yet due or delinquent;
 - (g) any unregistered easements, rights of way or other unregistered interests or claims not disclosed by registered title; and
 - (h) any unregistered leases of the Real Property which do not require registration.
20. The enforceability of the Mortgage may be subject to the terms of any instruments or encumbrances registered on title to the Real Property in priority to the Mortgage.
21. No opinion is expressed as to whether a security interest was created in the following property:
 - (a) property consisting of a receivable, license, approval, privilege, franchise, permit, lease or agreement to the extent that the terms of such property or any applicable law prohibit its assignment or require, as a condition of its assignability, a consent, approval or other authorization or registration which has not been made or given;
 - (b) permits, quotas or licenses which are held by or issued to the Debtor; and

- (c) federal crown debts.
22. No opinion is expressed regarding any provision in the Security which purports to relieve a person from a liability or duty otherwise owed or to require compliance regardless of law.
 23. No opinion is expressed as to the effect of those provisions of the Security which purport to allow the severance of invalid, illegal or unenforceable provisions or restricting their effect.
 24. Enforcement of the rights to indemnity, contribution and waiver of contribution may be limited or voided by applicable law and may not be ordered by a court on grounds of public policy.
 25. The enforceability of the Security is subject to the *Limitations Act, 2002* (Ontario), and we express no opinion as to whether a court may find that any provision of the Security will be unenforceable as an attempt to vary or exclude a limitation period under that statute.
 26. We express no opinion as to the enforceability of any provision of the Security:
 - (a) which purports to waive all defences which might be available to, or constitute a discharge of the liability of the Debtor;
 - (b) to the extent it purports to exculpate, or provide indemnity to, the Secured Party, its agents or any receiver or receiver – manager appointed by it from liability in respect of acts or omissions which may be illegal, fraudulent or involve wilful misconduct; or
 - (c) which states that amendments or waivers of or with respect to the Security that are not in writing will not be effective.
 27. To the extent that the Security purports to extend the benefit thereof to persons who are not parties to the Security, those persons may be unable to enforce that benefit.
 28. We have made no searches under various applicable statutes, including the *Copyright Act* (Canada), the *Patent Act* (Canada) and the *Trade-marks Act* (Canada), to confirm whether the Secured Party has made registrations that may be necessary to perfect its security interest, if any, in intellectual property of the Debtor.
 29. We are qualified to practice law in the Province of Ontario only and, accordingly, express no opinion herein as to the laws of any jurisdiction other than the Province of Ontario and the laws of Canada applicable herein.

With respect to our assumptions referred to above, we would suggest that, at the very least, you: (i) satisfy yourself that all monies or other valuable consideration referred to in paragraph 8 above were actually advanced or given by the Secured Party to the Debtor; and (ii) satisfy yourself that the Debtor is still indebted to the Secured Party and the amount of such indebtedness.

The opinions expressed herein are provided solely for the benefit of msi Spergel inc., in its capacity as Court-Appointed Receiver of the assets, properties and undertakings of the Debtor and may not be used or relied upon by any other person in connection with this or any other matter.

We appreciate the opportunity to be of service to you with respect to this matter and would be pleased to answer any questions or address any concerns which you may have in relation thereto.

Yours truly,

FOGLER, RUBINOFF LLP

Fogler, Rubinoff LLP

(electronic signature)

SCHEDULE “A”**SECURITY**

1. A photocopy of a General Security Agreement dated January 28, 2020, executed and delivered by 1434399 Ontario Inc. to and in favour of Royal Bank of Canada (the “**GSA**”).
2. A Charge/Mortgage of Land in the principal amount of \$1,200,000 registered on February 12, 2020, as Instrument No. NR534531 by the Royal Bank of Canada against title to the real property owned by 1434399 Ontario Inc. (the “**Mortgage**”) and known municipally as 14 James Street, City of St. Catharines, Ontario, and legally described as: LT 450, 464 CP PL 2 GRANTHAM; ST. CATHARINES (PIN 46219-0114 LT) (the “**Real Property**”).

SCHEDULE “B”

1434399 ONTARIO INC.

| | | |
|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Corporate Profile Report (as of March 7, 2025) | Corporate Name: | 1434399 Ontario Inc. |
| | Former Corporate Names: | N/A |
| | Current Business Name(s): | N/A |
| | Expired Business Name(s): | Hustlemedia; Fulton Fitness Downtown Health Club Open 24 Hours; Retrofit; Downtown Health Club For Women Open 24 Hours; Fulton 24 Hour Fitness Centres; Snoozulewz |
| | Jurisdiction: | Ontario |
| | Date of Amalgamation | N/A |
| | Corporate Status: | Active |
| | Directors: | John Roland Fulton |
| | Officers: | John Roland Fulton: President, Secretary and Treasurer |
| | Registered Office Address | 14 James St., St. Catharines, Ontario L2R 5B8 |
| Bankruptcy/Insolvency Searches | Superintendent of Bankruptcy: Bankruptcy Estate No. 32-159363; Receivership: October 13, 2023 | |
| Bank Act Search (s.427) | Clear (as of March 7, 2025) | |
| Federal Court of Canada – Tax Liens | As of March 7, 2025: <i>ITA v. 1434399 Ontario Inc. (Downtown Health Club)</i> (Court # ITA-9890-16) (Certificate – ITA); and <i>ETA v. 1434399 Ontario Inc. (Fulton 24 Hour Fitness Centres)</i> (Court # ETA-380-16) (Certificate – Excise Tax Act) | |
| Sheriff Execution Search (Toronto, Welland and St. Catharines) | Writs: Clear (as of March 7, 2025) | |
| PPSA | See Attached | |



SCHEDULE “C”

Search Summary - Personal Property Security Act (Ontario)

Business Debtor: 1434399 ONTARIO INC.

File Currency Date: March 6, 2025

| Secured Party | Secured Party Address | Business Debtor | File No. | Registration No. | Regist. Period | Collateral Classification | Collateral Description | Misc. |
|----------------------|-------------------------------------------|----------------------|-----------|-----------------------------------------------------------------------------------------------------|----------------|---------------------------|------------------------|-------|
| Royal Bank of Canada | 36 York Mills Road, 4 th Floor | 1434399 Ontario Inc. | 759578661 | 20200124 1937 1531 9920 20241227 0844 1532 5004 (renewal) (Expiry date: January 24, 2030) | 5 | I,E,A,O,MVI | | |
| | | | | | | | | |

SCHEDULE “D”
PARCEL REGISTER

Appendix 10

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

ROYAL BANK OF CANADA

Applicants

- and -

1434399 ONTARIO INC.

Respondents

AFFIDAVIT OF PHILIP GENNIS
(sworn April 1, 2025)

I, **PHILIP GENNIS**, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Licensed Insolvency Trustee with msi Spergel inc. ("**Spergel**"), the Court-Appointed Receiver (in such capacity, the "**Receiver**") of 1434399 Ontario Inc. ("**1434**") (the "**Debtor**") and as such have knowledge of the matters to be deposed herein, except where such knowledge is stated to be based on information and belief, in which case I state the source of the information and verily believe such information to be true.
2. The Receiver was appointed, without security, of all of the assets, undertakings and properties of the Debtors by Order of the Honourable Mr. Justice A.J. Goodman of the Ontario Superior Court of Justice (Commercial List) made September 28, 2023.

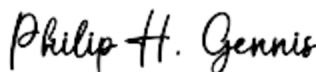
3. In connection with the receivership of 1434 for the period up to and including February 28, 2025 fees of \$81,213.12 (inclusive of HST and disbursements) were charged by Spergel as detailed in the billing summary and time dockets attached hereto as **Exhibit "1"** to this my Affidavit. This represents 188.36 hours at an effective rate of \$381.43 per hour.
4. The hourly billing rates detailed in this Affidavit are comparable to the hourly rates charged by Spergel for services rendered in relation to similar proceedings.
5. This Affidavit is made in support of a motion to, *inter alia*, approve the receipts and disbursements of the Receiver and its accounts.
6. I make this Affidavit for no improper purpose.

SWORN BEFORE ME at the City
of Toronto, in the Province of
Ontario, this 1st day of April 2025.



A Commissioner, etc.

Barbara Eileen Sturge,
a Commissioner, etc. for msi Spergel inc
and Spergel & Associates Inc.
Expires September 21, 2025

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)
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PHILIP GENNIS

**This is Exhibit “1” of the Affidavit of
PHILIP GENNIS
Sworn before me on this 1st day of April 2025**



A Commissioner, Etc.

Barbara Eileen Sturge,
a Commissioner, etc. for msi Spergol inc.
and Spergel & Associates Inc.
Expires September 21, 2025



SPERGEL

123
msi Spergel inc., Licensed Insolvency Trustees
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Toronto, ON., M2J 5C1
T: 416 497 1660 • F: 416 494 7199
www.spergel.ca

March 31, 2025

DRAFT

Invoice #: 1168

1434399 Ontario Inc.

INVOICE

RE: 1434399 Ontario Inc.

FOR PROFESSIONAL SERVICES RENDERED in the period up to and including February 28, 2025, in connection with the Court-appointed receivership proceedings.

| Professional Services | Hours | Hourly Rate | Total |
|---------------------------------------|--------|-------------|-------------|
| Mukul Manchanda, CPA, CIRP, LIT | 38.40 | \$500.00 | \$19,200.00 |
| Philip H. Gennis, LL.B., CIRP, LIT | 54.05 | \$500.00 | \$27,025.00 |
| Gillian Goldblatt, CPA, CA, CIRP, LIT | 3.20 | \$400.00 | \$1,280.00 |
| Paula Amaral | 46.23 | \$325.00 | \$15,024.75 |
| Eileen Sturge | 0.20 | \$250.00 | \$50.00 |
| Azeem Shah | 30.98 | \$215.00 | \$6,660.70 |
| Dharam Tiwana | 1.80 | \$215.00 | \$387.00 |
| Others | 4.40 | \$202.95 | \$893.00 |
| Manocher Sarabi | 8.10 | \$150.00 | \$1,215.00 |
| Lindsay Lesmeister | 1.00 | \$110.00 | \$110.00 |
| Total Professional Services | 188.36 | \$381.43 | \$71,845.45 |
| HST | | | \$9,339.91 |

| Reimbursable Expenses | Total |
|-----------------------------|---------|
| Courier | \$17.49 |
| PPSA Search | \$8.00 |
| Total Reimbursable Expenses | \$25.49 |
| HST on expenses | \$2.27 |

| | |
|--------------------------------------------|--------------------|
| Total | \$81,213.12 |
| HST Registration #R103478103 (AA1434-R) | |



SPERGEL

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March 31, 2025

DRAFT

Invoice #: 1168

1434399 Ontario Inc.

INVOICE

INVOICE RECONCILIATION PAGE

| Date | Staff | Memo | Hours | B-Rate | Amount |
|------------------------------|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|----------|------------|
| Professional Services | | | | | |
| 2023-10-09 | PGE | Email exchange with Counsel for RBC confirming date for enforcement of appointment Order; email exchange with Mukul Manchanda confirming course of action on the 13th; review of Receivership Order; | 0.00 | \$500.00 | \$0.00 |
| 2023-10-09 | MMA | Email exchanges with P. Gennis regarding the file. | 0.10 | \$500.00 | \$50.00 |
| 2023-10-10 | PGE | Email exchange and telephone discussion with Paula Amaral confirming contact information for Debtor; | 0.20 | \$500.00 | \$100.00 |
| 2023-10-11 | ASA | door notice tenant notice order appointing receiver | 2.00 | \$215.00 | \$430.00 |
| 2023-10-12 | MMA | | 0.20 | \$500.00 | \$100.00 |
| 2023-10-12 | ASA | Spoke with paula regarding the receivership tomorrow Printed the notices Made changes to the notices | 1.00 | \$215.00 | \$215.00 |
| 2023-10-13 | EST | Set up file in BQ. | 0.20 | \$250.00 | \$50.00 |
| 2023-10-13 | PGE | Instructing staff regarding taking of possession; numerous telephone discussions in this regard; advising staff regarding removal of gym equipment;;telephone discussion with Tim Hogan, Counsel for RBC; email exchange with Tim Hogan, email exchange with Rachel Moses, Counsel for the Receiver with instructions to register receivership order on title to the real property; | 1.50 | \$500.00 | \$750.00 |
| 2023-10-13 | ASA | Possession of the Gym on 14 James Street St. Catherines Travel time of 4.5 hours from home and to James street - Vice Versa Met with the Owner John Walk through and pictures taken of the property | 8.50 | \$215.00 | \$1,827.50 |
| 2023-10-13 | PGE | Email exchange with PA and MM confirmation taking of possession of property in St. Catharines; email exchange with Tim Hogan, Counsel for RBC requesting of notice to be sent to stakeholders confirming implementation of Order; email exchange with Rachel Moses, Counsel for Receiver regarding registration n title; review of documents related to registration on title prior to transmittal to MM for signature; multiple telephone discussions with PAS on site during the taking of possession; discussions regarding equipment being moved from building; | 0.50 | \$500.00 | \$250.00 |

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

**SPERGEL**

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March 31, 2025

DRAFT**Invoice #: 1168**

1434399 Ontario Inc.

INVOICE

| | | | | | |
|------------|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------|------------|
| 2023-10-13 | PAM | Attend site to take possession. Meet with locksmith to change locks and assess security. Coordination of locksmith and team to take possession. Preparation of documents required to take possession | 9.00 | \$325.00 | \$2,925.00 |
| 2023-10-13 | MMA | Time spent previously but not recorded including review of application record, factum and other materials filed in the proceeding. Telephone call with P. Amaral regarding the file. Receipt and review of email communication from R. Moses, and T. Hogan regarding the court order. | 1.80 | \$500.00 | \$900.00 |
| 2023-10-16 | ASA | PPSA Search - Notice of Receiver - Images uploaded | 3.00 | \$215.00 | \$645.00 |
| 2023-10-16 | PGE | Transmittal of signed Acknowledgement to Counsel for Receiver to facilitate registration of Receivership Order on title; receipt and review of registered documents and parcel register; | 0.20 | \$500.00 | \$100.00 |
| 2023-10-16 | PAM | Meet with Lockit security to deliver keys to enable visit with security system company for installation of alarm. Request PPSA and licence for Ascend. Request opening of trust bank account. Discussion with previous owner regarding information required as well as status of belongings on the property. Receive, review and forward information from previous owner related to ownership of items inside the property. Prepare and send bank letters to place related bank accounts on deposit only and request transfer of funds. | 1.50 | \$325.00 | \$487.50 |
| 2023-10-16 | MMA | Receipt and review of an email regarding opening the trust account. Receipt and review of email communication From P. Amaral and John regarding the items and equipments in office. Receipt and review of email communication from P. Leitgeb and P. Gennis regarding the registration and receivership order. Dealt with issues surrounding the receivership including dealing with the principal regarding removal of personal property, dealing with utilities and other stakeholders. Receipt and review of letter sent to TD regarding freezing accounts. Prepared case website and uploaded all relevant documents. | 2.40 | \$500.00 | \$1,200.00 |
| 2023-10-17 | MMA | Receipt and review of bank statements from TD. | 0.30 | \$500.00 | \$150.00 |
| 2023-10-17 | PAM | Receive email from previous owner requesting bank statements in order to prepare tax returns. Request, receive and review statements from bank and forward to previous owner. Receive call from interested party and add to interested parties list. Assist with preparation of letters to utilities. | 0.50 | \$325.00 | \$162.50 |

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

**SPERGEL**

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March 31, 2025

DRAFT**Invoice #: 1168**

1434399 Ontario Inc.

INVOICE

| | | | | | |
|------------|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------|------------|
| 2023-10-18 | PAM | Contact insurance company and request to be added as additional insured. Prepare email and forward to broker. Review utility accounts and letters advising of receivership and requesting new accounts. | 0.60 | \$325.00 | \$195.00 |
| 2023-10-18 | ASA | Utilities Bills - Alectra, enbridge, water (st catharine) | 1.50 | \$215.00 | \$322.50 |
| 2023-10-18 | MMA | Receipt and review of email communication from P. Amaral to the insurance company. | 0.10 | \$500.00 | \$50.00 |
| 2023-10-18 | PGE | Receipt and review of email to debtor's insurance broker; | 0.20 | \$500.00 | \$100.00 |
| 2023-10-19 | MMA | Receipt and review of multiple email communication from P. Gennis and K. Avison regarding the phase 1 environmental assessment. | 0.30 | \$500.00 | \$150.00 |
| 2023-10-19 | PGE | Email exchange and telephone call with Kelly Avison regarding ppty located at 14 James Street; | 0.50 | \$500.00 | \$250.00 |
| 2023-10-19 | PAM | Receive and review information related to ownership of items on the property. | 0.20 | \$325.00 | \$65.00 |
| 2023-10-20 | PAM | Review notice and Statement of Receiver and assist with mailing list. | 0.50 | \$325.00 | \$162.50 |
| 2023-10-20 | ASA | Notice of statement of receivership | 1.00 | \$215.00 | \$215.00 |
| 2023-10-20 | MMA | Receipt and review of multiple email communication from P. Gennis and F. Shlaefi regarding the file. Receipt and review of email from A. Shah with regards to notice and statement of receiver. Review and sign the notice and statement of the receiver. | 0.60 | \$500.00 | \$300.00 |
| 2023-10-20 | PGE | Email exchange with Pinchin regarding Phase 1 Review; | 0.10 | \$500.00 | \$50.00 |
| 2023-10-22 | PGE | Email to Caitlin Wagner (Wagner Kovacs) requesting quote for appraisal; email exchange with Rob Purdy of Colliers requesting quote for appraisal; email to Kelly Avison (Avison Young) requesting listing proposal for ppty; email exchange with Jason Child of CBRE requesting listing proposal for ppty; internal email to PAS regarding insurance on James Street ppty; | 1.00 | \$500.00 | \$500.00 |
| 2023-10-23 | ASA | gathered together a service list Mail merge and then mailed the letter to secure and unsecured creditors | 4.80 | \$215.00 | \$1,032.00 |
| 2023-10-23 | PAM | Receive and respond to insurance company and request to be added as additional insured. Review Notice and Statement of Receiver. | 0.60 | \$325.00 | \$195.00 |

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| 2023-10-23 | MMA | Receipt and review of email communication from P. Amaral and T. Smirnios regarding extending the insurance. Receipt and review of multiple email communication from P. Gennis and F. Schlaefli regarding the assessment report. | 0.20 | \$500.00 | \$100.00 |
| 2023-10-23 | PGE | Email exchange with insurance broker regarding continuation of coverage in light of the receivership; email exchange and telephone discussion with Frank Schlaefli of Pinchin regarding Phase 1 review; | 0.30 | \$500.00 | \$150.00 |
| 2023-10-24 | PGE | Email exchange and telephone discussion with Jason Child regarding listing proposal; | 0.30 | \$500.00 | \$150.00 |
| 2023-10-25 | PAM | Coordinate site visit with real estate agent for listing proposal. | 0.30 | \$325.00 | \$97.50 |
| 2023-10-25 | MMA | Receipt and review of multiple email communication from C. Wagner regarding inspection of the building. Receipt and review of multiple email communication from K. Avison regarding the building and the equipment. | 0.20 | \$500.00 | \$100.00 |
| 2023-10-25 | PGE | Receipt and review of Wagner Kovacs appraisal proposal; email exchange regarding property insurance; email exchange with Kelly Avison in advance of his submission of listing proposal; | 0.50 | \$500.00 | \$250.00 |
| 2023-10-26 | PAM | Receive email from Toyota advising claim will not be pursued. Forward to legal counsel. Assist with setting up utilities with Alectra in St. Catherines. Discussion with previous wonder regarding Statement of Claim. Forward claim to legal counsel. | 0.20 | \$325.00 | \$65.00 |
| 2023-10-26 | PGE | Receipt and review of appraisal and environmental assessment proposals and requesting budget to be prepared for presentation to RBC for funding; email exchange regarding Toyota lease confirming that the lease was paid out; internal email requesting that we obtain confirmation as to the source of funds for the buy-out; email from Pinchin regarding proposal for Phase 1 Assessment; email to PA requesting development of cost budget; email from CBRE regarding listing proposal request; | 0.50 | \$500.00 | \$250.00 |
| 2023-10-26 | MMA | Receipt and review of multiple email communication from P. Gennis regarding the vehicle ownership and appraisals . | 0.10 | \$500.00 | \$50.00 |
| 2023-10-27 | PGE | Receipt and review of LOE from Pinchin; receipt and review of draft Statement of Claim on action to be commenced by Debtor; | 0.20 | \$500.00 | \$100.00 |
| 2023-10-30 | PAM | Discussion with real estate agent and Lockit to coordinate site visit. Call with real estate agent to answer questions related to the property. | 0.30 | \$325.00 | \$97.50 |

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| 2023-10-30 | PGE | Email exchange internally regarding draft Statement of Claim; | 0.25 | \$500.00 | \$125.00 |
| 2023-10-31 | PAM | Review projected expenses and prepare 6 month proposed budget for Receiver Borrowing. Organize documentation for mail redirection. Receive real estate proposal from CBRE. | 0.60 | \$325.00 | \$195.00 |
| 2023-10-31 | MMA | Receipt and review of email from P. Amaral containing projected budget file. | 0.10 | \$500.00 | \$50.00 |
| 2023-10-31 | PGE | Email to Receiver's Counsel attaching Draft Statement Claim with a request for review of same; email exchange with insurance broker regarding adding Receiver as a named insured; receipt and review of proposed budget for receivership disbursements prior to transmittal to the Bank; | 0.50 | \$500.00 | \$250.00 |
| 2023-11-01 | FKA | Attend postal office and arrange for mail redirection. | 1.00 | \$250.00 | \$250.00 |
| 2023-11-01 | GGO | Receipt and review of bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2023-11-01 | PGE | Email to Receiver's Counsel requesting comments on draft Statement of Claim; email from Receiver's Counsel requesting documents referenced in claim; telephone discussion with solicitor retained by the Company to draft claim with follow-up email ;email to Receivers Counsel in this regard; | 0.50 | \$500.00 | \$250.00 |
| 2023-11-01 | PAM | Receive email from previous owner regarding Statement of Claim and forward to Phil for review. | 0.20 | \$325.00 | \$65.00 |
| 2023-11-01 | MMA | Email exchanges with P. Gennis and R. Moses regarding the pending statement of claim. | 0.30 | \$500.00 | \$150.00 |
| 2023-11-06 | PAM | Review letters to utilities and status of new accounts with team. Coordinate mail redirection with team, | 0.60 | \$325.00 | \$195.00 |
| 2023-11-06 | ASA | Sent out the utility letters | 1.40 | \$215.00 | \$301.00 |
| 2023-11-07 | ASA | Replied to the email for Alectra utilities | 0.30 | \$215.00 | \$64.50 |
| 2023-11-08 | PAM | Prepare invoice and forward Receiver's Certificate of Borrowing, Projected Budget and Invoice for payment. | 0.40 | \$325.00 | \$130.00 |
| 2023-11-08 | PGE | Email to PA regarding pay-out of Toyota Lease | 0.10 | \$500.00 | \$50.00 |
| 2023-11-08 | MMA | Receipt and review of Advane invoice to RBC shared by P. Amaral. | 0.10 | \$500.00 | \$50.00 |

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| 2023-11-09 | PGE | Telephone discussion with PA regarding insurance on St. Catharines ppty; Email exchange with Insurance Broker; telephone discussion with broker; receipt and review of insurance documents; email exchange with Counsel for company on draft SOA; email enclosing vacancy questionnaire; | 0.50 | \$500.00 | \$250.00 |
| 2023-11-09 | PAM | Review emails related to insurance and follow up with insurance provider to determine status of coverage. | 0.50 | \$325.00 | \$162.50 |
| 2023-11-09 | MMA | Receipt and review of email communication from K. Avison containing the marketing proposal; and evaluation. | 0.20 | \$500.00 | \$100.00 |
| 2023-11-10 | PAM | Prepare letter to Toyota Canada requesting information about payout and fax to Toyota. Call with Alectra utilities regarding set up of new account. | 1.10 | \$325.00 | \$357.50 |
| 2023-11-10 | PGE | Receipt and review of listing proposal from Avison Young; | 0.30 | \$500.00 | \$150.00 |
| 2023-11-10 | MMA | Email exchanges with K. Avison regarding listing proposal. | 0.30 | \$500.00 | \$150.00 |
| 2023-11-13 | PGE | Receipt and review of email from Counsel for bankrupt relating to draft Statement of Claim brought contemplated by Bankrupt against contractors developing adjoining property; email exchange arranging conference call with Counsel for Bankrupt; Counsel for the Receiver and the Receiver; | 0.50 | \$500.00 | \$250.00 |
| 2023-11-13 | MMA | Review of email exchanges between R. Moses and S. Barbier. | 0.30 | \$500.00 | \$150.00 |
| 2023-11-14 | PGE | Further exchange of emails aimed at setting up call between all Counsel; further email exchange aimed at setting up call; | 0.25 | \$500.00 | \$125.00 |
| 2023-11-15 | PGE | Further email exchange aimed at setting up conference call with Counsel for Receiver and Counsel for Debtor; | 0.30 | \$500.00 | \$150.00 |
| 2023-11-15 | PAM | Receive email with invoice for alarm and save to drive for processing by others. Receive and respond to email from Alectra advising account cannot be set up under receivership. Forward email to P. Gennis, M. Manchanda and legal team. | 0.50 | \$325.00 | \$162.50 |
| 2023-11-16 | PGE | Further email exchange regarding conference call dealing with SOC being drafted for Debtor; | 0.20 | \$500.00 | \$100.00 |
| 2023-11-17 | PGE | Call with Receiver's Counsel and Counsel for Company regarding draft Statement of Claim; email exchange proposing group call in this regard; attempts to track down legal department at Alecra Utilities in an effort to expedite issuance of hydro account for building; | 0.75 | \$500.00 | \$375.00 |

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| 2023-11-17 | MMA | Receipt and review of multiple email from P. Amaral and R. Moses regarding property taxes. | 0.40 | \$500.00 | \$200.00 |
| 2023-11-17 | PAM | Receive email exchanges between lawyers regarding Statement of Claim. Receive email from supervisor at Alectra and forward to P. Gennis and M. Manchanda and legal team. Contact previous owner to discuss the Alectra account and to request assistance with submitting information to allow transfer of account to the Receiver. | 0.50 | \$325.00 | \$162.50 |
| 2023-11-20 | PGE | Receipt and review of letter from Receiver's Counsel to Credit Supervisor at Alectra Utilities; efforts to track down legal Counsel at Alectra Utilities; email to Counsel at Alectra requesting immediate issuance of a hydro account to the Receiver; | 1.00 | \$500.00 | \$500.00 |
| 2023-11-20 | MMA | Receipt and review of email from P. Amaral regarding 198 Corp. Receipt and review of multiple email communication from C. Liu containing the draft letter to Alectra utilities Corporation. Receipt and review of email communication from P. Gennis to different stake holders regarding the receivership. | 0.40 | \$500.00 | \$200.00 |
| 2023-11-20 | PAM | Email P. Gennis with update on Alectra and the setting up of utility account under the Receivership. Receive response from Toyota stating lease is paid in full. Source of funds and ownership not provided. Receive weekly security inspection report and save to drive. | 0.50 | \$325.00 | \$162.50 |
| 2023-11-23 | PGE | Receipt and review of insurance documents; | 0.30 | \$500.00 | \$150.00 |
| 2023-11-24 | PAM | Receive several emails regarding insurance of property. | 0.20 | \$325.00 | \$65.00 |
| 2023-11-29 | PGE | Execute and transmittal of LOE with Wagner Kovacs Appraisers; email to MM summarizing listing proposals; email exchange with Pinchin regarding site attendance for purposes of Phase I Assessment; | 0.75 | \$500.00 | \$375.00 |
| 2023-11-29 | MMA | Receipt and review of email communication from P. Gennis to C. Wagner containing the signed LOE. Receipt and review of email communication from P. Gennis regarding the appraisers and Pinchin. Receipt and review of email communication from E. Tracey and P. Gennis regarding site access. | 0.50 | \$500.00 | \$250.00 |
| 2023-11-30 | MMA | Receipt and review of email communication from C. Wagner regarding site visit. | 0.20 | \$500.00 | \$100.00 |

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| 2023-12-01 | MMA | Telephone call with J. Gagnon regarding the file. Email exchange with P. Gennis regarding the listing with K. Avison. Receipt and review of email from P. Gennis regarding the listing with R. Moses and K. Avison. | 0.60 | \$500.00 | \$300.00 |
| 2023-12-01 | PGE | Email exchange and lengthy telephone discussion with Counsel for Receiver and Counsel for Debtor regarding draft Statement of Claim; email exchanges with MM regarding proposed listing agreement; email exchanges with proposed listing broker; email exchange and telephone discussion with Colliers appraiser; | 1.00 | \$500.00 | \$500.00 |
| 2023-12-02 | MMA | Receipt and review of email from P. Amaral regarding the site visit. | 0.10 | \$500.00 | \$50.00 |
| 2023-12-02 | PGE | Email exchange with Pinchin environmental regarding site visit; | 0.20 | \$500.00 | \$100.00 |
| 2023-12-03 | PGE | Follow-up email to PA regarding hydro account; | 0.10 | \$500.00 | \$50.00 |
| 2023-12-04 | MMA | Receipt and review of multiple email from P. Amaral regarding the inspector's visit on site and Alectra accounts. Email exchanges with E. Tracey. | 0.20 | \$500.00 | \$100.00 |
| 2023-12-04 | PGE | Email exchange with environmental consultant regarding site attendance and delivery of Phase 1 Report; email exchange with Banking regarding payment of rent to which Receiver was not entitled; | 0.25 | \$500.00 | \$125.00 |
| 2023-12-05 | PAM | Discussion with Phil regarding status of Alectra account. Email Alectra to inquire on status of account. Coordinate site visit with Pinchin, real estate agent and Lock it Security for a Phase I assessment and real estate inspection. | 0.40 | \$325.00 | \$130.00 |
| 2023-12-05 | GGO | Receipt and review of bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2023-12-05 | GGO | Receipt and review of bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2023-12-05 | MMA | Email exchanges with L. Sarduy regarding the Alectra account. Receipt and review of email from P. Amaral regarding the onsite electricity. | 0.10 | \$500.00 | \$50.00 |
| 2023-12-05 | PGE | Email exchange with Alectra Utilities; | 0.20 | \$500.00 | \$100.00 |
| 2023-12-06 | PAM | Contact Alectra for update on account setup. Contact previous owner to request latest Alectra billing and access to account. Discuss funds used to purchase equipment on site and request additional proof of funds. | 0.30 | \$325.00 | \$97.50 |

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| 2023-12-06 | MMA | Receipt and review of email communication from P. Amaral and L. Sarduy regarding the latest invoice. | 0.20 | \$500.00 | \$100.00 |
| 2023-12-06 | PGE | Email to John Fulton regarding status of Alectra Utility account; email exchange with Alectra business office; | 0.30 | \$500.00 | \$150.00 |
| 2023-12-07 | PAM | Prepare requisition for reimbursement of payment for mail forwarding. | 0.20 | \$325.00 | \$65.00 |
| 2023-12-08 | PAM | Discussion with previous owner regarding snow removal, fencing and Alectra account. | 0.30 | \$325.00 | \$97.50 |
| 2023-12-08 | PGE | Email from Alectra Utilities regarding transfer of account into Receiver's name; | 0.10 | \$500.00 | \$50.00 |
| 2023-12-12 | PAM | Receive email from Toyota with vehicle payout information. Forward email to P. Gennis. | 0.10 | \$325.00 | \$32.50 |
| 2023-12-13 | PGE | Email exchange with Counsel for Debtor regarding draft Statement of Claim for damages due to neighboring construction and requesting confirmation as to contingency arrangement and an estimate of disbursements;; email exchange with Receiver's Counsel; telephone discussion with Receiver's Counsel; | 0.75 | \$500.00 | \$375.00 |
| 2023-12-14 | MMA | Receipt and review of email from F. Schlaefli regarding the Phase I environmental report. | 0.10 | \$500.00 | \$50.00 |
| 2023-12-14 | PGE | Email from Pinchin confirming recommendation that a Phase 2 Assessment be conducted; telephone discussion with Frank Schlaefli from Pinchin to discuss need for Phase 2; email to MM outlining issues raised by Pinchin; review and approve payables; follow up email regarding Toyota lease payout and source of funds; research into site permits for neighbouring property and transmittal of same to Pinchin for comment; | 1.25 | \$500.00 | \$625.00 |
| 2023-12-14 | ASA | Created Cheque requisition for the payments of the bills. Email was sent to Trustee's for their approval. Upon receiving email then forwarded to banking. Email was sent to Chantal (Enbridge) regarding the billing dispute. Attached letter of Utility and Receivership Order. | 2.60 | \$215.00 | \$559.00 |
| 2023-12-14 | PAM | Receive email from Lock it Security with and save to drive for processing by others. Receive and review environmental report. Review outstanding payments and prepare for processing by others. | 0.50 | \$325.00 | \$162.50 |

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| 2023-12-15 | MMA | Receipt and review of email from P. Gennis regarding the environmental issue on the property. Receipt, review and approval of multiple cheque requisitions shared by A. Shah. | 1.10 | \$500.00 | \$550.00 |
| 2023-12-15 | ASA | Email reminder sent to Haran regarding the bill. Email disputing a bill with Chantal (enbridge) | 0.50 | \$215.00 | \$107.50 |
| 2023-12-15 | PGE | Email from Frank Schlaefli at Pinchin environmental responding to email from Receiver on December 14th outlining issues relative to adjoining construction site and its impact on the receivership property; receipt and review of Phase 1 Report from Pinchin; forwarding invoice for processing; email to Pinchin requesting proposal for Phase 2 assessment as recommended by them; | 1.20 | \$500.00 | \$600.00 |
| 2023-12-17 | PGE | Email to Paula Amaral regressing our request for documentation confirming ownership of fitness equipment; | 0.10 | \$500.00 | \$50.00 |
| 2023-12-18 | PGE | Receipt and review of Proposal from Pinchin for Phase 2 Environmental Assessment; forwarding Phase 1 and Proposal for Phase 2 to Mukul Manchanda for discussion with RBC; | 0.50 | \$500.00 | \$250.00 |
| 2023-12-18 | MMA | Review of multiple emails regarding commissioning of the Phase II. Telephone discussion with Pinchin. | 0.60 | \$500.00 | \$300.00 |
| 2023-12-19 | IFR | Issue chq | 0.10 | \$170.00 | \$17.00 |
| 2023-12-21 | PGE | Receipt and review of draft appraisal of James Street property; | 0.50 | \$500.00 | \$250.00 |
| 2023-12-22 | PAM | Receive email from Lock it Security with weekly inspection report and pictures and save to drive. | 0.10 | \$325.00 | \$32.50 |
| 2023-12-28 | PAM | Receive email from insurance regarding amount payable and coordinate with A. Shah to process payment. | 0.10 | \$325.00 | \$32.50 |
| 2023-12-29 | PGE | Follow-up email to Stephen Barbier, Counsel for Debtor on damage claim; follow-up email regarding fitness equipment and pay-out of Toyota lease; | 0.20 | \$500.00 | \$100.00 |
| 2023-12-29 | PAM | Coordinate the preparation of Notice and Statement of Receiver and review draft before submitting for approval. | 0.50 | \$325.00 | \$162.50 |
| 2024-01-02 | PAM | Receive and respond to email form alarm company related to payment and forward to A.Shah for processing. Discuss , snow removal, heating and security system with Lockit Security. Email previous owner requesting contact information for service providers. Coordinate with appraiser to access property. | 0.50 | \$325.00 | \$162.50 |
| 2024-01-02 | ASA | Prepared cheque requisitions for the payables | 1.00 | \$215.00 | \$215.00 |

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| 2024-01-02 | PAM | Discussion with Lockit Security regarding the status of the HVAC system and snow removal. Receive security site inspection update from Lockit Security and save to drive. | 0.30 | \$325.00 | \$97.50 |
| 2024-01-03 | PAM | Review payables prepared by A. Shah prior to submitting for approval. | 0.30 | \$325.00 | \$97.50 |
| 2024-01-05 | MMA | Receipt, review and approval of cheque requisitions shared by A. Shah. | 0.60 | \$500.00 | \$300.00 |
| 2024-01-08 | PGE | Receipt and review of draft listing agreement from Avison Young; responding email advising of outstanding Phase 2 Report; further email exchange with Kelly Avison regarding property under construction across the street from subject property; | 0.50 | \$500.00 | \$250.00 |
| 2024-01-09 | PGE | Discussion with MM regarding Phase 2 LOE; review draft LOE and requesting amendments to same from Pinchin; email exchange with Avison Young with respect to draft Listing Agreement and ETA for execution and delivery of same; telephone discussion with Kelly Avison advising of requirement of Phase 2 prior to executing listing; email from Stephen Barbier regarding follow-up call regarding draft Statement of Claim; responding email to Mr. Barbier in this regard; email exchange with CBRE regarding status of listing proposal submitted; telephone discussion with Pinchin regarding Phase 2 LOE; | 1.20 | \$500.00 | \$600.00 |
| 2024-01-09 | GGO | Receipt and review of bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-01-10 | PGE | Email exchange with Receiver's Counsel regarding her availability for a call with Counsel for Debtor related to outstanding claim against neighboring property owner; further email from Pinchin Environmental; execution of Phase 2 LOE for Pinching Phase 2 on Docusign; email to Mukul Manchanda confirming engagement of Pinchin for Phase 2 Assessment; email from Erin Tracey from Pinchin confirming receipt of accepted LOE; | 0.25 | \$500.00 | \$125.00 |
| 2024-01-11 | IFR | Issue chqs | 0.30 | \$170.00 | \$51.00 |
| 2024-01-11 | GGO | review and approve disbursements. | 0.30 | \$400.00 | \$120.00 |
| 2024-01-11 | PGE | Email exchange with Erin Tracey of Pinchin Environmental regarding access to premises for purposes of Phase 2 assessment; | 0.20 | \$500.00 | \$100.00 |

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| 2024-01-13 | PGE | Follow up email to Paula Amaral regarding fitness equipment and payout of Toyota lease; emails to appraisers regarding ETA on appraisal reports | 0.20 | \$500.00 | \$100.00 |
| 2024-01-16 | PGE | Email to Erin Tracey at Pinchin confirming process and timing for site attendance to commence Phase 2 Assessment; | 0.10 | \$500.00 | \$50.00 |
| 2024-01-16 | PAM | Discussion with Lockit Security to discuss appointment with Environmental company to complete locates and drilling. | 0.20 | \$325.00 | \$65.00 |
| 2024-01-17 | PAM | Receive email with invoice form Colliers and save to drive for processing. Discussion with interested party for purchase of property. Update interested parties list. | 0.20 | \$325.00 | \$65.00 |
| 2024-01-18 | PAM | Receive email from E. Tracey from Pinchin Ltd. requesting access to the property for Phase II. Receive and respond to email from J. Fulton with details related to ownership of equipment. | 0.20 | \$325.00 | \$65.00 |
| 2024-01-19 | PAM | Receive email from insurance company advising of renewal date. Discuss insurance with Phil and request insurance quote from Lawrie Insurance. Investigate unpaid invoice and provide proof of payment to insurance agent. | 0.10 | \$325.00 | \$32.50 |
| 2024-01-19 | PGE | Email from Insurance broker regarding re-insuring premises in light of Northbridge's unwillingness to renew policy; email to Lawrie Insurance regarding obtaining new policy for premises; | 0.25 | \$500.00 | \$125.00 |
| 2024-01-23 | PGE | Email exchange with Caitlin Wagner requesting access to premises; | 0.20 | \$500.00 | \$100.00 |
| 2024-01-23 | PAM | Receive email with legal invoice and submit for processing by others. | 0.10 | \$325.00 | \$32.50 |
| 2024-01-24 | ASA | Prepared cheque requisitions for 1434. Compiled the requisitions with the invoices. | 0.90 | \$215.00 | \$193.50 |
| 2024-01-24 | PGE | Email from Chad Brownlee at Lawrie Insurance requesting information regarding building located at 14 James Street, St. Catharines; | 0.20 | \$500.00 | \$100.00 |
| 2024-01-24 | PAM | Receive email from Lockit Security with site inspection updates and pictures and save to drive. | 0.10 | \$325.00 | \$32.50 |
| 2024-01-25 | ASA | Prepared cheque requisitions for AA1434. Compiled requisitions with the invoices. | 1.00 | \$215.00 | \$215.00 |

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| 2024-01-26 | PGE | Email from Pinchin Environmental enclosing locates package and requesting access to premises; | 0.25 | \$500.00 | \$125.00 |
| 2024-01-26 | PAM | Receive email from Pinchin Ltd with confirmation of locates. | 0.10 | \$325.00 | \$32.50 |
| 2024-01-29 | PAM | Review information provided by J. Fulton related to ownership of assets. | 0.50 | \$325.00 | \$162.50 |
| 2024-01-29 | PAM | Review projected expenses and prepare 6 month proposed budget for Receiver Borrowing. Organize documentation for mail redirection. Receive real estate proposal from CBRE. | 0.63 | \$325.00 | \$204.75 |
| 2024-01-29 | MMA | Receipt, review and approval of cheque requisition shared by P. Amaral. | 0.30 | \$500.00 | \$150.00 |
| 2024-01-30 | ASA | Prepared a cheque requisition for AA1434. Scanned the bill and compiled with the requisition. | 0.15 | \$215.00 | \$32.25 |
| 2024-01-31 | PGE | Internal email exchange (MM/PG) regarding ETA for Phase 2 Report; email exchange with Pinchin in this regard and transmittal of response to MM; | 0.25 | \$500.00 | \$125.00 |
| 2024-02-01 | GGO | Receipt and review of bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-02-01 | GGO | Receipt and review of bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-02-02 | GGO | Review and approve disbursements. | 0.30 | \$400.00 | \$120.00 |
| 2024-02-02 | PAM | Review request for RT0002 account with A. Shah and discuss forms required to obtain CRA access and RT0002 account. | 0.10 | \$325.00 | \$32.50 |
| 2024-02-05 | PGE | Email exchange with Chad Brownlee at Lawrie Insurance; email exchange with Erin Tracey at Pinchin Environmental regarding ETA for Phase 2 Report; forwarding response to MM for report to RBC; | 0.50 | \$500.00 | \$250.00 |
| 2024-02-05 | IFR | Issue chqs. | 0.60 | \$170.00 | \$102.00 |
| 2024-02-05 | PAM | Receive email from Pinchin Ltd. with update on environmental testing. Receive and respond to email from insurance company requesting details for issuance of new policy. Source information required. | 0.60 | \$325.00 | \$195.00 |
| 2024-02-05 | MMA | Review of email exchanges with E. Tacey regarding the Phase II ESA report. Email exchanges with J. Gagnon regarding the status of the receivership. | 0.30 | \$500.00 | \$150.00 |
| 2024-02-06 | ASA | Prepared a cheque requisition for AA1434. Scanned the bill and compiled with the requisition. | 0.30 | \$215.00 | \$64.50 |

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| 2024-02-06 | PGE | Email exchange with Erin Tracey at Pinchin Environmental confirming expedited date for drilling; | 0.20 | \$500.00 | \$100.00 |
| 2024-02-06 | PAM | Receive email from Lockit Security with status of site visit and save to drive. | 0.10 | \$325.00 | \$32.50 |
| 2024-02-06 | MMA | Email exchanges with E, Tracey regarding status of the Phase II ESA. | 0.20 | \$500.00 | \$100.00 |
| 2024-02-07 | ASA | Prepared a cheque requisition for AA1434. | 0.19 | \$215.00 | \$40.85 |
| 2024-02-07 | PAM | Review cheque requisitions prepared by A. Shah prior to submitting for approval. | 0.10 | \$325.00 | \$32.50 |
| 2024-02-07 | MMA | Receipt, review, approve and process payables. | 0.20 | \$500.00 | \$100.00 |
| 2024-02-08 | PAM | Receive email with notice of cancellation from insurance. | 0.10 | \$325.00 | \$32.50 |
| 2024-02-08 | MMA | Receipt, review and approval of cheque requisition from A. Shah. Email exchanges with Pinchin regarding status of the Phase II ESA. | 0.50 | \$500.00 | \$250.00 |
| 2024-02-09 | GGO | Review and approve disbursement. | 0.10 | \$400.00 | \$40.00 |
| 2024-02-09 | PAM | Contact previous owner to obtain property information for insurance purposes and to discuss the flow of the funds used to purchase fitness equipment. | 0.30 | \$325.00 | \$97.50 |
| 2024-02-09 | PGE | Email exchange with Lawrie Insurance; | 0.10 | \$500.00 | \$50.00 |
| 2024-02-09 | MMA | Email exchanges with J. Gagnon regarding the file. | 0.10 | \$500.00 | \$50.00 |
| 2024-02-13 | PAM | Review payables and payments outstanding to suppliers and update system to include outstanding invoices. | 0.20 | \$325.00 | \$65.00 |
| 2024-02-13 | PGE | Email from Chad Brownlee at Lawrie Insurance; receipt and review of insurance quotes for receivership property; | 0.25 | \$500.00 | \$125.00 |
| 2024-02-14 | PGE | Email exchange with insurance broker; | 0.20 | \$500.00 | \$100.00 |
| 2024-02-14 | HSI | Wire/EFT and Deposits and Cheque requestions review the file processing. | 0.90 | \$220.00 | \$198.00 |
| 2024-02-16 | PAM | Discuss insurance options with P. Gennis. Contact Lawrie insurance and confirm acceptance of insurance policy. Receive and sign insurance application and forward to insurance company for binding. | 0.50 | \$325.00 | \$162.50 |
| 2024-02-16 | PGE | Email from Pinchin Environmental re status of Phase 2 Report; emails with Lawrie Insurance regarding placement of insurance due to non-renewal by Northridge Insurance; | 0.25 | \$500.00 | \$125.00 |
| 2024-02-21 | MMA | Reviewed, approved and processed cheque requisitions. | 0.30 | \$500.00 | \$150.00 |

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| 2024-02-21 | ASA | Prepared chq requisitions. Compiled the invoice and requisitions together and uploaded on Q:Drive. Emailed mukul for his approval. | 0.84 | \$215.00 | \$180.60 |
| 2024-02-21 | PAM | Review cheque requisitions prepared by A.Shah. | 0.20 | \$325.00 | \$65.00 |
| 2024-02-26 | PGE | Email exchange with environmental consultant; | 0.20 | \$500.00 | \$100.00 |
| 2024-02-27 | MMA | Approved cheque requisitions | 0.80 | \$500.00 | \$400.00 |
| 2024-02-28 | PAM | Prepare requisitions for bank reconciliation. | 0.20 | \$325.00 | \$65.00 |
| 2024-02-29 | PAM | | 0.20 | \$325.00 | \$65.00 |
| 2024-03-04 | IFR | Deposit | 0.10 | \$170.00 | \$17.00 |
| 2024-03-05 | GGO | Receive and review bank reconciliation | 0.10 | \$400.00 | \$40.00 |
| 2024-03-06 | PGE | Receipt and review of draft Phase 2 Report confirming no exceedances on the property; forwarding draft to MM for discussion with RBC; confirmation that listing agreement should be initiated and sales process begun; | 0.50 | \$500.00 | \$250.00 |
| 2024-03-06 | PAM | Receive invoice for Phase I and submit for processing. | 0.10 | \$325.00 | \$32.50 |
| 2024-03-11 | MMA | Email to J. Gagnon informing him that the soil samples are clean and advise we are still awaiting groundwater samples. Email exchange with J. Fulton regarding purchase of fitness equipment. | 0.60 | \$500.00 | \$300.00 |
| 2024-03-11 | PGE | Receipt and review of draft listing agreement; telephone discussion with Kelly Avison; transmittal of listing agreement to Mukul Manchanda for discussion; | 0.50 | \$500.00 | \$250.00 |
| 2024-03-12 | PAM | Review cash needs going forward to determine if Receivership borrowing is required. Prepare budget and receiver borrowing certificate and forward to M.Manchanda for review and approval. | 0.60 | \$325.00 | \$195.00 |
| 2024-03-12 | MMA | Receipt and review of the listing agreement. | 0.20 | \$500.00 | \$100.00 |
| 2024-03-14 | MMA | Prepared the Receiver's Certificate, advance request and wire instructions and email same to J. Gagnon regarding additional funding. | 0.40 | \$500.00 | \$200.00 |
| 2024-03-14 | PGE | Receipt and review of Facility Details Report and Manifest Document from Pinchin regarding clean Phase 2 Report; | 0.25 | \$500.00 | \$125.00 |
| 2024-03-15 | PGE | Re-draft of Schedule to be attached to Listing Agreement; drafting Disclaimer, NDA and Receiver's Form of APS; transmittal of same to Counsel for review; | 3.50 | \$500.00 | \$1,750.00 |

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| 2024-03-16 | MMA | Email exchange with R.Moses advising of the clean Phase 2 assessment and our plans to move forward with property sale | 0.20 | \$500.00 | \$100.00 |
| 2024-03-19 | PAM | | 0.30 | \$325.00 | \$97.50 |
| 2024-03-25 | MMA | Reviewed and executed advance invoice. | 0.20 | \$500.00 | \$100.00 |
| 2024-03-27 | MMA | Email exchange follow up regarding the listing of the property. | 0.10 | \$500.00 | \$50.00 |
| 2024-03-28 | GGO | Receive and review bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-03-30 | MMA | Email exchange with R. Moses regarding listing the property. | 0.30 | \$500.00 | \$150.00 |
| 2024-04-01 | MMA | Email exchange regarding document review in order to list the property. | 0.40 | \$500.00 | \$200.00 |
| 2024-04-01 | PGE | Email exchange with Counsel regarding drafts presented for review; | 0.10 | \$500.00 | \$50.00 |
| 2024-04-02 | PGE | Receipt and review of email from Counsel regarding Listing Agreement and attached schedule; telephone discussion with Counsel in this regard; receipt of further email from Counsel deleting prior concern; telephone discussion with Counsel regarding remaining documents under review; telephone discussion with Kelly Avison at Avison Young regarding Listing Agreement, etc., receipt and review of Listing Agreement and schedules; transmittal of Listing Agreement and Schedule to MM for signature and return; | 1.75 | \$500.00 | \$875.00 |
| 2024-04-02 | MMA | Email exchange regarding document review in order to list the property. | 0.50 | \$500.00 | \$250.00 |
| 2024-04-02 | PAM | Receive and review email containing listing agreement. | 0.10 | \$325.00 | \$32.50 |
| 2024-04-03 | PGE | Telephone discussion with Counsel regarding APS; | 0.25 | \$500.00 | \$125.00 |
| 2024-04-04 | MMA | Received, reviewed and executed listing agreement. | 0.50 | \$500.00 | \$250.00 |
| 2024-04-04 | PGE | Revisions to draft Listing Agreement and transmittal to Mukul Manchanda for signature; receipt of signed Listing Agreement with Schedules attached and transmittal to Avison Young Brokers; email to Receiver's Counsel regarding draft sale documents; telephone discussion with Receiver's Counsel in this regard; further email exchange with Counsel; | 1.00 | \$500.00 | \$500.00 |
| 2024-04-04 | PAM | Prepare list of suppliers with links to portals and passwords. Retrieve invoices and save to drive for processing. | 0.70 | \$325.00 | \$227.50 |
| 2024-04-05 | PAM | Prepare requisition for deposit of funds and submit for processing. | 0.20 | \$325.00 | \$65.00 |

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| 2024-04-08 | PGE | Receipt and review of revised APS from Receiver's Counsel; telephone discussion with Receiver's Counsel regarding proposed changes to APS; receipt and review of email with caselaw attached regarding Assignment of APS and Direction re Title and the implications to HST ; | 1.25 | \$500.00 | \$625.00 |
| 2024-04-08 | MMA | Received balance owing and proof of filing for CRA from M. Linds. | 0.40 | \$500.00 | \$200.00 |
| 2024-04-08 | PAM | Various discussions with M.Manchanda and previous owner regarding status of equipment inside property. | 0.40 | \$325.00 | \$130.00 |
| 2024-04-09 | PAM | Review payables and prepare list with contacts and portals. Retrieve current invoices and save to drive for processing. | 0.50 | \$325.00 | \$162.50 |
| 2024-04-11 | PGE | Email exchange with Receiver's Counsel regarding documents for broker's data room; | 0.10 | \$500.00 | \$50.00 |
| 2024-04-12 | PAM | Review payables with team prior to processing of payment. | 0.20 | \$325.00 | \$65.00 |
| 2024-04-12 | PGE | Email exchange with Kelly Avison with asks for listing; Email from Counsel for John Fulton regarding damage claim against neighboring property; follow up telephone call with Fulton's Counsel; email to Receiver's Counsel forwarding email from Fulton's Counsel; | 0.50 | \$500.00 | \$250.00 |
| 2024-04-12 | MMA | Received fully executed listing agreement. | 0.10 | \$500.00 | \$50.00 |
| 2024-04-13 | MMA | Email exchange regarding listing of the property and the lawsuit contemplated. | 0.20 | \$500.00 | \$100.00 |
| 2024-04-14 | PGE | Email to Kelly Avison regarding listing; email to Receiver's Counsel regarding impact of a sale of the ppty on damage claim being contemplated; | 0.25 | \$500.00 | \$125.00 |
| 2024-04-15 | PAM | Discuss listing with Lockit Security and request additional keys. Receive and respond to real estate agent's request for information for listing. Review cheque requisitions prepared by other prior to submitting for approval. Prepare email for counsel regarding status of items and fitness equipment. Coordinate appraisal with Canam Appraisals. | 1.50 | \$325.00 | \$487.50 |
| 2024-04-15 | MMA | Email exchange regarding equipment appraisal. Email exchange regarding personal items stored at site. | 0.50 | \$500.00 | \$250.00 |
| 2024-04-15 | IFR | Issue chqs | 0.20 | \$170.00 | \$34.00 |

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| 2024-04-15 | PGE | Email to listing broker enclosing tax and utility bills and providing responses to broker enquiries; | 0.20 | \$500.00 | \$100.00 |
| 2024-04-16 | PGE | Email exchange with Listing Broker; email exchange with Counsel for Debtor regarding claim against developer of adjoining property; forwarding email from Debtor's Counsel to Receiver's Counsel for comment; email exchange with Receiver's Counsel regarding draft APS; | 1.20 | \$500.00 | \$600.00 |
| 2024-04-16 | PAM | Prepare requisition for payment of environmental assessment fees. Coordinate with Lockit Security and real estate agent to attend property and obtain keys and alarm codes. | 0.40 | \$325.00 | \$130.00 |
| 2024-04-18 | MMA | Approve cheque requisitions. | 0.30 | \$500.00 | \$150.00 |
| 2024-04-18 | LLE | Issue cheque requisitions. | 1.00 | \$110.00 | \$110.00 |
| 2024-04-19 | GGO | Review and approve disbursements. | 0.20 | \$400.00 | \$80.00 |
| 2024-04-19 | PGE | Receipt and review of final draft APS from Counsel; receipt of fully executed Listing Agreement; | 0.50 | \$500.00 | \$250.00 |
| 2024-04-19 | PAM | Review requisitions prepared by others prior to submitting for final processing. | 0.20 | \$325.00 | \$65.00 |
| 2024-04-19 | PAM | | 0.10 | \$325.00 | \$32.50 |
| 2024-04-22 | PGE | Email from Rachel Moses enclosing revised Disclaimer and NDA; responding email to Counsel in this regard; email exchange with Caitlin Wagner regarding final appraisal; | 0.30 | \$500.00 | \$150.00 |
| 2024-04-22 | MMA | Received and reviewed NDA agreement and disclaimer for sale of property. | 0.30 | \$500.00 | \$150.00 |
| 2024-04-23 | PGE | Receipt and review of draft appraisal from Caitlin Wagner; email exchange with appraiser in this regard and instructing her to provide final copy of appraisal report; receipt and review of insurance policy from Lawrie Insurance; | 0.50 | \$500.00 | \$250.00 |
| 2024-04-24 | PGE | Email to Kelly Avison enclosing sale documents and signed Listing Agreement; receipt and review of draft AVO; further emails to Kelly Avison enclosing draft AVO, Phase 2 Environmental and Receivership Order; receipt of final appraisal from Wagner Kovacs; receipt and review of final appraisal report from Colliers; | 1.25 | \$500.00 | \$625.00 |
| 2024-04-24 | MMA | Received and reviewed appraisal report from Canam Appraiz. | 0.20 | \$500.00 | \$100.00 |

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| 2024-04-26 | PGE | Receipt and review of Marketing Brochure prepared by Avison Young with respect to James Street ppty; email to Kelly Avison responding to questions raised by him with respect to ppty; internal email to PA requesting "NO PARKING" signs and installation of chain to block cars from parking to rear of ppty; email to Paula Amaral regarding fitness equipment located on-site; | 0.75 | \$500.00 | \$375.00 |
| 2024-04-27 | PGE | Email to Counsel for Debtor requesting call with Receiver and Receiver's Counsel with respect to pending litigation; | 0.10 | \$500.00 | \$50.00 |
| 2024-04-29 | PAM | Forward appraisal of equipment and other assets and record of purchase of equipment to P.Gennis for review. Receive quote for cleanup of exterior etc and forward to P.Gennis for review. Various emails related to the disposition of the assets on site. | 0.50 | \$325.00 | \$162.50 |
| 2024-04-29 | MMA | Email exchange with R. Moses regarding appraisal of items left on site. Provided approval to R. Tuzi for exterior quote. Email exchange with debtor regarding the purchase of equipment left on site. | 0.30 | \$500.00 | \$150.00 |
| 2024-04-29 | PGE | Receipt and review of email from Kelly Avison confirming that listing is live and enclosing MLS View of ppty; review and execution of MLS Data Form and transmittal of same to Kelly Avison; receipt and review of appraisal report from CanAm Appraiz and follow up telephone call with Sia Mizrahi in this regard; receipt and review of clean-up quote from ppty manager; internal email to Paula Amaral providing instructions to proceed with clean-up as per quote provided; email to ppty manager confirming instructions to proceed with clean-up; email exchange with Receiver's Counsel with respect to fitness equipment; receipt and review of appraisal report relative to fitness equipment located on-site; telephone discussion with Sia Mizrahi in this regard; reaching decision as to best method of disposal of fitness equipment and instructing Receiver's staff to consummate sale to Fulton; email to Fulton outlining terms of sale; | 1.50 | \$500.00 | \$750.00 |
| 2024-05-01 | PAM | Discussion with previous management regarding the purchase of the assets inside the property. Receive email with counter offer and forward to team. | 0.40 | \$325.00 | \$130.00 |
| 2024-05-01 | MMA | Email exchange with P. Gennis and P. Amaral regarding purchase/sale of fitness equipment. | 0.20 | \$500.00 | \$100.00 |
| 2024-05-01 | PGE | Internal email exchange regarding fitness equipment located on-site; discussions between PG and PA in this regard; | 0.30 | \$500.00 | \$150.00 |

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| 2024-05-02 | PGE | Internal discussions regarding fitness equipment; email exchange with Receiver's Counsel in this regard; email exchange with John Fulton proposing terms for the release of the fitness equipment; | 0.50 | \$500.00 | \$250.00 |
| 2024-05-02 | PAM | Discussions with P. Gennis regarding assets on site. Contact previous owner and discuss options to address assets. | 0.50 | \$325.00 | \$162.50 |
| 2024-05-03 | GGO | Receive and review bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-05-08 | MMA | Provided update on property listing and phase 2 report to J. Gagnon. | 0.30 | \$500.00 | \$150.00 |
| 2024-05-08 | PGE | Email exchange with John Fulton regarding acquisition of fitness equipment; email exchange with Mukul Manchanda confirming listing of ppty for sale; email from Fulton's Counsel regarding call to discuss outstanding lawsuit; email to Receiver's Counsel in this regard; | 0.50 | \$500.00 | \$250.00 |
| 2024-05-10 | PAM | Coordinate access to the property with Lockit for previous owner to view contents and make a plan for removal of contents. Review emails and payables. Investigate paid invoices and update paybles folder with outstanding items to be processed. | 0.90 | \$325.00 | \$292.50 |
| 2024-05-13 | PAM | Receive and review email from Lockit Security with site visit update. Review payables, retrieve invoices to be paid and save to drive for processing. Discussion with Alectra regarding access to the account. | 0.60 | \$325.00 | \$195.00 |
| 2024-05-14 | PAM | Prepare invoice for purchase of contents including list of chattels and forward to purchaser for payment. Prepare CRA forms for Authorization on Account and opening of RT0002 account. | 1.00 | \$325.00 | \$325.00 |
| 2024-05-14 | PGE | Email exchange with John Fulton regarding his acquisition of fitness equipment; internal discussion with Paula Amaral in this regard; telephone discussion with John Fulton in this regard; | 0.50 | \$500.00 | \$250.00 |
| 2024-05-21 | DTI | Prepared receiver's interim report | 0.20 | \$215.00 | \$43.00 |
| 2024-05-21 | PAM | Disussion with previous owner regarding hydro account and access to bills. Retrieve bills to pay from online portals and supplier and save to drive for processing by others. | 0.80 | \$325.00 | \$260.00 |
| 2024-05-22 | DTI | Prepare cheque requisitions for bills due. | 0.60 | \$215.00 | \$129.00 |

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| 2024-05-27 | DTI | <i>Review and pay outstanding utility bills</i> | 0.20 | \$215.00 | \$43.00 |
| 2024-05-28 | PGE | <i>Email exchange with listing broker regarding minor discrepancy in Phase 1 and 2 reports; email exchange and telephone discussion with Frank Schlaefli at Pinchin in this regard with request for revision to reports to clear up confusion;</i> | 0.50 | \$500.00 | \$250.00 |
| 2024-05-28 | PAM | <i>Review requisitions prepared by D. Tiwani.</i> | 0.20 | \$325.00 | \$65.00 |
| 2024-05-29 | DTI | <i>Prepare payment requisitions for security services provided by third party.</i> | 0.20 | \$215.00 | \$43.00 |
| 2024-05-30 | PGE | <i>Email to listing broker requesting marketing updates; receipt and review of revised Phase I and II reports to clear up address confusion and transmittal of same to listing broker with instructions to replace versions presently in Data Room; email exchange and discussion with listing broker in this regard;</i> | 0.50 | \$500.00 | \$250.00 |
| 2024-05-31 | GGO | <i>review and approve disbursements.</i> | 0.50 | \$400.00 | \$200.00 |
| 2024-05-31 | PGE | <i>Email from listing broker confirming deposit of revised Phase I and II reports into Data Room;</i> | 0.10 | \$500.00 | \$50.00 |
| 2024-06-03 | GGO | <i>Receive and review bank reconciliation.</i> | 0.10 | \$400.00 | \$40.00 |
| 2024-06-03 | PGE | <i>Telephone discussion with John Fulton regarding his purchase of fitness equipment; internal email exchange regarding most appropriate means of papering the sale;</i> | 0.50 | \$500.00 | \$250.00 |
| 2024-06-06 | PGE | <i>Email exchange with Counsel for John Fulton and Receiver's Counsel regarding timing of a call with respect to proposed nuisance claim;</i> | 0.35 | \$500.00 | \$175.00 |
| 2024-06-07 | PGE | <i>Email exchange with Counsel for John Fulton; conference call with all Counsel regarding nuisance damage claim; email exchange with Bank's Counsel providing update on receivership and sale of assets;</i> | 0.50 | \$500.00 | \$250.00 |
| 2024-06-07 | MMA | <i>Email received from T. Hogan requesting update on file. Email exchange with T. Hogan and P. Gennis providing update on property listing. Email received from P. Gennis with updated sales progress report.</i> | 0.40 | \$500.00 | \$200.00 |
| 2024-06-13 | DTI | <i>Retrieve utility bills and prepare cheque requisitions to pay the bills.</i> | 0.20 | \$215.00 | \$43.00 |
| 2024-06-19 | DTI | <i>Prepare cheque requisitions for Lockit Security.</i> | 0.20 | \$215.00 | \$43.00 |

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| 2024-07-03 | PAM | Coordination of access to the property for previous owner to retrieve items. | 0.20 | \$325.00 | \$65.00 |
| 2024-07-04 | PAM | Review file and note items to be completed. | 0.30 | \$325.00 | \$97.50 |
| 2024-07-05 | PAM | Receive email from previous owner with amount due for Alectra. Email from Lockit regarding property check. | 0.10 | \$325.00 | \$32.50 |
| 2024-07-08 | PGE | Email to Listing Broker requesting sales and marketing update; | 0.10 | \$500.00 | \$50.00 |
| 2024-07-09 | DTI | Review and finalize S.246(2) report. | 0.20 | \$215.00 | \$43.00 |
| 2024-07-09 | GGO | Receive and review bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-07-09 | PAM | Discussion with M.Manocher regarding requisitions to be prepared and retrieve utility bills to be paid. | 0.30 | \$325.00 | \$97.50 |
| 2024-07-10 | MSR | Preparing documents as requested. | 0.20 | \$150.00 | \$30.00 |
| 2024-07-12 | PGE | Receipt and review of Sales and Marketing update from Avison Young; email exchange with Kelly Avison in this regard; forwarding update to MM for discussion with Bank; | 0.50 | \$500.00 | \$250.00 |
| 2024-07-12 | MMA | Received and reviewed progress report on property listing. | 0.30 | \$500.00 | \$150.00 |
| 2024-07-12 | PAM | Review cheque requisitions prepared by M.Manocher. Email exchanges with Lockit regarding removal of items from property. | 0.20 | \$325.00 | \$65.00 |
| 2024-07-15 | MSR | preparing documents as requested. | 0.40 | \$150.00 | \$60.00 |
| 2024-07-15 | PAM | Request copy of invoice from Alectra utilities. Contact previous owner to request copy of invoice. | 0.20 | \$325.00 | \$65.00 |
| 2024-07-16 | PAM | Review requisitions created by others. | 0.30 | \$325.00 | \$97.50 |
| 2024-07-17 | PAM | Receive and respond to request from previous owner to access property and remove personal items. | 0.10 | \$325.00 | \$32.50 |
| 2024-07-18 | PGE | Email from Counsel for RBC requesting alternative address for John Fulton; | 0.10 | \$500.00 | \$50.00 |
| 2024-07-18 | MMA | Received email from E. Benaway requesting contact information for company principal. | 0.10 | \$500.00 | \$50.00 |
| 2024-07-18 | PAM | Request utility letter from previous owner and forward to M. Manocher for processing. | 0.10 | \$325.00 | \$32.50 |
| 2024-07-23 | PAM | Review requisition prepared by M.Manocher. | 0.10 | \$325.00 | \$32.50 |

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| 2024-07-23 | MSR | Preparing documents as requested. | 0.20 | \$150.00 | \$30.00 |
| 2024-07-23 | PGE | Email exchange with insurance broker regarding renewal options; | 0.25 | \$500.00 | \$125.00 |
| 2024-07-29 | MSR | Reviewed & Prepared documents as requested. | 0.20 | \$150.00 | \$30.00 |
| 2024-08-01 | GGO | Receive and review bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-08-02 | MMA | Telephone call with K. Avison and a potential purchaser regarding the receivership proceeding and the process. | 0.60 | \$500.00 | \$300.00 |
| 2024-08-06 | PAM | Receive site inspection report and invoice and upload to drive. | 0.10 | \$325.00 | \$32.50 |
| 2024-08-08 | PGE | Email exchange with insurance broker; | 0.10 | \$500.00 | \$50.00 |
| 2024-08-15 | PGE | Email to listing broker requesting update on sales and marketing; | 0.10 | \$500.00 | \$50.00 |
| 2024-08-15 | MMA | Email exchange with P. Gennis and K. Avison regarding progress report update. | 0.10 | \$500.00 | \$50.00 |
| 2024-08-17 | PAM | | 0.00 | \$325.00 | \$0.00 |
| 2024-08-20 | PGE | Receipt and review of Sales and Marketing Report from Avison Young Realtors; | 0.25 | \$500.00 | \$125.00 |
| 2024-08-21 | PAM | Discussion with previous owner to discuss items remaining at the property and access to remove items. | 0.30 | \$325.00 | \$97.50 |
| 2024-08-21 | MSR | Preparing and reviewing documents as requested. | 1.00 | \$150.00 | \$150.00 |
| 2024-08-21 | MMA | Review and approve cheque requisitions. | 0.30 | \$500.00 | \$150.00 |
| 2024-08-26 | PGE | Transmittal of Sales and Marketing update internally; | 0.10 | \$500.00 | \$50.00 |
| 2024-08-26 | MMA | Received and reviewed progress report on property listing as received from Avison Young. Email exchange with S. D'Costa regarding update on the file. | 0.30 | \$500.00 | \$150.00 |
| 2024-08-27 | MMA | Email received from T. Hogan regarding lowering the listing price. Call with S. D'Costa regarding the progress of the file. | 0.80 | \$500.00 | \$400.00 |
| 2024-09-03 | GGO | Receive and review bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-09-06 | PAM | Receive email from the City of St. Catherines regarding tax sale of property. Forward email to M.Manochanda. Review payables with M.Manocher. Reconcile Lockit invoices and payments and submit outstanding invoice for payment. | 0.60 | \$325.00 | \$195.00 |

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| 2024-09-06 | PGE | Email exchange and telephone discussion with City of St. Catharines tax department regarding outstanding tax arrears; internal discussions in this regard; receipt and review of tax arrears summary provided by tax department; email to tax department outlining stay of proceedings contained in receivership order; | 1.00 | \$500.00 | \$500.00 |
| 2024-09-08 | IFR | Issue chqs | 0.20 | \$170.00 | \$34.00 |
| 2024-09-09 | PAM | Receive and respond to email regarding damage to window. | 0.10 | \$325.00 | \$32.50 |
| 2024-09-23 | MSR | Preparing and reviewing documents as requested. | 1.20 | \$150.00 | \$180.00 |
| 2024-09-24 | PAM | Contact Alectra for copy of bill. | 0.10 | \$325.00 | \$32.50 |
| 2024-09-24 | PAM | Contact Alectra for copy of bill. | 0.10 | \$325.00 | \$32.50 |
| 2024-09-27 | PGE | Email with Listing Broker regarding price reduction and extension agreement with respect to MLS listing; | 0.20 | \$500.00 | \$100.00 |
| 2024-09-27 | MMA | Email exchange with K. Avison regarding the listing agreement extension. Reviewed and signed listing extension. | 0.20 | \$500.00 | \$100.00 |
| 2024-09-30 | GGO | Receive and review bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-09-30 | PGE | Email from Listing Broker providing update on sales and marketing and the need for a price reduction given the lack of interest; efforts; | 0.20 | \$500.00 | \$100.00 |
| 2024-09-30 | MMA | Received market update from K. Avison advising we should consider decreasing the list price. | 0.20 | \$500.00 | \$100.00 |
| 2024-10-03 | PGE | Email exchange with Listing Broker regarding sales and marketing update; | 0.25 | \$500.00 | \$125.00 |
| 2024-10-03 | MMA | Received email from K. Avison suggesting listing price be reduced. Email exchange with S. D'Costa advising of email from K. Avison seeking approval. Request from S. D'Costa on fitness asset recovery. Forwarded appraisal and sales invoice for fitness equipment to S. D'Costa. | 1.50 | \$500.00 | \$750.00 |
| 2024-10-03 | PAM | Receive and review quote for replacement of broken glass. | 0.10 | \$325.00 | \$32.50 |
| 2024-10-04 | PGE | Email exchange with Listing Broker confirming Receiver's willingness to reduce price in an effort to stimulate greater interest in ppty; receipt of executed price reduction document; receipt and review of NAR Price reduction form; | 0.30 | \$500.00 | \$150.00 |

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| 2024-10-04 | MMA | Received approval from S. D'Costa to lower list price. Discussion with K. Avison regarding same. Provided K. Avison with approval to decrease list price. Executed documents related to the decrease in listing price. | 1.20 | \$500.00 | \$600.00 |
| 2024-10-08 | PAM | Receive email from previous owner regarding status of items in the premises. | 0.10 | \$325.00 | \$32.50 |
| 2024-10-15 | IFR | Issue chqs | 0.40 | \$170.00 | \$68.00 |
| 2024-10-21 | PAM | Retrieve and download invoices for security system and submit for processing. | 0.60 | \$325.00 | \$195.00 |
| 2024-10-25 | MSR | Preparing and reviewing documents as requested. | 1.00 | \$150.00 | \$150.00 |
| 2024-10-28 | PAM | Reconcile invoices received with previous payments and save payable to drive for processing. | 0.20 | \$325.00 | \$65.00 |
| 2024-10-30 | PAM | Prepare requisitions for payment of payables. Submit for approval. | 0.60 | \$325.00 | \$195.00 |
| 2024-10-31 | PGE | Receipt and review of offer to purchase. | 0.25 | \$500.00 | \$125.00 |
| 2024-10-31 | MMA | Received and reviewed APS from K. Avison. | 0.30 | \$500.00 | \$150.00 |
| 2024-11-04 | PGE | Email from Listing Broker regarding Offer submitted. | 0.10 | \$500.00 | \$50.00 |
| 2024-11-04 | MMA | Multiple calls with stakeholders and interested parties. Calls and emails with K. Avison regarding the process and status of offers. Dealt with operational and ancillary issues . | 0.80 | \$500.00 | \$400.00 |
| 2024-11-05 | MMA | Follow up received from K. Avison on counter offer. Email exchange with S. D'Costa and C. Schulze regarding offer received and suggested counter. Advised K. Avison to counter based on suggestion. | 0.50 | \$500.00 | \$250.00 |
| 2024-11-05 | PGE | Email to Listing Broker confirming quantum of counter-offer; | 0.10 | \$500.00 | \$50.00 |
| 2024-11-06 | HSI | | 0.40 | \$220.00 | \$88.00 |
| 2024-11-06 | GGO | Receive and review bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-11-06 | PGE | Email from Listing Broker enclosing another offer for the property; | 0.20 | \$500.00 | \$100.00 |
| 2024-11-06 | MMA | Lengthy call with K. Avison. Received additional offer and feedback from K. Avison. | 0.50 | \$500.00 | \$250.00 |
| 2024-11-11 | PGE | Receipt and review of amended APS | 0.25 | \$500.00 | \$125.00 |
| 2024-11-11 | MMA | Received and reviewed red line copy of APS. Executed APS and returned to K. Avison. | 0.50 | \$500.00 | \$250.00 |

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| 2024-11-12 | PAM | Review payables, reconcile with payments made prepare requisitions for outstanding payables. Review and reconcile invoices from alarm company. Forward list of invoices paid and invoices issued in error. | 1.70 | \$325.00 | \$552.50 |
| 2024-11-13 | PAM | Email Alectra for copy of invoice for October. | 0.10 | \$325.00 | \$32.50 |
| 2024-11-14 | PAM | Prepare requisitions for payments of utilities and other payables and submit for approval and processing. | 0.50 | \$325.00 | \$162.50 |
| 2024-11-18 | MMA | Received and reviewed outstanding invoice. | 0.10 | \$500.00 | \$50.00 |
| 2024-11-22 | PGE | Email exchange with listing broker; receipt and review of second APS with respect to the property; | 0.50 | \$500.00 | \$250.00 |
| 2024-11-26 | PGE | Telephone discussion with listing broker regarding proposed counter-offer and follow up email confirming discussion; | 0.20 | \$500.00 | \$100.00 |
| 2024-11-27 | PGE | Email from Listing Broker with counter offer for execution and return; | 0.25 | \$500.00 | \$125.00 |
| 2024-11-28 | PAM | Review payables and confirm payments and request processing of outstanding payments. | 0.10 | \$325.00 | \$32.50 |
| 2024-11-29 | PGE | Email from listing broker following up on previous email; | 0.10 | \$500.00 | \$50.00 |
| 2024-12-02 | MSR | Nov-19-2024 Preparing documents as requested. | 0.40 | \$150.00 | \$60.00 |
| 2024-12-02 | PAM | Receive email from Lockit Security with update on property and status of glass repair. | 0.10 | \$325.00 | \$32.50 |
| 2024-12-03 | MMA | Email exchanges with K. Avison regarding counter offer. Review of the revised offer. Prepared and emailed a signed copy of the counter offer. | 0.60 | \$500.00 | \$300.00 |
| 2024-12-03 | GGO | Receive and review bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2024-12-03 | IFR | Issue chqs | 0.20 | \$170.00 | \$34.00 |
| 2024-12-03 | PGE | Email from Kelly Avison following up on offer submitted; email confirming execution and transmittal of sign-back; | 0.25 | \$500.00 | \$125.00 |
| 2024-12-03 | PAM | Discussion with debtor regarding status of sale, glass repair and utility bill. | 0.20 | \$325.00 | \$65.00 |
| 2024-12-05 | PGE | Email exchange with Listing Broker; receipt and review of offer to purchase; | 0.30 | \$500.00 | \$150.00 |

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| 2024-12-05 | MMA | Email exchanges and discussion with K. Avison regarding a revised offer for the real property. Discussion of same with S. DaCosta. | 0.70 | \$500.00 | \$350.00 |
| 2024-12-19 | PGE | Email exchange with Listing Broker regarding outstanding offer and proposed counter; | 0.30 | \$500.00 | \$150.00 |
| 2024-12-19 | MMA | Lengthy call with K. Avison regarding the sale process and offer received. Review of the counter offer and instructed K. AVison to proceed with same. Dealt with operational and maintenance issues related to the property. | 1.40 | \$500.00 | \$700.00 |
| 2025-01-06 | PGE | Email from Listing Broker regarding status of offer previously submitted; | 0.10 | \$500.00 | \$50.00 |
| 2025-01-06 | MMA | Receipt and review of an email from K. Avison containing an offer and requesting instructions for counter. Discussion with S. DaCosta regarding same. Provided instructions to K. Avison. | 1.20 | \$500.00 | \$600.00 |
| 2025-01-07 | GGO | Receive and review bank reconciliation | 0.10 | \$400.00 | \$40.00 |
| 2025-01-07 | PGE | Email exchange with Listing Broker regarding acceptance of counter offer; receipt and review of revised APS; | 0.50 | \$500.00 | \$250.00 |
| 2025-01-13 | MMA | Email exchanges with K. Avison containing an offer. Provided an executed copy of same to K. Avison. | 0.60 | \$500.00 | \$300.00 |
| 2025-01-14 | PGE | Email exchange with Listing Broker regarding payment of deposit on offer submitted; internal email to banking department to confirm receipt; | 0.10 | \$500.00 | \$50.00 |
| 2025-01-15 | PGE | Email to Listing Broker confirming receipt of deposit and approving deposit requisition; | 0.20 | \$500.00 | \$100.00 |
| 2025-01-23 | MMA | Review and approve cheque requisitions. | 0.20 | \$500.00 | \$100.00 |
| 2025-02-05 | MSR | Preparing documents as requested. Reconciliation of previous Payment made to suppliers , organizing files , Email received and reviewed. | 1.50 | \$150.00 | \$225.00 |
| 2025-02-05 | PGE | Email exchange with Lawrie Insurance regarding policy renewal; | 0.10 | \$500.00 | \$50.00 |
| 2025-02-06 | MMA | Review and sign-off on cheque requisitions. | 0.20 | \$500.00 | \$100.00 |
| 2025-02-10 | GGO | Receive and review bank reconciliation. | 0.10 | \$400.00 | \$40.00 |
| 2025-02-10 | PAM | Retrieve invoices for payment. Prepare requisitions and submit for processing. Review Receiver Borrowing. Discussions with Lock it regarding outstanding invoices. | 0.60 | \$325.00 | \$195.00 |

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| 2025-02-10 | PGE | Email from Listing Broker with Amendment to APS attached; email exchange with Listing Broker with respect to increase in purchase price; | 0.50 | \$500.00 | \$250.00 |
| 2025-02-10 | MMA | Receipt and review of amended APS from K. Avison. Discussion with C. Schulze regarding same. | 0.30 | \$500.00 | \$150.00 |
| 2025-02-11 | MMA | Email exchanges with RBC regarding listing price and offers. Review and sign-off on cheque requisition. Email exchanges and call with K. Avison regarding reduction of listing price. Receipt review and execute the amendment and provided same to Avison Young. | 1.50 | \$500.00 | \$750.00 |
| 2025-02-11 | PGE | Email exchange between Receiver and Listing Broker regarding Amendment to APS; receipt and review of waiver of conditions; | 0.30 | \$500.00 | \$150.00 |
| 2025-02-12 | PAM | Receive email from debtor requesting update on status of sale and a payout statement. Forward email to M.Manchanda and P. Gennis. | 0.20 | \$325.00 | \$65.00 |
| 2025-02-12 | PGE | Email from Counsel for John Fulton regarding possible payout and discharge of Receiver; forwarding email to Receiver's Counsel for response; email exchange with Receiver's Counsel in this regard; internal email regarding drafting of report to Court on motion for sale approval; internal email regarding request for payout; email from Listing Broker enclosing signed waiver and amending agreement; receipt and review of insurance renewal; | 0.80 | \$500.00 | \$400.00 |
| 2025-02-13 | MMA | Review of email exchanges between T. Hogan, R. Moses, L. Walduck regarding request for payout from Mr. Fulton. | 0.20 | \$500.00 | \$100.00 |
| 2025-02-14 | PAM | Email exchanges with legal counsel and banking team regarding debtor's request for a payout statement. | 0.10 | \$325.00 | \$32.50 |
| 2025-02-14 | MMA | Review of email exchanges between T. Hogan, L. Walduck and J. Fulton regarding the payout and the offer on hand. | 0.30 | \$500.00 | \$150.00 |
| 2025-02-18 | MSR | Received and review emails. Discussion with P.A regarding Alectra invoice and phone with Alectra customer care representative, preparing cheque requisition for Alectra Invoice and coordinating with banking department. | 2.00 | \$150.00 | \$300.00 |
| 2025-02-18 | PAM | Receive request for payout statement and forward to legal counsel. Contact Alectra and request account be set up under receivership. | 0.20 | \$325.00 | \$65.00 |
| 2025-02-19 | PGE | Email to Receiver's Counsel regarding possible payout by John Fulton; | 0.10 | \$500.00 | \$50.00 |
| 2025-02-21 | PGE | Email from Receiver's Counsel to Counsel for Debtor; | 0.10 | \$500.00 | \$50.00 |

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



SPERGEL

152
msi Spergel inc., Licensed Insolvency Trustees
Head Office: 200 Yorkland Blvd., Suite 1100
Toronto, ON., M2J 5C1
T: 416 497 1660 • F: 416 494 7199
www.spergel.ca

March 31, 2025

DRAFT

Invoice #: 1168

1434399 Ontario Inc.

INVOICE

| | | | | | |
|------------------------------|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|----------|-------------|
| 2025-02-21 | MMA | Receipt and review of the payout statement from RBC. Review of email exchanges between R. Moses and T. Hogan. | 0.30 | \$500.00 | \$150.00 |
| 2025-02-23 | PGE | Email to Receiver's Counsel confirming unconditional Offer on property; email from Lawrie Insurance confirming renewal of coverage; | 0.25 | \$500.00 | \$125.00 |
| 2025-02-24 | PAM | Receive email from insurance company with updated policy. Save to drive and submit invoice for processing. | 0.10 | \$325.00 | \$32.50 |
| 2025-02-24 | MMA | Review of email exchanges between P. Gennis and R. Moses to finalize a report and attend at court for approval of the sale transaction. Discussion with counsel regarding same. | 0.60 | \$500.00 | \$300.00 |
| 2025-02-25 | PAM | Provide proof of payment of hydro bill and request utility account under the receivership. Receive new account number from Alectra. | 0.20 | \$325.00 | \$65.00 |
| 2025-02-27 | PGE | Email exchange with MM regarding contents of Report to Court; | 0.10 | \$500.00 | \$50.00 |
| Professional Services Total: | | | 188.36 | | \$71,845.45 |

Reimbursable Expenses

| | | | | | |
|------------------------------|-----|--|------|--|---------|
| 2024-02-07 | NTA | | | | \$8.00 |
| 2024-08-22 | NTA | | | | \$17.49 |
| Reimbursable Expenses Total: | | | 2.00 | | \$25.49 |

Appendix 11

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

1434399 ONTARIO INC.

Respondent

AFFIDAVIT OF CAROL LIU

I, CAROL LIU, of the City of Toronto, in the Province of Ontario,

MAKE OATH AND SAY AS FOLLOWS:

1. I am a lawyer with the law firm of Fogler, Rubinoff LLP ("**Foglers**").
2. Up until December 31, 2023, I was a lawyer at Minden Gross LLP.
3. msi Spergel inc. was appointed as receiver the assets, undertakings and properties of 1434399 Ontario Inc. (the "**Receiver**") pursuant to an Order made by the Honourable Justice A. J. Goodman of the Ontario Superior Court of Justice on September 28, 2023.
4. The Receiver retained Minden Gross LLP to provide advice and services in respect of the receivership. Attached as **Exhibit "A"** is a copy of Minden Gross LLP's account dated December 31, 2023 with respect to the fees and disbursements incurred by Minden Gross LLP for the period from August 14,

2023 through to December 31, 2023. The account sets out the applicable hourly rates of Minden Gross LLP in respect of the services provided. The total fees, disbursements and applicable taxes through to December 31, 2023 was the sum of \$3,597.41.

5. I joined Foglers on January 3, 2024. After I joined, the Receiver retained the services of Foglers.

6. Foglers has prepared an account in connection with its mandate as the lawyer to the Receiver, detailing its services rendered and disbursements incurred, namely:

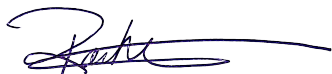
- a) an account dated April 2, 2025 in the amount of \$15,652.87 in respect of the period from January 9, 2024 to April 1, 2025.

(the "**Statement of Account**"). Attached as **Exhibit "B"** is a copy of the Statement of Account. The Statement of Account contains a chart, entitled "Summary of Fees", which details the lawyers who have worked on this matter, their time and their hourly rates.

7. Foglers has estimated a fee accrual of \$8,500.00 to complete the proceedings (the "**Fee Accrual**").

8. I make this affidavit in support of a motion by the Receiver for, *inter alia*, approval of the fees and disbursements of Minden Gross LLP and Foglers.

SWORN by Carol Liu of the City of)
 Toronto, in the Province of Ontario,)
 before me at the City of Toronto, in the)
 Province of Ontario, on April 9, 2025 in)
 accordance with O. Reg. 431/20,)
 Administering Oath or Declaration)
 Remotely)



Commissioner for Taking Affidavits
 (or as may be)

Rachel Moses (LSO# 42081V)



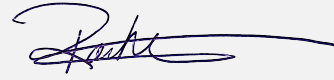
CAROL LIU

This is **Exhibit “A”** referred to

in the Affidavit of Carol Liu

Sworn this 9th

day of April, 2025.



.....
A Commissioner for Taking Affidavits

**MINDEN GROSS LLP****BARRISTERS & SOLICITORS**

145 KING STREET WEST, SUITE 2200

TORONTO, ON, CANADA M5H 4G2

TEL 416.362.3711 FAX 416.864.9223

WWW.MINDENGROSS.COM

In Account With

Date 31-Dec-2023

Invoice Number 3030775

GST/HST Reg. # 11943 7556 RT

File Number 4133934

PERSONAL AND CONFIDENTIAL

msi Spergel Inc.
 200 Yorkland Boulevard
 Suite 1100
 Toronto, ON M2J 5C1
 Attention: Mukul Manchanda

RE: 1434399 Ontario Inc. (Receivership)

For professional services:

Currency: CAD

| | |
|----------|----------|
| Our Fees | 2,508.00 |
|----------|----------|

| | |
|----------|--------|
| GST/HST: | 326.04 |
|----------|--------|

| | |
|-------------------------|----------|
| Total Fees and GST/HST: | 2,834.04 |
|-------------------------|----------|

| | |
|---------------|--------|
| Disbursements | 711.23 |
|---------------|--------|

| | |
|-----------------------------------|-------|
| GST/HST on taxable disbursements: | 52.14 |
|-----------------------------------|-------|

| | | |
|----------------------------------|--------|--------|
| Total disbursements and GST/HST: | 763.37 | 763.37 |
|----------------------------------|--------|--------|

| | |
|-------------------------|-------------------|
| Total Amount Due | \$3,597.41 |
|-------------------------|-------------------|



Invoice Date: 31-Dec-2023
 Invoice Number: 3030775
 Matter Number: 4133934

Time Detail

| <u>Date</u> | <u>Name</u> | <u>Description</u> | <u>Hours</u> | <u>Amount</u> |
|--------------|----------------|-----------------------------------------------------------------------------------------------------------------|--------------|-------------------|
| 08/14/2023 | Moses, Rachel | Review correspondence from T. Hogan and P. Riley, including affidavit of L. Read re Receivership hearing | 0.30 | 165.00 |
| 09/29/2023 | Moses, Rachel | Exchange correspondence with T. Masterson re Receivership Order | 0.20 | 110.00 |
| 10/10/2023 | Moses, Rachel | Telephone call with P. Gennis re Receivership Order | 0.10 | 55.00 |
| 10/13/2023 | Moses, Rachel | Exchange correspondence with P. Gennis and T. Hogan re Receivership and to register Receivership Order on title | 0.30 | 165.00 |
| 10/16/2023 | Moses, Rachel | Engaged re registering Receivership Order on title | 0.20 | 110.00 |
| 10/16/2023 | Cantor, Ian J. | attend to title registration | 0.30 | 205.50 |
| 11/01/2023 | Moses, Rachel | Exchange correspondence with P. Gennis re legal proceedings | 0.10 | 55.00 |
| 11/09/2023 | Moses, Rachel | Review correspondence from P. Gennis and S. Barbier re debtor's claim | 0.10 | 55.00 |
| 11/13/2023 | Moses, Rachel | Exchange correspondence with S. Barbier re debtor's claim | 0.10 | 55.00 |
| 11/14/2023 | Moses, Rachel | Exchange correspondence with S. Barbier re claim by debtor | 0.10 | 55.00 |
| 11/17/2023 | Moses, Rachel | Review claim and Teams call with S. Barbier re Receiver's petition on debtor's claim and call with P. Gennis | 0.80 | 440.00 |
| 11/17/2023 | Moses, Rachel | Exchange correspondence with P. Amaral re utility account of debtor | 0.20 | 110.00 |
| 11/20/2023 | Liu, Carol | Draft and send letter to Alectra Utilities re account set up issue for James St property | 1.50 | 487.50 |
| 11/20/2023 | Moses, Rachel | Telephone call and correspondence with M. Manchanda re utility letter | 0.30 | 165.00 |
| 11/21/2023 | Moses, Rachel | Telephone call with Lauren Sarduy at Alectra re utility account | 0.10 | 55.00 |
| 11/28/2023 | Moses, Rachel | Exchange correspondence with A. Gaertner re discoveries | 0.10 | 55.00 |
| 12/01/2023 | Moses, Rachel | Exchange correspondence with P. Gennis re claim against property owner for damage | 0.10 | 55.00 |
| 12/13/2023 | Moses, Rachel | Call and exchange correspondence with P. Gennis re debtor's claim | 0.20 | 110.00 |
| Total | | | 5.10 | \$2,508.00 |



Invoice Date: 31-Dec-2023
 Invoice Number: 3030775
 Matter Number: 4133934

Timekeeper Summary

| <u>Name</u> | <u>Timekeeper Title</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|----------------|-------------------------|--------------|-------------|-------------------|
| Cantor, Ian J. | Partner | 0.30 | 685.00 | 205.50 |
| Liu, Carol | Associate | 1.50 | 325.00 | 487.50 |
| Moses, Rachel | Partner | 3.30 | 550.00 | 1,815.00 |
| Total | | 5.10 | | \$2,508.00 |

Cost Summary

| <u>Description</u> | <u>Amount</u> |
|--------------------------------------------------|-----------------|
| Agent Service/Filing/Reg Fees - Non Taxable | 228.18 |
| Register Charge - Non Taxable | 82.00 |
| Search Bankruptcy - Superintendent of Bankruptcy | 44.26 |
| Search Corporate | 228.18 |
| Search Executions | 44.26 |
| Search Sec. 427 of Bank Act | 44.26 |
| Subsearch Disbursements | 40.09 |
| Total | \$711.23 |



MINDEN GROSS LLP
BARRISTERS & SOLICITORS
 145 KING STREET WEST, SUITE 2200
 TORONTO, ON, CANADA M5H 4G2
 TEL 416.362.3711 FAX 416.864.9223
 WWW.MINDENGROSS.COM

msi Spergel Inc.
 200 Yorkland Boulevard
 Suite 1100
 Toronto, ON M2J 5C1
 Attention: Mukul Manchanda

In Account With
 Date 31-Dec-2023
 Invoice Number 3030775
 GST/HST Reg. # 11943 7556 RT
 File Number 4133934

REMITTANCE COPY

1434399 Ontario Inc. (Receivership)

| <u>Invoice Date</u> | <u>Invoice Number</u> | <u>Balance Due</u> |
|------------------------|-----------------------|--------------------|
| <u>Current Invoice</u> | | |
| 12/31/2023 | 3030775 | \$3,597.41 |
| Balance Due | | \$3,597.41 |

REMITTANCE ADVICE

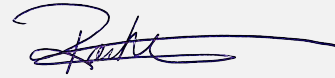
| <u>Canadian Dollar Wire Payments:</u> | <u>Canadian Dollar EFT Payments:</u> | <u>Cheque Payments:</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Royal Bank of Canada 200 Bay Street Toronto, Ontario, M5J 2J2 | Royal Bank of Canada 200 Bay Street Toronto, Ontario, M5J 2J2 | Minden Gross LLP Barristers & Solicitors ACCOUNTS RECEIVABLE 145 King Street West, Suite 2200 Toronto, ON, Canada, M5H 4G2 |
| Bank No: 003 | Bank No: 003 | <i>Please return remittance advice(s) with cheque</i> |
| Transit No: 06012 | Transit No: 06012 | |
| Account No: 060121022276 | Account No: 1022276 | |
| SWIFT Code: ROYCCAT2 | Beneficiary: Minden Gross LLP | |
| Beneficiary: Minden Gross LLP | | |
| <i>Please email Wire/EFT payment details to payments@mindengross.com referencing invoice number(s) being paid</i> | | |
| Interac E-transfer Payments: Using Online Banking App or Website | | |
| Payee Name: Minden Gross LLP | | |
| Email: payments@mindengross.com | | |
| <i>Please include the invoice number(s) in the e-transfer notes</i> | | |
| <i>For inquiries or copy of invoices, please contact: Payments (416) 369-4328 / E-mail: payments@mindengross.com</i> | | |

This is **Exhibit “B”** referred to

in the Affidavit of Carol Liu

Sworn this 9th

day of April, 2025.



.....
A Commissioner for Taking Affidavits

Invoice Num: 22505623

April 2, 2025

msi Spergel Inc.
 200 Yorkland Boulevard, Suite 1100
 Toronto ON
 M2J 5C1
 Attention: Mukul Manchanda

IN ACCOUNT WITH
 Fogler, Rubinoff LLP
 Scotia Plaza
 40 King Street West, Suite 2400
 P.O. Box #215
 Toronto, ON
 M5H 3Y2
 Telephone: 416-864-9700
 Fax: 416-941-8852
www.foglers.com

fogler
 rubinoff

Our File: M5294 / 236308
1434399 Ontario Inc. (Receivership)

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to April 2, 2025.

| | |
|------------------------------------------------------|--------------------|
| Our Fees for Professional Services | \$13,479.10 |
| Total Disbursements | \$373.00 |
| Total Fees and Disbursements | \$13,852.10 |
| HST @ 13% on Fees and Taxable Disbursements | \$1,800.77 |
| Total Fees, Disbursements and Taxes this Bill | \$15,652.87 |
| Balance Due: | \$15,652.87 |

THIS IS OUR ACCOUNT HEREIN
FOGLER, RUBINOFF LLP

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 5.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E. **R119420859** **GST/HST** **No** **:**

Please return a copy of this account with your payment. Thank you.

Rachel Moses



Invoice Num: 22505623

April 2, 2025

msi Spergel Inc.
200 Yorkland Boulevard, Suite 1100
Toronto ON
M2J 5C1
Attention: Mukul Manchanda

IN ACCOUNT WITH
Fogler, Rubinoff LLP
Scotia Plaza
40 King Street West, Suite 2400
P.O. Box #215
Toronto, ON
M5H 3Y2
Telephone: 416-864-9700
Fax: 416-941-8852
www.foglers.com



Our File: M5294 / 236308
1434399 Ontario Inc. (Receivership)

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

| <u>Date</u> | <u>Lawyer</u> | <u>Description</u> | <u>Hrs</u> | <u>Fees</u> |
|-------------|---------------|--------------------------------------------------------------------------------------------------------------------|------------|-------------|
| Jan-09-24 | RM | Communications with P. Gennis and S. Barbier re Debtor's claim and next steps. | 0.10 | 60.00 |
| Jan-10-24 | RM | Communications with P. Gennis re debtor's claim and call to discuss next steps. | 0.10 | 60.00 |
| Jan-15-24 | RM | Communications with S. Barbier and P. Gennis re debtor's lawsuit for damages. | 0.10 | 60.00 |
| Jan-16-24 | RM | Communication with P. Gennis re contamination claim of debtor. | 0.10 | 60.00 |
| Mar-16-24 | RM | Correspondence from P. Gennis re Phase 2 of real property and listing. | 0.20 | 120.00 |
| Mar-27-24 | RM | Communication from P. Gennis re listing of real property. | 0.10 | 60.00 |
| Mar-30-24 | RM | Communications with M. Manchanda and P. Gennis re listing of real property. | 0.10 | 60.00 |
| Apr-01-24 | RM | Engaged re review of documents for listing of real property. | 0.40 | 240.00 |
| Apr-02-24 | JF | To review of listing agreement; to providing comments to Rachel and to providing case and note re commission. | 0.25 | 150.00 |
| Apr-02-24 | MY | Receive/Review emails; Save docs to matter; Mark up Listing Agreement and create Schedule to LA; email to J Fried. | 0.40 | 118.00 |
| Apr-02-24 | RM | Communications with J. Fried and P. Gennis re listing and commission agreements for sale of property. | 0.50 | 300.00 |



| <u>Date</u> | <u>Lawyer</u> | <u>Description</u> | <u>Hrs</u> | <u>Fees</u> |
|-------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------|
| Apr-03-24 | JF | To review and revising the APS; to call with Rachel Moses re the NDA and the Disclaimer; to email to Philp Gennesis re APS; to call with Philip re APS. | 0.60 | 360.00 |
| Apr-03-24 | RM | Communications with J. Fried re documents for listing property and sale of property. | 0.10 | 60.00 |
| Apr-04-24 | JF | To further revisions to the APS. | 1.25 | 750.00 |
| Apr-05-24 | JF | To further revisions to the APS. | 0.85 | 510.00 |
| Apr-08-24 | JF | To revising APS. | 0.65 | 390.00 |
| Apr-08-24 | JF | to call with P Gennis to review of APS and to looking up HST case and to sendin copy of case to P Gennis. | 0.65 | 390.00 |
| Apr-08-24 | DW | versioning of APS, emails. | 0.13 | 38.35 |
| Apr-09-24 | DW | versioning of clan and blacklined APS. | 0.08 | 23.60 |
| Apr-11-24 | RM | Communications with P. Gennis re NDA and listing of property for sale. | 0.10 | 60.00 |
| Apr-13-24 | RM | Communication from P. Gennis re clean Environmental Phase 2 and impact on litigation. | 0.10 | 60.00 |
| Apr-15-24 | RM | Communications with P. Gennis re response to S. Barbier and debtor's claim against adjoining property owner; communications with P. Amaral re J. Fulton's claim to remove personal assets at Debtor's premises. | 0.40 | 240.00 |
| Apr-16-24 | RM | Communications with P. Gennis and S. Barbier re listing property for sale and continuing with Debtor's action. | 0.20 | 120.00 |
| Apr-19-24 | JF | To call from Philip for final version for posting; To call with Deanna to change file path; to sending final version of APS to hilip. | 0.15 | 90.00 |
| Apr-19-24 | DW | emails, provide Joe with APS. | 0.07 | 20.65 |
| Apr-22-24 | RM | Communications with P. Gennis re NDA, and civil action. | 0.10 | 60.00 |
| Apr-22-24 | RM | Revise NDA and Confidential Agreement re sale of real property and communications with P. Gennis re same. | 0.60 | 360.00 |
| Apr-24-24 | RM | Communications with P. Gennis re listing property for sale and proposed action by debtor; engaged re draft approval and vesting order. | 0.40 | 240.00 |
| Apr-27-24 | RM | Communication from P. Gennis to S. Barbier re civil claim by debtor. | 0.10 | 60.00 |
| Apr-29-24 | RM | Communications with P. Amaral and P. Gennis re personal items of J. Fulton, statutory declaration to support personal items and appraisal by Sia. | 0.20 | 120.00 |
| May-08-24 | RM | Communications with P. Gennis and S. Barbier re meeting to discuss litigation by debtor and real property. | 0.10 | 60.00 |
| May-15-24 | RM | Communication from P. Gennis re call with S. Barbier re civil action. | 0.10 | 60.00 |
| May-16-24 | RM | Communications from S. Barbier re meeting to discuss litigation by debtor and real property. | 0.10 | 60.00 |



| <u>Date</u> | <u>Lawyer</u> | <u>Description</u> | <u>Hrs</u> | <u>Fees</u> |
|-------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------|
| Jun-06-24 | RM | Communications with P. Gennis and S. Barbier re call to discuss litigation. | 0.10 | 60.00 |
| Jun-07-24 | RM | Teams call with P. Gennis and S. Barbier re civil action by debtor. | 0.40 | 240.00 |
| Sep-06-24 | RM | Communication with P. Gennis re sale of property and municipal tax arrears. | 0.10 | 60.00 |
| Feb-12-25 | RM | Communications with P. Gennis re sale of real property, payout request by Fullton and impact on sale and disclosure request by Fulton; communications with S. Barbier re payout request, status of sale of real property, financing arrangements of Fullton and liability under guarantee. | 0.70 | 420.00 |
| Feb-14-25 | RM | Communications from T. Hogan re RBC payout statement and Receiver's acceptance of an offer to sell the property. | 0.10 | 60.00 |
| Feb-21-25 | RM | Communications with T. Hogan and S. Barbier re payout of RBC indebtedness. | 0.20 | 120.00 |
| Feb-23-25 | RM | Communication from P. Gennis re court hearing date for sale approval. | 0.10 | 60.00 |
| Feb-24-25 | RM | Engaged re communications with Hamilton Court re hearing date for sale approval motion by receiver. | 0.20 | 120.00 |
| Mar-03-25 | RM | Communications with P. Gennis re motion to approve sale of real property and security review of RBC. | 0.20 | 120.00 |
| Mar-04-25 | RM | Engaged re RBC security review for distribution motion on sale of property. | 0.10 | 60.00 |
| Mar-06-25 | KP | Conference with M. Pham re: searches. | 0.10 | 29.50 |
| Mar-07-25 | VSF | 2 Names- 2 searches. | 0.60 | 30.00 |
| Mar-07-25 | VWD | Review RBC security and various search results including PPSA,, land titles, bankruptcy and Bank Act; prepare first draft of security opinion letter. | 3.20 | 1,920.00 |
| Mar-07-25 | KP | Pull corporation, bankruptcy, Bank Act, PPSA and parcel searches for 1434399 Ontario Inc and provide to V. DaRe. | 0.30 | 88.50 |
| Mar-10-25 | VWD | Review, revise and finalize security opinion letter. | 1.10 | 660.00 |
| Mar-10-25 | RM | Review RBC security opinion; communication to P. Gennis re RBC security opinion for distribution motion. | 0.30 | 180.00 |
| Mar-13-25 | RM | Communication from P. Gennis re receiver's motion for court approval. | 0.10 | 60.00 |
| Mar-17-25 | JF | To email from Buyer's lawyer with Requisition letter and review of same; to email exchanges with Rachel Moses re court apporval. | 0.35 | 210.00 |
| Mar-17-25 | RM | Communications with P. Gennis re receiver's motion for court approval, fee affidavit and communication from M. Jarry re requisitions for purchase of real property 14 James Street, St. Catharines. | 0.50 | 300.00 |



| <u>Date</u> | <u>Lawyer</u> | <u>Description</u> | <u>Hrs</u> | <u>Fees</u> |
|------------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------------------|
| Mar-18-25 | JF | To emails with Rachel Moses re court approval; to call with Medina to advise Rachel Moses how buyer was taking title; to emails. | 0.25 | 150.00 |
| Mar-18-25 | RM | Engaged re motion for approval of sale agreement in connection with the real property; communications with P. Gennis and J. Ikola re motion for sale approval and vesting order; engaged re fee affidavit, notice of motion and orders. | 0.60 | 360.00 |
| Mar-18-25 | CL | Draft receiver's motion materials. | 0.50 | 165.00 |
| Mar-19-25 | JF | To call to Medina to send me the APS, the Vesting Order and PIN; to receipt and review of forgoing and to email to Rachel Moses; to call with Rachel Moses they do not have receiver's report so deal can't close on Mar 31; to advising Buyer's lawyer re same. | 0.35 | 210.00 |
| Mar-19-25 | EL | Call with J. Fried. | 0.30 | 75.00 |
| Mar-19-25 | RM | Engaged re sale approval of real property. | 0.10 | 60.00 |
| Mar-19-25 | CL | Draft receiver's motion materials. | 2.00 | 660.00 |
| Mar-20-25 | EL | Revise AVO. | 0.30 | 75.00 |
| Mar-20-25 | CL | Draft receiver's motion materials and draft orders. | 0.40 | 132.00 |
| Mar-21-25 | CL | Update draft factum. | 0.20 | 66.00 |
| Mar-25-25 | JF | To review of redline of AVO; to calls with Emily re several redrafts and tweaks thereto; to sending same to Carol Liu and Rahcel Moses. | 0.40 | 240.00 |
| Mar-25-25 | MY | Provide documents to J Fried; prepare draft Application for Vesting Order and start preparing the letter to reply to requisition; email to team. | 0.50 | 147.50 |
| Mar-25-25 | EL | Revise Approval and Vesting Order. | 0.80 | 200.00 |
| Apr-01-25 | RM | Review and revise First Report of Receiver and communications with M. Manchanda and P. Gennis re motion for sale approval and engaged re fee affidavit. | 1.20 | 720.00 |
| TOTAL FEES: | | | | \$13,479.10 |
| OUR FEE HEREIN: | | | | \$13,479.10 |

Summary of Fees

| <u>Timekeeper</u> | <u>Total Time</u> | <u>Hourly Rate</u> | <u>Value</u> |
|-------------------|-------------------|--------------------|--------------|
| Liu, Carol | 3.10 | 330.00 | 1,023.00 |
| DaRe, Vern W. | 4.30 | 600.00 | 2,580.00 |
| Fried, Joseph | 5.75 | 600.00 | 3,450.00 |
| Moses, Rachel | 9.30 | 600.00 | 5,580.00 |
| Findley, Shane | 0.60 | 50.00 | 30.00 |
| Parker, Kate | 0.40 | 295.00 | 118.00 |
| Wehby, Deanna | 0.28 | 295.00 | 82.60 |
| Young, Medina | 0.90 | 295.00 | 265.50 |
| Lynch, Emily | 1.40 | 250.00 | 350.00 |



Disbursements

| | | | |
|---------|---------------------------------------------------------------------|------------------------------------------------------|---------------------------------|
| Taxable | Agents' Fees | \$7.00 | |
| Taxable | Bank Act Search | \$16.00 | |
| Taxable | Bank Act Searches – Notice of Intention (all Provinces/Territories) | \$13.50 | |
| Taxable | Bankruptcy Search | \$13.50 | |
| Taxable | Copies of Instruments | \$3.00 | |
| Taxable | Corporate Profile | \$16.00 | |
| Taxable | PPSA Search | \$8.00 | |
| Taxable | PPSA Search (Ontario) Certified | \$9.00 | |
| Taxable | Prints | \$14.70 | |
| Taxable | Search Fees | \$114.90 | |
| Taxable | Search of Title | \$111.30 | |
| Taxable | Writs name search | \$46.10 | |
| | | Total Disbursements | \$373.00 |
| | | Total Fees and Disbursements | \$13,852.10 |
| | | HST @ 13% on Fees and Taxable Disbursements | \$1,800.77 |
| | | Total Fees, Disbursements and Taxes this Bill | \$15,652.87 |
| | | | <hr/> |
| | | | Balance Due: \$15,652.87 |

**THIS IS OUR ACCOUNT HEREIN
FOGLER, RUBINOFF LLP**

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 5.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E. GST/HST No : R119420859
Please return a copy of this account with your payment. Thank you.

Rachel Moses



For your convenience, we have the following payment options:

- Online banking using the Bill Payment Service at most Canadian chartered banks. Please reference your file or account number in the notes box.
- Direct Deposits at a TD Branch (please provide your Fogler, Rubinoff lawyer with a copy of the cheque and deposit receipt).
- Wire transfer (please reference your file or account number).
- Electronic Funds Transfer (EFT).
- Cheque by mail or courier.

Should you require assistance, please contact our Accounts Receivable Department at 416.864.9700 x152 or by e-mail accountsreceivable@foglers.com.

MOVE ALERT: Effective December 2, 2024, our office has moved to:

**Scotia Plaza
40 King Street West, Suite 2400
P.O. Box 215
Toronto, ON M5H 3Y2**

All phone and email contact information will remain the same. Please update your records.

B E T W E E N:

170

ROYAL BANK OF CANADA

Applicant

-and-

1434399 ONTARIO INC.

Respondent

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON

AFFIDAVIT OF CAROL LIU

FOGLER, RUBINOFF LLP

Lawyers
Scotia Plaza
40 King Street West, Suite 2400
P.O. Box #215
Toronto, ON M5H 3Y2

Rachel Moses (LSO# 42081V)

rmoses@foglers.com

Tel: 416-864-7627

Carol Liu (LSO# 84938G)

cliu@foglers.com

Tel: 416-849-4150

Lawyers for the Receiver, msi Spergel inc.

Appendix 12

Division No. 07-Hamilton
 Court No. 32-159363
 Estate No. 32-159363

**In the matter of the Receivership of
 1434399 Ontario Inc.
 of the City of St. Catharines, in the Province of Ontario**

Receiver's Statement of Receipts and Disbursements
 As at March 31, 2025

RECEIPTS

| | | | |
|-----------------------|------------------------------------------|------------|-------------------|
| 1 | Miscellaneous | | |
| | Receiver Borrowing from Secured Creditor | 100,000.00 | |
| | Sale of assets enbloc | 4,500.00 | |
| | Refunds - miscellaneous | 50.00 | |
| | HST collected | 585.00 | |
| TOTAL RECEIPTS | | | 105,135.00 |

DISBURSEMENTS

| | | | |
|----------------------------|---------------------------------------------|------------------|-------------------|
| 2. | Federal and Provincial taxes | | |
| | HST Paid on Ascend License Fee | 42.25 | |
| | HST Paid on Disbursements Exclusive of Fees | 10,313.50 | |
| | | | 10,355.75 |
| 3. | Miscellaneous | | |
| | Ascend License Fee | 325.00 | |
| | Appraisal fees | 11,288.05 | |
| | Bank charges | 414.70 | |
| | Environmental Assessment and Cleanup Costs | 24,655.20 | |
| | Filing Fees Paid to Official Receiver | 75.30 | |
| | Insurance | 19,227.85 | |
| | Redirection of Mail | 182.00 | |
| | Security | 17,772.64 | |
| | Travel | 283.02 | |
| | Repairs & Maintenance | 1,148.80 | |
| | Utilities | 18,729.91 | |
| | | <u>94,102.47</u> | |
| TOTAL DISBURSEMENTS | | | 104,458.22 |

| | | |
|---------------------------------|--|-----------------|
| Net Receipts over Disbursements | | 676.78 |
| | | E&OE |

Dated at the City of Toronto in the Province of Ontario, this 31st day of March 2025.
 msi Spergel inc. - Licensed Insolvency Trustee

1100-200 Yorkland Blvd.
 Toronto ON M2J 5C1
 Phone: (416) 497-1660 Fax: (416) 494-7199

Appendix 13

Philip Gennis

From: Paula Amaral
Sent: Wednesday, March 19, 2025 2:08 PM
To: Philip Gennis
Subject: FW: 1434399 Ontario Inc

Hi Phil,

Nothing is owed to CRA for 1434399 Ontario Inc.

See below.

Paula Amaral, CPA, CMA | Senior Manager
Corporate Restructuring & Insolvency
 msi Spergel inc. | Licensed Insolvency Trustees
 200 Yorkland Blvd., Suite 1100, Toronto, ON., M2J 5C1
 T: 416-498-4302 | F: 416-498-4302
pamaral@spergel.ca | www.spergelcorporate.ca
Insolvency • Restructuring • Consulting



This email may contain privileged information and is intended only for the named recipient. Distribution, disclosure or copying of this email by anyone other than the named recipient is prohibited. If you are not the named recipient, please notify us immediately by return email and permanently destroy this email and all copies.

From: Vowles, Laura <Laura.Vowles@cra-arc.gc.ca>
Sent: Wednesday, March 19, 2025 1:42 PM
To: Paula Amaral <pamaral@spergel.ca>
Subject: RE: 1434399 Ontario Inc

Hi

There is no balance owing on the RT or RP. Let me know if you need anything else.

Thanks
 Laura

From: Paula Amaral <pamaral@spergel.ca>
Sent: Wednesday, March 19, 2025 1:29 PM
To: Vowles, Laura <Laura.Vowles@cra-arc.gc.ca>
Subject: 1434399 Ontario Inc

Appendix 14

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO: 001


AMOUNT: \$50,000.00

1. **THIS IS TO CERTIFY** that msi Spergel inc., the receiver (the "**Receiver**") of the assets, undertakings and properties of 1434399 Ontario Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior court of Justice (Commercial List) (the "**Court**") dated the 28th day of September, 2023 (the "**Order**") made in an action having court file number CV-23-00082432-0000, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$42,000.00, being part of the total principal sum of \$100,000.00 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 after the date hereof at a notional rate per annum equal to the rate of 1.5 per cent above the prime commercial lending rate of The Royal Bank of Canada 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 29th day of November, 2023.

msi Spergel inc., solely in its capacity as
Receiver of 1434399 Ontario Inc. and not in its
corporate or personal capacity.

Per: 

Name: Mukul Manchanda, CPA, CIRP, LIT
Title: Managing Partner

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO: 002

AMOUNT: \$50,000.00

1. **THIS IS TO CERTIFY** that msi Spergel inc., the receiver (the "**Receiver**") of the assets, undertakings and properties of 1434399 Ontario Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior court of Justice (Commercial List) (the "**Court**") dated the 28th day of September, 2023 (the "**Order**") made in an action having court file number CV-23-00082432-0000, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$50,000.00, being part of the total principal sum of \$100,000.00 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 after the date hereof at a notional rate per annum equal to the rate of 1.5 per cent above the prime commercial lending rate of The Royal Bank of Canada 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 14th day of March, 2024.

msi Spergel inc., solely in its capacity as
Receiver of 1434399 Ontario Inc. and not in its
corporate or personal capacity.

Per:



Name: Mukul Manchanda, CPA, CIRP, LIT
Title: Managing Partner

Appendix 15



SCHEDULE "A"
INDEBTEDNESS AS OF FEBRUARY 14, 2025¹
INDICATIVE NUMBERS ONLY, SUBJECT TO CHANGE

| | TOTAL DUE |
|-----------------------------|------------------------------------|
| Overdraft (ending in 557) | \$8,684.13 |
| Demand Loan (ending in 001) | \$1,214,799.32 (\$107.40 per diem) |
| Guarantee (ending in 002) | \$104,352.40 (\$10.65 per diem) |
| Demand Loan (ending in 003) | \$35,594.29 (\$14.35 per diem) |
| Advances to Receiver | \$50,000.00 |
| Advances to Receiver | \$50,000.00 |
| Billed Legal Fees | \$25,248.69 |
| TOTAL | 1,488,678.83 |

¹ This statement does not include legal fees to close.

CONFIDENTIAL APPENDIX 1

Colliers Appraisal
(Filed Separately)

CONFIDENTIAL APPENDIX 2

Wagner Kovacs Appraisal
(Filed Separately)

CONFIDENTIAL APPENDIX 3

Final Progress Report of Listing Broker
(Filed Separately)

CONFIDENTIAL APPENDIX 4**Summary of Offers Received**
(Filed Separately)

CONFIDENTIAL APPENDIX 5

**Unredacted Copy of the Amended Sale Agreement with
Straight Line Investments Inc.**
(Filed Separately)

TAB 3

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

| | | |
|----------------|---|--------------------------------|
| THE HONOURABLE |) | THURSDAY, THE 24 TH |
| |) | |
| JUSTICE |) | DAY OF APRIL, 2025 |

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

1434399 ONTARIO INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of 1434399 Ontario Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver (in its capacity as vendor, the "**Seller**") and Straight Line Investments Inc. ("**SLI**") which Sale Agreement was assigned by SLI to 14 James Street Inc. (the "**Purchaser**") dated January 8, 2025 and appended as Confidential Appendix "1" to the Confidential Brief to the First Report of the Receiver dated April 9, 2025 (the "**Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the real property municipally known as 14 James Street, St. Catharines, Ontario and as legally described in Schedule "B" (the "**Real Property**"), was heard this day by Zoom videoconference at 55 Main Street West, Hamilton, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of Hayley Morgan sworn April 10, 2025 filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Real Property to the Purchaser.
2. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
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 Real Property described in the Sale Agreement 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 A.J. Goodman dated September 28, 2023; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court

orders that all of the Encumbrances affecting or relating to the Real Property are hereby expunged and discharged as against the Real Property.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Niagara North (No. 30) 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 AND DIRECTS** that the Land Registry Office for the Land Titles Division of Niagara North (No. 30) shall delete and expunge Instrument No. NR653454, being an Application to Register Court Order registered on October 16, 2023, in favour of msi Spergel Inc., from title to the Real Property identified on Schedule “B” hereto.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Real Property shall stand in the place and stead of the Real Property, 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 Real Property with the same priority as they had with respect to the Real Property immediately prior to the sale, as if the Real Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

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 Real Property 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 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.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order without the need for entry or filing.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-23-0082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and –

1434399 ONTARIO INC.

Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice A.J. Goodman of the Ontario Superior Court of Justice (the "**Court**") dated September 28, 2023, msi Spergel inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of 1434399 Ontario Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of January 8, 2025 (the "**Sale Agreement**") between the Receiver and Straight Line Investments Inc. ("**SLI**") which Sale Agreement was assigned by SLI to 14 James Street Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the real property municipally known as 14 James Street, St. Catharines, Ontario (the "**Real Property**") (the "**Transaction**"), which vesting is to be effective with respect to the Real Property 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 Real Property; (ii) that the conditions to Closing as set out in section 18 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 Real Property payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 18 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**MSI SPERGEL INC., in its capacity as
Receiver of the undertaking, property
and assets of 1434399 ONTARIO INC.,
and not in its personal capacity**

Per: _____

Name:

Title:

Schedule B – Real Property

PIN: 46219-0114 (LT)

LT 450, 464 CP PL 2 GRANTHAM; ST. CATHARINES

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

| Registration No. | Registration Date | Instrument Type | Parties From | Parties To |
|-------------------------|--------------------------|------------------------|-----------------------------------|---------------------------------|
| RO440642 | December 30, 1981 | Transfer | | Coy Bros. (St. Catharines) Inc. |
| NR534531 | February 12, 2020 | Charge | 1434399 Ontario Inc. | Royal Bank of Canada |
| NR653454 | October 16, 2023 | Court Order | Ontario Superior Court of Justice | msi Spergel Inc. |

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

(unaffected by the Vesting Order)

1. Any reservations, restrictions, rights of way, easements or covenants that run with the land;
2. Restrictive covenants, private deed restrictions and other similar land use control agreements;
3. Any subdivision agreements, site plan control agreements, development agreements, heritage easements and agreements relating thereto, servicing agreements, utility agreements, permits, licenses, airport zoning regulations and other similar agreements with a municipality, region or private or public utilities affecting the development or use of the Real Property.
4. All laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the Real Property;
5. Any easements, servitudes, or rights-of-way in favour of any municipality or region, any private or public utility, any railway company or any adjoining owner;
6. Any unregistered easements, servitudes, rights-of-way or other unregistered interests or claims not disclosed by registered title in respect of the provision of utilities or other services to the Real Property, if any, or adjacent properties;
7. Any rights of expropriation, access or use or any other similar rights conferred or reserved by applicable law.
8. Encumbrances for real or immovable property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and utilities in connection with the Real Property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing.
9. Any minor title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Real Property which would be disclosed by an up-to-date plan of survey, real property report, certificate of location, or technical description;

10. The provisions of all applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning of the Real Property.
11. Any reservation(s), limitation, exceptions, provisos and conditions contained in the original grant from Crown including, without limitation, the reservation of any royalties, mines and minerals in the Crown or in any other person.;
12. The exceptions and qualifications contained in Subsection 44(1) of the *Land Titles Act* (Ontario) except paragraphs 11 and 14.
13. Provincial succession duties and escheats or forfeiture to the Crown;
14. The rights of any person who would, but for the *Land Titles Act* (Ontario) be entitled to the Real Property or any part of it through length of adverse possession, prescription, misdescription or boundaries settled by convention;
15. Undetermined or inchoate liens incidental to construction, renovations or current operations, a claim for which shall not at the time have been registered against Real Property or of which notice in writing shall not at the time have been given to the Seller pursuant to the *Construction Act* (Ontario) or similar legislation, and in respect of any of the foregoing cases the Seller has, where applicable, complied with the holdback or other similar provisions or requirements of the relevant construction contracts.
16. Any reference plans, plans of condominium or plans registered pursuant to the *Boundaries Act* (Ontario).
17. Any unregistered interests in the Real Property of which the Purchaser has actual notice.
18. Permits, licenses, agreements, servitudes, easements, (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, options, rights-of-way, public ways, rights in the nature of an easement or servitude and other similar rights in land granted to or reserved by other persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) (other than those described in items 5 and 6 of this Schedule) which do not materially impair the current use, operation or marketability of the Real Property.

19. All instruments which are registered against title to Real Property: (i) as of the date that is one (1) Business Days prior to the date of execution of the Sale Agreement, including the Specific Encumbrances listed below; or (ii) otherwise agreed to by the Purchaser; or (iii) permitted by this Schedule "D", except for those encumbrances to be vested off pursuant to Schedule "C" hereto.

SPECIFIC ENCUMBRANCES

| Registration No. | Registration Date | Instrument Type |
|------------------|-------------------|--------------------------------------|
| RO493091 | March 4, 1985 | Notice of Airport Zoning Regulations |

ROYAL BANK OF CANADA
Applicant

-and- **1434399 ONTARIO INC.**
Respondent

Court File No. CV-23-00082432-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

APPROVAL AND VESTING ORDER

FOGLER, RUBINOFF LLP

Lawyers
Scotia Plaza
40 King Street West, Suite 2400
P.O. Box #215
Toronto, ON M5H 3Y2

Rachel Moses (LSO# 42081V)

rmoses@foglers.com

Tel: 416-864-7627

Carol Liu (LSO# 84938G)

cliu@foglers.com

Tel: 416-849-4150

Lawyers for the Receiver, msi Spergel inc.

TAB 4

Revised: January 21, 2014

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) ~~WEEKDAY~~ THURSDAY, THE #24TH
 JUSTICE)
) DAY OF ~~MONTH~~ APRIL, ~~20YR~~ 2025

B E T W E E N:

ROYAL BANK OF CANADA

~~PLAINTIFF~~ Applicant

~~Plaintiff~~

- and -

~~DEFENDANT~~
1434399 ONTARIO INC.

~~Defendant~~ Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by ~~[RECEIVER'S NAME]~~ msi Spergel inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of ~~[DEBTOR]~~ 1434399 Ontario Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver ~~and [NAME OF PURCHASER]~~ (in its capacity as vendor, the "**Seller**") and Straight Line Investments Inc. ("**SLI**") which Sale Agreement was assigned by SLI to 14 James Street Inc. (the "**Purchaser**") dated ~~[DATE]~~ January 8, 2025 and appended as Confidential Appendix "1" to the Confidential Brief to the First Report of the Receiver dated ~~[DATE]~~ April 9, 2025 (the "**Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the ~~assets~~ real property municipally

known as 14 James Street, St. Catharines, Ontario and as legally described in ~~the Sale Agreement~~ Schedule "B" (the "~~Purchased Assets~~ Real Property"), was heard this day ~~at 330 University Avenue, Toronto~~ by Zoom videoconference at 55 Main Street West, Hamilton, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of ~~[NAME]~~ Hayley Morgan sworn ~~[DATE]~~ April 10, 2025 filed¹:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved,² and the execution of the Sale Agreement by the Receiver³ 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~~ Real Property to the Purchaser.

2. **THIS COURT ORDERS** ~~that the time for service and filing of the Notice of Motion and Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.~~

3. ~~2.~~ **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the ~~Purchased~~

¹ ~~This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.~~

² ~~In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.~~

³ ~~In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.~~

~~Assets~~Real Property described in the Sale Agreement ~~[and listed on Schedule B hereto]~~⁴ 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"⁵) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice ~~[NAME]~~A.J. Goodman dated ~~[DATE]~~September 28, 2023; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the ~~Purchased Assets~~Real Property are hereby expunged and discharged as against the ~~Purchased Assets~~Real Property.

4. ~~3.~~ **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the ~~[Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver]~~[Land Titles Division of {LOCATION}] Niagara North (No. 30) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*⁶, 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

⁴~~To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.~~

⁵~~The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.~~

⁶~~Elect the language appropriate to the land registry system (Registry vs. Land Titles).~~

directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

5. **THIS COURT ORDERS AND DIRECTS** that the Land Registry Office for the Land Titles Division of Niagara North (No. 30) shall delete and expunge Instrument No. NR653454, being an Application to Register Court Order registered on October 16, 2023, in favour of msi Spergel Inc., from title to the Real Property identified on Schedule "B" hereto.

6. ~~4.~~ **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ from the sale of the ~~Purchased Assets~~ Real Property shall stand in the place and stead of the ~~Purchased Assets~~ Real Property, 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~~ Real Property with the same priority as they had with respect to the ~~Purchased Assets~~ Real Property immediately prior to the sale⁸, as if the ~~Purchased Assets~~ Real Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. ~~5.~~ **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

~~6. **THIS COURT ORDERS** that, 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, including personal information of those employees listed on Schedule "●" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it~~

⁷ ~~The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".~~

⁸ ~~This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.~~

~~in a manner which is in all material respects identical to the prior use of such information by the Debtor.~~

8. ~~7.~~ **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~~ Real Property 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.

~~8. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).~~

9. **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.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order without the need for entry or filing.

Schedule A – Form of Receiver's Certificate

Court File No. CV-23-0082432-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

ROYAL BANK OF CANADA~~PLAINTIFF~~ Applicant~~Plaintiff~~

- and -

~~DEFENDANT~~
1434399 ONTARIO INC.

~~Defendant~~ Respondent**RECEIVER'S CERTIFICATE****RECITALS**

A. Pursuant to an Order of the Honourable ~~[NAME OF JUDGE]~~ Justice A.J. Goodman of the Ontario Superior Court of Justice (the "**Court**") dated ~~[DATE OF ORDER]~~, ~~[NAME OF RECEIVER]~~ September 28, 2023, msi Spergel inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of ~~[DEBTOR]~~ 1434399 Ontario Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of ~~[DATE OF AGREEMENT]~~ January 8, 2025 (the "**Sale Agreement**") between the Receiver ~~[Debtor]~~ and ~~[NAME OF PURCHASER]~~ and Straight Line Investments Inc. ("SLI") which Sale Agreement was assigned by SLI to 14 James Street Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the ~~Purchased Assets~~ real property municipally

known as 14 James Street, St. Catharines, Ontario (the "Real Property") (the "Transaction"), which vesting is to be effective with respect to the ~~Purchased-Assets~~Real Property 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~~Real Property; (ii) that the conditions to Closing as set out in section ~~18~~18 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~~Real Property payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section ~~18~~18 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

~~[NAME OF RECEIVER]~~MSI SPERGER INC., in its capacity as Receiver of the undertaking, property and assets of ~~[DEBTOR]~~1434399 ONTARIO INC., and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – ~~Purchased Assets~~ Real Property

PIN: 46219-0114 (LT)

LT 450, 464 CP PL 2 GRANTHAM; ST. CATHARINES

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

| <u>Registration No.</u> | <u>Registration Date</u> | <u>Instrument Type</u> | <u>Parties From</u> | <u>Parties To</u> |
|-------------------------|--------------------------|------------------------|------------------------------------------|----------------------------------------|
| <u>RO440642</u> | <u>December 30, 1981</u> | <u>Transfer</u> | | <u>Coy Bros. (St. Catharines) Inc.</u> |
| <u>NR534531</u> | <u>February 12, 2020</u> | <u>Charge</u> | <u>1434399 Ontario Inc.</u> | <u>Royal Bank of Canada</u> |
| <u>NR653454</u> | <u>October 16, 2023</u> | <u>Court Order</u> | <u>Ontario Superior Court of Justice</u> | <u>msi Spergel Inc.</u> |

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

(unaffected by the Vesting Order)

1. Any reservations, restrictions, rights of way, easements or covenants that run with the land;
2. Restrictive covenants, private deed restrictions and other similar land use control agreements;
3. Any subdivision agreements, site plan control agreements, development agreements, heritage easements and agreements relating thereto, servicing agreements, utility agreements, permits, licenses, airport zoning regulations and other similar agreements with a municipality, region or private or public utilities affecting the development or use of the Real Property.
4. All laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the Real Property;
5. Any easements, servitudes, or rights-of-way in favour of any municipality or region, any private or public utility, any railway company or any adjoining owner;
6. Any unregistered easements, servitudes, rights-of-way or other unregistered interests or claims not disclosed by registered title in respect of the provision of utilities or other services to the Real Property, if any, or adjacent properties;
7. Any rights of expropriation, access or use or any other similar rights conferred or reserved by applicable law.
8. Encumbrances for real or immovable property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and utilities in connection with the Real Property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing.
9. Any minor title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Real Property which would be disclosed by an up-to-date plan of survey, real property report, certificate of location, or technical description;

10. The provisions of all applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning of the Real Property.
11. Any reservation(s), limitation, exceptions, provisos and conditions contained in the original grant from Crown including, without limitation, the reservation of any royalties, mines and minerals in the Crown or in any other person.:
12. The exceptions and qualifications contained in Subsection 44(1) of the *Land Titles Act* (Ontario) except paragraphs 11 and 14.
13. Provincial succession duties and escheats or forfeiture to the Crown:
14. The rights of any person who would, but for the *Land Titles Act* (Ontario) be entitled to the Real Property or any part of it through length of adverse possession, prescription, misdescription or boundaries settled by convention:
15. Undetermined or inchoate liens incidental to construction, renovations or current operations, a claim for which shall not at the time have been registered against Real Property or of which notice in writing shall not at the time have been given to the Seller pursuant to the *Construction Act* (Ontario) or similar legislation, and in respect of any of the foregoing cases the Seller has, where applicable, complied with the holdback or other similar provisions or requirements of the relevant construction contracts.
16. Any reference plans, plans of condominium or plans registered pursuant to the *Boundaries Act* (Ontario).
17. Any unregistered interests in the Real Property of which the Purchaser has actual notice.
18. Permits, licenses, agreements, servitudes, easements, (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, options, rights-of-way, public ways, rights in the nature of an easement or servitude and other similar rights in land granted to or reserved by other persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) (other than those described in items 5 and 6 of this Schedule) which do not materially impair the current use, operation or marketability of the Real Property.

19. All instruments which are registered against title to Real Property: (i) as of the date that is one (1) Business Days prior to the date of execution of the Sale Agreement, including the Specific Encumbrances listed below; or (ii) otherwise agreed to by the Purchaser; or (iii) permitted by this Schedule "D", except for those encumbrances to be vested off pursuant to Schedule "C" hereto.

SPECIFIC ENCUMBRANCES

| <u>Registration No.</u> | <u>Registration Date</u> | <u>Instrument Type</u> |
|--------------------------------|---------------------------------|---------------------------------------------|
| <u>RO493091</u> | <u>March 4, 1985</u> | <u>Notice of Airport Zoning Regulations</u> |

ROYAL BANK OF CANADA
Applicant

-and- 1434399 ONTARIO INC.
Respondent

Court File No. CV-23-00082432-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

APPROVAL AND VESTING ORDER

FOGLER, RUBINOFF LLP

Lawyers

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Lawyers for the Receiver, msi Spergel inc.

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|---------------------------------------------------------------------------------------------------------------------------------|-----|
| Summary report: Litera Compare for Word 11.3.0.46 Document comparison done on 04/10/2025 11:22:17 AM | |
| Style name: Default Style | |
| Intelligent Table Comparison: Active | |
| Original DMS: nd://4900-4837-1505/1/Model Approval and Vesting Order.doc | |
| Modified DMS: nd://4872-9994-7961/4/Approval and Vesting Order.doc | |
| Changes: | |
| <u>Add</u> | 124 |
| Delete | 112 |
| Move From | 20 |
| <u>Move To</u> | 20 |
| <u>Table Insert</u> | 4 |
| Table Delete | 0 |
| <u>Table moves to</u> | 0 |
| Table moves from | 0 |
| Embedded Graphics (Visio, ChemDraw, Images etc.) | 0 |
| Embedded Excel | 0 |
| Format changes | 0 |
| Total Changes: | 280 |

TAB 5

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE
JUSTICE

)
)
)

THURSDAY, THE 24TH
DAY OF APRIL, 2025

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and –

1434399 ONTARIO INC.

Respondent

ANCILLARY AND SEALING ORDER

THIS MOTION, made by msi Spergel inc., in its capacity as receiver and manager (in such capacity, the “**Receiver**”) of the assets, undertaking and property of 1434399 Ontario Inc. (the “**Debtor**”), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended (the “**BIA**”), for an order (this “**Order**”) for the relief set out in the related notice of motion was heard by this Honourable Court (the “**Court**”) on this day by Zoom videoconference at 55 Main Street West, Hamilton, Ontario.

ON READING the Motion Record of the Receiver, including (i) the first report of the Receiver dated April 1, 2025 (the “**Report**”), (ii) the confidential appendices appended to the Report (the “**Confidential Appendices**”), and (iii) the affidavits of the Receiver and its counsel as to fees appended to the Report (collectively, the “**Fee Affidavits**”), and on hearing the submissions of counsel for the Receiver, such other counsel as were present, no one else appearing although properly served as appears from the Affidavit of Service of Hayley Morgan sworn April 10, 2025, filed

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Report.

APPROVAL OF THE REPORT, ACTIONS & FEES

3. **THIS COURT ORDERS** that the Report, including the Confidential Appendices attached to the Report, and the actions, activities and conduct of the Receiver described therein be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize such approval in any way.
4. **THIS COURT ORDERS** that the Receiver's interim statement of receipts and disbursements as at March 31, 2025 is hereby approved;
5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits be and are hereby taxed and approved.

SEALING CONFIDENTIAL DOCUMENTS

6. **THIS COURT ORDERS** that Confidential Appendices attached to the Report shall be sealed, kept confidential, and shall not form part of the public record, but shall rather be placed separate and apart from all the other contents of the Court File in a separately sealed envelope on which is affixed a notice setting out the title of these proceedings and a statement that the contents are subject to a sealing order.
7. **THIS COURT ORDERS** that the Confidential Appendices shall remain under seal until the Receiver is discharged, or upon further order of this Court.

GENERAL

8. **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.

9. **THIS COURT ORDERS** that this Order is effective as of 12:01 a.m. from today's date and is enforceable without the need for entry and filing.

ROYAL BANK OF CANADA
Applicant

-and- **1434399 ONTARIO INC.**
Respondent

Court File No. CV-23-00082432-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

ANCILLARY AND SEALING ORDER

FOGLER, RUBINOFF LLP

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Rachel Moses (LSO# 42081V)

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Tel: 416.864.7627

Lawyers for the Receiver, msi Spergel inc.

TAB 6

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

| | | |
|----------------|---|--------------------------------|
| THE HONOURABLE |) | THURSDAY, THE 24 TH |
| |) | |
| JUSTICE |) | DAY OF APRIL, 2025 |

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

1434399 ONTARIO INC.

Respondent

DISCHARGE ORDER

THIS MOTION, made by msi Spergel inc., in its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertakings, properties and assets of 1434399 Ontario Inc. (the “**Debtor**”), for an Order:

1. approving the Proposed Distributions, as defined in the first report of the Receiver dated April 1, 2025 (the “**Report**”);
2. effective upon (i) the filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver and (ii) the successful completion

of the Transaction as defined in the Report and as approved by this Court in the Approval and Vesting Order,

- (a) discharging msi Spergel inc. as Receiver of the undertakings, properties and assets of the Debtor, and
- (b) releasing msi Spergel inc. from any and all liability that msi Spergel inc. has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of msi Spergel inc. while acting in its capacity as Receiver;

was heard this day at 55 Main Street West, Hamilton, Ontario.

ON READING the Report, the affidavits of the Receiver and its counsel as to fees (the “**Fee Affidavits**”), and on hearing the submissions of counsel for the Receiver, no one else appearing although served as evidenced by the Affidavit of Service of Hayley Morgan sworn April 10, 2025, filed;

1. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, including the Fee Accrual of the Receiver and its counsel, as set out in the Report and the fee affidavits, are hereby approved.

2. **THIS COURT ORDERS** that upon payment of the amounts set out in paragraph 1 hereof, and upon the Receiver filing a certificate certifying that it has completed all outstanding matters in connection with the receivership of the Debtor, and upon the successful completion of the Transaction as defined in the Report and as approved by this Court in the Approval and Vesting Order, the Receiver shall be discharged as Receiver of the undertakings, properties and assets of the Debtor, provided however that

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

3. **THIS COURT ORDERS AND DECLARES** that msi Spergel inc. is hereby released and discharged from any and all liability that msi Spergel inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of msi Spergel inc. while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, msi Spergel inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

ROYAL BANK OF CANADA
Applicant

-and- **1434399 ONTARIO INC.**
Respondent

Court File No. CV-23-00082432-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

DISCHARGE ORDER

FOGLER, RUBINOFF LLP

Lawyers
Scotia Plaza
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Carol Liu (LSO# 84938G)

cliu@foglers.com

Tel: 416-849-4150

Lawyers for the Receiver, msi Spergel inc.

TAB 7

Court File No. — CV-23-00082432-0000

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

THE HONOURABLE) ~~WEEKDAY~~ THURSDAY, THE #24TH
 JUSTICE)
) DAY OF ~~MONTH~~ APRIL, ~~20YR~~ 2025

B E T W E E N:

~~PLAINTIFF~~ROYAL BANK OF CANADA

Applicant
~~Plaintiff~~

- and -

~~DEFENDANT~~
1434399 ONTARIO INC.

Respondent
~~Defendant~~

DISCHARGE ORDER

THIS MOTION, made by ~~{RECEIVER'S NAME}~~ msi Spergel inc., in its capacity as the Court-appointed receiver (the ~~"Receiver"~~) of the ~~undertaking, property~~ undertakings, properties and assets of ~~{DEBTOR}~~ 1434399 Ontario Inc. (the ~~"Debtor"~~), for an ~~order~~ Order:

1. approving the ~~activities of the Receiver as set out in the~~ Proposed Distributions, as defined in the first report of the Receiver dated ~~{DATE}~~ April 1, 2025 (the ~~"Report"~~);
2. effective upon (i) the filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Debtor

have been completed to the satisfaction of the Receiver and (ii) the successful completion of the Transaction as defined in the Report and as approved by this Court in the Approval and Vesting Order,

~~2. approving the fees and disbursements of the Receiver and its counsel;~~

~~3. approving the distribution of the remaining proceeds available in the estate of the Debtor;~~
~~[and]~~

(a) ~~4. discharging [RECEIVER'S NAME]~~msi Spergel inc. as Receiver of the ~~undertaking, property~~undertakings, properties and assets of the Debtor~~;~~
 and

~~5. releasing [RECEIVER'S NAME] from any and all liability, as set out in paragraph 5 of this Order]⁺,~~

(b) releasing msi Spergel inc. from any and all liability that msi Spergel inc. has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of msi Spergel inc. while acting in its capacity as Receiver;

was heard this day at ~~330 University Avenue, Toronto~~55 Main Street West, Hamilton,
 Ontario.

ON READING the Report, the affidavits of the Receiver and its counsel as to fees (the "Fee Affidavits"), and on hearing the submissions of counsel for the

~~⁺ If this relief is being sought, stakeholders should be specifically advised, and given ample notice. See also Note 4, below.~~

Receiver, no one else appearing although served as evidenced by the Affidavit of ~~[NAME]~~Service of Hayley Morgan sworn ~~[DATE]~~April 10, 2025, filed²;

~~1. THIS COURT ORDERS that the activities of the Receiver, as set out in the Report, are hereby approved.~~

1. ~~2.~~ **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, including the Fee Accrual of the Receiver and its counsel, as set out in the Report and the ~~Fee Affidavits~~fee affidavits, are hereby approved.

~~3. THIS COURT ORDERS that, after payment of the fees and disbursements herein approved, the Receiver shall pay the monies remaining in its hands to [NAME OF PARTY]³.~~

2. ~~4.~~ **THIS COURT ORDERS** that upon payment of the amounts set out in paragraph ~~31~~1 hereof~~, and~~ and upon the Receiver filing a certificate certifying that it has completed ~~the other activities described in the Report~~all outstanding matters in connection with the receivership of the Debtor, and upon the successful completion of the Transaction as defined in the Report and as approved by this Court in the Approval and Vesting Order, the Receiver shall be discharged as Receiver of the ~~undertaking, property~~undertakings, properties and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all

²~~This model order assumes that the time for service does not need to be abridged.~~

³~~This model order assumes that the material filed supports a distribution to a specific secured creditor or other party.~~

approvals, protections and stays of proceedings in favour of ~~[RECEIVER'S NAME]~~msi Spergel inc. in its capacity as Receiver.

3. ~~5.~~ **THIS COURT ORDERS AND DECLARES** that ~~[RECEIVER'S NAME]~~msi Spergel inc. is hereby released and discharged from any and all liability that ~~[RECEIVER'S NAME]~~msi Spergel inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of ~~[RECEIVER'S NAME]~~msi Spergel inc. while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, ~~[RECEIVER'S NAME]~~msi Spergel inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.⁴

⁴ ~~The model order subcommittee was divided as to whether a general release might be appropriate. On the one hand, the Receiver has presumably reported its activities to the Court, and presumably the reported activities have been approved in prior Orders. Moreover, the Order that appointed the Receiver likely has protections in favour of the Receiver. These factors tend to indicate that a general release of the Receiver is not necessary. On the other hand, the Receiver has acted only in a representative capacity, as the Court's officer, so the Court may find that it is appropriate to insulate the Receiver from all liability, by way of a general release. Some members of the subcommittee felt that, absent a general release, Receivers might hold back funds and/or wish to conduct a claims bar process, which would unnecessarily add time and cost to the receivership. The general release language has been added to this form of model order as an option only, to be considered by the presiding Judge in each specific case. See also Note 1, above.~~

ROYAL BANK OF CANADA
Applicant

-and-

1434399 ONTARIO INC.
Respondent

Court File No. CV-23-00082432-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
HAMILTON

DISCHARGE ORDER

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| Summary report: Litera Compare for Word 11.3.0.46 Document comparison done on 04/10/2025 12:22:03 PM | |
| Style name: Default Style | |
| Intelligent Table Comparison: Active | |
| Original DMS: nd://4923-2188-1908/1/Model Discharge Order.doc | |
| Modified DMS: nd://4936-4069-4577/1/Draft Discharge Order.docx | |
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| Table moves to | 0 |
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| Embedded Excel | 0 |
| Format changes | 0 |
| Total Changes: | 193 |

ROYAL BANK OF CANADA
Applicant

-and- **1434399 ONTARIO INC.**
Respondent

Court File No. CV-23-00082432-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON

**MOTION RECORD OF THE RECEIVER,
MSI SPERGEL INC.**
(Returnable April 24, 2025)

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